

Paula Calimafde Provides Commentary in Law360 Article on Supreme Court's Tibble Ruling

Paula Calimafde provides commentary in Law360 article, "Attorneys React To The High Court's Tibble Ruling" (May 18, 2015). The article includes comments from various attorneys discussing why the Supreme Court's decision in the Tibble v. Edison International case is significant.

"Today's decision, while seemingly correct, could open a flood of nuisance cases. The court held that the fiduciary's continuing duty to monitor and remove imprudent investments must be considered when applying the six-year limitations period, rejecting that a change in circumstances must be shown. It chose not to express its view on the scope of that duty to review and monitor. Here the plan was offering higher priced retail-class rather than lower cost institutional-class mutual funds. The decision that the duty to monitor/review is ongoing appears to have effectively eliminated the six-year period. One unintended consequence of the decision may be to encourage nuisance suits by unhappy plan participants applying 20-20 hindsight."

The full article, "Attorneys React To The High Court's Tibble Ruling," can be found at Law360.com (subscription required/free trial available).