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## SEC Pushing Forward with ‘Emergency’ Fraud Cases Despite Shutdown

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Jay Dubow, a partner in Troutman Pepper Locke’s White Collar Litigation + Investigations Practice Group, was quoted in the October 30, 2025 *FundFire* article, “[SEC Pushing Forward with ‘Emergency’ Fraud Cases Despite Shutdown.](#)”

The federal court system’s operations are also limited as a result of the shutdown, with most civil cases stayed until the impasse between Democrats and Republicans ends, said Jay Dubow, a partner at Troutman Pepper Locke and former branch chief of the SEC’s enforcement division.

Though virtually all SEC enforcement investigations are on hold, if the agency determines an emergency action is needed, it can still designate staff members to handle the matter, such as a case involving large-scale fraud that requires staff to file a temporary restraining order to freeze assets and prevent investor losses, Dubow said.

All of the complaints the agency filed since the shutdown called for permanent injunctions to prevent additional securities laws violations, as well as civil penalties. Many cases, Dubow added, are eventually settled.

One reason why the SEC might determine a case to constitute an emergency is if there is a statute of limitations running, Dubow said.

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