Section 27 of the Securities Exchange Act of 1934 provides that federal courts "shall have exclusive jurisdiction" over "violations of [the Act] or the rules and regulations thereunder, and of all suits in equity and actions at law brought to enforce any liability or duty created by [the Act] or the rules and regulations thereunder." 15 U.S.C. § 78aa(a).

The Fifth and Ninth Circuits have held that §27 provides federal jurisdiction over state-law claims seeking to establish liability based on violations the Act or its regulations or seeking to enforce duties created by the Act or its regulations. In acknowledged conflict with those decisions, the Third Circuit in this case joined the Second Circuit in holding that § 27 does not itself create federal jurisdiction over state-law claims that otherwise fall within its terms.

The question presented is:

Whether § 27 of the Securities Exchange Act 1934 provides federal jurisdiction over state-law claims seeking to establish liability based on violations of the Act or its regulations or seeking to enforce duties created by the Act or its regulations.