

Daily COVID-19 Bulletin – April 13, 2020

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Gibson Dunn's lawyers regularly counsel clients on issues raised by the COVID-19 pandemic, and we are working with many of our clients on their response to COVID-19. The following is a round-up of today's client alerts on this topic prepared by the Gibson Dunn team. Our lawyers are available to assist with any questions you may have regarding developments related to the outbreak. As always, for additional information, please feel free to contact the Gibson Dunn lawyer with whom you usually work, or any member of the firm's Coronavirus (COVID-19) Response Team.

COVID-19 Update: Financial Reporting and Auditing Considerations for Corporate Management, Audit Committees, and Audit Firms

As the disruption caused by COVID-19 continues unabated, companies and their outside auditors are grappling with the financial reporting implications of the crisis. There are numerous, immediate regulatory responses to the crisis that issuers should consider, including, for example, the reporting relief recently announced by the Securities and Exchange Commission (principally a 45-day delay in certain filing requirements) or under the CARES Act (in the form of relief from certain accounting standards). Similarly, auditors should remain aware of the steps that the Public Company Accounting Oversight Board is taking to address the disruption in normal business activity, primarily permitting firms to request a 45-day delay in certain aspects of their PCAOB inspections.

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FDA Round-Up: Overview of Emergency Actions to Expedite the Availability of Medical Products to Combat COVID-19

The COVID-19 crisis has prompted a barrage of legislative and regulatory activity affecting drug and device manufacturers. In addition to the CARES Act, one of the most sweeping pieces of legislation in recent memory, the U.S. Food & Drug Administration (FDA) has been releasing new policies and guidance documents on a nearly daily basis.

There are both opportunities and risks for companies trying to respond to the COVID-19 crisis. On the one hand, companies can bring new and newly-adapted products to market under FDA enforcement discretion and emergency pathways. On the other hand, companies are proceeding rapidly with incomplete information, and in an uncharted and evolving regulatory landscape.

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NYSE Provides Temporary Waiver of Certain Shareholder Approval Requirements for Private Placements

On April 6, 2020, the Securities and Exchange Commission ("SEC") announced (available [here](#)) that it has immediately approved the New York Stock Exchange's ("NYSE") proposed rule changes that temporarily waive certain shareholder approval requirements relating to private investments in public equity (PIPEs). The rule changes were proposed in light of the unprecedented disruption caused by COVID-19 and will apply through June 30, 2020. While these temporary waivers to Section 312.03 of the NYSE Listed Company Manual (the "Listing Manual") (available [here](#)) provide companies added flexibility in conducting PIPEs more quickly, companies must still obtain shareholder approval if required under any other applicable rule, including the equity compensation requirements of Section 303A.08 or the change of control requirements of Section 312.03(d) of the Listing Manual. For more information, please see our recent client alert (available [here](#)) discussing key considerations for PIPE transactions.

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SEC Chairman and Division of Corporation Finance Director Issue Joint Statement on COVID-19 Disclosures

On April 8, 2019, Securities and Exchange Commission ("SEC") Chairman Jay Clayton and Division of Corporation Finance

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Director Bill Hinman issued a joint statement, available [here](#) (the "Statement") stressing the importance of COVID-19 disclosures (particularly forward-looking disclosures), and urging companies to provide as much information as is practicable regarding their current financial and operational status, as well as operational and financial planning. The Statement notes that the COVID-19 pandemic has shifted the global economic landscape and that the SEC recognizes that workers and businesses are facing profound challenges. [Read more](#)