

Coronavirus: S&C Updates

To help our clients and the public navigate this challenging time, we have prepared alerts outlining and explaining legal and legislative developments. We will continue to provide updates as events unfold.

Recent Client Guidance

March 31, 2020

[U.S. Department of Labor's Wage and Hour Division Issues Additional Guidance on Leave Provisions of the Families First Coronavirus Response Act](#)

The Families First Coronavirus Response Act ("FFCRA") was the second emergency federal legislation adopted in response to the Coronavirus pandemic ("COVID-19"), enacted on March 18, 2020. The FFCRA was amended nine days later, in the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), the third emergency federal legislation adopted in response to COVID-19. On March 24, 2020, the Department of Labor's Wage and Hour Division issued its first round of guidance regarding the leave provisions of the FFCRA, specifically (1) the Emergency Family and Medical Leave Expansion Act (the "Expansion Act"), and (2) the Emergency Paid Sick Leave Act (the "Sick Leave Act"). On March 27 and 28, 2020, the Wage and Hour Division provided additional guidance regarding these provisions in a Questions and Answers document. These key employer takeaways are incorporated in this post.

[Read our Post](#)

March 31, 2020

[S&C Critical Insights – Key Employer Takeaways Under New CARES Act](#)

Julie Jordan and Jeannette Bannder

March 30, 2020

[CARES Act Provides Relief for Aviation Industry; Significant Conditions Apply](#)

PRACTICES & CAPABILITIES

Coronavirus: S&C Updates

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 The newly-enacted



Coronavirus Aid, Relief, and Economic Security Act authorizes more than \$50 billion in financial assistance for passenger air carriers (and related businesses), cargo air carriers and contractors in the form of loans, loan

guarantees, grants and tax relief, subject to significant restrictions on capital allocation, employee retention and compensation and other conditions (including the issuance of warrants or other instruments to the U.S. government). This memorandum summarizes the provisions of the CARES Act that are most relevant to the aviation industry.

Read our Memo

March 30, 2020

M&A During the COVID-19 Crisis —European Commission Encourages Protection of Critical Assets by EU Member States



In its latest set of action during the COVID-19 crisis, the European Commission has issued guidelines to the 27 EU Member States regarding investments (including minority stakes) by non-EU entities in strategic industries. The guidelines illustrate the

heightened politicization of global deal making and are a fresh reminder of the importance of mapping out political and strategic sensitivities as soon as possible across a number of jurisdictions.

Read our Memo

March 30, 2020

S&C Critical Insights – The Federal Reserve Reacts To COVID-19
Tom Baxter

March 30, 2020

Heightened Cybersecurity Risks Resulting From COVID-19's Effects on Operations



Cybersecurity risks have increased substantially as companies across the globe

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have shifted to employees working remotely as a result of the COVID-19 pandemic. Companies must balance these risks, upon which cybercriminals are seeking to capitalize, against the

companies' need to operate remotely. In this memorandum, we identify cybersecurity threats that have been shown to be heightened in times of public crisis, and which have already been deployed against companies and individuals in the wake of the COVID-19 pandemic. We also identify measures companies and individuals can take to protect against these threats.

[Read our Memo](#)

March 30, 2020

SEC Issues COVID-19 Disclosure Guidance and Extends Conditional Relief from Reporting Requirements



On March 25, the SEC issued new guidance setting forth the Division of Corporation Finance's views on disclosure and other securities law obligations that companies should consider with respect to the COVID-19 crisis and the related business and market

disruptions. On the same day, the SEC also extended the scope of the conditional relief it announced earlier in the month. Under the extension, public companies, investment funds and investment advisers meeting certain conditions may qualify for relief from some of the requirements under the Securities Exchange Act of 1934, the Investment Advisers Act of 1940 and the Investment Company Act of 1940.

[Read our Memo](#)

March 30, 2020

Coronavirus Aid, Relief, and Economic Security (CARES) Act—Business Tax Provisions: CARES Act Provides Tax Relief to Businesses



On March 27, 2020, Congress voted to pass the “Coronavirus Aid, Relief, and Economic Security Act” (the “CARES Act”), and the president signed it into law shortly thereafter. Also known as “phase three” in a series of legislation passed by Congress in response to the

ongoing Coronavirus (“COVID-19”) pandemic, the CARES Act provides approximately \$2 trillion in financial relief and provides wide ranging support to various industries and business, workers, students, families and the unemployed in a variety of ways. This memorandum focuses on the business tax relief aspects of the

CARES Act, while other S&C publications address other topics.

Read our Memo

March 30, 2020

Coronavirus Aid, Relief, and Economic Security Act—Key Employer Takeaways



The Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”) is the largest economic stimulus package in United States history, providing about \$2 trillion in relief and covering a wide range of subjects. This memorandum focuses on the key CARES Act

provisions affecting employers and employees, specifically (1) the expansion of unemployment assistance in the Relief for Workers Affected by Coronavirus Act (the “Relief for Workers Act”); (2) amendments to the recently enacted Families First Coronavirus Response Act; (3) the “Paycheck Protection Program” to provide forgivable loans to small businesses in the Keeping American Workers Paid and Employed Act; (4) the employment-related conditions on the loans, loan guarantees, and other financial assistance available under Title IV of the CARES Act, including limits on officer and employee compensation and requirements to remain neutral if the employees of certain businesses seek to unionize; and (5) the provisions in the CARES Act that provide tax and ERISA relief to employers and employees.

Read our Memo

March 29, 2020

CARES Act Limits Share Repurchases: Coronavirus Aid, Relief, and Economic Security Act Contains Limitation on Share Repurchases for Companies Receiving Assistance



President Trump signed into law the “Coronavirus Aid, Relief, and Economic Security Act,” or the “CARES Act,” which authorizes the Secretary of the Treasury to make up to \$500 billion in loans, loan guarantees, and other investments in support of certain businesses

affected by the coronavirus outbreak, as well as states and municipalities. As discussed in a separate [memo](#), certain “eligible businesses” that receive “direct loans” in these programs and certain air carrier and related businesses and businesses critical to maintaining national security that receive loans or loan guarantees in these programs (the “Affected Businesses”) may be precluded from repurchasing their listed equity securities while loans or loan guarantees are outstanding, and for a one-year period following the repayment of the loan or expiration of the loan guarantee. This memo discusses certain issues that companies may want to consider when assessing the impact of such repurchase restrictions

on their organizations.

[Read our Memo](#)

March 29, 2020

Coronavirus Aid, Relief, and Economic Security Act: Sweeping Stimulus Legislation Authorizes \$500 Billion to Support Distressed Sectors of the Economy, Temporary Suspension or Modification of Certain Banking Provisions and Nearly \$350 Billion to Support Small Businesses Through a Temporary Paycheck Protection Program in Response to the Coronavirus Outbreak

President Trump signed into law the “Coronavirus Aid, Relief, and Economic Security Act,” or the “CARES Act,” which authorizes approximately \$2 trillion in relief for businesses and workers that have been affected by recent events related to the coronavirus outbreak. The CARES Act was adopted on March 25, 2020 in the U.S. Senate by a vote of 96 to 0, and in the U.S. House of Representatives on Friday by a voice vote. This legislation is the third federal legislative response to the ongoing coronavirus outbreak, following the enactment on March 6, 2020 of supplemental appropriations in the “Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020” and the enactment on March 18, 2020 of provisions relating to, among other things, paid sick leave and COVID-19 testing in the “Families First Coronavirus Response Act.” The CARES Act also complements extraordinary efforts the Federal Reserve has taken in response to the coronavirus outbreak.

This memorandum summarizes the provisions in Subtitle A of Title IV and the Small Business Administration paycheck protection program in Title I of the CARES Act.

[Read our Memo](#)

March 27, 2020

French Government Adopts Measures Regarding Shareholders' Meetings and Board Meetings in Response to COVID-19: The Ministry of Economy and Finance adopted measures to remove certain legal and administrative constraints which apply to French corporations and other entities and which cannot be complied with following COVID-19 outbreak

French government adopts measures allowing French companies to either conduct their annual shareholders' meeting online or through other non-physical arrangements or postpone their annual shareholders' meeting until September 30, 2020.

[Read our Memo](#)

March 27, 2020

Using Rights Plans to Preserve Net Operating Losses

Businesses experiencing significant revenue drops as a result of COVID-19 may have, or will likely accumulate, significant net operating losses (NOLs) that can be used to offset corporate tax liabilities in future years. In addition, many companies may have

accumulated NOLs in the past that they wish to protect for future use. However, due to the operation of Section 382 of the Internal Revenue Code, companies' ability to use NOLs may be limited in the event of certain acquisitions of a company's equity securities. One of the most effective means of protecting these valuable tax assets is by adopting an NOL shareholder rights plan.

[Read our Memo](#)

March 26, 2020

Impact of COVID-19 on Shareholder Activism and Unsolicited Offers: Considerations for U.S. Public Companies

While public company boards and management are understandably focused on the unprecedented crisis affecting their employees, customers and communities, after these critical issues have been addressed, boards and management are likely to face a number of follow-on consequences of this crisis. COVID-19 has caused significant volatility in the equity markets, with companies across different industries experiencing declines – some precipitous – in share prices as well as significant changes in share ownership. Developments at many companies will likely attract the attention of shareholder activists. These potential targets include both companies that already have significant activist representation in their stocks, and those facing new vulnerabilities. In addition, the depressed equity values of these companies may also make them more vulnerable to unsolicited takeover offers.

[Read our Memo](#)

March 26, 2020

S&C Critical Insights – Germany Introduces Online-Only Shareholders' Meetings in Response to COVID-19

Carsten Berrar, co-head of S&C's Capital Markets Group and managing partner of the Frankfurt office, discusses a new law that allows German companies to hold online-only shareholders' meetings.

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March 25, 2020

Federal Reserve Issues Statement on Adjustments to Its Supervisory Approach in Light of the COVID 19 National Emergency: Regulator Outlines Adjustments Designed to Assist Financial Institutions in Deploying Resources While Continuing to Support Customers and Local Economies; Confirms No Delay in April 6 CCAR Capital Plan Submission Deadline



On March 25, 2020, the Federal Reserve issued a statement to all institutions supervised by the Federal Reserve outlining adjustments designed to assist financial institutions in efficiently deploying resources while continuing to support customers

and local economies. The statement also confirmed that there will be no delay in the April 6 CCAR capital plan submission deadline.

Read our Memo

March 25, 2020

Germany Introduces Online-Only Shareholders' Meetings in Response to COVID-19: New Law Applies to German Stock Corporations, German Partnerships Limited by Shares and European Companies (Societates Europaeae) Registered in Germany



The new law allows online-only participation and voting by shareholders, shortens the period to convene both physical and virtual shareholders' meetings from 36 days to 21 days, and provides for questions to be asked by shareholders and responded to

by management in advance of the meeting by way of FAQ posted to the company's website.

On March 25, 2020, the German Parliament (*Bundestag*) resolved on the Act for the Mitigation of the Consequences of the COVID-19 Pandemic. The new law, among other things, allows German companies for the first time to hold online-only shareholders' meetings. The Council of the German Federal States (*Bundesrat*) is expected to approve the law on March 27, 2020, so that it may become effective as early as March 28, 2020. The legislative process will have been executed within less than ten days after the initial draft became public on March 20, 2020 and was agreed by the German Federal Government (*Bundesregierung*) on March 23, 2020.

Read our Memo

March 25, 2020

Guidance for California Financial Institutions Regarding COVID-19 Pandemic: California Business, Consumer Services and Housing Agency and California Department of Business Oversight Issue Guidance to Financial Institutions During the COVID-19 Pandemic



On March 22, 2020, the California Business, Consumer Services and Housing Agency (BCSH) and the California Department of Business Oversight (DBO) issued guidance to financial institutions regarding measures during the COVID-19 pandemic. Among

other things, the DBO encourages such institutions to provide accommodations and alternative service options to customers. The

DBO also stated that it will not criticize banks that hold virtual meetings, such as shareholder or Board meetings, without obtaining 100% shareholder consent or credit unions that hold virtual meetings in violation of their bylaws. The guidance makes clear that it does not modify any existing law or regulation.

[Read our Memo](#)

March 25, 2020

[NYDFS Superintendent Adopts Emergency Regulation to Implement Executive Order 202.9](#)

On March 24, 2020, the Superintendent promulgated an emergency regulation (the “Emergency Regulation”) to implement the Order. The Emergency Regulation sets forth standards and procedures a “Regulated Institution” (as defined herein) must follow as it reviews requests for relief from its customers experiencing financial hardship from COVID-19 and makes determinations on these requests. To the extent that the Emergency Regulation conflicts with two guidance letters previously issued by the DFS on March 19, 2020, the Emergency Regulation prevails.

The Emergency Regulation explicitly does not apply to commercial mortgages or other types of loans.

[Read our Memo](#)

March 25, 2020

[U.S. Department of Labor's Wage and Hours Division Issues Initial Guidance and Model Employee Notice Regarding the Leave Provisions of the Families First Coronavirus Response Act](#)

On March 18, 2020, the Families First Coronavirus Response Act (“FFCRA”), the second emergency federal legislation adopted in response to Coronavirus (“COVID-19”), was enacted. The leave and tax credit provisions apply only to private employers with fewer than 500 employees and to public entities. On March 24, 2020, DOL’s Wage and Hour Division (“WHD”) issued a news release (No. 20-512-NAT) announcing its first round of published guidance regarding the leave provisions in (1) the Emergency Family and Medical Leave Expansion Act (the “Expansion Act”) and (2) the Emergency Paid Sick Leave Act (the “Sick Leave Act”). This guidance consists of a Fact Sheet for Employees, a Fact Sheet for Employers, and a Questions and Answers document. On March 25, 2020, WHD issued a news release (No. 20-514-NAT) announcing a plan to have a “national online dialogue” on the paid leave provisions in the FFCRA through March 29, 2020. WHD also published two workplace posters (one on federal employee rights and one on other employee rights), Frequently Asked Questions (the “FAQs”) regarding workplace posters, and Field Assistance Bulletin 2020-1 (the “FAB”) regarding the temporary non-enforcement period applicable to the leave provisions of the FFCRA. On March 30, 2020, WHD revised its guidance to provide that the integrated employer test is applicable to determining who is a covered employer under the Emergency Paid Sick Leave Act as well as the Emergency Family and Medical Leave Expansion Act. These key employer takeaways are incorporated in this post.

Read our Post

March 25, 2020

Supreme Court Developments in Discrimination Law

Within the last week, there have been two significant developments in cases before the Supreme Court that may affect employers. In *Comcast Corp. v. National Association of African American-Owned Media*, the Supreme Court held that a plaintiff bringing a race discrimination claim under Section 1981 of the Civil Rights Act of 1866, must show that any injury would not have occurred “but for” the plaintiff’s race. And in *Peterson v. Linear Controls*, the federal government urged the Court to grant certiorari to resolve a divide among the federal circuit courts of appeals in favor of a broader interpretation of the scope of adverse employment actions prohibited by Title VII of the Civil Rights Act of 1964. These significant developments are incorporated in this post.

Read our Post

March 25, 2020

S&C Critical Insights – COVID-19 Poses Critical Issues for Employers

Julie Jordan and Annie Ostrager, co-heads of S&C’s Labor & Employment Practice, discuss regulatory guidance employers are facing as they adjust working environments during the COVID-19 pandemic.

Listen to our Podcast

March 24, 2020

SEC Provides Temporary Flexibility in Lending and Borrowing Arrangements to Registered Open-End Funds and Separate Accounts

Late yesterday evening, the Securities and Exchange Commission (the “SEC”) announced temporary flexibility for registered funds affected by recent market events to borrow funds from certain affiliates and to enter into certain other lending arrangements. This latest development follows a series of steps taken by the SEC and its staff over the past several weeks to provide assistance and relief to funds and investment advisers, as well as other financial market participants, in response to the COVID-19 (coronavirus) pandemic. It also follows recent announcements by the Board of Governors of the Federal Reserve System of new and expanded lending facilities and other actions that will impact funds, including (i) the Money Market Mutual Fund Liquidity Facility, which will facilitate asset purchases by financial institutions from money market mutual funds in light of significant investor demands for redemptions and (ii) the Secondary Market Corporate Credit Facility, which will provide liquidity for outstanding corporate bonds by providing funding to a special purpose vehicle established by the Federal Reserve Bank of New York to purchase eligible individual corporate bonds as well as shares of U.S.-listed exchange traded funds holding eligible corporate bond portfolios in the secondary market.

[Read our Memo](#)

March 24, 2020

FHFA Authorizes Fannie Mae and Freddie Mac to Support Additional Liquidity in the Secondary Mortgage Market: Regulator Authorizes Action by the Enterprises in Light of the COVID 19 National Emergency

On March 23, 2020, the Federal Housing Finance Agency authorized Fannie Mae and Freddie Mac to enter into certain additional transactions to help support immediate needs for liquidity in the secondary mortgage market in light of COVID-19 related market liquidity issues.

[Read our Memo](#)

March 24, 2020

Federal Reserve COVID-19 Response: Federal Reserve Announces Creation of New, and Expansion of Existing, Lending Facilities and Other Actions to Support Economy in Response to COVID-19

On March 23, 2020, the Board of Governors of the Federal Reserve System (the “Board”) announced the creation of an unprecedented suite of new lending facilities intended to provide support for the flow of credit to U.S. families and businesses in response to the financial disruptions caused by COVID-19. These facilities include the Primary Market Corporate Credit Facility, the Secondary Market Corporate Credit Facility and the Term Asset-Backed Securities Loan Facility. Additionally, the Board announced expansions to its previously announced Money Market Mutual Fund Liquidity Facility and Commercial Paper Funding Facility. The Board had previously announced its establishment of a Primary Dealer Credit Facility. This memorandum summarizes the operational details and terms of the six lending facilities as they exist as of the date of publication.

This memorandum also summarizes the terms of the Federal Reserve's recently issued letters to certain banks temporarily exempting the recipient banks from Section 23A of the Federal Reserve Act and Regulation W for certain asset purchases by the bank from its affiliated money market mutual funds or affiliated broker dealers.

[Read our Memo](#)

March 23, 2020

Guidance for Determining Whether Your Business Is “Essential” or “Critical” Under Executive Orders Related to Coronavirus and Relevant Employment Law Considerations

The Coronavirus pandemic continues to spread rapidly and at least a dozen states (with more likely to follow suit) have issued orders instructing residents to stay at home and prohibiting “non-essential” or “non-critical” businesses from having employees report to the workplace in-person. Although these orders often provide some guidance regarding whether a business should be considered

“essential” or “critical,” the burden generally is on the businesses to determine whether they qualify as “essential” or “critical.” Because the specifics of each business and its employees are different, businesses may want to obtain legal advice regarding this determination. Additionally, even if a business correctly determines it does meet the threshold for designation as “essential” or “critical,” the business then needs to determine which of its employees should report to the workplace and how to assist with their safe passage to the workplace.

[Read our Post](#)

March 23, 2020

[S&C Critical Insights – Disclosure Considerations for Senior Executive Illness Due to COVID-19](#)

Melissa Sawyer, co-head of S&C's Corporate Governance & Activism practice, addresses whether or not to disclose that a senior executive is experiencing a serious health issue.

[Listen to our Podcast](#)

March 23, 2020 - S&C Critical Insights – Cybersecurity Risks Associated with COVID-19

In this episode of *S&C's Critical Insights* podcast series, [Tony Lewis](#), a litigator in S&C's Cybersecurity Group, discusses cybersecurity risks associated with the [COVID-19 pandemic](#). As companies implement remote capabilities for their workforce, they must consider new security issues that a remote working environment introduces. Tony offers guidance on what companies can do to address concerns related to phishing, business email compromise and information security.

[Listen to our Podcast](#)

March 23, 2020

[Remote Notarizations in New York: Governor Cuomo Issues Executive Order Permitting Notarization via Audio-Video Technology through April 18, 2020](#)

On March 19, Governor Cuomo issued an executive order providing that, in light of the COVID-19 pandemic, any notarial act that is required under New York State law is authorized to be performed utilizing audio-video technology provided certain conditions are met. Such remote notarization is authorized through April 18, 2020.

[Read our Memo](#)

March 22, 2020

[Interagency Statement on Loan Modifications and Reporting](#)

On March 22, federal financial institution regulators and the Conference of State Bank Supervisors published an interagency statement encouraging financial institutions to “work prudently with

borrowers who are or may be unable to meet their payment obligations because of the effects” of COVID-19. The Statement notes that (i) the Agencies will not criticize institutions for working with borrowers and (ii) will not direct supervised institutions to automatically categorize all COVID-19 related loan modifications as troubled debt restructurings.

[Read our Memo](#)

March 22, 2020

[Guidance on the Families First Coronavirus Response Act](#)

U.S. Department of Treasury, IRS and U.S. Department of Labor have announced a plan to implement paid leave and tax credit provisions of the Families First Coronavirus Response Act ("FFCRA"). The FFCRA, the second emergency federal legislation adopted in response to Coronavirus ("COVID-19"), was enacted on March 18.

[Read our Post](#)

March 22, 2020

[WARN Act Requirements for Workforce Restructuring Caused by the Coronavirus Pandemic](#)

Given the unprecedented challenges to businesses arising as a result of the COVID-19 ("Coronavirus") pandemic, including government-mandated closures of non-essential businesses, many businesses are considering layoffs or employment terminations. The extraordinary circumstances of the Coronavirus outbreak may excuse employers from the full statutory notice obligations; however, the statutory exclusions of the federal Worker Adjustment and Retraining Notification Act (the "WARN Act") and state-law analogues may nevertheless require some notice and record-keeping and, thus, it is worth keeping in mind the obligations imposed by those statutes.

[Read our Post](#)

March 21, 2020

Update: *[New York Governor Issues Executive Order Expressly Permitting Virtual-Only Meetings Until April 19, 2020 for New York Corporations](#)*

On March 20, New York State Governor Andrew Cuomo issued an [executive order](#) clarifying that, in light of the COVID-19 pandemic, effective immediately and until April 19, 2020, among other things, companies incorporated in New York are permitted to hold virtual-only shareholder meetings. The executive order provides that the Governor temporarily suspends subsection (a) of Section 602 and subsections (a) and (b) of Section 605 of the New York Business Corporation Law ("NYBCL") "to the extent they require meetings of shareholders to be noticed and held at a physical location."

[Read our Memo](#)

March 20, 2020 - [COVID-19: What Dealmakers Need to Know](#)

Frank Aquila, S&C's global head of M&A, shares important updates for dealmakers related to COVID-19.

[Listen to our Podcast](#)

March 20, 2020 - [S&C Critical Insights – NYDFS and FinCEN Guidance in Response to COVID-19](#)

S&C litigation partner Sharon Cohen Levin discusses a recent order by the New York Department of Financial Services granting regulated entities temporary relief to help them meet compliance obligations while managing disruptions associated with the COVID-19 pandemic.

[Listen to our Podcast](#)

March 20, 2020 - [S&C Critical Insights – Families First Coronavirus Response Act Impacts Employment Law](#)

S&C partner Julie Jordan, co-head of both the Whistleblower Litigation and Workplace Investigations Practice and the Labor and Employment Law Group, discusses the recently-enacted Families First Coronavirus Response Act, which President Trump signed into law on March 18.

[Listen to our Podcast](#)

March 20, 2020

[Disclosure Considerations—Senior Executive Illness Due to COVID-19](#)

The COVID-19 crisis may require certain public companies to address a long-standing challenge: whether to disclose that a senior executive is experiencing a serious health issue.

The news that a senior executive has been diagnosed with (or is suspected of having) a serious illness can be disruptive to a company's operations and unsettling for its shareholders. However, the news can be substantially more disruptive if it is leaked and therefore incomplete or unmanaged or if its disclosure is delayed such that the company's disclosure processes and its transparency with investors is called into question. Because there is no specific rule or duty that requires disclosure of a senior executive's health issues, companies facing this situation in the context of COVID-19 will likely be called upon to evaluate the specific circumstances and determine the best course among the available disclosure options (while taking into account the executive's own privacy rights and personal concerns).

[Read our memo](#)

March 20, 2020*[EU Adopts Final COVID-19 State Aid Temporary Framework](#)*

Following consultation with EU Member States, the European Commission yesterday adopted a Temporary Framework for State Aid in response to the COVID-19 outbreak, which applies retrospectively to aid granted since 1 February 2020. This memo updates a previous memo now that the full and final text of the Temporary Framework has been published, and compares this temporary framework with the similar set of temporary measures adopted by the European Commission after the 2008 financial crisis. Major differences to the consultation draft include an uplift in the direct aid limit to €800,000, and the addition of short-term export credit insurance support.

[Read our memo](#)**March 20, 2020***[New York Imposes Employer Obligations to Provide Leave Related to Quarantines During COVID-19 Pandemic](#)*

On March 18, 2020, New York [enacted](#) a law “providing requirements for sick leave and the provision of certain employee benefits when such employee is subject to a mandatory or precautionary order of quarantine or isolation due to COVID-19” ([the “Act”](#)). The Act requires employers to provide sick leave and guarantee job protection for employees who are quarantined because of COVID-19 and unable to work. The law goes into effect immediately.

[Read our Memo](#)**March 20, 2020***[N.Y. Governor Cuomo Announces Statewide Mandate that Employees of Non-Essential Businesses Cannot Report In Person to the Workplace, and that Individuals Remain Indoors to the Greatest Extent Possible](#)*

Update. This afternoon, New York State issued [updated guidance](#) on what constitutes “essential services” under PAUSE.

The updated guidance further restricts services previously deemed “essential,” and adds certain additional services to the list, such as services related to financial markets and hotels. This new guidance has been incorporated to this updated post.

[Read our Post](#)**[March 19, 2020 - S&C Critical Insights – Recent Developments Regarding Virtual Shareholder Meetings](#)**

Melissa Sawyer, co-head of S&C's Corporate Governance & Activism practice, discusses recent developments in legal requirements regarding the implementation of virtual shareholder meetings.

[Listen to our Podcast](#)

March 19, 2020 - S&C Critical Insights – New COVID-19 Guidelines Delay Merger Reviews

S&C Antitrust Group co-head Renata Hesse discusses new procedures that will impact the process and timing of merger reviews.

Listen to our Podcast

March 19, 2020

Due Date to Make Certain Federal Tax Payments Extended to July 15, 2020

On March 18, the IRS issued guidance allowing individuals and C corporations to postpone until July 15, 2020 certain tax payments that were otherwise due April 15, 2020. Individuals may postpone up to \$1,000,000 (regardless of filing status) of income tax payments due with respect to 2019 and estimated tax payments due with respect to the first quarter of 2020. C corporations may postpone up to \$10,000,000 of such tax payments. The IRS will not charge interest or penalties with respect to the postponed tax payments. The due date to file Federal tax returns and information returns remains April 15, 2020, but legislators are seeking to extend that due date as well. Many states intend to follow the extended deadlines set by the IRS, and some have already extended their deadlines.

Read our Memo

March 19, 2020

FinCEN Guidance in Response to COVID-19: FinCEN Issues BSA Reporting Guidance

On March 16, the Financial Crimes Enforcement Network issued guidance encouraging financial institutions to communicate concerns related to the timely filing of reports required under the Bank Secrecy Act and identifying several patterns of fraudulent transactions that have emerged since the onset of the COVID-19 outbreak.

Read our Memo

March 19, 2020

NYDFS Guidance in Response to COVID-19

On March 12, the Superintendent of the New York State Department of Financial Services issued an order granting temporary relief from certain requirements of the New York Banking Laws and the New York Financial Services Laws and the regulations promulgated thereunder to regulated entities affected by COVID-19. The Superintendent explained that the DFS was issuing the Order to help regulated entities meet their ongoing compliance obligations under the New York Banking and Financial Services Laws while managing disruptions associated with the COVID-19 outbreak. Key forms of relief include the modification of the DFS's application requirements to close or relocate an authorized place of

business, branch, office or location and a 45-day extension for certain compliance and reporting filings, including the certification of compliance with the DFS's Part 504 transaction monitoring and filtering program requirements and the DFS's cybersecurity program requirements. The Order does not extend the deadlines for notifying the DFS of a cybersecurity event or the submission of a regulated entity's LIBOR cessation and transition plans.

[Read our Memo](#)

March 19, 2020

Families First Coronavirus Response Act—Employer Takeaways

On March 18, the Families First Coronavirus Response Act became law. This memorandum synthesizes the employment aspects of the legislation.

[Read our Memo](#)

March 19, 2020

U.S., European Merger Review Adapts to COVID-19 Crisis: Agencies Working Remotely, Modified Timelines Expected

In light of the COVID-19 coronavirus outbreak, the European Commission, U.S. Department of Justice Antitrust Division, and U.S. Federal Trade Commission have announced new procedures that will impact the process and timing of merger reviews. While each agency remains operational, merging parties should expect and prepare for delays in the typical review process. Merging parties may want to revisit “drop dead” dates to account for potential delays. To the extent that particular M&A activity relates to a company's ongoing financial health, or economic recovery at large, the agencies may take account of special circumstances and potentially expedite review, as they have in previous times of crisis.

[Read our Memo](#)

March 18, 2020

French Financial Markets Authority Announces Ban on Short Selling on All French Trading Venues

On March 17, 2019, the French financial markets authority took emergency measures in light of recent market developments relating to the COVID-19 outbreak and prohibited for a 30-day period commencing at 12:00 a.m. CET on March 18, 2020 all net short positions in relation to equity securities traded on a French trading venue for which the AMF is the competent authority. These measures replace an emergency order temporarily banning net short positions in respect of a limited number of shares traded on certain French stock exchanges, which applied until the end of the trading day on March 17, 2020.

[Read our Memo](#)

March 18, 2020

PIPEs: Key Issues to Consider

As public companies look to access sources of additional liquidity, some companies are exploring the possibility of issuing equity or convertible debt on a private placement basis in a so-called “PIPE”, or a private investment in public equity, transaction. In this publication we discuss select issues that issuers should consider as they explore this type of financing.

Read our Memo

March 18, 2020

Recent Developments Regarding Virtual Shareholder Meetings

As 2020 annual shareholder meeting dates draw closer, many companies are considering the feasibility of implementing virtual shareholder meetings due to the public health concerns associated with the COVID-19 pandemic (“Coronavirus”). Several high-profile companies have recently filed proxy statements stating that they will conduct their annual meetings virtually, or that they preserve their option to switch from a physical meeting to a virtual meeting at a later date. As companies evaluate these approaches, it is important to consider the legal requirements under federal regulations (particularly the latest SEC guidance), state law and a company’s own governing documents.

Read our Memo

March 18, 2020

Corporate Governance Considerations in Response to COVID-19 Outbreak

This memo provides a brief overview of corporate governance considerations in response to the COVID-19 outbreak, including issues facing boards and management teams and the potential impact on activism and takeover preparedness.

Read our Memo

March 17, 2020

CFTC Provides Relief to Market Participants in Response to COVID-19

The Division of Swap Dealer and Intermediary Oversight and the Division of Market Oversight of the U.S. Commodity Futures Trading Commission issue no-action letters granting temporary, conditional relief to CFTC registrants for recordkeeping requirements for oral communications, time-stamping requirements and for the filing of annual compliance reports.

Read our Memo

March 17, 2020

European Commission Prepares COVID-19 State Aid Temporary Framework

The European Commission is preparing a temporary framework for state aid in response to the COVID-19 outbreak, which would allow Member States to provide direct grants of €500,000 to individual companies, state guarantees of bank loans, and subsidised interest rates, to mitigate the effects of COVID-19 on liquidity.

[Read our Memo](#)

March 16, 2020

[Coronavirus Response for Financial Services Institutions](#)

Bank regulators, including the Federal Reserve, the Federal Deposit Insurance Corporation and the Office of the Comptroller of the Currency, have issued guidance for financial institutions.

[Read our Memo](#)

March 13, 2020

[Employer Obligations to Provide Leave Related to School Closures During Coronavirus Pandemic](#)

Schools throughout the country are opting to temporarily close their doors or move to digital learning. In light of these changes, employers should be aware of laws that may require them to provide leave (paid or unpaid) to employees who need to take time off to care for their children.

[Read the post](#)

March 12, 2020

[U.S. Department of Labor Issues Workplace Guidelines for Coronavirus Outbreak, Including Specific Guidance on FMLA, FLSA and FECA](#)

The U.S. Department of Labor has issued new guidelines on workplace issues that employers and employees face. The DOL's Occupational Safety and Health Administration issued a new alert and guidance on preventing worker exposure to and preparing workplaces for COVID-19. The DOL'