On October 7, 2020, the Securities and Exchange Commission voted to propose a new limited, conditional exemption from the broker registration requirements under Section 15(2) of the Securities Exchange Act of 1934, as amended for “finders” who assist issuers with raising capital in private markets from accredited investors. The proposal, if adopted as proposed, would create two classes of finders, Tier I Finders and Tier II Finders. Tier I and Tier II Finders would both be permitted to accept transaction-based compensation under the terms of the proposed exemption. The Alert describing the proposal can be found here.

In a year that began with robust middle-market M&A activity that was effectively halted by an unprecedented global pandemic, potential business buyers are seeking opportunities with a view to navigating through multiple crises and to a post-pandemic exit.

On September 29th, 2020, GEABP Chairman Andrew Peskoe led a panel of experts from three admired and active private equity funds, Lincolnshire Management, Long Ridge Equity Partners and TopSpin Consumer Partners, in discussing investing and managing in the era of COVID and beyond:

- Strategies used to minimize the impact of COVID-19 on their portfolio companies
- Successful PE fund raising during this recession and pandemic
- Where they see value emerging during COVID-19 and its aftermath
- Which new trends are likely to stick and how those change their investment process and investment focus

The webinar can be accessed here.

On August 26, 2020, the Securities and Exchange Commission (“SEC”) updated the definitions of “accredited investor” and of “qualified institutional buyer.” The definitional changes are part of the SEC’s effort to simplify the unregistered private offering exemption framework by expanding investment opportunities and promoting capital formation. The Alert can be found here.

On August 24, the Small Business Administration released an additional interim final rule regarding forgiveness qualifications under the Payment Protection Program. The purpose of the rule is to provide new clarity on (i) the SBA's intended treatment of owner-employee compensation thresholds and (ii) the treatment of certain non-payroll costs. Our latest Alert, addressing the new interim final rule, can be found here.

Late on August 11, the Small Business Administration ("SBA") released updated guidance for the loan forgiveness process under the Payment Protection Program ("PPP"). Most of the updates do not provide much new substantive information, but the updated Frequently Asked Questions on Loan PPP Forgiveness do give insight into the SBA's treatment of advances received under the Economic Injury Disaster Loan program. The Alert can be found here.

The IRS issued proposed regulations on July 31, 2020 to provide guidance that would impact many investment fund and hedge fund managers. The proposed regulations include detailed rules to implement Section 1061 of the Code. Section 1061 applies generally to carried interests issued by partnerships in the trade or business of raising capital and investing in or developing stock, securities or other specified assets such as commercial real estate. The Alert can be found here.

Lately we have been getting calls from existing clients and new clients asking if their estate planning documents need to be reviewed and possibly updated. Our response is that we will review all existing documents and advise if, from our perspective, any changes should be discussed. Our Alert lists the essential documents that should be in order. The Alert can be found here.

The COVID pandemic has given rise to efforts by lessees of retail space to seek to defer rent payments in the context of chapter 11, despite the seemingly clear command of Section 365(d)(3) of the Bankruptcy Code requiring timely performance of all obligations arising under leases of nonresidential real property. Several recent decisions have, to varying degrees, granted such relief on a temporary basis. This Alert describes several noteworthy cases in U.S. Bankruptcy Courts in various districts around the country. The Alert can be found here.

Late on Wednesday June 17, the Small Business Administration (the "SBA") released additional guidance in relation to the Paycheck Protection Program (the "PPP"), conforming existing guidance to the borrower-friendly amendments made by the recently enacted Paycheck Protection Program Flexibility Act of 2020. In addition, the SBA provided updated model applications and instructions for borrowers who plan to seek loan forgiveness. Although the new rules and forms add little in the way of substantive legal clarity and leave many of the program's most pressing questions unaddressed, we have highlighted in our Alert a list of changes to the PPP. The Alert can be found here.

On May 28, 2020, by a vote of 417 to 1, the U.S. House of Representatives approved the Paycheck Protection Program Flexibility Act of 2020, a bill that would amend certain provisions of the CARES Act concerning the Paycheck Protection Program. (We summarized an earlier version of the House Bill in an Alert dated May 21, 2020.) The U.S. Senate is expected to act on the House Bill or its own similar legislation as soon as next week. Our latest Alert identifies and discusses the most significant elements of this new bill, including that it extends the PPP loan forgiveness period, extends the minimum maturity date of certain PPP loans; modifies payment deferral periods, and modifies the impact of reduction in full-time employees on forgiveness. The Alert can be found here.