

Bond Case Briefs

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Disclosure Industry Working Group Encourages Timely Covid-19 Disclosures.

The Disclosure Industry Working Group reminds issuers that applicable filing deadlines have not been extended by either the U.S. Securities and Exchange Commission (SEC) or the Internal Revenue Service (IRS), and encourages all issuers to discuss COVID-19 disclosure with their entire financing team, including their bond and/or disclosure counsel. In its publication, [General Continuing Disclosure Considerations for Municipal Securities Issuers](#), which includes those considerations related to COVID-19 financial matters, the working group provides guidance regarding the following topics:

- **Material Event Filings:** A Material Event Filing must be completed within 10 business days of the occurrence of a Material Event; notwithstanding the pandemic, the SEC has not relaxed these reporting requirements under SEC Rule 15c2-12 of the Securities Exchange Act.
- **Knowing Your Annual Disclosure Filing Dates:** Notwithstanding the pandemic, the SEC has not suspended the annual disclosure filing requirements under SEC Rule 15c2-12 of the Securities Exchange Act.
- **Annual Continuing Disclosure Filings:** If all or a portion of the annual continuing disclosure information is not available by the filing deadline, issuers (and obligated persons) must file a failure-to-file notice. The working group notes that it is important to include the reason(s) as to why any part of the submission is late.
- **Good Investor Relations:** With respect to information given to investors and rating agencies, issuers (and obligated persons) may want to consider disclosing the same information on their websites or via a filing on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access (EMMA) system.
- **Determining Whether and/or When to Make Voluntary Disclosure Filings:** Issuers (and obligated persons) may be facing fiscal challenges due to the COVID-19 pandemic. Issuers (and obligated persons) should discuss the appropriateness, the contents and the context of voluntary disclosure of such fiscal challenges with their bond counsel and/or disclosure counsel.
- **Presenting COVID-19 Voluntary Disclosure Information:** As discussed in the SEC [public statement](#) on May 4, 2020, Chairman Jay Clayton and Rebecca Olsen, Director of the SEC's Office of Municipal Securities, encourage municipal issuers to provide investors with forward-looking information regarding the impact of COVID-19 on their financial and operating conditions.
- **EMMA Filings:** All filings on EMMA should be submitted for all relevant CUSIP numbers, and may be filed under multiple filing categories on the EMMA system.
- **Post-Issuance Compliance for Tax Law Purposes:** The IRS has not suspended the post-issuance responsibilities of issuers of municipal debt.

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