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MAYER BROWN CAPITAL MARKETS

TAXQUARTERLY

DON'T TAX YOU. DON'T TAX ME. TAX THAT FELLOW BEHIND THE TREE.*

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Editor's Note

Capital Markets Tax Quarterly ("CMTQ") delayed publication this quarter in the hopes that the US election results would be clear and we would have lots of definitive things to tell our readers, capital markets tax-wise of course. Unfortunately, the election gods have not cooperated so, as we go to press, while things are clearer the exact makeup of the US government beginning in 2021 is still uncertain. Hopefully by the next CMTQ in January (after January 5th in Georgia, perhaps), all will be clear.

To review the bidding, from a tax policy standpoint, control of the US Senate looms large in determining whether we may have large changes in tax law in 2021 and beyond. Assuming Joe Biden and Kamala Harris take office on January 20, 2021 and the Republicans control the US Senate, amendments to the Internal Revenue Code will be those the Biden Administration can get the Republican senate to go along with. When one looks at the list of their tax proposals few come to mind that could meet this hurdle. For example, provisions that would raise long-term capital gain rates to nearly 40% for high income taxpayers would not seem to have much chance in their current form. Also, changes that would reverse provisions of the Tax Cuts and Jobs Act ("TCJA") such as an increase in the corporate tax rate from 21% to 28% or an increase in the GILTI tax rate seem unlikely. Larger tax law changes in line with Biden's tax agenda (covered by CMTQ earlier this year)[1] may be possible if the Senate (with a Vice President Kamala Harris breaking the tie) has an equal number of Republicans and Democrats.

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1 See CMTQ Volume 3, Issue 1 available at https://www.mayerbrown.com/-/media/files/perspectives-events/publications/2020/05/capital-markets-tax-quarterly-volume-3-issue-1.pdf

* As described in the Editor's Note, this quote is attributed to, among others, Sen. Russell Long (D., LA).

At the end of the summer, things seemed much clearer. A “blue wave” of Democratic wins would mean a Democratic President and Congress. That is why those with appreciated stock positions began to plan for sales by year end to lock in the current 20% US federal income tax rate on long-term capital gain. Late on November 3rd, these plans were put on hold only to realize that those election gods were playing a cruel trick: Because there will be two US Senate run-off elections in Georgia on January 5, 2021 a calendar year taxpayer will not know for certain by year-end whether there will be a split-party US government or a Democratic controlled one. Therefore, there will be even more uncertainty than previously thought about whether to sell or hold appreciated stock positions. While some taxpayers will scour the polls (caveat emptor!), some will start to scour the Internal Revenue Code for solutions (Section 1259(c)(3) anyone?).[2] Still others may decide to ride out the uncertainty and accept whatever tax consequences there may be. All-in-all, what the election has produced is a unique set of factors to consider for those holding appreciated stock. We can’t wait to read the client alerts on this one!

In this edition of CMTQ, among other things, we cover the final regulations under Section 163(j) addressing the business interest expense deduction limitation, the final withholding tax regulations under Section 1446(f) on the sales of partnership interests, and Rev. Proc. 2020-44, which provides select relief with respect to amendments to legacy instruments to add fallback mechanics for the London Interbank Offered Rate (“LIBOR”) and other Interbank Offered Rates (“IBORs”).

IRS Issues Final Section 163(j) Regulations

On July 28, 2020, the Internal Revenue Service (“IRS”) published final regulations and new proposed regulations, regarding the business interest limitation rules in Section 163(j). The new regulations, along with the explanations, span some 850 pages, and a complete description is beyond the scope of CMTQ. Some of the highlights of the regulations are listed below. For a more in-depth account of the new regulations under Section 163(j), please see our Legal Update.[3]

Definition of Business Interest Income and Expense: One of the most controversial aspects of the 2018 proposed regulations was the attempt by the IRS to sweep a substantial amount of deductions other than deductions for interest under the Section 163(j) limit. Although the IRS vigorously defended its right to issue regulations that subject non-interest deductions to the Section 163(j) limit, the final regulations reverse the most over-reaching positions taken in the 2018 proposed regulations. For instance, the 2018 proposed regulations would have subjected commitment fees and certain partnership guaranteed payments to the Section 163(j) limit. The final regulations reverse course and do not treat either of these types of payments as “interest” for Section 163(j) purposes.

2 Unless otherwise indicated, all section references are to the Internal Revenue Code of 1986, as amended.

3 Our Legal Update, *the IRS issues Final Regulations Addressing Business Interest Expense Deduction Limitation*, is available at https://www.mayerbrown.com/en/perspectives-events/publications/2020/08/irs-issues-final-regulations-addressing-business-interest-expense-deduction-limitation.

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However, the final regulations do follow the approach outlined in the final regulations in treating certain types of non-interest deductions as interest for purposes of the Section 163(j) limitation, such as bond premium, factoring income, and certain payments on over-the-counter swaps with significant payments.

Partnership Interest Limitations: Perhaps the most complex part of the Section 163(j) rules concerns the application of the limitation to partnerships. Under the Section 163(j) statutory provisions, the Section 163(j) limitation is generally imposed at the partnership level, and any interest deductions disallowed at the partnership level cannot be used by the partners until the partnership finds itself in an excess limitation position in a later year. The final regulations generally adopt the approach taken in the 2018 proposed regulations, with some taxpayer favorable modifications. For instance, the final regulations provide that in cases where a partnership is exempt from the Section 163(j) rules (for example, because the partnership is a "small business" with average annual gross receipts of $25 million or less for the immediately preceding three years), business interest expense is not subject to the Section 163(j) limitation at the partner level. Furthermore, the final regulations affect the manner in which Section 163(j) applies to trading partnerships. In contrast to the 2018 proposed regulations, the final regulations allocate business interest expense between passive partners and non-passive partners. Business interest expense allocated to non-passive partners is subject to the Section 163(j) limitation; however, business interest expense that is allocated to passive partners is subject only to the Section 163(d) limitations on investment interest and is not subject to the Section 163(j) limitation.

International Considerations: The final regulations double down on the position in the 2018 proposed regulations that apply the Section 163(j) regulations to controlled foreign corporations ("CFCs") for purposes of computing Subpart F income and GILTI. The mandate in the final regulations to treat CFCs for Section 163(j) purposes as if they are US corporations may sound simple in concept, but questions likely will arise due to obvious differences between these two types of entities. For example, does this mean that CFCs operating solely outside the US can take advantage of the exceptions for businesses engaged in real estate, farming or regulated utilities, or small businesses? Does the special rule in Section 951A that reduces a CFC's "net deemed tangible income return" by the CFC's net interest expense apply before or after the application of Section 163(j)? Are CFCs covered by a high tax exclusion election from GILTI nevertheless subject to Section 163(j) and included in a CFC group election? Portions of the rules relating to CFCs remain in proposed form, and it remains to be seen what guidance (if any) the IRS will provide on these issues.

Final Partnership Withholding Regulations

On October 7, 2020, the IRS released final regulations under Section 1446(f) implementing withholding obligations with respect to dispositions of interests in partnerships engaged in a US trade or business by non-US persons. The final regulations generally retain the framework of the proposed regulations published on May 13, 2019, with certain modifications. As with the proposed

regulations, the final regulations provide separate rules with respect to dispositions of interests in non-publicly traded partnerships ("non-PTP interests") and dispositions of interests in publicly traded partnerships ("PTP interests").

Section 1446(f), enacted by the TCJA, generally requires a transferee of a partnership interest to deduct and withhold a tax equal to 10% of the amount realized on the disposition of such interest if any portion of the gain would be treated as effectively connected with the conduct of a US trade or business. The preamble to the final regulations reiterates the wide scope of these rules by confirming that a transferee is required to presume that a transfer is subject to such withholding unless an exception applies (e.g., a transferee obtains a certification from the transferor or the partnership establishing a reduction or exemption from such withholding). For a more in-depth review of the final regulations and the applicable exceptions, please see our Legal Update.[4]

Connell v. Commissioner: Financial Advisor Debt Cancellation was Ordinary Income

In *Connell v. Commissioner*,[5] the Third Circuit upheld the Tax Court's decision to tax a financial advisor's debt cancellation as ordinary income. Although the taxpayer had attempted to argue that the proceeds received were, in substance, a purchase of the taxpayer's book of business that should be taxable as capital gain, the Third Circuit upheld the Tax Court's finding that the proceeds gave rise to ordinary income.

The taxpayer was a financial advisor with a significant book of business who was hired by a financial services firm and who received, as part of his incentive package, $42,980 each month as "transition compensation" over an 8-year period. Another portion of the taxpayer's incentive package was a loan for $3,242,248, repayable in monthly installments in the amount of (you guessed it) $42,980. Amounts due to the taxpayer as transition compensation and amounts due from the taxpayer as loan payments were offset so that no money changed hands as payments came due. As stated by the Tax Court, "this arrangement, common to the industry, allowed [the taxpayer] to receive the full amount of his transition compensation upfront, while recognizing income only as each monthly payment came due."

A year into his employment, the relationship between the taxpayer and the firm deteriorated, and the taxpayer ultimately resigned. The firm, required by FINRA to file a Form U5 detailing the circumstances of the termination, filed a negative Form U5 with respect to the taxpayer. The form, according to the taxpayer, was a "kiss of death" that prevented the taxpayer from finding other employment.

4 Our Legal Update, *the IRS Releases Final Withholding Tax Regulations on Sales of Partnership Interest*, is available at https://www.mayerbrown.com/en/perspectives-events/publications/2020/10/irs-releases-final-withholding-tax-regulations-on-sales-of-partnership-interests

5 814 Fed. Appx. 701.

Litigation ensued between the parties, and the matter was presented to a FINRA Dispute Resolution Panel. The taxpayer alleged that the firm had lured the taxpayer to the firm in order to gain access to the taxpayer's book of business. Thus, according to the taxpayer, the firm took action to ensure that the taxpayer would resign and be unable to find future work. The FINRA panel ultimately decided in the taxpayer's favor, awarding the taxpayer compensatory damages and making clear that the taxpayer was not obligated to repay the loan.

At issue before the Tax Court was the tax character of the income from the forgiven loan. Under the "origin of the claim" doctrine, the treatment of the proceeds of a lawsuit are characterized based on the origin and character of the claim that gave rise to litigation. The Tax Court noted that the FINRA determination did not explicitly state the basis of its decision. Although the taxpayer argued that the firm's purpose for hiring the taxpayer was for the purpose of acquiring the taxpayer's existing book of business, the taxpayer also put forth arguments that the firm breached the employment contract, which relieved the taxpayer of his obligation to pay back the loan. As a result, the Tax Court found that the taxpayer had not met his burden to show that the amount at issue was solely for the acquisition of the taxpayer's business. The Tax Court therefore upheld the government's assertion that the loan cancellation gave rise to ordinary cancellation of indebtedness income.

The Third Circuit upheld the Tax Court's decision, rejecting the taxpayer's arguments that the Tax Court had misapplied the origin of the claim document. The court also noted that the form of the arrangement was a loan and that taxpayer had not put forward any evidence that the value of the book of business was comparable to the forgiven loan principal. Thus, the Third Circuit held that the Tax Court's decision was not erroneous.

IRS issues Chief Counsel Advice 202035011 addressing the taxation of convertible virtual currency on crowdsourcing platforms

Certain microtasking platforms allow those who perform microtasks to receive payments in consideration for completing each microtask in the form of convertible virtual currency. For example, a firm may offer to pay workers in units of Bitcoin or other convertible virtual currency, or an individual may receive convertible virtual currency in exchange for downloading an app on their phones or from completing online quizzes and services or registering an account. The value of convertible virtual currency paid in exchange for a single microtask often is a small amount that may be less than $1 and is intended to act as an incentive for the individual user.

The IRS defines "virtual currency" as a digital representation of value that functions as a medium of exchange, a unit of account, and a store of value other than a representation of the US dollar or a foreign currency.[6] Virtual currency that has an equivalent value in real currency, or acts as a substitute for real currency, such as Bitcoin, is referred to as "convertible" virtual currency and is considered

6 *See* Notice 2014-21; *see also* Rev. Rul. 2019-24.

property for federal income tax purposes. Thus, the IRS has concluded that the general tax principles applicable to property transactions apply to transactions involving convertible virtual currency.[7]

In August 2020, the IRS issued CCA 202035011 (the "CCA") responding to a taxpayer request for advice regarding the tax consequences for an individual who receives convertible virtual currency for performing microtasks through a crowdsourcing or similar platform.[8]

In the CCA, the IRS concluded that a taxpayer who receives convertible virtual currency in exchange for performing a microtask through a crowdsourcing platform has received consideration in exchange for performing a service (i.e., the taxpayer is treated as having been compensated with property). Thus, the convertible virtual currency must be reported on such taxpayer's income tax return. Specifically, such taxpayer is required to include the excess of the fair market value of the convertible virtual currency over the amount (if any) paid for the convertible virtual currency as ordinary income. In addition, because the convertible virtual currency is received in respect of a "service," such individual may also be subject to self-employment taxes in respect of such income.

Final Regulations on Sourcing Sales of Inventory

On September 29, 2020, the IRS published final regulations concerning the source of income from sales of inventory. The TCJA amended the sourcing rules for these types of sales. Prior to the TCJA, the source rules required inventory that was produced within the United States and sold outside the United States (or produced outside the United States and sold within the United States) to be sourced as partly within the United States and partly outside the United States, without providing for a method of making the allocation. After the TCJA amendments, income from such inventory sales are required to be allocated between the United States and outside the United States solely on the basis of the production activities with respect to the property. Where the taxpayer has production assets that are located both inside and outside the United States, income from the taxpayer's production activities are allocated based on the average adjusted basis of production assets located inside or outside the United States.

Generally, for purposes of allocating US source and foreign source income, the adjusted basis of the assets is the tax basis of the assets after taking into account depreciation. Because Section 168(k) allows certain production assets within the United States to be immediately expensed (resulting in the assets having zero basis), the regulations provide special rules for measuring the basis for allocation purposes. In particular, the regulations allow the alternative depreciation system ("ADS") in Section 168(g)(2) to be used for both US and non-US production assets to determine tax basis. According to the previous proposed regulations, this rule "allows the basis of both US and non-US

7 *See* Notice 2014-21.

8 Please note that while private guidance issued by the IRS may not be relied on by other taxpayers, it provides taxpayers an important indication of the IRS's view on particular issues.

production assets to be measured consistently on a straight-line method over the same recovery period." The final regulations follow the same approach as the proposed regulations.

Revenue Procedure 2020-44

On October 9, 2020, the IRS released Rev. Proc. 2020-44, which provides taxpayers relief with respect to amending legacy instruments to add fallback mechanics for LIBOR and other IBORs. Specifically, the revenue procedure provides that if an existing instrument is amended to include certain enumerated fallback mechanics published by the Alternative Reference Rates Committee ("ARRC") or the International Swaps and Derivatives Association ("ISDA") (as specified in section 3 of the revenue procedure), then the amendment itself is not treated as a deemed exchange under Section 1001 and, in the case of certain integrated transactions and hedging transactions, the amendment does not disrupt the integration or hedge.

Note, however, the relief provided in the revenue procedure is quite limited. The only permissible deviations from the enumerated ARRC or ISDA fallback mechanics are deviations (a) reasonably necessary to make the terms incorporated into the contract legally enforceable in a relevant jurisdiction or to satisfy legal requirements of that jurisdiction, (b) from the terms of an ISDA fallback that are reasonably necessary to incorporate the ISDA fallback into a contract that is not a "protocol covered document" as defined in the ISDA protocol, (c) to omit terms of an ARRC fallback or an ISDA fallback that cannot under any circumstances affect the operation of the modified contract (for example, for a contract that refers only to USD LIBOR, omission of the portions of an ISDA fallback that relate exclusively to contracts referring to another IBOR), or (d) to add, to revise, or to remove technical, administrative, or operational terms, provided that the addition, revision, or removal is reasonably necessary to adopt or to implement the ARRC fallback or the ISDA fallback. Moreover, the revenue procedure does not address the tax consequences of ultimately replacing an IBOR when the fallback is triggered.

The revenue procedure applies to contracts entered into on or after October 9, 2020, and before January 1, 2023. Taxpayers may also rely on the revenue procedure for modifications to contracts occurring before October 9, 2020. For a more detailed summary of Rev. Proc. 2020-44, please see our Legal Update.[9]

9 Our Legal Update, *Limited US Tax Guidance for Adding ARRC and ISDA Fallbacks*, is available at https://www.mayerbrown.com/-/media/files/perspectives-events/publications/2020/10/limited-us-tax-guidance-for-adding-arrc-and-isda-fallbacks.pdf.

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In the News

RECENT RECOGNITION

On June 30, 2020, Mayer Brown launched Best Methods, a Transfer Pricing blog designed to provide in-house tax professionals, transfer pricing consultants, and tax administrations timely updates on the latest transfer pricing guidance, legislative and regulatory developments, and cases from the US, the OECD, and tax jurisdictions around the globe.

Mayer Brown was ranked in Tier 1 by *Legal 500* in all categories for Tax, including International Tax, Non-Contentious Tax, Contentious Tax and Tax-Financial Products in 2020. Mayer Brown is also ranked for Capital Markets: Debt, Equity and Global Offerings, as well as for Structured Finance: Derivatives & Structured Products.

We are the only firm to receive the highest ranking in all four categories. Mayer Brown is pleased to have been named the US Law Firm of the Year – Transactions for GlobalCapital's Americas Derivatives Awards 2020. We are also shortlisted for European Law Firm of the Year – Transactions, European Law Firm of the Year – Regulatory, and Global Law Firm of the Year (Overall) for GlobalCapital's upcoming Global Derivatives Awards 2020.

RECENT SPEAKING ENGAGEMENTS

Every 10 Years I Have to Relearn Section 382. On November 16, partners Thomas Humphreys and Remmelt Reigersman with members of TEI New York Chapter will discuss the net operating loss carryover provisions of Internal Revenue Code Section 382. They will review Section 382's basic rules and explore how its limitations on NOLs and NOL usage operate. Then will apply these rules to examples, walking through some interesting current structures and transactions. Click here to register.

PIPE and Other Capital Raising Transactions in Connection with De-SPACing. On November 5, panelists from Hennessy Capital Acquisition Corp., ICR, Stifel and Mayer Brown discussed the SPAC IPO market, announced notable de-SPAC transactions, and the M&A pipeline; the de-SPAC process; coordinating a financing in conjunction with the de-SPACing process PIPE transactions in connection with SPACs and market trends; special structuring and legal considerations; documentation and timing issues; and alternatives to PIPE transactions.

Going Public in the US by Merging into a SPAC: Weighing the Pros and Cons. On November 2, panelists from Herzog Fox & Neeman and Mayer Brown discussed the SPAC market in the US; negotiating a merger with a SPAC—timing, process, and considerations; accelerating the path to US public company status and necessary preparations; pros and cons of the SPAC route versus a traditional IPO; SEC disclosure, financial statement and pro forma financial statement requirements; undertaking a PIPE or other financing concurrent with the SPAC merger; and the application of Rule 144 and other SEC concerns post-merger.

Tax Executive Annual Conference. On October 26-28, Mayer Brown partners participated in a several panels including: Brian Kittle and Joel Williamson – "Federal Tax Controversy and Risk Management: A Changing Landscape", Astrid Pieron – "Survey of Direct Tax Developments in Europe", Zal Kumar – "Gotcha Taxes: State

and Local Taxes that Fall Under the Radar", Leah Robinson – "Emerging Issues in Combined Reporting and Market Based Sourcing", and Gary Wilcox – "Tax Implications of Refinancing or Restructuring Debt, COD Income, and Interest"

An IPO Alternative: Life Sciences Reverse Merger. On October 22, panelists from Mayer Brown and MTS Health Partners discussed how reverse mergers into an operating company differs from a reverse merger into a shell; structuring alternatives; documentation, process and timeline; addressing board and employee matters; anticipating litigation; and concurrent or subsequent financing opportunities.

SIFMA Annual Meeting 2020: The Virtual Capital Markets Conference. Mayer Brown was a sponsor of the 2020 SIFMA Annual Conference, where we were pleased to provide an on-demand session for participants of the Annual Meeting on SPAC Offerings, De-SPACing Transactions, and Related PIPE Transactions**,** led by partners Anna Pinedo and Eddie Best.

TEI Houston Webinar. On October 22, partner Shawn O'Brien and associate Tyler Johnson participated in a webinar titled, "Recent Significant Tax Court Taxes" for TEI's Houston Chapter.

TEI Ohio Webinar. On October 22, partners Leah Robinson and Zal Kumar participated in a webinar titled, "State and Local Tax - Direct Taxes in Uncertain Times".

COST 51st Annual Meeting. On October 19, partner Leah Robinson participated on a panel titled," "Future Sales Tax Trends After Wayfair".

PLI Tax Strategies for Corporate Acquisitions, Dispositions, Spin-Offs, Joint Ventures, Financings, Reorganizations & Restructurings 2020. On October 15, partner Thomas Humphreys participated on a panel discussion titled, "Interesting Corporate Transactions of the Past Year" during the Tax Strategies for Corporate Acquisitions, Dispositions, Spin-Offs, Joint Ventures, Financings, Reorganizations & Restructurings 2020 program.

Structured Products Association 17th Annual Conference. On October 15, Mayer Brown, SPA and Nasdaq co-hosted the SPA Annual Conference. Panels included "The impact of COVID on the structured products market"; "Indices, fixed index annuities and legal and regulatory considerations"; "Distribution trends and developments"; "Views on international impact of COVID and global trends affecting structured products"; "Bank regulatory, derivatives and tax related developments"; "ESG themes"; and "Other legal developments".

REVERSEinquiries Workshop: Issuing Credit Linked Notes. On October 13, our London- and New York-based Structured Products team members discussed the features and documentation of credit linked notes and some common legal and regulatory issues that arise.

SPACs Boom onto the Market in 2020 as an Alternative to Traditional IPOs. On October 13, Mayer Brown sponsored IFR's US ECM Roundtable Webinar Series. Partner Eddie Best joined the second webinar in the series, *SPACs Boom onto the Market in 2020 as an Alternative to Traditional IPOs*.

Covered Bonds Update. On October 12, partner Jerry Marlatt and RBC Capital Markets' Laura Drumm discussed the covered bond market in the US, recent developments for Canadian covered bond issuers and the globalization of the asset class.

At-the-Market Offerings. On October 8, Mayer Brown's Brian Hirshberg and BMO Capital Markets' Zach Dombrowski reviewed the basics of ATMs, as well as some of the legal and regulatory considerations that arise for issuers and for ATM agents.

The Great Equity Recapitalization in a Post COVID-19 Funding Environment. On October 6, Mayer Brown sponsored IFR's US ECM Roundtable Webinar Series. Partner Anna Pinedo joined the first webinar in the series, The Great Equity Recapitalization in a Post COVID-19 Funding Environment.

42nd Annual Duke University Virtual Estate Planning Conference. On October 6, partner Anna Pinedo, spoke on the panel: Avoid the Sting of Ignorance: Securities Law for Estate Planners. The panel discussed how estate planners can identify potential securities law issues while advising high net worth individuals.

Mortgage REIT Regulatory and Market Developments Update. On September 24, Mayer Brown hosted a two part Mortgage REIT Regulatory and Market Developments Update. Part I: Regulatory & Finance Update discussed the status of QM rule making; forbearance; solutions for financing advancing obligations; update on MSR financing structures; rise of fair lending as an urgent issue; GSE capital rules and GSE reform; constitutionality of the FHFA; and political outlook for housing. Part II: Market Developments discussed mortgage and mortgage REIT market update; financings and other strategic transactions undertaken in 2020 to date; SEC disclosure considerations for mortgage REITs; transition away from LIBOR, FRNs, fixed-to-floating rate preferred stock, repo, and the ISDA protocol; and other market developments, including mergers into SPACs and the IPO market for mortgage companies.

SEC Amends Requirements for Statistical Disclosures for Bank and Savings and Loan Registrants, Formerly Guide 3. On September 24, partners Anna Pinedo and Jerry Marlatt joined a Global Financial Markets webcast and, stemming from the SEC's adoption of amendments to the requirements for statistical disclosures that bank and savings and loan registrants provide to investors discussed Industry Guide 3; the SEC's 2016 Concept Release and the proposed rules; new Subpart 1400 of Regulation S-K; the applicability of the amendments; the principal changes from Guide 3; the new requirements, and the effective date of the amendments.

SIFMA Compliance & Legal Virtual Forum. Mayer Brown was a sponsor of the 2020 SIFMA C&L Virtual Forum, where partner Marlon Paz spoke on a live panel entitled "COVID-19: Lessons Learned for Compliance & Legal Professionals". We were also pleased to provide an on-demand session for participants of the Annual Meeting on Broker-Dealer Issues & Considerations Relating to LIBOR Cessation, led by Marlon Paz.

Pocket MBA San Francisco 2020: Finance for Lawyers and Other Professionals. On September 21 and 22, partner Jennifer Carlson co-chaired PLI's Pocket MBA San Francisco conference and participated in a panel discussion titled, "Investment Banking Basics: Fundamentals of Capital Structures" on Day Two of the conference.

16th Annual SEC Reporting & FASB Forum for Mid-sized & Smaller Companies. On September 21, counsel Laura Richman presented on the conference's segment titled, "Tuning Up Your Management's Discussion and Analysis."

PLI International Tax Issues. On September 2, partner Gary Wilcox participated on a panel discussion titled, "Transfer Pricing Developments and Planning" during the PLI International Tax Issues program.

Changes to the Securities Offering Process: Confidential Submissions, Test the Waters and Direct Listings. On August 12, partner Anna Pinedo and counsel Brian Hirshberg joined an Intelligize webinar, which covered expanded confidential review of registration statements; expanded ability to engage in test the waters communications; overview of direct listings; documentation requirements for a direct listing; current exchange requirements, and proposed exchange rules to allow fundraising in direct listings; and securities liability, tracing requirements, and related considerations in connection with a direct listing.

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