

Corporate News Weekly Round-Up 1/25/16: SEC Adopts FAST Act Rules and Makes Whistleblower Award, EU Proposes European Deposit Insurance Scheme

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In this week's roundup, we provide information on the SEC's new FAST Act rules for emerging growth companies and smaller reporting companies and its recent whistleblower award, and on the European Union's proposed new EDIS rules. **SEC ADOPTS FAST ACT RULES SIMPLIFYING DISCLOSURE REQUIREMENTS FOR EMERGING GROWTH COMPANIES AND SMALLER REPORTING COMPANIES** On January 13, 2016, the SEC adopted interim final rules under the Fixing America's [Surface Transportation Act](#) that modify Forms S-1 and F-1. The new rules permit emerging growth companies to omit certain historical financial information prior to an initial public offering and permit forward incorporation by reference for smaller reporting companies (excluding blank check companies and most shell companies), similar to Form S-3. The rules become effective on Federal Register publication, and are subject to a 30-day comment period. For more information, see www.sec.gov/rules/interim/2016/33-10003.pdf **** EUROPEAN COMMISSION PROPOSES "EUROPEAN DEPOSIT INSURANCE SCHEME" TO STRENGTHEN BANKING UNION** The EU recently proposed a European Deposit Insurance Scheme (EDIS) to help weaken the link between banks and their national sovereigns and promote trust in the safety of retail bank deposits, regardless of a bank's location in the EU, as a step toward creating a fully-fledged European banking union. Under the proposal, the EDIS would be adopted incrementally in three phases: a re-insurance stage, a co-insurance stage and then a full European system of deposit guarantees (envisioned for 2024). For more information, see europa.eu/rapid/press-release_MEMO-15-6153_en.htm (fact sheet) and ec.europa.eu/finance/general-policy/docs/banking-union/european-deposit-insurance-scheme/151124-factsheets_en.pdf (slides). **SEC MAKES BOUNTY PAYMENT TO CORPORATE WHISTLEBLOWER** On January 15, 2016, the SEC announced a \$700,000 whistleblower award to a company outsider who provided a detailed analysis that resulted in a successful SEC enforcement action. Since the 2011 inception of its whistleblower program, the SEC has paid over \$55 million to 23 whistleblowers, with awards ranging from 10% to 30% of money collected when sanctions exceed \$1 million. For more information, see www.sec.gov/whistleblower.