

# Client Alert: New COVID-19 Securities Developments: Class Action Omissions Theory and SEC Enforcement Actions

## Publications

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The COVID-19 pandemic has presented publicly held companies and their officers and directors with a number of legal, business and operational issues. As discussed in a prior client alert, shareholders have already begun responding to the economic impact of COVID-19 by filing securities class actions related to the pandemic, including lawsuits against Norwegian Cruise Lines (NCL) and Inovio Pharmaceuticals (Inovio) for allegedly misrepresenting the impact of the pandemic on their business operations. We write with an update on a recent COVID-19-related securities class action brought in connection with an initial public offering (IPO) under an omissions theory, filed against Phoenix Tree Holdings Limited (Phoenix) in the US District Court for the Southern District of New York.[1] Additionally, we note that the SEC Enforcement Division is actively investigating COVID-19-related misrepresentations too, having brought a new enforcement action against a microcap company and its CEO, accusing them of misrepresenting that the company had a large supply of protective masks for sale.[2]

To read the full alert, please [click here](#).

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