

Big Law's SPAC Love Affair Draws Watchful Eye of Regulators

"This is an uncertain time for Big Law practices that piled into the SPAC craze in the past two years. Special purpose acquisition companies, which are alternatives to initial public offerings for presenting share sales, became so popular after years in financial obscurity that regulators are now scrutinizing them," reports Roy Strom in Bloomberg Law.

"The Securities and Exchange Commission last week proposed new rules that could put law firms, investment banks and other advisers on the hook for the lofty projections SPACs have used that aren't allowed for traditional IPOs. Citibank will pause new SPAC IPOs, Bloomberg News reported this week, citing uncertainty around legal liability."

Read the article.