

July 19, 2019

Ms. Vanessa Countryman
Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-0609

Re: File No. S7-06-19: Amendments to the Accelerated Filer and Large Accelerated Filer Definitions

Dear Ms. Countryman:

On behalf of Corvus Pharmaceuticals, Inc., we are pleased to support the SEC's proposed rule to amend the definitions of "accelerated" and "large accelerated" filers. Corvus Pharmaceuticals is a clinical stage biopharmaceutical company advancing a new wave of drug discoveries to address the treatment of various cancers. Our company went public in March 2016, a little over one year after the Company's founding, as an emerging growth company (EGC), which enabled us to access public capital markets earlier in our growth cycle due to the onramp and regulatory relief provisions provided by the JOBS Act of 2012.

Both the ability to access public capital markets and the regulatory relief afforded EGCs/small public companies have enabled us to invest significantly in research and development to advance our clinical pipeline and make potential breakthrough drug discoveries to treat chronic diseases. For instance, in 2018, we invested over \$38 million in research and development, alone and we are currently testing three unique drug candidates in human clinical trials. We commend the SEC for pursuing thoughtful and targeted regulatory relief—as indicated by the proposed rule—to enable companies like ours to continue to invest heavily in generating long-term value for our shareholders and patients, alike. If the proposed rule is implemented in its current form, Corvus Pharmaceuticals and other small public companies will benefit from relief from Sarbanes-Oxley (SOX) 404(b), the auditor's attestation of internal controls over financial reporting, until the company exceeds the \$100 million annual revenue cap and \$700 million in public float. The certainty and predictability provided by the proposed rule will enable small public companies like ours to prioritize investments in factors that actually determine success or failure in the biotech industry, such as the science and technology underpinning our company's potential, expanding our clinical pipeline to treat new and broader patient populations, and the design and execution of clinical trials that enhance our opportunity to garner approval from the Food and Drug Administration, among others.

We would also encourage the SEC to further modify the rule to give relief from the 404(b) requirements to companies whose public float exceeds \$700 million but whose annual revenues are less than \$100 million. Revenue is a much better indicator of accounting complexity than public float. In addition, the current public float measurement date is June 30 for a calendar year company with 404(b) requirements beginning in the year the \$700 million public float limit is exceeded. This timing makes planning for the implementation of 404(b) difficult for small biotech companies and since the cost of implementing 404(b) reportedly exceeds \$1 million for some companies and requires significant management effort,

the public float measurement date and timing of the start of the auditor's attestation of internal controls over financial reporting represents a real burden to small biotech companies.

While well intentioned, SOX 404(b) has harmed small public companies because of its disproportionate expense, which diverts capital away from research and development, and the evidence¹ and our experience that it is not material for or important to our investors. We strongly believe that this proposed rule will benefit small public companies and their investors by freeing up more capital to hire talent, invest further in research and development, and expand our clinical pipeline to improve our ability to innovate and succeed in developing new drugs to treat the nation's most intractable health problems. For these reasons, the SEC's proposal to expand relief from SOX 404(b) for small public companies is a welcome step forward to making our public capital markets more accessible and attractive to small companies.

We commend the SEC's efforts to ease the regulatory burdens facing small companies under the proposed rule.

Sincerely,



Leiv Lea
Chief Financial Officer

¹ Study by Profs. Craig Lewis and Joshua T. White of Vanderbilt University, "Science or Compliance: Will Section 404(b) Compliance Impede Innovation by Emerging Growth Companies in the Biotech Industry?" February 2019, https://www.bio.org/sites/default/files/BIO_EGC_White_Paper_02_11_2019_FINAL.pdf.