DORSEY
DORSEY + WHITNEY LLP

Effective Date for Disclosure Simplification

October 4, 2018 – Governance & Compliance Insider
by Kimberley R. Anderson

On August 17th, the SEC adopted amendments updating and simplifying disclosure rules. See our prior summaries here and here. The rules have finally been posted today in the Federal Register, which makes them **effective November 5, 2018**.

Among the amendments is the extension of a previously annual requirement to interim periods, to present a statement of changes in shareholders' equity and to disclose the amount of dividends per share for *each class* of shares (vs common shares only) (either in a separate statement or a footnote)(see revised Rules 8-03(a)(5) and 10-01(a)(7) of Regulation S-X). In guidance previously issued by the staff in CD&I 105.09, the staff indicated that it would not object if the filer's first presentation of the changes in shareholders' equity is included in its Form 10-Q for the quarter that begins *after* the effective date of the amendments, which is November 5, 2018. As a result, a December 31 fiscal year-end filer could omit this disclosure from its Form 10-Q for the period ended September 30, 2018, and a filer with a June 30 fiscal year-end could omit this disclosure from its Form 10-Q for the periods ended September 30, 2018 and December 31, 2018. However, the new disclosure must be included in the first Form 10-Q covering the period that begins after November 5, 2018. For example, for filers with a June 30 or December 31 fiscal year-end, the Form 10-Q filed for the quarter ended March 31, 2019 must include the new disclosure.

Related People

- Kimberley R. Anderson

Related Capabilities

- Corporate Governance & Compliance
- Mergers & Acquisitions
- Government Enforcement & Corporate Investigations