

The SEC's Filer Status Proposal: A Path Forward to Simplify and Reduce Burdens

June 24, 2026

Over the coming months, the SEC's proposal to simplify filer statuses ([available here](#)), if adopted, could become a cornerstone of the SEC's latest agenda to simplify its requirements and seek to encourage more companies to go and stay public. The proposed rules, if adopted, would reduce the SEC's regulatory burdens for all newly public domestic public companies (for their first five years) and for all domestic public companies with a public float of less than \$2 billion.

Although some public comments on the proposal to date have focused on investor protection concerns, it is notable that there are no new novel exemptions being proposed by the SEC in its filer status proposal, as further described below. Rather, the filer status proposal would simplify the complicated web of filer statuses from five to only two simple groupings (large accelerated filers ("LAFs") and non-accelerated filers ("NAFs")) and offer the ability (but not the requirement) for an expanded number of public companies to use existing SEC exemptions.

Namely, these existing SEC exemptions include: reduced executive compensation disclosure requirements for domestic companies (currently available to only emerging growth companies ("EGCs"), and, in part, to smaller reporting companies ("SRCs")); and the exemption from the auditor's attestation of internal control over financial reporting ("ICFR") under Section 404(b) of the Sarbanes-Oxley Act of 2002 ("SOX") (currently available to non-accelerated filers and EGCs). Notably, however, the SEC's filer status proposal, if adopted, would not impact the SEC's bedrock requirements applicable to all public companies to establish and maintain SOX controls (internal control over financial reporting and disclosure controls and procedures), to conduct management assessments and certifications on the effectiveness of such controls, and to obtain a financial statement audit of an independent registered public accounting firm. Foreign private issuers ("FPIs") filing on Forms 20-F or 40-F would remain largely unaffected by the proposed rules, as noted below.

Overview of Proposal

Key aspects of the SEC's filer status proposal include the following:

- **Only Two Categories of Filers, Instead of Five:** The “accelerated filer” or “smaller reporting company” categories would be eliminated, and reliance on “emerging growth company” status would become unnecessary in most circumstances.
- **New Public Float Threshold of \$2 billion for Large Accelerated Filers:** The public float threshold (1) for becoming a large accelerated filer (“LAF”) would increase from \$700 million to \$2 billion; and (2) for becoming a non-accelerated filer (“NAF”) would be less than \$2 billion.¹
- **Public Float Methodology:** Public float would be determined using the average price over the last 10 trading days of the second fiscal quarter of a public company's fiscal year, rather than a single day.
- **5-Year IPO On-Ramp:** When going public, new public companies would have to be public for 60 consecutive calendar months (as opposed to the current 12 months) to become an LAF.
- **2-Year Transition Periods for Moving In and Out of LAF/NAF Status:** In addition to meeting the 60-calendar-months requirement, public companies would have to meet the \$2 billion public float threshold for two consecutive years to qualify as an LAF. Once a company qualifies as an LAF, it would need a public float of less than \$2 billion for two consecutive years to qualify as an NAF.² For the proposed amended definitions in Rule 12b-2 and other select proposed rule changes, see [Annex A](#).
- **Filing Deadlines.** The filing deadlines would remain the same for 10-Ks (90 days post fiscal year end for NAFs and 60 days post fiscal year end for LAFs) and for 10-Qs (45 days post quarter end for NAFs and 40 days post quarter end for LAFs).
- **Transition Mechanics:** If the proposal is adopted, existing registrants would perform an initial assessment after the final rules become effective, assessing public float for that fiscal year and the immediately prior fiscal year.
- **Application to FPIs:** The LAF/NAF definitions would not apply to FPIs filing on Forms 20-F and 40-F. The SEC is proposing to retain the current approach of requiring ICFR auditor attestation for issuers with a public float of \$75 million or more (unless they are EGCs), rather than aligning to the new \$2 billion LAF threshold, and to revise Form 20-F formally to reflect this. This would mean more stringent treatment for small- to mid-cap FPIs than for small- to mid-cap domestic companies.³ The SEC notes its ongoing, broader review of the FPI framework as the reason for not extending the proposed changes to FPIs at this time. FPIs filing on domestic forms would be treated like domestic filers for the purposes of the proposed amended framework.

Disclosure Exemptions

The exemptions proposed for NAFs would include the SEC's existing exemptions that are currently already available for non-accelerated filers, emerging growth companies and/or smaller reporting companies, which are, with respect to key disclosure items, as follows:

¹ As proposed, the new threshold for NAF filer status encompasses approximately 81 percent of public companies that represent 6.5 percent of total market public float.

² Notably, the proposal is generally consistent with prior recommendations to the Staff, e.g., [Society for Corporate Governance Submits Recommendations to SEC on Scaled Disclosure and Filer Category Reforms for Small- and Mid-Cap Companies](#).

³ While the new NAF definition (and related accommodations) would not apply to FPIs, the SEC is proposing a limited accommodation that would exempt registrants who would otherwise qualify as an NAF from providing quantitative and qualitative disclosure about market risk (the same accommodation that is currently provided to SRCs).

Requirement	Exemption Currently Available To:	Same Exemption to Be Available to NAFs Under Proposed Rules?
Auditor Attestation of ICFR	<u>Exemption currently available</u> to Non-Accelerated Filers and Emerging Growth Companies	✓
Audited Financial Statements and Management's Discussion and Analysis ("MD&A") for Three Fiscal Years	<u>Exemption currently available</u> to Smaller Reporting Companies (allowing only two years of audited financial statements and MD&A disclosure)	✓
Executive Compensation Disclosure: Compensation Discussion and Analysis ("CD&A") and tabular compensation disclosure for five named executive officers ("NEOs")	<u>Exemption currently available</u> to Smaller Reporting Companies and Emerging Growth Companies (allowing fewer NEOs, no CD&A, fewer compensation tables, no compensation committee interlocks disclosure and no compensation committee report)	✓
Pay versus Performance Disclosure	<u>Exemption currently available</u> to Emerging Growth Companies (fully exempt) and Smaller Reporting Companies (allowing scaled disclosure)	✓
Pay Ratio Disclosure	<u>Exemption currently available</u> to Smaller Reporting Companies and Emerging Growth Companies	✓
Say on Pay and Say on Frequency Votes	<u>Exemption currently available</u> for Emerging Growth Companies	✓
Quantitative and Qualitative Disclosures about Market Risk	<u>Exemption currently available</u> to Smaller Reporting Companies	✓
Stock Performance Graph	<u>Exemption currently available</u> to Smaller Reporting Companies	✓
Business Description	<u>Exemption currently available</u> to Smaller Reporting Companies (allowing scaled disclosure of business)	✓
Equity Method Investee Summarized Financials When Tests Met at the 10% Level	<u>Exemption currently available</u> to Smaller Reporting Companies (allowing disclosure at the 20% level)	✓

In addition, other disclosure requirements would be simplified and aligned across issuers, as follows:

- **Related party disclosure requirements.** The proposed amendments would:
 - Align disclosure requirements for all issuers by removing the additional requirements that apply to SRCs in Item 404(d), including the higher dollar threshold applicable to SRCs (the lesser of \$120,000 or one percent of total assets) and the requirement for SRCs to disclose information on their parent companies under Item 404(d)(3).
 - Eliminate for NAFs the requirement to describe policies and procedures for the review, approval, or ratification of related party transactions, in line with the exemption already available for SRCs.
- **Unresolved staff comment disclosure expanded to all issuers.** The proposed amendments would expand and align disclosure requirements on material unresolved staff comments for all issuers. Currently, only accelerated filers, large accelerated filers and well-known seasoned issuers are required to disclose the substance of any material unresolved comments on Form 10-K. Under the proposed rule, all issuers (including NAFs) would be required to provide this disclosure, as the SEC noted that it would “serve as an important investor protection function.”
- **Deferred compliance with new or revised accounting standards.** The proposed amendments would extend to all NAFs, not only statutory EGCs, the ability to elect deferred adoption of certain new or revised accounting standards until the date that non-issuer (i.e., private) companies are required to comply with the standard. This accommodation would be available only for the first five years following a registrant’s initial public offering and a registrant’s election not to use this accommodation would be irrevocable, meaning a registrant that elects not to use this accommodation could not later use it in future filings.

A New Category of Small Non-Accelerated Filers

The proposed amendments would also create a sub-category of small non-accelerated filers that would benefit from extended deadlines for periodic reports. NAFs with total assets of \$35 million or less as of the end of each of the issuer’s two most recent second fiscal quarters would be eligible for extended periodic report deadlines of 120 days for Form 10-K (instead of 90 for NAFs) and 50 days for Form 10-Q (instead of 45 for NAFs). Small non-accelerated filer status would persist unless the registrant becomes an LAF or exceeds the \$35 million assets threshold for two consecutive years.⁴

What happens to EGCs?

EGC status, which is statutorily codified, would still exist under the proposed amendments, but reliance on this status would be unnecessary for most accommodations. EGCs would still benefit from certain accommodations that are not proposed as being extended to all NAFs, such as protection from Freedom of Information Act requests for draft registration statements confidentially submitted to the SEC prior to the EGC’s initial public offering,⁵ and certain Public Company Accounting Oversight Board standard accommodations, such as the EGC exemption from the auditing standard requiring the communication of critical audit matters.

What About Asset-Backed Securities Issuers and Other Types of Issuers?

The SEC proposes excluding asset-backed securities (“ABS”) issuers from the LAF and NAF determination framework, as ABS reporting largely does not rely on Regulation S-K, making SRC and EGC scaling largely

⁴ In addition, Securities Act Rule 157(a) and Exchange Act Rule 0-10(a) would be amended to raise the asset threshold from \$5 million to \$35 million and harmonize the definitions, aligning the Regulatory Flexibility Act small-entity threshold with the proposed small non-accelerated filer asset threshold.

⁵ Non-EGC registrants would continue to be able to use the Commission’s confidential treatment procedures regarding FOIA requests pursuant to 17 CFR 200.83, when submitting draft registration statements for nonpublic review.

inapplicable. The SEC also proposes a new Form 10-K checkbox to identify ABS issuers and would retain the existing 90-day annual report deadline for ABS issuers.⁶

Request for Comment and Comments to Date

The proposing release includes 48 numbered questions covering a broad range of topics addressed by the proposal. The comment period closes July 20, 2026, and the proposal has already attracted significant attention. The comment record to date has been generally supportive, with many comments praising the SEC for the proposed changes. In addition, the comments so far reflect two principal themes:

- **Section 404(b).** Multiple commenters addressed the proposed changes to the 404(b) auditor attestation. Key arguments include that existing safeguards already render the attestation's marginal value insufficient to justify its costs, that compliance burdens stem from audit firm methodology rather than company size alone, and that alternatives such as an internal audit function-led ICFR assurance within a company should be considered in lieu of outright removal.⁷
- **Investor protection concerns.** Several commenters cautioned that the proposal weakens investor protections, particularly objecting to the removal of say-on-pay for companies below the \$2 billion public float threshold and arguing that the proposed 60-month on-ramp is unnecessary for certain companies.⁸

Key Considerations and Practical Steps for Public Companies

- **Assess and model filer status.** Companies may wish to consider how the proposed changes could affect their current classification and disclosure obligations. If final rules went effective in 2027, current LAFs near the \$2 billion threshold could be required to track their average share price and public floats during the final 10 days of their second fiscal quarters in 2026 and 2025. Companies that would transition to NAF status should quantify the potential financial and operational benefits, including potential elimination of the Section 404(b) auditor attestation requirement (often a significant portion of annual audit fees), scaled executive compensation and MD&A disclosures, and eliminated say-on-pay obligations.
- **Evaluate whether to continue voluntary full disclosures and/or ICFR attestation.** Companies that would become NAFs would no longer be required to comply with LAF-level requirements, but may choose to do so to address proxy advisory firm and investor expectations, existing contractual obligations, litigation considerations or in anticipation of requalifying as an LAF in the future.
- **Plan for revised audit and reporting calendars.** Registrants that would newly qualify as NAFs or smaller non-accelerated filers may wish to take advantage of extended deadlines for periodic reports (for 10-Ks, the 90 day deadline for NAFs instead of a 60 day deadline for LAFs) and should assess the downstream impact on internal audit processes.
- **Consider shareholder engagement on compensation.** Because NAFs would not be required to conduct say-on-pay votes, companies should anticipate (if the proposed rules were adopted) that shareholders may seek alternative channels to express views on executive compensation, including through increased opposition or "against" votes in director elections (particularly for compensation committee members) and shareholder proposals.

⁶ Further, the proposal would not permit investment companies that are NAFs to rely on Regulation S-X Article 8 financial statement accommodations. Business development companies and face-amount certificate companies would, however, receive scaled accommodations through proposed Regulation S-X Rule 3-19.

⁷ See comment letters from: (i) Andy Whittle, CPA, Internal Audit & Financial Advisory Professional (May 29, 2026), available [here](#), and (ii) Anne DeTraglia, Chief Audit Executive, Institute of Internal Auditors (May 27, 2026), available [here](#).

⁸ See, for example, comment letters from: (i) Hannah Pasco (May 21, 2026), available [here](#), (ii) Marc I. Steinberg, Radford Chair and Professor of Law at Southern Methodist University (June 1, 2026), available [here](#), and (iii) Anonymous (June 2, 2026), available [here](#).

- **Consider the five-year accounting standard deferral.** Newly public companies should consider evaluating whether electing deferred adoption of new accounting standards is consistent with their financial reporting strategy and capital markets plans, bearing in mind that the election is irrevocable and expires five years after registration.
- **For FPIs, absent further rulemaking from the SEC, consider implications of filing on domestic forms.** As drafted, the proposed amendments would apply to FPIs that file on domestic forms, but not to FPIs that file on FPI forms. In practice, the norm is for FPI to file on FPI forms. The exclusion of FPIs from the proposed rules could disadvantage some FPIs relative to similarly sized domestic-form filers that would receive NAF-level relief. To the extent the rules are adopted and the SEC does not separately adopt similar accommodations for FPIs, this asymmetry may factor into form-choice decisions for FPIs going forward, with FPIs considering filing on domestic forms to obtain the benefit of NAF status, including the application of SOX 404(b) requirements at a much higher threshold than the \$75 million that would otherwise apply. However, this would subject FPIs to certain additional aspects of domestic form filing, including, for example, disclosures of any Section 16(a) filing delinquencies and Rule 10b5-1 plans by directors and officers and shorter disclosure deadlines.⁹
- **Engage in the comment process.** The SEC is seeking comment on a broad range of features of the proposed amendments. Public and private and pre-IPO companies, auditors, underwriters, and investors should assess which aspects of the proposal are most relevant to their circumstances, including by addressing any quantitative cost benefits for companies, and consider submitting targeted comment letters to help shape the final rules.

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⁹ According to the SEC Staff Financial Reporting Manual Topic 6120.10b, foreign private issuers that file on Form 20-F and foreign private issuers who voluntarily file on Form 10-K are not subject to domestic filer executive compensation disclosures required by Regulation S-K 402, and may, instead, follow Form 20-F executive compensation disclosures.

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Annex A

Select Proposed Rule Changes under Proposed Filer Status Rule¹⁰

Securities Exchange Act Rules

§ 240.12b-2

Definitions.

Unless the context otherwise requires, the following terms, when used in the rules contained in this regulation or in Regulation 13A or 15D or in the forms for statements and reports filed pursuant to sections 12, 13 or 15(d) of the ~~act~~Act, ~~shall~~ have the respective meanings indicated in this rule:

* * * * *

Large accelerated filer, non-accelerated filer, and small non-accelerated filer—An issuer must assess its filer status annually, as of the last day of its fiscal year, applying the following terms. This requirement and the definitions in this part do not apply to asset-backed issuers (as defined in Item 1101(b) of Regulation AB (§ 229.1101(b) of this chapter)).

~~Accelerated filer and large accelerated filer~~—

~~(1) Accelerated filer.~~ The term ~~accelerated filer~~ means an issuer after it first meets the following conditions ~~as of the end of its fiscal year:~~

~~(i) The issuer had an aggregate worldwide market value of the voting and non-voting common equity held by its non-affiliates of \$75 million or more, but less than \$700 million, as of the last business day of the issuer's most recently completed second fiscal quarter;~~

~~(ii) The issuer has been subject to the requirements of section 13(a) or 15(d) of the Act (15 U.S.C. 78m or 78o(d)) for a period of at least twelve calendar months; and~~

~~(iii) The issuer has filed at least one annual report pursuant to section 13(a) or 15(d) of the Act; and~~

~~(iv) The issuer is not eligible to use the requirements for smaller reporting companies under the revenue test in paragraph (2) or (3)(iii)(B) of the "smaller reporting company" definition in this section, as applicable.~~

~~(2) Large accelerated filer.~~ The term ~~large accelerated filer~~ means ~~an issuer after it first meets the following conditions as of the end of its fiscal year:~~

~~(i) The issuer had an aggregate worldwide market value of the voting and non-voting common equity held by its non-affiliates of \$700 million or more, as of the last business day of the issuer's most recently completed second fiscal quarter;~~

(i) For an issuer that is not currently a large accelerated filer:

~~(ii) The issuer has~~Has been subject to the reporting requirements of section 13(a) or 15(d) of the Act (15 U.S.C. 78m or 78o(d)) for a period of at least ~~twelve~~the preceding sixty consecutive calendar months; and

~~(iii) The issuer has filed at least one annual report pursuant to section 13(a) or 15(d) of the Act; and~~

~~(iv) The issuer is not eligible to use the requirements for smaller reporting companies under the revenue test in paragraph (2) or (3)(iii)(B) of the "smaller reporting company" definition in this section, as applicable.~~

~~Smaller reporting company.~~ As used in this part, the term ~~smaller reporting company~~ means ~~an issuer that is not an investment company, an asset-backed issuer (as defined in § 229.1101 of this chapter), or a majority-owned subsidiary of a parent that is not a smaller reporting company and that:~~

~~(1) Had a public float of less than \$250 million; or~~2 billion or more for the current and immediately prior fiscal years.

~~(2) Had annual revenues of less than \$100 million and either:~~

~~(i) No public float; or~~

¹⁰ Additional proposed rule changes were included in the release; for additional redlined rule excerpts, please contact a member of your White & Case team.

(ii) ~~A~~An issuer that is currently a large accelerated filer will remain a large accelerated filer until its public float ~~of~~is less than ~~\$700 million~~2 billion for each of two consecutive fiscal years.

(iii) Public float for purposes of this section is computed for each fiscal year by multiplying:

~~(3) Whether an issuer is a smaller reporting company is determined on an annual basis.~~

~~(i) For issuers that are required to file reports under section 13(a) or 15(d) of the Exchange Act:~~

~~(A) Public float is measured as of the last business day of the issuer's most recently completed second fiscal quarter and computed by multiplying the~~ 1) The aggregate worldwide number of shares of ~~its~~the issuer's voting and non-voting common equity held by non-affiliates ~~by the as of the last day of the issuer's second fiscal quarter; by~~

(2) The average price at which the common equity was last sold, or the average of the bid and asked prices of such common equity, in the principal market for ~~the~~such common equity; over the last ten trading days of the issuer's second fiscal quarter.

(2) Non-accelerated filer. The term non-accelerated filer means an issuer that is not a large accelerated filer.

(3) Small non-accelerated filer. The term small non-accelerated filer means an issuer that:

(i) For an issuer that is not currently a small non-accelerated filer:

~~(B) Annual revenues are as of the most recently completed fiscal year for which audited financial statements are available; and~~

~~(C) An issuer must reflect the determination of whether it came within the definition of smaller reporting company in its quarterly report on Form 10-Q for the first fiscal quarter of the next year, indicating on the cover page of that filing, and in subsequent filings for that fiscal year, whether it is a smaller reporting company, except that, if a determination based on public float indicates that the issuer is newly eligible to be a smaller reporting company, the issuer may choose to reflect this determination beginning with its first quarterly report on Form 10-Q following the determination, rather than waiting until the first fiscal quarter of the next year.~~

~~(ii) For determinations based on an initial registration statement under the Securities Act or Exchange Act for shares of its common equity:~~

~~(A) Public float is measured as of a date within 30 days of the date of the filing of the registration statement and computed by multiplying the aggregate worldwide number of shares of its voting and non-voting common equity held by non-affiliates before the registration plus, in the case of a Securities Act registration statement, the number of shares of its voting and non-voting common equity included in the registration statement by the estimated public offering price of the shares;~~is a non-accelerated filer; and

~~(B) Annual revenues are as of the most recently completed fiscal year for which audited financial statements are available; and~~As of the end of each of its two most recent second fiscal quarters had total assets of \$35 million or less.

(ii) An issuer that is currently a small non-accelerated filer will remain a small non-accelerated filer until:

~~(C) The issuer must reflect the determination of whether it came within the definition of smaller reporting company in the registration statement and must appropriately indicate on the cover page of the filing, and subsequent filings for the fiscal year in which the filing is made, whether it is a smaller reporting company. The issuer must re-determine its status at the end of its second fiscal quarter and then reflect any change in status as provided in paragraph (3)(i)(C) of this definition. In the case of a determination based on an initial Securities Act registration statement, an issuer that was not determined to be a smaller reporting company has the option to re-determine its status at the conclusion of the offering covered by the registration statement based on the actual offering price and number of shares sold.~~

~~(iii) Once an issuer determines that it does not qualify for smaller reporting company status because it exceeded one or more of the current thresholds, it will remain unqualified unless when making its annual determination either:~~

~~(A) It determines that its public float was less than \$200 million~~qualifies as a large accelerated filer; or

~~(B) It determines that its public float and its annual revenues meet the requirements for subsequent qualification included in the following chart:~~Its total assets exceed \$35 million as of the end of each of its two most recent second fiscal quarters.

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Regulation S-X

§ 210.2-02

Accountants' reports and attestation reports.

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(f) *Attestation report on internal control over financial reporting.*

(1) Every registered public accounting firm that issues or prepares an accountant's report for a ~~registrant, other than a registrant that is neither an accelerated filer nor a~~ large accelerated filer (as defined in § 240.12b-2 of this chapter), ~~or is an emerging growth company, as defined in Rule 405 of the Securities Act (§ 230.405 of this chapter) or Rule 12b-2 of the Exchange Act (§ 240.12b-2 of this chapter), or an investment company registered under Section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8), § 240.12b-2 of this chapter~~ that is included in an annual report required by section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*) containing an assessment by management of the effectiveness of the registrant's internal control over financial reporting must include an attestation report on internal control over financial reporting.

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Regulation S-K

§ 229.201

(Item 201) Market price of and dividends on the registrant's common equity and related stockholder matters.

* * * * *

(e) *Performance ~~graph~~Graph.*

(1) ~~Provide~~For a registrant that is a large accelerated filer (as defined in § 230.405 and § 240.12b-2 of this chapter) or an investment company, provide a line graph comparing the yearly percentage change in the registrant's cumulative total shareholder return on a class of common stock registered under section 12 of the Exchange Act (as measured by dividing the sum of the cumulative amount of dividends for the measurement period, assuming dividend reinvestment, and the difference between the registrant's share price at the end and the beginning of the measurement period; by the share price at the beginning of the measurement period) with:

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§ 229.305

Quantitative and qualitative disclosures about market risk.

(a) *Quantitative information about market risk.* Registrants that are large accelerated filers (as defined in § 230.405 and § 240.12b-2 of this chapter) must:

(1) ~~Registrants shall provide~~Provide, in their reporting currency, quantitative information about market risk as of the end of the latest fiscal year, in accordance with one of the following three disclosure alternatives. In preparing this quantitative information, registrants ~~shall~~must categorize market risk sensitive instruments entered into for trading purposes and instruments entered into for purposes other than trading purposes. Within both the trading and other than trading portfolios, separate quantitative information ~~shall~~must be presented, to the extent material, for each market risk exposure category (*i.e.*, interest rate risk, foreign currency exchange rate risk, commodity price risk, and other relevant market risks, such as equity price risk). A registrant may use one of the three alternatives set forth in this section for all of the required quantitative disclosures about market risk. A registrant also may choose, from among the three alternatives, one disclosure alternative for market risk sensitive instruments entered into for trading purposes and another disclosure alternative for market risk sensitive instruments entered into for other than trading purposes. Alternatively, a registrant may choose any disclosure alternative, from among the three alternatives, for each risk exposure category within the trading and other than trading portfolios. The three disclosure alternatives are:

* * * * *

(b) *Qualitative information about market risk.* Registrants that are large accelerated filers (as defined in § 230.405 and § 240.12b-2 of this chapter) must:

(1) To the extent material, describe:

* * * * *

(2) ~~Qualitative~~Present qualitative information about market risk ~~shall be presented~~ separately for market risk sensitive instruments entered into for trading purposes and those entered into for purposes other than trading.

* * * * *

~~(e) **Smaller reporting companies.** A smaller reporting company, as defined by § 229.10(f)(1), is not required to provide the information required by this Item.~~

(e) [Reserved]

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§ 229.308

(Item 308) Internal control over financial reporting.

(a) * * *

(4) If the registrant is ~~an accelerated filer or~~ a large accelerated filer (as defined in § 240.12b-2 of this chapter), or otherwise includes in its annual report a registered public accounting firm's attestation report on internal control over financial reporting, a statement that the registered public accounting firm that audited the financial statements included in the annual report containing the disclosure required by this Item has issued an attestation report on the registrant's internal control over financial reporting.

(b) *Attestation report of the registered public accounting firm.* If the registrant, ~~other than a registrant that is an emerging growth company, as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter), is an accelerated filer or~~ is a large accelerated filer (as defined in § 240.12b-2 of this chapter), provide the registered public accounting firm's attestation report on the registrant's internal control over financial reporting in the registrant's annual report containing the disclosure required by this Item.

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§ 229.402

(Item 402) Executive compensation.

(a) *General.* * * *

(7) *Treatment of non-accelerated filers.* A non-accelerated filer (as defined in § 230.405 and § 240.12b-2 of this chapter):

(i) May provide the disclosure in paragraphs (m) through (r) in lieu of the disclosure required in paragraphs (a) through (k); and

(ii) Is exempt from providing the disclosure required in paragraphs (s) through (v).

* * * * *

§ 229.404

(Item 404) Transactions with related persons, promoters and certain control persons.

(b) *Review, approval or ratification of transactions with related persons.* A registrant that is a large accelerated filer (as defined in § 230.405 and § 240.12b-2 of this chapter) must:

(1) Describe the registrant's policies and procedures for the review, approval, or ratification of any transaction required to be reported under paragraph (a) of this Item. While the material features of such policies and procedures will vary depending on the particular circumstances, examples of such features may include, in given cases, among other things:

(i) The types of transactions that are covered by such policies and procedures;

(ii) The standards to be applied pursuant to such policies and procedures;

(iii) The persons or groups of persons on the board of directors or otherwise who are responsible for applying such policies and procedures; and

(iv) A statement of whether such policies and procedures are in writing and, if not, how such policies and procedures are evidenced.

(2) Identify any transaction required to be reported under paragraph (a) of this Item since the beginning of the registrant's last fiscal year where such policies and procedures did not require review, approval or ratification or where such policies and procedures were not followed.

(c) *Promoters and certain control persons.*

(2) ~~Registrants shall~~ A registrant must provide the disclosure required by paragraphs (c)(1)(i) and (c)(1)(ii) of this Item as to any person who acquired control of a registrant that is a shell company (as defined in § 230.405 and § 240.12b-2 of this chapter), or any person that is part of a group, consisting of two or more persons that agree to act together for the purpose of acquiring, holding, voting or disposing of equity securities of a registrant, that acquired control of a registrant that is a shell company. ~~For purposes of this Item, shell company has the same meaning as in Rule 405 under the Securities Act (17 CFR 230.405) and Rule 12b-2 under the Exchange Act (17 CFR 240.12b-2).~~

~~(d) **Smaller reporting companies.** A registrant that qualifies as a "smaller reporting company," as defined by § 229.10(f)(1), must provide the following information in order to comply with this Item:~~

~~(1) The information required by paragraph (a) of this Item for the period specified there for a transaction in which the amount involved exceeds the lesser of \$120,000 or one percent of the average of the smaller reporting company's total assets at year end for the last two completed fiscal years;~~

~~(2) The information required by paragraph (c) of this Item; and~~

~~(3) A list of all parents of the smaller reporting company showing the basis of control and as to each parent, the percentage of voting securities owned or other basis of control by its immediate parent, if any.~~

~~*Instruction to Item 404(d).* 1. Include information for any material underwriting discounts and commissions upon the sale of securities by the smaller reporting company where any of the persons specified in paragraph (a) of this Item was or is to be a principal underwriter or is a controlling person or member of a firm that was or is to be a principal underwriter.~~

~~2. For smaller reporting companies information shall be given for the period specified in paragraph (a) of this Item and, in addition, for the fiscal year preceding the small reporting company's last fiscal year.~~