April 13, 2026

Via Electronic Mail: rule-comments@sec.gov

Vanessa A. Countryman
Secretary
U.S. Securities and Exchange Commission
110 F Street, N.E.
Washington, D.C. 20549-1090

Re: CLL-15; Recommendations for Reforming Regulation S-K

Dear Secretary Countryman:

MFA[1] appreciates the opportunity to submit these comments to the U.S. Securities and Exchange Commission ("**Commission**" or "**SEC**") in response to Chairman Paul S. Atkins' January 13, 2026 Statement on Reforming Regulation S-K[2] (the "**January S-K Statement**"), which invites public comment and recommendations on potential amendments to Regulation S-K. The comments contained herein reflect the perspectives of MFA membership comprised of institutional investors in public companies managing assets on behalf of their underlying investors, including public and private pension funds, endowments and charitable organizations, among other sophisticated investors.

MFA supports efforts to grow and strengthen public markets so that U.S. capital markets can continue to be the deepest, most liquid markets in the world. Refining market regulation to maintain the world's most vibrant capital markets requires a thoughtful approach that avoids unintended consequences. We encourage the SEC to continue to take steps to reduce the compliance costs of being a public company, one where public disclosure requirements are rooted to materiality and a focus on corporate value maximization. MFA recognizes that U.S. public company disclosure obligations under Regulation S-K have expanded significantly in scope and complexity through incremental rulemakings

---

1 Managed Funds Association ("**MFA**"), based in Washington, D.C., New York City, Brussels, and London, represents the global alternative asset management industry. MFA's mission is to advance the ability of alternative asset managers to raise capital, invest it, and generate returns for their beneficiaries. MFA advocates on behalf of its membership and convenes stakeholders to address global regulatory, operational, and business issues. MFA has more than 180 fund manager members, including traditional hedge funds, private credit funds, and hybrid funds, that employ a diverse set of investment strategies. Member firms help pension plans, university endowments, charitable foundations, and other institutional investors diversify their investments, manage risk, and generate attractive returns throughout the economic cycle.

2 *See* Statement on Reforming Regulation S-K, Paul S. Atkins, Chairman, U.S. Sec. & Exch. Comm'n (Jan. 13, 2026), avail. at: https://www.sec.gov/newsroom/speeches-statements/atkins-statement-reforming-regulation-s-k-011326.

and interpretive guidance, resulting in filings that are substantially longer and more detailed than when the framework was last comprehensively reorganized in the early 1980s.[3]

As the Commission works to home in on material disclosure, we encourage the Commission to recognize the importance of maintaining robust and timely quarterly periodic reporting requirements. Quarterly financial reporting is among the most material information companies report, providing investors with critical, decision-useful information about a company's financial performance and evolving business conditions, enabling more informed capital allocation and risk assessment. Quarterly financial reporting promotes transparency, market discipline, and investor confidence. MFA believes it should remain a cornerstone of the U.S. public company disclosure regime as the Commission considers broader efforts to streamline and modernize Regulation S-K.

A key component of this effort, which MFA supports, is the Commission's interest in reforming Regulation S-K to refocus disclosures on material information, reduce burdensome and duplicative requirements, and streamline disclosure obligations to better support capital formation. As noted by Chairman Atkins in the January S-K Statement, the expansion of Regulation S-K over the last forty years has led to filings that often contain large amounts of immaterial information. This expansion has not only increased the burden on issuers to produce such information but has also made it more difficult for investors to identify what information truly is material.

Executive Summary

Notwithstanding the foregoing, to ensure that the Regulation S-K disclosure framework remains effective, efficient, and responsive to the needs of both investors and issuers, MFA requests that the Commission consider the following observations and recommendations:

(i) Potential public company disclosure reform should be governed by an overarching standard of materiality.

(ii) Maintaining quarterly reporting of financial information is important to investors.

(iii) Any expansion in the disclosure relief for smaller companies should reflect a balanced approach that considers not only the benefits to companies but also any attendant consequences.

(iv) As the Commission is reconsidering the integrated disclosure framework generally, we encourage the SEC to consider updating its company filing and public disclosure systems and redoubling its efforts to safeguard information filed with it.

[3] Sec. Exch. Comm'n, Business and Financial Disclosure Required by Regulation S-K, Sec. Act Rel. No. 10064, 81 Fed. Reg. 23,916, 23,918–19 (Apr. 22, 2016) (describing decades of additive amendments to Regulation S-K and initiating the Disclosure Effectiveness Initiative), avail. at https://www.govinfo.gov/content/pkg/FR-2016-04-22/pdf/2016-09056.pdf.

I. "Materiality" should govern reform of reporting and disclosure requirements

MFA submits that the governing principle of Regulation S-K should be whether information is "material," meaning that a reasonable investor would view the information as important to an investment or voting decision.[4] Regulation S-K currently incorporates materiality thresholds across many, but not all, of its disclosure requirements, reflecting the long-standing understanding that investors benefit most from disclosures that meaningfully inform investment decisions. In practice, however, the combination of materiality concepts layered into prescriptive, line-item material requirements often drives repetitive and lengthy disclosure, which frequently contain information that does not enhance investor understanding.

From an investor perspective, over-disclosure can be as problematic as under-disclosure. Excessive discussion of immaterial matters can obscure the information that truly drives valuation, risk assessment and voting decisions.[5] For example, Item 103(c)(2) of Regulation S-K currently requires each company to disclose the material effects of compliance with government regulations on such company's business, specifically referencing environmental laws and regulations. In practice, companies frequently formulaically disclose environmental and other regulatory information even when immaterial. This results in excessive unhelpful disclosure and significant costs to ensure such disclosure is current. Investors are better served when companies are encouraged to exercise informed judgment in determining what information is material rather than defaulting to over-disclosure.

MFA recommends that the Commission consider omitting embedded line-item materiality disclosure requirements throughout Regulation S-K and, instead, adopt and incorporate a general materiality carve-out that expressly permits any reporting company to omit disclosures deemed by it to not be material to such company's business, operations or capital-raising activities.[6] As a condition of omitting any such line items, the company must sufficiently disclose its determination that the information is immaterial. This principles-based framework would allow reporting companies to focus on matters that are genuinely material while omitting line-item disclosures that are not.[7]

---

4 In the U.S. Supreme Court decision of *TSC Industries, Inc. v. Northway, Inc.* 426 U.S. 438, 449 (1976), the Court set the materiality threshold standard and held that "an omitted fact [within a proxy statement] is material if there is a substantial likelihood that a reasonable shareholder would consider it important in deciding how to vote. [This standard] does not require proof of a substantial likelihood that disclosure of the omitted fact would have caused the reasonable investor to change his vote. What the standard does contemplate is a showing of a substantial likelihood that, under all the circumstances, the omitted fact would have assumed actual significance in the deliberations of the reasonable shareholder."

5 *See* Basic v. Levinson, 485 U.S. 224 (1988) (noting that an overabundance of disclosures may bury material information, contributing to investors' inability to make informed decisions).

6 *See* Remarks at the U.S. Chamber of Commerce Investment Company Act Summit, Paul S. Atkins, Chairman, U.S. Sec. & Exch. Comm'n, (Feb. 23, 2026) (emphasizing the need to "re-anchor[] disclosures in materiality so that investment decisions can turn on economic signals rather than on regulatory noise"), avail. at https://www.sec.gov/newsroom/speeches-statements/atkins-remarks-uscoc-invest-act-022326.

7 *See* The American Bar Association ("**ABA**"), in a comment letter to the SEC (submitted on Dec. 15, 2017 (File No. S7-06-16)), avail. at: https://www.sec.gov/comments/s7-06-16/s70616-2812973-161696.pdf). The ABA recommended that Regulation

That said, there are S-K items that MFA would expect to be material to public companies that should not be sacrificed in the name of streamlined disclosure. Financial statements, management's discussion and analysis, and security ownership, for example, will be material for every public company. The same could be said for related party transaction disclosures, broad executive compensation disclosures, and material risk factors.

A general materiality carve-out, coupled with an obligation to explain such omissions, would encourage focused, decision-useful disclosure while minimizing repetitive and immaterial information. Such an approach would enhance the clarity, relevance, and effectiveness of required disclosures for investors.

II. Public company quarterly reporting is important to investors

Investor access to timely, reliable and material information about public companies, as MFA has previously noted,[8] is a core tenet of U.S. capital markets and the regulatory framework governing those markets. We encourage the Commission's focus on streamlining public company reporting while preserving critical elements of Regulation S-K, namely the core requirement of quarterly financial reporting.

As institutional investors in U.S. capital markets, private fund managers rely on existing quarterly disclosures to evaluate companies in which they have invested or are considering investing, and to assess the progress companies have made toward achieving their stated objectives.[9] Reducing the frequency of reporting would not only diminish the timeliness and usefulness of this information, but would affect investor capital allocation decisions and undermine investor confidence. This in turn would have a negative impact on companies' access to capital. Moreover, with the advances in technology tools such as artificial intelligence, the costs of preparing quarterly reports will continue to greatly decline.

The consideration of moving to semiannual financial reporting resembles the rollbacks that occurred in Europe, with the European Union moving away from mandatory quarterly reporting in 2013. Subsequent research consistently finds that voluntary quarterly reporting reduced disclosure and left markets less informed.[10] In 2023, the European

---

S-K disclosures should be grounded in materiality and that issuers should be permitted to omit information that is not material, even there such information would otherwise be responsive to a prescriptive line-item requirement. The ABA emphasized that materiality, not exhaustive line-item *compliance*, should govern disclosure obligations, warning that immaterial disclosure can obscure information that is important to reasonable investors. *Id.*

8 *See* MFA, Comment Letter to the SEC Request for Comment on Earnings Releases and Quarterly Reports (File No. S7-26-18) (Sept. 6, 2019), avail. at: https://www.mfaalts.org/wp-content/uploads/2019/11/MFA-Letter-to-SEC-Short-Term-Long-Term-Investors.pdf.

9 *Id.*

10 *See* Tobias Bornemann et al., The Consequences of Abandoning the Quarterly Reporting Mandate in the Prime Market Segment, 34 Eur. Acct. Rev. 89 (2025) avail. at: https://www.tandfonline.com/doi/full/10.1080/09638180.2023.2239298#d1e156; *see also* Venessa Behrmann et al., The Deregulation of Quarterly Reporting and Its Effects on Information Asymmetry and Firm Value, 64 Rev. Quant. Fin. & Acct. 1221 (2024) (published online Sept. 11, 2024), avail. at: https://doi.org/10.1007/s11156-024-01338-5.

Accounting Review published a report on the effects of abandoning quarterly reporting on the Vienna Stock Market, concluding that companies that moved away from quarterly reporting altogether or substantially reduced the content of quarterly reports experienced an "economically significant reduction in liquidity" due to information asymmetry, while companies that maintained quarterly reporting did not.[11] Similar research on German markets found that decreased disclosure "reverses beneficial regulatory effects and, on average, increases information asymmetry and decreases firm value."[12]

A consequence of disclosure frequency is further evidenced in European public markets. European public markets have continued to lag behind the U.S., with lower deal volumes, weaker valuations, and thinner trading liquidity, even amid improving global conditions.[13] By contrast, U.S. public markets have consistently remained a global issuance and proceeds, benefiting from deeper liquidity, stronger price discovery and sustained investor confidence, which are supported in part by frequent and consistent public information produced by U.S. issuers.[14] The comparison between U.S. to European public markets supports how frequent, reliable and robust disclosure supports liquidity and capital formation.

Optional quarterly reporting in the U.S. could lead to inconsistent disclosure practices: some will continue reporting quarterly, others will report some quarters but not others, while still others will stop reporting quarterly altogether. Inconsistent disclosure practices may undermine comparability and impair informed investment decision-making. A shift to semi-annual reporting also may increase the importance of primary research, such as meetings with company management, in addition to its customers, suppliers, and competitors. These increased costs for investors (and companies) warrant consideration. MFA members, as institutional investors, rely on consistent and

---

11 *See* Tobias Bornemann et al., *supra* note 10, at 112 (quoting that "[t]ermination of quarterly reporting results in a 10.2 percent increase in bid-ask spreads … and an economically significant reduction in liquidity.").

12 *See id.* at 122 (abstract).

13 *See* Karim Anani, EY Global IPO Trends 2025: 2025 Global IPO Market Key Highlights and 2026 Outlook, Ernst & Young (Dec. 17, 2025), (documenting weaker IPO volumes and proceeds in European markets relative to the U.S., and noting that U.S. markets attracted deeper pools of capital and stronger investment engagement), avail.at: https://www.ey.com/en_gl/insights/ipo/trends; *see also* Global IPO Market Surges Amid Rising Investor Confidence in Q3 2025, Ernst & Young (Oct. 9, 2025) (reporting that U.S. markets led the global IPO rebound in Q3 2025 while Europe only began to show signs of recovery), avail. at: https://www.ey.com/en_gl/newsroom/2025/10/global-ipo-market-surges-amid-rising-investor-confidence-in-q3-2025.

14 *See* Anani, EY Global IPO Trends 2025, *supra* note 13; *see also* Global IPO Market Surges Amid Rising Investor Confidence, supra note 13; *see also* PwC, Global IPO Watch 2025 (Dec. 2025), avail.at: https://www.pwc.co.uk/risk/assets/pdf/ipo/global/global-ipo-watch-2025.pdf; *see also* Matthew Kaplan et al., The End of Quarterly Reporting in the United States?, Harv. L. Sch. F. on Corp. Governance (Oct. 5, 2025) (explaining that quarterly reporting requirements support market transparency and investor confidence, and warning that reduced reporting could undermine both), avail. at: https://corpgov.law.harvard.edu/2025/10/05/the-end-of-quarterly-reporting-in-the-united-states/.

reliable information to compare similar companies and make informed investment decisions; without structured quarterly reporting, that ability would be significantly diminished.

Eliminating mandatory quarterly reporting would also deter private investment by lengthening blackout periods during which material nonpublic information ("**MNPI**") accumulates. Quarterly Form 10-Q filings provide a regular and predictable mechanism for disclosing MNPI; without them, material information could remain undisclosed for periods of up to six months. This would prolong information asymmetry, increase reliance on stale disclosures (and perhaps social media inferences and rumors), and weaken market liquidity and attractiveness.

As the SEC looks to reform reporting requirements, MFA suggests the Commission should prioritize streamlining public company reporting requirements rather than efforts that would deprive investors of timely, material information such as quarterly financial information. The steady flow of information underpins the U.S. gold standard disclosure regime, while modernizing and simplifying requirements would reduce company burdens and reinforce a materiality-focus approach.[15]

III. Any expansion of smaller company reporting relief should be approached with caution

MFA encourages a thoughtful and measured approach to any potential expansion of the smaller reporting company framework.[16] While the existing regime appropriately helps ease reporting burdens for genuinely small and early-stage issuers, it is important to avoid unintended consequences associated with a broader use of scaled disclosures could reduce the quality, consistency, and comparability of information that investors rely on when making investment and voting decisions. This is particularly important when considering that many smaller companies already receive limited analyst coverage and third-party scrutiny.[17] Past experience suggests that consistent disclosure plays an

---

15 We note that the Commission has filed a proposed rule with the Office of Information and Regulatory Affairs ("**OIRA**") of the Office of Management and Budget ("**OMB**") to allow public companies to reduce financial reporting requirements from quarterly to semiannually. *See* OIRA, OMB, Unified Agenda & Regulatory Review -- Securities and Exchange Commission, Voluntary Semi-Annual Reporting for Domestic Issuers (received for review Mar. 27, 2026), avail. at https://www.reginfo.gov/public/do/eoReviewSearch. Changes to narrative and qualitative disclosure requirements under Regulation S-K should be considered holistically with any proposal to permit companies, even on a voluntary basis, to opt to report financial information on a semi-annual, rather than quarterly, basis. We would anticipate that proposals consider the aggregated costs and benefits of revising each regulatory regime.

16 *See* Remarks at the Texas A&M School of Law Corporate Law Symposium, Paul S. Atkins, Chairman, U.S. Sec. & Exch. Comm'n (Feb. 17, 2026) (emphasizing that excessive or insufficient disclosure can impair investor decision-making), avail. at https://www.sec.gov/newsroom/speeches-statements/atkins-02-17-2026-remarks-texas-am-school-law-corporate-law-symposium; Remarks at the Investor Advisory Committee Meeting, Paul S. Atkins, Chairman, U.S. Sec. & Exch. Comm'n (Mar. 12, 2026) (stating that disclosure requirements must scale with a company's size and maturity and be guided by materiality), avail. at https://www.sec.gov/newsroom/speeches-statements/atkins-remarks-iac-031226.

17 *See* Shiyan Yin et al., Reduced Disclosure and Default Risk: Analysis of Smaller Reporting Companies, 63 Rev. Quant. Fin. & Acct. 355, 358-9 (2024) (finding that smaller reporting companies typically lack robust external monitoring mechanisms such as analyst coverage and institutional *oversight* and empirical evidence shows that adverse consequences of reduced disclosure are concentrated among smaller reporting companies with limited analyst coverage, while firms with substantial

important role in supporting liquidity, transparency, and investor confidence, [18] and reduced disclosure can have unintended effects on market outcomes for smaller issuers.[19] Rather than expanding eligibility for scaled disclosure, MFA encourages the Commission to focus on improving disclosure efficiency through principles-based, materiality-driven reforms that apply across registrants, supported by clearer guidance and greater use of technology to enhance the timeliness, quality, and cost-effectiveness of reporting while preserving the information investors need. [20]

IV. MFA encourages the Commission to consider modernizing the EDGAR filing system and redouble its efforts to protect sensitive data that is filed with the SEC

MFA also encourages the Commission to prioritize modernizing the EDGAR filing system to improve usability and analytical capabilities for investors and other market participants. While EDGAR serves as the backbone of public company disclosure, its structure and interface have not kept pace with the growing volume, complexity, and sophistication of market analysis. Enhancements that improve search functionality, data standardization, and machine-readable formatting would significantly increase the practical value of existing disclosures. Modernizing EDGAR would help investors more efficiently analyze information, reduce frictions in accessing and comparing filings, and ultimately strengthen market transparency without imposing additional reporting burdens on companies.

MFA is increasingly concerned about cybersecurity risks at government agencies and urges the Commission to adopt a policy of refraining from requesting highly confidential and commercially valuable intellectual property from registrants or market participants except where absolutely necessary, and to implement a tiered process to ensure that it seeks only information that is genuinely required. We believe that when sensitive information is requested, it should be obtained through a Commission-issued subpoena, accompanied by special procedures designed to protect that information. Information security vulnerabilities at a regulatory agency jeopardize not only market participants and their investors, but also the U.S. economy more broadly through the potential loss of domestic trade secrets and erosion of confidence in the integrity of the regulatory framework. Over the past several years, through both statutory mandates and the exercise of regulatory discretion, the Commission has expanded the scope and breadth of the information it requests from registrants, while generally continuing to rely on the same framework for information collection and protection. MFA believes that the Commission's mission would be better served by reexamining and updating its policies and processes for collecting and safeguarding non-public and confidential information.[21]

---

analyst following are largely unaffected by these effects), avail. at https://link.springer.com/article/10.1007/s11156-024-01262-8.

18 *See* Smaller Reporting Company Regulatory Relief and Simplification, Securities Act Release No. 33-8876, 73 Fed. Reg. 933 (Dec. 19, 2007), avail at: https://www.sec.gov/files/rules/final/2007/33-8876.pdf; Yin et al., *supra* note 17, at 356.

19 Yin et al., *supra* note 17, at 378.

20 *Id.* at 359.

21 *See* MFA, Letter to the Commodity Futures Trading Commission on Regulatory Recommendations (Jan. 15, 2026), avail. at: https://www.mfaalts.org/wp-content/uploads/2026/01/MFA-CFTC-Letter-re-Regulatory-Priorities-011526-FINAL-1.pdf. MFA joined several other organizations in a joint letter to Treasury Secretary Bessent urging regulatory agencies to maintain

* * * * *

MFA appreciates the Commission's consideration of our observations and recommendations. We look forward to working with the SEC to improve securities disclosure regulations to protect investors, support U.S. economic growth and promote capital formation. Should you have questions or require additional information, please contact the undersigned (jhan@mfaalts.org) or Jeff Himstreet (jhimstreet@mfaalts.org).

Respectfully submitted,

/s/ Jennifer W. Han

Jennifer W. Han
Executive Vice President
Chief Legal Officer & Head of Global Regulatory Affairs
MFA

cc: The Hon. Paul S. Atkins, Chairman, SEC
The Hon. Hester M. Peirce, Commissioner
The Hon. Mark T. Uyeda, Commissioner
James Moloney, Director, Division of Corporation Finance

substantially similar cybersecurity controls as the financial services firms they regulate. *See also* Letter from MFA, American Bankers Association, Bank Policy Institute et. al. to Secretary Bessent, U.S. Treasury (June 9, 2025), avail. at https://www.mfaalts.org/wp-content/uploads/2025/06/Joint-Trades-Regulator-Data-Security-Letter-June-9-2025.pdf.