

## The SEC Adopts Amendments to MD&A and Other Financial Statement Disclosures

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On November 19, 2020, the Securities and Exchange Commission (“SEC”) announced amendments to certain financial disclosure requirements in Regulation S-K in an effort to modernize and simplify financial disclosures. Specifically, the amendments eliminate the requirement for Selected Financial Data, streamline the requirement to disclose Supplementary Financial Information and amend disclosures required for Management’s Discussion & Analysis of Financial Condition and Results of Operations (“MD&A”). Most notably, the amendments (i) eliminate the requirements to provide five years of select financial data under Item 301 and tabular disclosure of contractual obligations under Item 303(a)(5), (ii) limit the circumstances in which quarterly supplemental financial information must be presented under Item 302(a), (iii) clarify the objectives of MD&A and codify previous MD&A guidance and (iv) add Item 303(b)(4) to require registrants to explicitly disclose critical accounting estimates in MD&A. The full text of the final rule, which will in most cases apply to any annual report filed for the fiscal year ended December 31, 2021, may be accessed [here](#). Although registrants will not be required to comply with the amended rules until they make filings for their first fiscal year ending on or after August 9, 2021, they may voluntarily comply with any amended item at any time after the amendments become effective, provided that they comply with such amended item in its entirety and continue to comply with such amended item in any applicable filings going forward.

The amendments were adopted in connection with the SEC’s ongoing initiative to modernize and improve disclosure by reducing costs and burdens while continuing to provide investors with all material information.

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