Simpson Thacher

Memorandum

SEC Proposes to Permit Public Companies to Report Semiannually

May 6, 2026

On May 5, 2026, the Securities and Exchange Commission proposed long-awaited rule and form amendments[1] that would give public companies the option of filing semiannual reports to meet their interim reporting obligations in lieu of the quarterly reports that are currently required. The proposal is part of Chairman Paul Atkins's "Make IPOs Great Again" agenda, and is expected to be part of a series of reforms intended to incentivize companies to "go and stay public."[2]

The proposed amendments to Exchange Act Rules 13a-13 and 15d-13 would allow public companies subject to the reporting requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, to elect to file a single semiannual report on a new Form 10-S in lieu of three quarterly reports on Form 10-Q. Reporting companies that make this election would file one semiannual report on Form 10-S and one annual report on Form 10-K each fiscal year. Companies that do not make the election would continue to file quarterly and annual reports under the existing framework.

- **Election Mechanics.** The proposed amendments contemplate the inclusion of a check box on the cover page of Form 10-K through which reporting companies would opt each year to report quarterly or semiannually. Once a reporting company makes an election, it generally cannot be changed mid-fiscal year. For newly public companies, this check box would be added to their initial registration statement and checked (or not checked) in the same manner.
- **Form 10-S.** The new proposed Form 10-S largely mirrors the current Form 10-Q and would require the same narrative disclosures and financial information—including management's discussion and analysis of financial condition and results of operations, legal proceedings, risk factors and financial statements—but would cover a six-month period rather than a fiscal quarter. Financial statements would still be required to be prepared in accordance with U.S. GAAP and reviewed, but not audited, by an independent public accountant, and inline XBRL data tagging and officer certifications would also continue to be required. The filing deadline for Form 10-S would be the same that applies to Form 10-Q—*i.e.*, 40 days after the end of the first semiannual period for large accelerated and accelerated filers and 45 days for other registrants.

[1] Sec. & Exch. Comm'n, Proposed Rule, Semiannual Reporting, Securities Act Release No. 33-11414, Exchange Act Release No. 34-105368, Investment Company Act Release No. IC-36140, https://www.sec.gov/files/rules/proposed/2026/33-11414.pdf (accessed May 6, 2026).

[2] *See* Paul S. Atkins, Chairman, Sec. & Exch. Comm'n, Statement on Proposing Release for Semiannual Reporting (May 5, 2026), https://www.sec.gov/newsroom/speeches-statements/atkins-statement-proposing-release-semiannual-reporting-050526.

- **Conforming Amendments.** The proposed amendments include corresponding amendments to the financial statement requirements of Regulation S-X to facilitate semiannual reporting and to simplify and consolidate the rules regarding the age of financial statements in registration and proxy statements. The proposed amendments would also make technical amendments to numerous existing rules and forms that currently reference quarterly reporting to incorporate the optional semiannual reporting approach.

Reporting companies may have valid reasons to continue to file quarterly reports on Form 10-Q, including due to the expectations of investors and security analysts or to allow for more frequent open trading windows for directors and employees. Reporting companies with debt obligations may also be subject to quarterly debt covenant financial reporting. Reporting companies should evaluate whether to opt into semiannual reporting should the proposed amendments be adopted as proposed, including by considering the relative costs, in both time and expense, of preparing quarterly reports versus semiannual reports, the expectations of investors and analysts, the potential effects on trading dynamics and access to capital, obligations under debt covenants, the stage of their development, the nature of their business model, and other avenues of disclosure including earnings calls and current reports on Form 8-K. Reporting companies, auditors, underwriters and frequent issuers should also assess knock-on effects for processes surrounding registration statement filings, comfort letter practice, disclosure controls, earnings release cadence, insider trading policies and the related trading windows and investor relations strategy.

The public comment period will remain open for 60 days following publication of the proposing release in the Federal Register.

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