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July 1, 2026

Ms. Vanessa A. Countryman
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: Proposed Rule 33-11414, Semiannual Reporting, File Number S7-2026-15

Dear Ms. Countryman:

RSM US LLP (RSM, “we”) appreciates the opportunity to comment on the Securities and Exchange Commission’s (“SEC” or “Commission”) Proposed Rule 33-11414, Semiannual Reporting (“Proposal”). RSM is the leading provider of assurance, tax and consulting services focused on the middle market, with nearly 18,000 professionals in 77 U.S. cities, six locations in Canada, one in El Salvador and four in India.

Overall Comments on the Proposal

We believe that investor confidence in information provided by issuers is fundamental to the successful operation of the U.S. financial markets and that the Commission’s disclosure framework supports the timely, reliable and decision-useful flow of information to investors. We commend the Commission’s ongoing efforts to maintain investor protection and improve the efficiency of the financial reporting system and appreciate the commitment to revisiting and updating the financial reporting requirements through a focus on materiality and scalability of disclosure and reporting requirements. We recognize the operational and cost burdens associated with periodic reporting and are broadly supportive of the Commission’s efforts to evaluate and modernize the interim reporting framework to provide additional access to the capital markets through cost savings to issuers.

Regardless of the decisions made to change issuers’ quarterly reporting requirements, we understand the impact on the underlying assurance and believe we will be able to adjust and continue to serve investors by providing interim review or other services, as appropriate, to enhance the quality and reliability of financial information disclosed in SEC filings.

The economic analysis of the Proposal primarily focuses on the transition to semiannual reporting as a standalone change. However, this modification occurs concurrently with two other significant proposed rules changes for the simplification of filer status and the modernization of registered offerings. All three initiatives aim to achieve similar objectives, including reducing compliance costs, enhancing access to capital, and maintaining essential protections for investors. In addition to other recommendations discussed in this letter, we encourage the Commission to consider evaluating the combined impact of these three proposals to identify potential overlaps or diminishing returns resulting from the cumulative effects of the rules. This comprehensive look will aid in informing whether any adjustments are necessary to balance the goals of facilitating capital formation and safeguarding investor interests.

Our responses to the questions posed in the Request for Comment for which we have relevant knowledge and experience as a provider of audit services to issuers, other than those directed to investors and preparers and certain other questions that we believe are best addressed by other stakeholders, are included in the remainder of this letter.

Comments on Specific Questions Posed by the Commission

> 5. We are proposing that the filing deadlines for semiannual reports on Form 10-S be the same as for quarterly reports on Form 10-Q. Should the filing deadline for semiannual reports on Form 10-S be longer or shorter than proposed? If so, what would be an appropriate filing deadline? Do companies need more time to prepare semiannual reports than quarterly reports and if so, why? Should smaller public companies, newly public companies, or emerging growth companies be afforded a longer filing deadline for Form 10-S to allow for additional time to consult with their accountants and advisers?

We support the Commission's proposal to align the filing deadlines for semiannual reports on Form 10-S with the existing deadlines for quarterly reports on Form 10-Q. While a semiannual reporting period encompasses six months of activity, we do not believe this necessarily translates into a proportionate increase in reporting and review complexity and the need for additional time for review under the Public Company Accounting Oversight Board (PCAOB) Auditing Standard (AS) 4105 procedures. Assuming issuers continue to maintain proper controls and perform robust close procedures on either a quarterly or semi-annual basis, depending on the reporting frequency elected, extended filing time does not appear necessary

Although certain processes, such as management review and auditor procedures, may involve incremental effort due to the longer reporting period, we believe registrants can reasonably meet the proposed deadlines without compromising reporting quality. Accordingly, we do not believe extended filing deadlines are necessary, provided the underlying reporting framework remains clear and consistent.

> 10. Our proposal would require Exchange Act reporting companies that elect to file semiannual reports to continue with that interim reporting frequency for the rest of the fiscal year in which the election was made. Therefore, companies would not be allowed to file a semiannual report on Form 10-S for the first six months of a fiscal year and then file a quarterly report for the third quarter for that fiscal year. Likewise, companies would not be allowed to file a quarterly report on Form 10-Q for the first quarter of a fiscal year, file a semiannual report on Form 10-S for the first six months for that fiscal year, and not file a quarterly report on Form 10-Q for the third fiscal quarter. Would this proposed approach help avoid potential confusion that could be caused by changes in interim reporting frequency during a fiscal year? Is it necessary to add any language to the proposed rules to make more explicit the requirement to maintain the selected frequency for the full fiscal year? Rather than the proposed approach, should we allow: (1) semiannual filers and quarterly filers to make a change in interim reporting frequency during the fiscal year, or (2) only semiannual filers to switch to filing quarterly reports during the fiscal year? Should issuers that elect semiannual reporting be required to commit to that disclosure frequency for a certain period of time? Why or why not?

We believe limiting issuers to an annual election of interim reporting frequency could unintentionally restrict the availability of information without necessarily reducing investor risk. Accordingly, we recommend that the Commission consider allowing issuers that elect semiannual reporting on Form 10-S to also file quarterly financial information on Form 10-Q when circumstances warrant. For example, if an issuer determines that additional information is needed to support a capital raise or meet market expectations, prohibiting a third-quarter transition from semiannual to quarterly reporting could impede capital formation for some issuers. This concern could be addressed by either making semiannual reporting mandatory while permitting optional quarterly reporting or retaining an annual election while allowing semiannual filers to voluntarily provide quarterly information. However, we do not believe issuers should be permitted to switch from quarterly to semiannual reporting after making an annual election, as doing so could reduce the information investors expect to receive.

> 12. Should correction of errors with respect to the Form 10-K check box related to semiannual reporting be permitted as we propose? Are the proposed time limits on when an error correction may be made appropriate? In addition to allowing error correction in an amended Form 10-K—or in lieu thereof—should we allow check box error correction through a Form 8-K filing?

Although market participants outside the public accounting profession may be better positioned to address certain aspects of this question, including how the form of correction may affect investors and issuers, we support the Commission’s proposal for error correction through an amended Form 10-K. Clear guidance on the required correction method would help reduce diversity in practice and limit potential ambiguity in filing expectations from an investor perspective. Requiring correction through an amended Form 10-K also avoids leaving an inaccurate annual report on file and promotes clarity in the public record.

> 15. As an alternative to the proposal for optional semiannual reporting, should we instead revise the disclosure requirements of Form 10-Q to reduce the burden on reporting companies of filing this form, such as amending the current rules for the required interim financial statement review by an independent public accountant, XBRL data tagging, MD&A, information about unregistered sales of registrant securities pursuant to 17 CFR 229.701 (Item 701 of Regulation S-K), or year-to-date comparisons involving financial statements and MD&A? How should these requirements, or any other requirements of Form 10-Q, be revised? What aspects of Form 10-Q’s current reporting framework are most burdensome for reporting companies?

The dependability, transparency and timeliness of financial information provided by issuers establishes a foundational knowledge base that enables effective capital formation through informed investor insights. We believe the current requirements for interim reporting on Form 10-Q has created a culture of transparency for investors and rigor for issuers that has supported the continued elevation of the U.S. capital markets. Although the historical precedence has been effective, we believe that the addition of the available interim semiannual reporting frequency is reasonable and appropriate to aid in increasing access to the capital markets while maintaining investor protection.

If the Commission determines that the adoption of the Proposal is not appropriate, we advise the Commission to perform additional outreach to issuers and investors. This outreach could identify potential changes within the current reporting requirements that are determined to be burdensome or of decreased importance to investors. We recognize the concerns regarding the growing volume of interim disclosures and believe that continued refinement of disclosure requirements in line with the Commission’s initiative related to the modernization of regulations, with a focus on the materiality and scalability of disclosures, would be appropriate.

> 20. In connection with any adoption of the proposal, should there be a new requirement for semiannual filers that announce or release earnings for the first or third quarters of their fiscal year (i.e., the periods that would later be subsumed in Forms 10-S and 10-K but for which there would be no quarterly report filed with the Commission)—that financial information in any first or third quarter earnings releases be reviewed by an independent public accountant? If so, would any changes to current auditing standards (e.g., governing reviews) be required?

Due to the lack of a reporting framework for earnings releases, the furnished documents inherently have diversity in the financial and narrative information provided. This diversity results in information that can create reduced comparability but additionally allows issuers flexibility to best illustrate their company's performance in line with investor expectations. Although the lack of a reporting framework allows for customization to meet the needs of investors, we believe that if market participants or the Commission determine that assurance over earnings releases is desirable, a clear reporting framework would need to be established and potential corresponding changes or clarifying guidance provided for the application of professional auditing and attestation standards would be necessary.

24. Would the nature and extent of procedures that an independent public accountant performs during a review change depending upon whether the independent public accountant is performing a review over a fiscal semiannual period or a fiscal quarterly period? Would independent public accountants conducting reviews do the same amount of work for a fiscal semiannual period as they currently do for two quarterly fiscal periods on a combined basis? Would an independent public accountant experience any impact on efficiency or economies of scale when conducting reviews and annual audits under semiannual reporting versus under quarterly reporting for the same company? Would any changes to independent public accountants' review or audit procedures or any impact on efficiency or economies of scale result in changes in costs to companies? If so, describe the impact and whether the impact could vary depending upon the size of the registrant subject to the review.

We believe the nature and extent of review procedures performed under PCAOB AS 4105 would generally remain consistent regardless of whether the review covers a quarterly or semiannual period. A single semiannual review would likely require less aggregate effort than the separate reviews for the first three quarters of an entity's fiscal year; however, the reduction in effort would not be one-for-one due to the need to understand six months of financial information within the semiannual review versus three months for a quarterly review. In addition, procedures currently performed on a quarterly basis—such as testing of internal control activities and substantive procedures to support the opinion on the annual financial statements and internal controls over financial reporting—will still need to be performed, regardless of the cadence of interim reporting resulting in the need for issuers to maintain robust internal controls and close processes. As a result, while some cost savings may be realized, these savings may be more modest than anticipated and would vary based on a registrant's size, complexity and transaction volume.

26. For semiannual filers, what impact would a shift to semiannual reporting have on: (1) companies' disclosure controls and procedures, (2) companies' internal control over financial reporting, and (3) independent public accountants' strategy and approach for the annual audit of companies' internal control over financial reporting or financial statements? With semiannual reporting, is there a potential for a material increase in the risk that material misstatements (either due to error or fraud) or control deficiencies are not timely detected by or communicated to the independent public accountant thereby limiting potential remediation of these issues by the issuer? Please provide any data related to these questions.

A shift to semiannual reporting would primarily affect the frequency, rather than the design, of disclosure controls and procedures. Although these controls would still need to operate effectively, less frequent reporting could reduce opportunities to identify, communicate and remediate issues timely. This, in turn, could affect management's assessment of internal control, the auditor's opinion on internal control and investor confidence in the financial information if more material weaknesses are reported.

With respect to internal controls over financial reporting and audit strategy, auditors would likely continue performing interim testing throughout the year to support audit quality. However, fewer interim reviews under AS 4105 could increase the risk that material misstatements or control deficiencies are not detected timely and are reported later than under a quarterly reporting model. Companies could mitigate this risk by continuing to operate key controls on a quarterly or more frequent basis, even if formal reporting occurs semiannually. The Commission should also consider if there is information included in the quarterly filings that is useful to investors and users and should be provided through another means such as 8-K current reporting.

> 27. Would there be reduced securities analyst coverage of Exchange Act reporting companies that elect the semiannual reporting option as compared to quarterly filers? Would underwriters' requests for independent public accountants to provide "comfort letters" in securities offerings (to support potential due diligence defenses) lead semiannual filers to continue to retain independent public accountants to conduct quarterly financial statement reviews? If so, are changes needed to PCAOB Auditing Standards (regarding reviews by independent public accountants)?92 For example, to comport with semiannual reporting, are changes needed to PCAOB Auditing Standard 6101, *Letters for Underwriters and Certain Other Requesting Parties*, to permit independent public accountants to provide comfort letters expressing negative assurance on changes subsequent to the date and period of the latest financial statements included (or incorporated by reference) in the registration statement? If semiannual filers would continue to prepare quarterly financial information or to retain independent public accountants to conduct quarterly reviews, should the Commission make any rule changes or take any other steps to address this issue?

While other market participants outside of the public accounting profession are better positioned to assess potential impacts on analyst coverage and market demands as related to reporting needs to support capital formation, we believe it is important to distinguish between the ability to issue comfort letters and the scope of assurance that can be provided. Existing PCAOB standards limit negative assurance when the most recent audited or reviewed financial information becomes stale. Specifically, PCAOB AS 6101.47 provides that if an underwriter requests negative assurance about subsequent changes in specified financial statement items as of a date 135 days or more subsequent to the end of the most recent period subject to an audit or a review, accountants may not provide negative assurance and are limited to reporting procedures performed and findings obtained. However, those standards still permit comfort letters to be provided for both quarterly and semiannual interim reporting timelines as demonstrated by their current use for domestic and foreign filers.

The current standards framework can accommodate a semiannual reporting model, with market participants determining whether additional interim reviews are warranted in connection with specific transactions to allow firms to provide negative assurance. Accordingly, we do not believe changes to PCAOB AS 6101 are necessary to support semiannual reporting, as similar dynamics already exist that will drive the market to expand procedures and disclosures if required.

> 28. Would our proposal have any impact on a semiannual filer's application of relevant accounting standards to prepare financial statements in accordance with U.S. GAAP, IFRS, or home-country GAAP? How? Are any changes to accounting standards, including U.S. GAAP or IFRS, necessary or appropriate to effectuate semiannual reporting (e.g., changes to the guidance on annual impairment testing, lag reporting, earnings per share, or other topics of authoritative guidance)?

We believe the Proposal would require the Financial Accounting Standards Board (FASB) to consider targeted amendments to the Accounting Standards Codification (ASC) that assumes quarterly reporting. Certain areas of the ASC that may need to be reassessed for application in a semiannual reporting framework include Topic 260, *Earnings Per Share*; Topic 270, *Interim Reporting*; and Topic 280, *Segment Reporting*. The FASB may also want to reconsider the quarterly hedge effectiveness reassessment requirements in Topic 815, *Derivatives and Hedging*, including some of the implementation guidance in Topic 740, *Income Taxes*.

If the Commission moves forward with a semiannual reporting option, we recommend that the FASB conduct a comprehensive review of the ASC to determine what amendments are needed. We generally believe most of the changes could likely be achieved through the FASB's evergreen Codification Improvements project.

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We appreciate this opportunity to provide feedback on the Request for Comment and would be pleased to respond to any questions the SEC or its staff may have about our comments. Please direct any questions to Rich Davisson, Partner, National Professional Standards Group, at 574.296.3747, or Adam Hallemeyer, Chief Auditor, at 619.641.7318.

Sincerely,

RSM US LLP

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