

SEC Adopts a More Principles-Based Approach to Public Company Disclosure Requirements

September 3, 2020

New York, September 3, 2020 - On August 26, 2020, the Securities and Exchange Commission [adopted amendments](#) to Regulation S-K that simplify and modernize the disclosure requirements relating to description of business, legal proceedings, and risk factors, which apply to public company registration statements and periodic reports.

While the amended rules will require additional disclosure in some cases, several existing disclosure mandates have been eliminated. Significantly, the amended rules include a new disclosure topic in the description of business relating to human capital resources, including any human capital measures or objectives that the company focuses on in managing the business.

Overall, the amendments are intended to provide a more principles-based approach to business description requirements, eliminate duplicative disclosure through the use of cross-references and hyperlinks, and improve readability of risk factor disclosure by requiring topical headings and, in some cases, a risk factor summary.

The complete analysis by Proskauer lawyers can be found [here](#).

To speak to Proskauer partners [Karen Garnett](#) or [Frank Zarb](#) on these new SEC rules please contact [Stephen Hastings](#).