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November 25, 2019

Ms. Vanessa Countryman
Secretary, U.S. Securities and Exchange Commission
100 F Street N.E.
Washington, D.C. 20549

File Reference No. S7-02-17

Re: SEC Proposed Rule Release No. 33-10688, *Update of Statistical Disclosures for Bank and Savings and Loan Registrants*

Dear Ms. Countryman,

Deloitte & Touche LLP is pleased to respond to the SEC's request for public comment on its proposed rule *Update of Statistical Disclosures for Bank and Savings and Loan Registrants*.

We support the Commission's objective of modernizing Industry Guide 3, *Statistical Disclosures for Bank and Savings and Loan Registrants* ("Guide 3"), including the elimination of disclosures in Guide 3 that overlap with those in other SEC rules, U.S. GAAP, or IFRS Standards as well as the codification of the revised rules in a new subpart of Regulation S-K.

This letter contains our observations on the proposed rule that we believe the Commission should consider as it moves forward with its initiative to improve the financial disclosure requirements for bank and savings and loan registrants.

New Disclosures Proposed Under Regulation S-K, Item 1405

The proposed rule would require registrants to disclose the credit ratio information required by Regulation S-K, Item 1405, for each of the last five fiscal years for initial registration statements or initial Regulation A offering statements. We encourage the SEC to consider the reporting periods required for emerging growth companies (EGCs) in such statements, specifically whether such a requirement is consistent with the underlying principles and objectives of the Jumpstart Our Business Startups Act, under which EGCs are not required to present selected financial data in accordance with Regulation S-K, Item 301, for periods before the earliest audited period presented in the initial registration statement.

Securities Act Rule 409 and Exchange Act Rule 12b-21

The proposed rule would not codify the guidance in Guide 3's General Introduction 6 on the undue burden or expense accommodation for foreign registrants because all registrants can avail themselves of relief from providing information that is "unknown and not reasonably available to the registrant" under Rule 409 of the Securities Act of 1933 and Rule 12b-21 of the Securities Exchange Act of 1934. The proposed rule further indicates that registrants would be able to rely on Rules 409 and 12b-21 if, after reasonable effort, they are unable to obtain the five years of credit ratio information. In our experience as auditors, we have seen limited use of the accommodation in Rules 409 and 12b-21. Therefore, instances would be rare in which a registrant is able to demonstrate that the required information is not reasonably available or that obtaining it may require unreasonable effort or expense. If the SEC believes that that such instances would not be rare after a registrant's adoption of the requirements in proposed new Subpart 1400 of Regulation S-K, the Commission may wish to provide interpretive guidance on factors the registrant should consider when evaluating its assertion that the requested information is unknown or that obtaining it would require unreasonable effort or expense.

While Guide 3's undue burden and expense accommodation currently requires a foreign private issuer to discuss an accommodation or alternative presentation with the SEC staff, it is unclear whether any registrants would similarly be required to do so under Rules 409 and 12b-21. If the Commission expects registrants to discuss such an accommodation or alternative presentation with the staff, we recommend that it clarify that expectation in the adopting release or codify it in new Subpart 1400 of Regulation S-K.

Location of Statistical Disclosures

The proposed rule would continue to give registrants the flexibility they have under Guide 3 to choose where to present the required information. However, the SEC staff has asked for feedback on whether this flexibility should be continued or whether the proposed disclosures should be required within the notes to the financial statements. If required within the notes to the financial statements, the disclosures would be subjected to audit procedures, and registrants would need to file them in an XBRL format. We encourage the SEC to consider any feedback received from investors (and to conduct additional outreach if necessary) to understand whether and, if so, to what extent this additional information may affect their decision-making process. If, on the basis of feedback from investors and other stakeholders, the SEC determines that auditor involvement would be beneficial, we stand ready to perform assurance procedures on this information in the context of opining on the fair presentation of the financial statements taken as a whole.

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We appreciate the opportunity to provide our perspectives on the current proposal. If you have any questions or would like to discuss these issues further, please contact Christine Davine at [REDACTED] or Brandon Coleman at [REDACTED].

Sincerely,

Deloitte & Touche LLP

Deloitte & Touche LLP

cc: Jay Clayton, Chairman
Robert J. Jackson, Jr., Commissioner
Allison H. Lee, Commissioner
Hester M. Peirce, Commissioner
Elad L. Roisman, Commissioner
William H. Hinman, Director, Division of Corporation Finance
Kyle Moffatt, Chief Accountant and Disclosure Program Director, Division of
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Sagar Teotia, Chief Accountant