

March 21, 2019

Mr. Brent J. Fields, Secretary  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090

**Re: Request for Comment on Earnings Releases and Quarterly Reports  
File No. S7-26-18**

Dear Mr. Fields:

Bank of America Corporation (“Bank of America”) appreciates the opportunity to respond to the *Request for Comment on Earnings Releases and Quarterly Reports* (“the Request”). The Request seeks feedback on the nature and timing of the disclosures that reporting companies are required to provide in their quarterly reports filed on Form 10-Q, including when the disclosure requirements overlap with disclosures provided to the public via voluntary earnings release materials<sup>1</sup>. The Request also seeks comment on whether the Securities and Exchange Commission (“the Commission”) should provide reporting companies with flexibility as to the frequency of their periodic reporting.

Bank of America provides a diverse range of banking and non-banking financial services and products domestically and internationally. As one of the world’s largest financial institutions, we support the efforts of the Commission to improve the interim financial reporting framework.

We believe that significant opportunities for simplifying interim reporting exist. There should be fewer required interim disclosures – specifically removing items that have little relevance for users of our interim financial reports – and more focus on presenting only those areas with significant changes since the Form 10-K filing.

#### **Information Content Resulting from the Quarterly Reporting Process**

Bank of America produces its voluntary quarterly earnings release materials approximately two weeks in advance of filing the Form 10-Q. We support retaining the earnings release as a voluntary report to communicate our results to investors, analysts and other users in a timely manner. Our investors (and

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<sup>1</sup> As part of its quarterly earnings release, Bank of America files a Form 8-K that includes the results of operations and financial condition, a Regulation FD disclosure and a listing of financial statements and exhibits; files a press release; furnishes investor conference call presentation materials; furnishes supplemental information; and hosts an investor conference call.

other users of the financial statements) rely on the quarterly earnings release to receive detailed results of operations, including segment results and capital and liquidity metrics. We believe the earnings release materials contain information that management deems necessary to explain a quarterly period's results. Analysts, regulators and other users then have the opportunity to ask questions to further understand the results in various forums (e.g., the quarterly earnings release investor conference calls).

Much of the information reported later in the Form 10-Q reiterates information previously communicated in the earnings release materials. For example, Management's Discussion and Analysis ("MD&A") commentary that qualitatively describes segment results and year-to-date results that have been described in the earnings release materials, appear to provide little additional value in the required information in the Form 10-Q .

Based on our outreach to various teams within Bank of America (e.g., Investor Relations, Equity Research, Fixed Income Research) and their engagement with external stakeholders, there are certain time-intensive Form 10-Q requirements that seem to provide limited value to users of the Form 10-Q. Hence, we recommend that the Commission work with the Financial Accounting Standards Board to simplify interim financial statement reporting requirements for the following areas, which we believe would not result in a noticeable impact on financial statement users:

- Comparative year-to-date information requirements
- Variable interest entity disclosures
- Many of the fair value disclosures (We noted, however, that the Level 3 rollforward is a valued disclosure)

### **Timing of the Quarterly Reporting Process**

Current Form 10-Q reporting regulations require corporations to prepare, review and disclose a significant amount of information beyond what financial statement users are focused on. Requiring Form 10-Qs to be filed concurrently with / prior to a company's voluntary earnings release will unnecessarily delay the transmission of critical information to those users.

### **Earnings Release as Core Quarterly Disclosure**

The Supplemental Approach<sup>2</sup> would lead to shorter Form 10-Qs, but the Supplemental Approach, by itself, would not simplify interim reporting. While any interim disclosure changes should focus on removing extraneous information from the interim reporting process, the likely outcome of the Supplemental

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<sup>2</sup> Per the Request, the "Supplemental Approach" is described as "a company would use its Form 10-Q to supplement a Form 8-K earnings release with additional material information required by the Form 10-Q not already presented in the Form 8-K or alternatively incorporate by reference disclosure from the Form 8-K earnings release into its Form 10-Q."

Approach is to reduce the value of financial information presented in the Form 10-Q, since it would be deemed to contain the less important disclosures.

**Reporting Frequency**

We recognize that the notion of quarterly reporting is a fundamental aspect of the financial reporting framework supporting U.S. financial markets. We will carefully consider any proposals the Commission develops regarding reporting frequency.

We appreciate the opportunity to express our views in this letter. Should you have any questions, please feel free to contact Michael Tovey (██████████) or me (██████████).

Sincerely,

  
John M. James  
Senior Vice President and Corporate Controller

Cc: Rudolf Bless, Chief Accounting Officer  
Michael Tovey, Accounting Policy Executive