



In this blog feature, our in-house readers share tips, anecdotes, and thoughts about topics that arise in their daily practice. This particular batch of thoughts is about receiving a comment letter from the Corp Fin Staff about your company's periodic reports (don't forget to check out this "[Understanding the SEC Comment Letter Process"](#) [Guide](#) put together by Jason Day – and also [Part 1](#) of this series on this topic):

1. "In addition to including the disclosure committee, the independent auditor should be involved when the company receives a comment letter. Perhaps it might work differently for a smaller company - but at our big company, the auditor was notified whenever a letter was received and participated throughout the resolution process."

2. "It's one of those things in life. You know the suffering is going to come, but you don't know quite when. And how much. Luckily, I've been doing this a long time so it's not as dramatic a process as it felt when I was younger. Now that the Staff regularly sends comment letters on periodic reports, it's become just part of the routine of this job."
3. "I dread that first read of the Staff's comment letter in fear of there being a comment that makes it look like I didn't do my drafting job properly."
4. "In some ways, it feels like you're being audited by the IRS when you get a comment letter from Corp Fin. You have to call your advisors and work together as a team to be responsive in a way that can get as many comments resolved as possible. And hopefully on a 'futures' basis so you don't have to file an amended periodic report with the SEC, which might cause investors to wonder why you had to do so and overreact by driving down the company's stock price."
5. "The Audit Committee chair should be made aware when a comment letter is received, and the Committee apprised of the status during the course of the process (typically as part of the regular meeting schedule but possibly separately depending on the significance of the comments)."
6. "It hasn't been easy since the SEC Staff started reading earnings call transcripts as part of their review process. Comments received based on what executives said during these calls means that more training for these executives is necessary and some of those executives sometimes have trouble following instructions. I only have so much authority and power to attempt to control what some of these executives say and they can't seem to help themselves sometimes."

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