



Notes

1. **"Error"** includes mathematical errors, mistakes from the application of generally accepted accounting principles (GAAP), or oversight or misuse of facts that existed at the time the financials were issued. An error does not include adoption of a new accounting standard that requires retroactive application; disaggregation of financial statement line items; or a change in accounting principle (including a change in the method of applying the principle, as long as the prior application wasn't an error in US GAAP).

2. **"Voluntary restatement"** is an accounting restatement to correct one or more immaterial errors to previously issued financial statements that would not result in a material misstatement if the errors were corrected in the current period or left uncorrected in the current period.

3. A **"Big R" restatement** is an accounting restatement to correct one or more errors in previously issued financial statements that are material to those financial statements.

4. A **"little r" restatement** is an accounting restatement to correct one or more errors that are immaterial to previously issued financial statements but would result in a material misstatement if the errors were corrected in the current period or left uncorrected in the current period.

5. **Proxy disclosure required under Item 402(w)(2) of Regulation S-K.** If in 2025, *after* filing its 10-K for fiscal year 2024, an issuer reports a "Big R" restatement to its 2024 financial statements in an amendment to that previously filed 10-K, the issuer will need to include Item 402(w)(2) disclosure in its proxy statement filed in 2026 since the restatement will have occurred during the issuer's last completed fiscal year – even if disclosure was included in the amended 10-K that application of the recovery policy resulted in no recovery. If in 2026, *before* filing its 10-K for fiscal year 2025, an issuer discovers an error to its previously issued 2024 financial statements that requires a "little r" restatement to be reported in its 10-K for fiscal year 2025, the issuer will be required to include disclosure required by Item 402(w)(2) in its proxy statement filed in 2026 since the restatement will have occurred after the issuer's last completed fiscal year but prior to the filing of the proxy statement. However, the issuer will not be required to include 402(w)(2) disclosure in its proxy statement filed in 2027 – notwithstanding that the restatement will have occurred during the issuer's last completed fiscal year. [See Questions 104.21 through 104.23 of the Exchange Act Forms' Compliance & Disclosure Interpretations.](#)