# **Template Comment Letter for the SEC’s Proposed “Reporting Threshold for Institutional Investment Managers”**

## Instructions (delete before sending):

Below is a template letter for companies to send comments to the SEC regarding its proposal on “[Reporting Threshold for Institutional Investment Managers](https://www.sec.gov/rules/proposed/2020/34-89290.pdf),” announced on July 10, 2020.

All shareholder information to be updated by the final user is in brackets. Companies that need help obtaining the shareholder stats described in the letter can contact Kevin Roy ([Kevin.Roy@ihsmarkit.com](mailto:Kevin.Roy@ihsmarkit.com)) at IHS Markit, who has graciously agreed to provide this information to issuers that need it. Where possible, company SEC letters can include additional information on how this proposal will negatively impact your company, such as the affordability of stock surveillance services.

Comments by email should be sent to [rule-comments@sec.gov](mailto:rule-comments@sec.gov) and include File Number S7-08-20 in the subject line. The comment period is 60 days once the proposal is published on the SEC’s website and in the Federal Register. Letters should be summited by mid-September.

The Commission will post all comments on the [Commission’s website](http://www.sec.gov/rules/proposed.shtml). All comments received will be posted without change. The SEC does not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly.

For additional questions related to this proposal, please email [13FProposal@gladstoneplace.com](mailto:13FProposal@gladstoneplace.com).

## Template Comment Letter:

**VIA EMAIL**

[DATE], 2020

Ms. Vanessa A. Countryman

Secretary

Securities and Exchange Commission

100 F Street, N.E.

Washington, D.C. 20549-1090

[rule-comments@sec.gov](mailto:rule-comments@sec.gov)

**Re: Reporting Threshold for Institutional Investment Managers, Release No. 34-89290; File No. S7-08-20**

Dear Ms. Countryman:

We hereby respectfully submit our comments on the Commission’s proposed amendments to the Form 13F reporting rules for institutional investment managers.

As a publicly traded company, we rely on 13F filings to aid in our shareholder engagement efforts – as it is the only accurate source of institutional holdings available. We believe that the proposed amendments would reduce transparency around holdings, significantly undermining issuer-investor engagement [particularly for small and mid-cap companies such as ours].

Based on reporting data dated [DATE, 2020], there were [x] institutional holders holding [y] outstanding shares of [company] or [z] percent of total shares outstanding. If the proposal were enacted, we would lose visibility on approximately [x] of our shareholders that are also 13F filers or [y] percent, a significant loss of market transparency. We believe that this proposal would seriously jeopardize our shareholder engagement efforts by excluding more than 5,000 investment managers – or nearly 90% of all filers – from disclosure.

The long-term impact on the public markets could be detrimental to the U.S., as this proposal will deter private companies from going public, or prompt them to list on overseas exchanges that provide greater transparency around reporting disclosures.

We ask that the Commission steps back to reconsider the implications of this proposed rule, and instead refocus its efforts on the modernization of the 13F disclosure regime to improve transparency. The need for effective shareholder engagement is clearer than ever, and this proposal would be a tremendous misstep at a time when shareholders are increasingly calling for greater transparency. As such, we urge the Commission to withdraw this proposal.

Sincerely,

[Company representative name]

[Title]

[Company]