

August 4, 2020

To Clients and Friends:

On July 10, 2020, the Securities and Exchange Commission proposed amendments to Form 13F, the quarterly report in which large investment managers report their holdings of equity securities. You may have seen our recent [e-alert](#) on this subject.

The SEC announcement states that the proposed amendments “would retain disclosure of over 90% of the dollar value of the... data currently reported while eliminating the... 13F filing requirement and its attendant costs for the nearly 90% of filers that are smaller managers.” However, the smaller managers are in many cases the ones that invest in small- and mid-cap companies. As a result, while the amendments are not likely to have a significant impact on large-cap companies, they will make it harder for smaller companies to identify, much less communicate with, their owners. For a further discussion of this, please see the accompanying report from Alliance Advisors.

In addition, the proposal does not address prior rulemaking petitions and other comments seeking to reduce the deadline for 13F filings from the current 45 days after quarter-end. The current deadline deprives issuers of prompt information and is far too lengthy given modern technology.

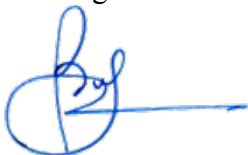
Because large cap companies have the resources to submit comments on SEC proposals, small- and mid-cap companies have little or no say in the SEC's rules, even though they often have an equal or greater impact on those smaller companies. That certainly seems to be the case with this proposal.

We think the proposal provides an opportunity to address this challenge. Specifically, **we are considering submitting a comment letter on behalf of the middle-market public companies we serve and seek to serve, so that your views are heard and considered by the SEC.** Our approach would be to submit your views on this critically important topic, without attributing them to any company or individual, and **at no charge to you.**

If you are interested in providing us with your views on this matter so that we can reflect them in our comment letter, please contact me via email or telephone.

We look forward to hearing from you.

Best regards.



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