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Rulemaking Petition Urges the SEC to Shorten Section 13(f) Reporting Deadlines

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A rulemaking **petition** to the SEC has been submitted by the NYSE, along with the Society of Corporate Secretaries and Governance Professionals and the National Investor Relations Institute, asking the Commission to amend the deadline for beneficial ownership reporting rules under Section 13(f). Institutional investment managers who exercise investment discretion of over $100 million must file a Form 13F within 45 days after the last day of each calendar quarter. The Petition seeks to shorten that deadline to two business days after the end of the quarter.

The Petition argues that under existing requirements, an investment made on January 1st may not be reported until more than four months later, on May 15th, by which time the information may very well be stale. The rule has been in place for over 30 years without reflecting major advancements in technology. The Petition cites to many of the other areas where the Commission has shortened reporting deadlines, particularly for public companies, in the interest of increasing transparency and providing the market with faster information.

Companies that wish to support this Petition may contact of the organizations listed and submit comment letters to the SEC, even in brief form. Almost all of the thousands of comment letters sent in to support the rulemaking petition on political contributions disclosure that we previously discussed **here** are only a few paragraphs in length, some as short as one sentence.

This is the second rulemaking petition submitted to the SEC so far this year. The **first** is from the Council of Institutional Investors asking the Commission to adopt several requirements related to Rule 10b5-1 trading plans, such as limiting adoption of these plans to during open trading periods, prohibiting the adoption of multiple plans, requiring mandatory delays between adoption and first trade and restricting the number of modifications and cancellations.

For our recent discussion of the controversy surrounding 10b5-1 plans and what companies should be thinking about, see **Rule 10b5-1 Plans: What You Need to Know**.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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