Email Transmission to: rule-comments@sec.gov

To: U.S. Securities and Exchange Commission

Date: 21 July 2020

Re: File Number S7-08-20 - In Opposition to 13F Reporting Proposal

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As asset allocators for non-institutional investors, we are alarmed at the prospect of curtailing 13Fs reporting responsibilities by exempting funds of under $3.5 Billion in AUM. Here are the reasons why we, as well as other asset allocators, rely heavily upon 13F reports:

1. It enables investors to drill down and see holdings of any manager of a portfolio larger than $100 million dollars. This is a crucial tool for us in evaluating the investment style of the manager, its concentrations in different sectors of the economy, any style drift, and to determine ownership overlap of the same names among funds. Such information and transparency can nurture confidence in smaller managers and is critically important in striving for prudent diversification, avoiding huge concentrations in a few popular stocks that are simultaneously owned by multiple managers.

2. The contention that this curtailment will lead to lower costs for smaller managers is a "red herring." In fact, transaction costs for smaller managers will probably increase, not decrease. Why? Virtually every hedge fund investor in their due diligence process requires to see composition and holding of the funds. Without readily available 13F reporting, those small hedge funds will have to face and answer duplicative inquiries from potential/existing investors on a daily basis. Compilation efforts for 13F reporting is rather minimal with the reporting task, really not consuming more than a few hours of time on a quarterly basis. Without this type of disclosure, one can predict with a high degree of certainty that the smaller managers will face a much harder time of raising capital because their blind pools will deter allocations. We understand that one of the principal arguments of the SEC in proposing this change is to "reflect proportionately the same market value of U.S.

equities that $100 million dollars represented in 1975." How curious – if not, absurd – to fashion regulations to an environment of 45 years ago. The markets are very, very different today.

3. To summarize: Rather than attempting – erroneously – to save money on regulatory compliance for the smaller manager, this concept represents totally erroneous thinking. We urge the SEC to drop this proposal and to continue to require reporting requirements of all managers of over $100MM of their underlying portfolios.