



August 28, 2020

Via E-Mail: rule-comments@sec.gov
Ms. Vanessa A. Countryman, Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: Reporting Threshold for Institutional Investment Managers
Release No. 34-89290 (the "Proposing Release")
File No. S7-08-20

Dear Ms. Countryman:

On behalf of Cypress Environmental Partners, L.P. (NYSE: CELP), headquartered in Tulsa, Oklahoma, I am submitting this letter to express our opposition to the proposed amendments by the Securities and Exchange Commission ("SEC") to the Form 13F reporting rules for institutional investment managers. We believe that the proposed rules should not be adopted because they are contrary to the principles of market transparency and fairness.

The Proposing Release provides that money managers holding less than \$3.5 billion of "13(f) securities" would be exempt from filing Form 13F. We believe this increase in the filing threshold from \$100 million would decrease the number of reporting filers by almost 90% (or approximately 4,500 institutional investment managers according to SEC Commissioner Allison Herren Lee's public statement opposing the proposed revisions to Rule 13f-1). The SEC's proposal would effectively abolish Form 13F as a reporting system for most investors, including many activists and event-driven hedge funds, and preserve it only for the largest index funds and asset managers.

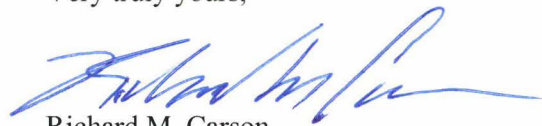
We believe the SEC's proposal would impede companies and their shareholders from promptly identifying the company's institutional investors, hinder shareholder/public company engagement, and increase the potential for market abuse by sophisticated and/or activist investors who wish to accumulate shares on a stealth basis. The 13F filings are the only accurate source of ownership information available to U.S. issuers. While 13F data is not as timely as it could be, it is the only data that shows which "street name" investors are buying or selling U.S. issuer shares each quarter. This information cannot be fully replaced by hiring stock surveillance firms, which themselves rely on quarterly 13F data as a starting point for their research efforts. Further, the reports are particularly useful for smaller issuers like us that may not be able to afford more costly stock-surveillance programs. Without the reports, issuers would be left to rely on Schedule 13D and 13G reports filed by beneficial owners of 5 percent or more of their stock. This, in turn, would limit issuers' ability to track ownership changes or to verify how much of their stock is owned by investors who refuse to disclose their stakes.

Letter to Ms. Vanessa A. Countryman
August 28, 2020
Page 2

While we agree the SEC should modernize its ownership disclosure rules, we believe that the negative impacts of this 13F proposal on the ability of U.S. issuers to engage effectively with shareholders, attract new long-term investors, and detect potential activists would far outweigh the rather modest cost savings for investment managers. The proposed 35-fold increase in the 13F threshold is not consistent with the incremental approach the SEC has taken when adjusting economic thresholds in other rules and certainly isn't an inflationary adjustment which would make more sense.

The Proposing Release is a remarkable development at a time when the overall trend in the United States as it relates to issuers, investors, regulated reporting and governance is toward more, not less, public disclosure. For the reasons noted above, we request the SEC withdraw its proposed 13F amendments. Rather than reduce 13F transparency, we urge the SEC to promote more timely and complete disclosure by pursuing reforms (such as monthly reporting and reduction of the 45-day reporting period) as detailed in rule making petitions submitted by NYSE Euronext, the Society of Corporate Secretaries and Governance Professionals, and others.

Very truly yours,



Richard M. Carson
Senior Vice President and General Counsel