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December 17, 2021

Ms. Vanessa A. Countryman  
Secretary  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

*Re: Electronic Filing Requirements for Applications for orders under the IAA, Form ADV-NR, Form 13F Confidential Treatment Requests, EDGAR Filings; other Amendments to Form 13F (Files No. S-7-15-21 and S7-16-21)*

Dear Ms. Countryman:

The Investment Company Institute<sup>1</sup> supports the Securities and Exchange Commission modernizing certain filing requirements for funds<sup>2</sup> and investment advisers.<sup>3</sup> We believe the Commission's proposals to require certain forms to be filed electronically and to update certain other forms and processes<sup>4</sup> will help increase the efficiency of the filing process while reducing burdens on filers. We also strongly recommend that the Commission modernize outdated paper filing requirements and update its e-delivery guidance to provide fund investors with information in a way that honors their preferences.

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<sup>1</sup> The Investment Company Institute (ICI) is the leading association representing regulated funds globally, including mutual funds, exchange-traded funds (ETFs), closed-end funds, and unit investment trusts (UITs) in the United States, and similar funds offered to investors in jurisdictions worldwide. ICI seeks to encourage adherence to high ethical standards, promote public understanding, and otherwise advance the interests of funds, their shareholders, directors, and advisers. ICI's members manage total assets of \$32.7 trillion in the United States, serving more than 100 million US shareholders, and \$9.9 trillion in assets in other jurisdictions. ICI carries out its international work through ICI Global, with offices in Washington, DC, London, Brussels, and Hong Kong.

<sup>2</sup> We use the terms "registered funds" or "funds" to refer to investment companies regulated under the Investment Company Act of 1940.

<sup>3</sup> *Electronic Submission of Applications for Orders under the Advisers Act and the Investment Company Act, Confidential Treatment Requests for Filings on Form 13F, and Form ADV-NR; Amendments to Form 13F*, SEC Release Nos. 34-93518; IA-5903; IC-34415 (Nov. 4, 2021) ("Form 13F CTR Electronic Filing Proposal"), available at <https://www.sec.gov/rules/proposed/2021/34-93518.pdf>; and *Updating EDGAR Filing Requirements*, SEC Release Nos. 33-11005; 34-93519 (Nov. 4, 2021) ("EDGAR Proposal"), available at, <https://www.sec.gov/rules/proposed/2021/33-11005.pdf>.

<sup>4</sup> This letter specifically addresses the SEC's proposed changes to 13(f) Confidential Treatment Requests ("Form 13F CTR"), Form 13F, and applications under the Investment Advisers Act (IAA).

## I. Exchange Act Section 13(f) and Form 13F

### A. Form 13F Confidential Treatment Requests and Amendments to Form 13F<sup>5</sup>

ICI supports the Commission's proposal to require confidential treatment requests relating to Form 13F reports to be electronically submitted via EDGAR.<sup>6</sup> Investment managers currently seeking confidential treatment of the information they submit on Form 13F must file a 13(f) Confidential Treatment Request on paper with the Commission.<sup>7</sup> Submitting these requests on paper can be time-consuming and, at times, may be operationally challenging (*e.g.*, during 2020 as a result of COVID-19). We expect the ability to file Form 13F CTRs electronically will benefit investment managers and the SEC in the future, especially in the case of extreme weather events or other circumstances that disrupt activities associated with paper filing.

We similarly support the SEC's efforts to modernize the structure of data reporting.<sup>8</sup> We believe these proposed amendments, coupled with the electronic submission requirement for Form 13F CTR, will improve and update the overall 13F reporting process.

### B. Additional Recommendations for Section 13(f) and Form 13F

In proposing electronic filing requirements, the Commission highlights that it “seeks to promote efficiency, transparency, and operational resiliency by modernizing the manner in which information is submitted to [the SEC] and, where appropriate, disclosed to the public.”<sup>9</sup> Consistent with this policy objective, we recommend that the Commission implement the

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<sup>5</sup> The SEC explicitly noted that it is not re-proposing to raise the reporting thresholds for Form 13F, as it had in a 2020 proposal that was never adopted, and which ICI opposed. Form 13F CTR Electronic Filing Proposal *supra* note 2, at 6; *see* Reporting Threshold for Institutional Investment Managers, SEC Release No. 34-89290 (July 10, 2020), available at <https://www.sec.gov/rules/proposed/2020/34-89290.pdf>; Letter from Susan Olson, General Counsel and Sarah A. Bessin, Associate General Counsel, ICI, to Vanessa A. Countryman, Secretary, SEC (Sept. 29, 2020), available at <https://www.sec.gov/comments/s7-08-20/s70820-7860142-223928.pdf>.

<sup>6</sup> Institutional investment managers, including fund advisers file Form 13F reports pursuant to Section 13(f) of the Securities and Exchange Act of 1934.

<sup>7</sup> Section 13(f)(4) requires the Commission to disclose to the public the information reported on Form 13F, except for personal information identifying “the securities held by the account of a natural person, an estate, or a trust (other than a business trust or an investment company).” The Commission, however, has the discretion to grant confidential treatment requests.

<sup>8</sup> Specifically, the SEC proposes to: require all dollar values listed on Form 13F to be rounded to the nearest dollar; remove the requirement that filers, when reporting dollar values on Form 13F, omit the “000”; remove the 80 character limit imposed on the information that filers may include on the cover page and the summary page, as well as the 132 character limit on the information table; and remove duplicative definitions and streamline certain sections to simplify Form 13F's instructions. Form 13F CTR Electronic Filing Proposal *supra* note 2, at 38-42.

<sup>9</sup> *Id* at 5.

enhancements discussed below to further modernize and facilitate how certain information is submitted to the SEC and how it is disclosed to the public.

First, the Commission should make two simple enhancements to the 13(f) security list that it posts on its website. These changes would further improve efficiency and accuracy in the filing process, and reduce burdens on filers. We recommend that the Commission:

- Publish the 13(f) security list in the form of a table or spreadsheet, rather than the PDF list, alphabetized by issuer, that it currently posts. This would allow filers to sort and search the security data in the list more efficiently and compare it to data in their internal systems.
- Provide the International Securities Identification Number (ISIN) for each security included on the 13(f) security list. Including the ISIN for each security would also enhance filers' ability to search and sort the data in 13(f) security list more efficiently and better enable comparison to their internal systems.

Second, the Commission should add a bulk upload feature in the EDGAR filing system for Form 13F-NT. Currently, EDGAR only permits Form 13F-NT to be filed on an individual basis. For investment managers that file a large number of Forms 13F-NT, filing each form individually is very time-consuming. A bulk upload feature would streamline the upload process for filers with multiple Form 13F-NT submissions.

## **II. Investment Advisers Act**

ICI supports the Commission's efforts to harmonize the requirements for submitting applications for orders under the Investment Advisers Act and the Investment Company Act. Among other updates, the proposal would require that exemptive applications under the Investment Advisers Act be filed electronically on EDGAR instead of on paper (as currently required), similar to how exemptive applications under the Investment Company Act are required to be filed. The Commission notes that such an electronic filing requirement would also allow a party seeking relief under both statutes to make a joint single submission.<sup>10</sup> This would be a beneficial change to the application process and one for which ICI has long advocated.<sup>11</sup>

To promote a streamlined, consistent application process for advisers and funds, we support permitting Investment Advisers Act applications to be filed through EDGAR.<sup>12</sup> This flexible approach will reduce burdens for fund managers filing joint requests for relief.

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<sup>10</sup> *Id* at 7-10.

<sup>11</sup> See Letter from Karrie McMillan, General Counsel, ICI, to Nancy M. Morris, Secretary, SEC, 1-2 (Dec. 14, 2007) ("ICI 2007 letter"), available at <https://www.sec.gov/comments/s7-25-07/s72507-2.pdf>.

<sup>12</sup> See Electronic Filing Form 13F CTR Proposal *supra* note 2, at 14, Request for Comment 2.

We similarly support the Commission’s proposed amendments to Investment Advisers Act Rule 0-4 to eliminate requirements for verifying applications and submitting proposed notices as exhibits for those applications. We are in favor of these proposed changes for the same reasons we supported similar prior Commission efforts regarding applications under the Investment Company Act — we believe these changes will reduce burdens for applicants.<sup>13</sup>

Overall, we urge the Commission to further align the exemptive application process under the Investment Advisers Act and Investment Company Act, such as by amending rules to allow applicants to use an expedited process under the Investment Advisers Act similar to the process established for certain applications under the Investment Company Act.<sup>14</sup> This would reduce filing burdens and increase filing efficiencies for applicants, especially those making joint applications under both statutes.

### **III. EDGAR Filing Requirements**

We support the Commission’s proposal to mandate the electronic submission of documents on EDGAR, including documents filed pursuant to Section 33 of the Investment Company Act, so long as filers continue to be able to receive confidential treatment for non-public documents.

### **IV. Additional Recommendations**

In addition to our recommendations above, we urge the SEC to replace other outdated paper filing requirements with electronic filing. Doing so will reduce costs and burdens on filers and facilitate Commission staff review and processing. Like the current rules for paper submission of Form 13F CTRs, several rules continue to require paper submissions for other requests. For example, Investment Company Act Rule 45a-1(b) requires confidential treatment requests for the names and addresses of dealers to be filed “in quadruplicate” and “in paper only, whether or not the registrant is required to file in electronic format.” Commission Rule 83, which applies to requests for confidential treatment from the Freedom of Information Act (FOIA), similarly

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<sup>13</sup> ICI’s rationale for supporting similar SEC proposed ruled changes with regards to the requirements for applications under the Investment Company Act is explained in detail in our comment letter to that rule proposal. *Id.* at 3-4; see *Rulemaking for EDGAR System; Mandatory Electronic Submission of Applications for Orders under the Investment Company Act and Filings Made Pursuant to Regulation E*, SEC Releases Nos. 33-8859; 34-56732 (Nov. 1, 2007), available at <https://www.sec.gov/rules/proposed/2007/33-8859.pdf>.

<sup>14</sup> See *Electronic Filing Form 13F CTR Proposal* *supra* note 2, at 15-18, Request for Comment 7. See also *Amendments to Procedures With Respect to Applications Under the Investment Company Act of 1940*, Release No. IC-33921 (July 6, 2020), available at <https://www.sec.gov/rules/final/2020/ic-33921.pdf>.

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requires paper submission of marked and Bates-stamped pages to the SEC FOIA Office, “even if the requestor is an electronic filer.”<sup>15</sup>

More broadly, as the SEC recognizes the benefits of electronic filing, it should also allow funds to make broader use of electronic delivery (e-delivery) to communicate with their investors. In November 2020, the SEC’s Asset Management Advisory Committee voted to recommend that the SEC permit firms to e-deliver documents to investors, subject to appropriate investor protections.<sup>16</sup> ICI has repeatedly advocated for the SEC making e-delivery the default method for funds to communicate with their investors and strongly believes such change is long overdue.<sup>17</sup> Making e-delivery the default would facilitate positive fund investor engagement, allow funds to better satisfy investor preferences, reduce costs for fund investors, and reduce the environmental impact of tons of discarded paper every year.

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ICI and its members appreciate the opportunity to comment on the SEC’s proposal. If you have any questions with respect to this comment letter, please contact me at [REDACTED], Sarah Bessin at [REDACTED], or Nicolas Valderrama at [REDACTED].

Sincerely,

/s/ Dorothy Donohue

Dorothy Donohue  
Deputy General Counsel – Securities Regulation

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<sup>15</sup> See Securities and Exchange Commission Confidential Treatment Procedure Under Rule 83, *available at* <https://www.sec.gov/foia/confcreat.htm>. Note that the SEC staff is “temporarily” allowing for electronic submissions of confidential treatment requests (but not the confidential records) during the COVID-19 pandemic.

<sup>16</sup> Recommendations Regarding COVID-19 Operational Issues, Asset Management Advisory Committee, U.S. Securities and Exchange Commission (Nov. 5, 2020), *available at* <https://www.sec.gov/spotlight/amac/operational-issues-amac-recommendations-final-110520.pdf>.

<sup>17</sup> See Letter from Dorothy Donohue, Deputy General Counsel–Securities Regulation, Sarah Holden, Senior Director, Retirement & Investor Research, and Joanne Kane, Senior Director, Operations & Transfer Agency, ICI, to the Honorable Jay Clayton, Chairman, SEC (Dec. 10, 2020), *available at* [https://www.ici.org/system/files/attachments/pdf/20\\_ltr\\_secedelivery.pdf](https://www.ici.org/system/files/attachments/pdf/20_ltr_secedelivery.pdf); Letter from Dorothy Donohue, Deputy General Counsel–Securities Regulation, Sarah Holden, Senior Director, Retirement & Investor Research, and Joanne Kane, Senior Director, Operations & Transfer Agency, ICI, to Dalia Blass, Director, Division of Investment Management, SEC (Dec. 10, 2020), *available at* [https://www.ici.org/system/files/attachments/pdf/20\\_ltr\\_edelivery.pdf](https://www.ici.org/system/files/attachments/pdf/20_ltr_edelivery.pdf); Letter from Susan Olson, General Counsel, and Dorothy Donohue, Deputy General Counsel - Securities Regulation, ICI, to Vanessa Countryman, Secretary, SEC (Dec. 21, 2020), *available at* [https://www.ici.org/system/files/attachments/pdf/20\\_ltr\\_disclosure.pdf](https://www.ici.org/system/files/attachments/pdf/20_ltr_disclosure.pdf).