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Ms. Vanessa A. Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-1090

Submitted via Electronic Submission to rule-comments@sec.gov

29 September 2020

Dear Ms. Countryman,

Re: Reporting Threshold for Institutional Investment Managers (File Number S7-08-20)

The Alternative Investment Management Association Limited (AIMA)¹ appreciates the opportunity to provide comments in response to the proposed Rule 13f-1 (the 'Proposed Rule') under the U.S. Securities Exchange Act of 1934, as amended (the 'Act'), which would update the reporting threshold for Form 13F reports and would eliminate the omission threshold for individual securities on Form 13F.²

While we are supportive of the SEC's efforts to modernise reporting practices under Form 13F with the aim of providing regulatory relief to institutional investment managers, we believe the SEC has not given sufficient consideration to the widespread uses of the data stemming from Form 13F reports, nor has it provided a detailed and balanced cost-benefit analysis that is necessary to support these proposals.

We recognise that the Proposed Rule would provide welcome regulatory relief to many institutional investment managers, especially those foreign institutional investment managers whose only U.S. regulatory filings may be the quarterly submission of Form 13F reports. However, as the SEC rightly acknowledges in its Proposing Release, that increasing the reporting threshold would limit the data available to the market which is used for a wide variety of purposes.³ We do not believe that the Proposing Release has adequately explored or documented how and to what

¹ AIMA, the Alternative Investment Management Association, is the global representative of the alternative investment industry, with more than 1,900 corporate members in over 60 countries. AIMA's fund manager members collectively manage more than \$2 trillion in assets. AIMA draws upon the expertise and diversity of its membership to provide leadership in industry initiatives such as advocacy, policy and regulatory engagement, educational programmes and sound practice guides. AIMA works to raise media and public awareness of the value of the industry. AIMA set up the Alternative Credit Council (ACC) to help firms focused in the private credit and direct lending space. The ACC currently represents over 170 members that manage \$400 billion of private credit assets globally. AIMA is committed to developing skills and education standards and is a co-founder of the Chartered Alternative Investment Analyst designation (CAIA) – the first and only specialised educational standard for alternative investment specialists. AIMA is governed by its Council (Board of Directors). For further information, please visit AIMA's website, www.aima.org.

² Reporting Thresholds for Institutional Investment Managers, 85 FR 46016 (July 31, 2020) ('Proposing Release').

³ See Proposing Release, *supra* note 2, at page 23.

The Alternative Investment Management Association Ltd

extent this data is used by market participants, nor has it fully considered the potential negative impacts raising the Form 13F threshold would have on corporate issuers, researchers, analysts and indeed, other institutional investment managers. Without having a comprehensive overview of the full uses of Form 13F data, it is difficult to determine whether the increased threshold is a necessary and much needed course of action, or would have a material negative impact on market participants who have built up a reliance interest in this data

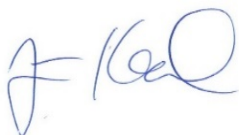
In our view, the SEC also did not adequately assess the costs borne by members of the domestic, and foreign, equity capital market system. We further believe that the reporting costs and burdens as described in the Proposing Release may not fully represent an accurate description of current practices as many Form 13F reports are automatically collated and submitted. We note that the Proposing Release also does not consider the external costs of making such filings, such as the licensing fee charged for the use of the CUSIP numbers in Form 13F filings.

In addition, we do not agree with the SEC's proposal to eliminate the omission threshold that permits the exclusion of holdings of fewer than 10,000 shares (or less than \$200,000 principal amount of convertible debt securities) and less than \$200,000 aggregate fair market value. We believe this proposal runs counter to the SEC's intention to provide regulatory relief as the elimination of the threshold would, in practice and when combined with the proposal to increase the threshold, require large investment managers to provide granular information for each individual position it holds, thereby outweighing the cost and time savings for investment managers resulting from the aforementioned increase of the Form 13F reporting threshold. Moreover, removing the exclusion would increase the risk that portfolio strategies could be reverse engineered to the significant detriment of the filing institutional investment managers.

We are in favour of the technical amendments put forward in the Proposing Release as well as the requirement for filers to provide additional identifying information.

We would be happy to elaborate further on any of the points raised in this letter. If you have any questions about these comments, or if we can provide further information, please do not hesitate to contact me at +1 202 919 4940 or jkrol@aima.org.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "J. Król".

Jiří Król
Deputy CEO, Global Head of Government Affairs
AIMA