

# FINANCIAL INFORMATION FORUM

December 20, 2024

**By electronic mail**

Securities and Exchange Commission

100 F Street, NE

Washington, DC 20549-1090

Attn: Gary Gensler, Chair

Hester M. Peirce, Commissioner

Caroline A. Crenshaw, Commissioner

Mark T. Uyeda, Commissioner

Jaime Lizárraga, Commissioner

**Re: File Number S7-08-22: Short Position and Short Activity Reporting by Institutional Investment Managers**

Ladies and Gentlemen,

The Financial Information Forum (“FIF”) is submitting this letter as a supplement to the letter that FIF submitted on November 8, 2024<sup>1</sup> requesting an extension of the implementation date for Rule 13f-2 and the associated Form SHO reporting adopted by the Securities and Exchange Commission (the “Commission”) on October 13, 2023.<sup>2</sup>

On December 16, 2024, the Commission published an update to the Edgar Filer Manual relating to Form SHO reporting.<sup>3</sup> This update provides the following requirement, documented in writing for the first time, that significantly increases the work required for managers to implement Form SHO reporting:

A Manager shall report zero shares (“0”) only if there is buy/sell activity affecting the Manager’s gross short position but no net change in that short position on the specified settlement date. A Manager shall enter “None” if there are no activities that affect the

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<sup>1</sup> Available at <https://fif.com/index.php/working-groups/category/271-comment-letters?download=3037:fif-letter-to-the-sec-requesting-an-extension-of-the-implementation-date-for-form-sho-reporting&view=category>.

<sup>2</sup> 17 CFR §240.13f-2; 17 CFR §249.332.

<sup>3</sup> Filer Manual – Volume II EDGAR Filing, Version 72 (December 2024), available at <https://www.sec.gov/files/edgar/filermanual/archive/efmvol2-v72.pdf>.

Manager's gross short position as prescribed in Form SHO Special Instruction 9.g on the specified settlement date.<sup>4</sup>

This requirement significantly increases the implementation work that is required because managers must now look beyond their position systems to the underlying transaction systems in order to implement Form SHO reporting. This requirement also reverses the effect of changes from the proposing release to the adopting release for Rule 13f-2 that effectively removed the need for managers to look beyond their position systems to the underlying transaction systems.<sup>5</sup> FIF members also do not understand how requiring the separate reporting of "0" and "None" provides any regulatory value to the Commission or would impact in any way the aggregated data that is publicly disclosed. It is also questionable whether this requirement is consistent with the Form SHO instructions.

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FIF members appreciate the Commission's consideration of the FIF member request for extension set forth in our November 8 letter, as supplemented by this letter. Please contact me at [howard.meyerson@fif.com](mailto:howard.meyerson@fif.com) after you have had an opportunity to review and consider this request.

Very truly yours,

/s/ Howard Meyerson

Howard Meyerson  
Managing Director, Financial Information Forum

cc: Roland Lindmayer, Attorney Advisor, Division of Trading and Markets  
Carol McGee, Associate Director, Division of Trading and Markets  
Brendan McLeod, Attorney Advisor, Division of Trading and Markets  
Andrea Orr, Deputy Director, Division of Trading and Markets  
Heather Percival, Policy Counsel, Office of the Chair  
Patrice M. Pitts, Special Counsel, Division of Trading and Markets  
John Prochilo, Advisor to the Director of the Division of Trading and Markets  
Sai Rao, Counsel for Trading and Markets, Office of the Chair  
Timothy M. Riley, Branch Chief, Division of Trading and Markets  
David Saltiel, Acting Director, Division of Trading and Markets  
Josephine J. Tao, Assistant Director, Division of Trading and Markets

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<sup>4</sup> Id. at 8-310.

<sup>5</sup> See Securities Exchange Act Release No. 98738 (Oct. 13, 2023), 88 FR 75100 (Nov. 1, 2023) (Short Position and Short Activity Reporting by Institutional Investment Managers), at 88 FR 75127.