

MEMO# 36034

February 26, 2025

ICI Submits Letter Requesting Changes to the SEC's Form N-PORT Amendments

[36034]February 26, 2025TO:ICI Members
Accounting/Treasurers Committee
Chief Compliance Officer Committee
Compliance Advisory Committee
Disclosure Working Group
SEC Rules Committee
Small Funds CommitteeSUBJECTS:Compliance
DisclosureRE:ICI Submits Letter Requesting Changes to the SEC's Form N-PORT
Amendments

Earlier today, ICI submitted the attached letter to Acting SEC Chairman Mark T. Uyeda requesting that the Commission further amend the Form N-PORT amendments adopted in August 2024 to: (i) eliminate the publication of each monthly Form N-PORT (including a fund's full portfolio holdings) in favor of the current quarterly disclosure framework; and (ii) provide funds with at least 45 days, rather than 30 days, after the end of a month to file the form.[\[1\]](#) The letter reiterates and supplements ICI's views on those two items as stated in our 2023 comment letter on the rulemaking.[\[2\]](#)

More Frequent Portfolio Holdings Disclosures. In particular, the letter asserts that the Commission lacked adequate justification in adopting the more frequent portfolio holdings publication schedule by failing to fully analyze the impact that the amendments could have on certain funds, including those investing in certain asset classes (e.g., high-yield, fixed-income credit) or employing certain strategies (e.g., large "buy-and-hold" funds) that take months to trade in and out of positions. In addition, it contends that the Commission failed to address the concern that more frequent portfolio holdings disclosure will provide more data points to predatory traders, enabling them to more easily reverse engineer fund investment strategies. The letter asks the Commission to, pursuant to its statutory obligations, consider and permit a different more feasible alternative that does not harm shareholders, rather than requiring monthly portfolio holdings disclosures.

30-Day Filing Timeframe. The letter also reiterates ICI's concerns with the 30-day timeframe for funds to file Form N-PORT monthly with the Commission and our strong recommendation that the Commission extend that period to at least 45 days to avoid potential increased costs to fund shareholders. It asks the Commission to take seriously the cybersecurity concerns that led the Commission to previously forgo the monthly Form N-PORT reporting requirements, which will require the Commission to house the Form N-PORT

filing on its EDGAR filing system from the date the Form N-PORT filing is made until 60 days after the end of the month when the Form N-PORT is made public. It states that reducing the time the Commission holds sensitive portfolio holdings information would reduce the chances that the information could be misappropriated.

Kenneth Fang
Associate General Counsel

Notes

[1] See Form N-PORT and Form N-CEN Reporting; Guidance on Open-End Fund Liquidity Risk Management Programs, Inv. Co. Rel. No. 35308, 89 Fed. Reg. 73,764 (Sept. 11, 2024), available at <https://www.govinfo.gov/content/pkg/FR-2024-09-11/pdf/2024-19819.pdf>. For a summary of the amendments, please see ICI Memorandum 35815 (Sept. 4, 2024), available at <https://www.ici.org/memo35815>. In relevant part, the amendments will make each Form N-PORT public 60 days after the end of such month. Currently, only information from the Form N-PORT for the third month of each fiscal quarter is made public. Thus, the number of Form N-PORTs that each fund makes public will increase from four to twelve per year. In addition, the amendments will require a fund to file each Form N-PORT within 30 days after the end of a month. Currently, a fund files a Form N-PORT for each month of a fiscal quarter within 60 days after the end of the fiscal quarter. The fund also must retain information for each Form N-PORT that it does not file within 30 days after the end of a month, making such information available to the Commission upon request. The amendments take effect on November 17, 2025.

[2] See Letter from Eric J. Pan, President and CEO, ICI, to Vanessa Countryman, Secretary, SEC, dated February 14, 2023, available at <https://www.sec.gov/comments/s7-26-22/s72622-20157306-325651.pdf>.