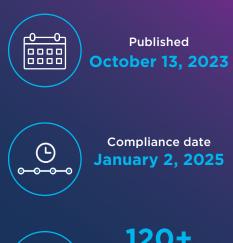
# Short Sale Reporting for Institutional Managers: SEC Rule 13f-2



The SEC has introduced new short sale reporting requirements under Rule 13f-2 to improve market transparency. Institutional investment managers with large short positions must now submit monthly reports via Form SHO.



Firms engaging in short-selling activities

#### What?

Monthly filing obligations/ commitments for institutional investment managers whose short positions in any "reporting company" stock meets the thresholds in the "Do I need to file?" section below. Provides data on the manager's total short position in the stock at the end of the month, as well as their net activity (including options) in the stock on each settlement date during the month.

Mandates monthly reports within 14 days of the end of each month if thresholds are met. The SEC will then publish related data.

#### Form SHO Rule 13f-2

Requires a cover page and tables showing the manager's total short position at month-end, daily changes, and net activity.

#### Do I need to file?

Institutional investment managers must complete Form SHO if:

- » They own an equity security of an issuer required to file reports under Section 15(d) of the Exchange Act and meet or exceed:
  - A gross short position in the equity security of \$10M+ at the close of regular trading hours during the calendar month
  - » A gross short position \$500K+ at the close of any settlement date during the calendar month for non-reporting companies
- They own an equity security of an issuer that is not a reporting company issuer described above

### Why?

» Market transparency:

Increases visibility into short selling, aiding in the detection of potential market manipulation.

#### » Risk mitigation:

Provides oversight of significant short positions to protect against systemic risks.

For more information, contact us here.

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#### **Solution**

We offer outsourced managed services and regulatory technology to help ensure an accurate and timely submission:

Provide a Form SHO template for data collection Ensure that all short position holdings are accurately represented

Generate draft(s) for client approval Submit and confirm submission of Form SHO within 14-day window

Answer client queries about the intricacies of Form SHO

## Why ACA?

Boost efficiency and reduce risk by outsourcing your regulatory filing tasks. Our dedicated team and technology solutions can help you simplify your processes, save time, and enhance business outcomes.

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