



8011-01P

SECURITIES AND EXCHANGE COMMISSION

17 CFR Parts 270 and 274

[Release No. IC-33384; File No. S7-02-19]

RIN 3235-AL42

Amendments To The Timing Requirements For Filing Reports On Form N-Port

AGENCY: Securities and Exchange Commission.

ACTION: Interim final rule.

SUMMARY: The Securities and Exchange Commission (the “Commission”) is adopting an interim final rule that will require reports on Form N-PORT for each month in a fiscal quarter to be filed with the Commission not later than 60 days after the end of that fiscal quarter (as opposed to filing each monthly report no later than 30 days after the end of each month). The monthly report on Form N-PORT for the third month of the quarter (the “quarter-end report”) will continue to become publicly available (i.e., all portions of the quarter-end report, with the exception of the items identified in General Instruction F of Form N-PORT, will be made public upon filing). The monthly reports on Form N-PORT for the first and second months of the fiscal quarter will remain non-public. We are also amending our regulations and Form N-PORT to require that funds, no later than 30 days after the end of each month, maintain in their records the information that is required to be included in Form N-PORT. Registrants will promptly make such records available to the Commission upon request. Finally, we are amending Form N-LIQUID to provide for a voluntary explanatory notes section. Importantly, these amendments in no way affect the amount or timing of the information that will be made available to the public.

DATES: Effective [

Insert Date of Publication in the Federal Register]. The applicable compliance dates are discussed in the Supplementary Information section of this Interim Final Rule.

FOR FURTHER INFORMATION CONTACT: Jacob D. Krawitz, Branch Chief, or Brian McLaughlin Johnson, Assistant Director, at (202) 551-6792, Rulemaking Office, Division of Investment Management, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549.

SUPPLEMENTARY INFORMATION: The Commission is amending rule 30b1-9 [17 CFR 270.30b1-9] under the Investment Company Act [15 U.S.C. 80a-1 *et seq.*] and Forms N-PORT [referenced in 17 CFR 274.150] and N-LIQUID [referenced in 17 CFR 274.223] under the Investment Company Act.

I. DISCUSSION

In connection with the Commission's ongoing evaluation of its collection of sensitive and non-public data, and in light of the frequency, volume, and complexity, as well as the potentially sensitive and non-public nature, of much of the data collected on Form N-PORT,¹ the Commission is modifying the timing requirements for filing monthly reports on Form N-PORT. We are amending rule 30b1-9 and Form N-PORT to require funds to file a report on Form N-PORT for each month in the fund's fiscal quarter not later than 60 days after the end of that fiscal quarter. In addition, we are amending rule 30b1-9 and Form N-PORT to require funds, no later than 30 days after the end of each month, to maintain in their records the information that is

¹ See Statement on Cybersecurity (September 20, 2017), available at <https://www.sec.gov/news/public-statement/statement-clayton-2017-09-20>; see also Testimony before the Financial Services and General Government Subcommittee of the Senate Committee on Appropriations (June 5, 2018), available at <https://www.sec.gov/news/testimony/testimony-financial-services-and-general-government-subcommittee-senate-committee>.

required to be included in Form N-PORT.² Importantly, these amendments in no way affect the amount or timing of the information that will be made available to the public.

A. Form N-PORT

On October 13, 2016, the Commission adopted new rules and forms as well as amendments to its rules and forms to modernize the reporting and disclosure of information by registered investment companies.³ In particular, the Commission adopted new Form N-PORT, which requires certain registered investment companies to report information about their monthly portfolio holdings to the Commission in a structured data format.⁴ Form N-PORT is a portfolio holdings reporting form that will be filed by all registered management investment companies, other than money market funds and small business investment companies (“SBICs”), and by unit investment trusts that operate as exchange-traded funds (collectively, “funds”).⁵ Under the rule the Commission adopted in 2016, after the compliance date, funds must file reports on Form N-PORT each month, no later than 30 days after month-end, using the Commission’s EDGAR system.⁶ The compliance date for rule 30b1-9 was June 1, 2018 for larger fund groups and June 1, 2019 for smaller fund groups.⁷

² We also are amending Form N-LIQUID to provide for a voluntary explanatory notes section. *See* amended Form N-LIQUID.

³ Investment Company Reporting Modernization, Investment Company Act Release No. 32314 (Oct. 13, 2016) [81 FR 81870 (Nov. 18, 2016)] (“Adopting Release”).

⁴ Reports on Form N-PORT are required to be filed in an extensible markup language (“XML”) structured data format.

⁵ *See* Form N-PORT.

⁶ *See* rule 30b1-9; *see* General Instruction C (Filing of Reports) of Form N-PORT; *see also* Adopting Release, *supra* footnote 3, at section II.H.1.

⁷ When we adopted Form N-PORT, we provided for a tiered set of compliance dates based on a fund group’s asset size. Specifically, for larger entities—funds that together with other investment companies in the same “group of related investment companies” have net assets of \$1 billion or more as of the end of the most recent fiscal year of the fund (“larger fund groups”)—we adopted a compliance date of June 1, 2018. For smaller fund groups, we adopted a compliance date of June 1, 2019, anticipating that smaller fund groups would benefit from this extra time to comply and potentially would benefit from the lessons learned

In 2017, the Commission’s Chairman initiated an assessment of the Commission’s internal cybersecurity risk profile and its approach to cybersecurity from a regulatory and oversight perspective.⁸ The Chairman also directed the staff to take a number of steps designed to strengthen the Commission’s cybersecurity risk profile, with an initial focus on the Commission’s EDGAR system as well as the non-public information collected and held by the Commission.⁹

On December 8, 2017, while these efforts were ongoing, the Commission determined to delay by nine months the requirement that funds file reports on Form N-PORT through the EDGAR system.¹⁰ The Commission also adopted temporary rule 30b1-9(T), which, until April 1, 2019, requires larger fund groups to satisfy their reporting obligations by maintaining in their records the information required to be included in Form N-PORT.¹¹ After such time, larger fund groups must file reports on Form N-PORT through the EDGAR system.¹² Smaller fund groups must begin to file reports on Form N-PORT through the EDGAR system by April 30, 2020.¹³

B. Commission’s Determination to Modify the Timing Requirements for Filing Reports on Form N-PORT

The Commission receives, stores, and transmits a substantial amount of data, including sensitive and non-public data. There are certain types of sensitive data that the Commission

by the larger fund groups during the adoption period for Form N-PORT. *See* Adopting Release, *supra* footnote 3, at section II.H.1.

⁸ *See* Statement on Cybersecurity, *supra* footnote 1.

⁹ *See* Update on Review of 2016 Cyber Intrusion Involving EDGAR System (Oct. 2, 2017), *available at* <https://www.sec.gov/news/press-release/2017-186>; *see also* Investment Company Reporting Modernization, Investment Company Act Release No. 32936 (Dec. 8, 2017) [82 FR 58731 (Dec. 14, 2017)] (“Temporary Final Rule Release”), at note 17 and accompanying text.

¹⁰ *See id.*

¹¹ *See* rule 30b1-9(T); *see also* Temporary Final Rule Release, *supra* footnote 9.

¹² *See* Temporary Final Rule Release, *supra* footnote 9.

¹³ *See id.*

obtains from market participants in order to fulfill its mission.¹⁴ The collection, storage, analysis, availability, and protection of data have become fundamental to the protection of investors, the orderly function and performance of our capital markets, market participants, and the Commission.¹⁵

In that regard, maintaining effective cybersecurity practices requires an ongoing evaluation of the data an organization obtains and protects. When determining when and how to collect data, the Commission evaluates its approach in light of the importance to its mission of each type of data we receive, particularly in the case of sensitive, non-public information.¹⁶

The Commission periodically assesses, as part of its cybersecurity efforts, whether alternatives exist that would allow the Commission to fulfill its mission while reducing the sensitivity of data we collect.¹⁷ For example, in 2018, after concluding that the Commission would be able to achieve its regulatory objectives without taking in certain sensitive personally identifiable information, the Commission eliminated the requirement for filers of certain forms to provide us with their social security numbers, foreign identity numbers or date or place of birth.¹⁸ We have also reduced the market sensitivity of the non-public data we collect by obtaining it on a delayed basis, when appropriate.¹⁹

¹⁴ See Statement on Cybersecurity, *supra* footnote 1.

¹⁵ See *id.*

¹⁶ See *id.*

¹⁷ See *id.*

¹⁸ See Amendments to Forms and Schedules To Remove Provision of Certain Personally Identifiable Information, Investment Company Act Release No. 33077 (Apr. 24, 2018) [83 FR 22190 (May 14, 2018)].

¹⁹ See Statement on Cybersecurity, *supra* footnote 1. For example, large private equity advisers and smaller private fund advisers file reports on Form PF 120 days from the end of their fiscal years, while large hedge fund advisers file reports 60 days from the end of each fiscal quarter. See Reporting by Investment Advisers to Private Funds and Certain Commodity Pool Operators and Commodity Trading Advisors on Form PF, at section II.B., Investment Advisers Act Release No. 3308 (Oct. 31, 2011) [76 FR 71228 (Nov. 16, 2011)] (“Form PF Adopting Release”) (noting in connection with the non-public nature of Form PF

For many years, the Commission has collected registered fund portfolio data on a quarterly basis on Forms N-Q and N-CSR, both of which are public filings.²⁰ We acknowledged that this data was sensitive, and addressed that sensitivity by requiring reports on Form N-Q to be filed no later than 60 days after the end of the first and third quarters of a fund's fiscal year, and Form N-CSR no later than 70 days after the end of the second and fourth quarters.²¹ We also made this data public upon filing.

In adopting Form N-PORT in 2016, the Commission changed the frequency of reporting and filing fund portfolio holdings information to monthly, with the first two months of a fiscal quarter filed confidentially with the Commission.²² In making this 2016 change, the Commission acknowledged tradeoffs raised by commenters between (i) data sensitivity and data security concerns with this increased frequency of reporting of confidential information, and (ii) countervailing concerns that quarterly portfolio reports can quickly become stale due to the turnover of portfolio securities and fluctuations in the values of portfolio investments.²³ We also noted that requiring funds to file confidential reports more than 30 days after month-end would

data that the Commission had extended timelines for advisers' filing fund information compared to the proposal and that, as a result, filings will contain less current, and therefore less sensitive, data).

²⁰ See Adopting Release, *supra* footnote 3, at note 27.

²¹ See 17 CFR 270.30b1-5 (rule 30b1-5) (requiring management companies, other than SBICs, to file reports on Form N-Q no more than 60 days after the close of the first and third quarters of each fiscal year); 17 CFR 270.30b2-1 (rule 30b2-1) (requiring management companies to file reports on Form N-CSR no later than 10 days after the transmission to stockholders of any report required to be transmitted to stockholders under rule 30e-1). See also rules 17 CFR 270.30e-1 (rule 30e-1) and 17 CFR 270.30e-2 (rule 30e-2) (requiring management companies and certain UITs to transmit to stockholders semi-annual reports containing, among other things, the fund's portfolio schedules, no more than 60 days after the close of the second and fourth quarters of each fiscal year). These reports include portfolio holdings information as required by Regulation S-X. See 17 CFR 210.12-12, et seq. (rule 12-12 of Regulation S-X).

²² See *infra* footnote 32.

²³ See Adopting Release, *supra* footnote 3, at section II.A.3.

provide less timely data to the Commission, reducing its utility to the Commission.²⁴ We stated at that time that the filing of monthly data—which our amendments preserve—would triple the amount of data reported to the Commission in a given year, and that this should enhance the ability of staff to perform analyses of funds in the course of monitoring for industry trends, or identifying issues for examination or inquiry.²⁵

At the time, and with the information then available about cybersecurity risks and related tradeoffs on data security, we determined that more frequent reporting was warranted.²⁶ But we also observed that Commission staff would carefully evaluate the data security protocols that will apply to non-public data reported on Form N-PORT in light of the specific recommendations and concerns raised by commenters.²⁷ We also directed the staff, in advance of the form’s compliance date, to review the controls and systems in place for the use and handling of non-public information reported on Form N-PORT.²⁸ As discussed above, in 2017, the Commission postponed the initial reporting of Form N-PORT on EDGAR by nine months.²⁹

The evaluation of the data security protocols relating to Form N-PORT, in addition to our ongoing assessment of our internal cybersecurity risk profile, have led us to reevaluate whether, in this particular case, we can meaningfully reduce the sensitivity of the data we will maintain while continuing to achieve our regulatory objectives. This re-evaluation has led us to determine that allowing monthly data on Form N-PORT to be reported to the Commission on a more delayed basis—while in no way reducing the amount of data that we ultimately receive, and also

²⁴ See *id.*, at section II.A.4.

²⁵ See *id.*, at section II.A.3.

²⁶ *Id.*

²⁷ *Id.*

²⁸ *Id.*

²⁹ See Temporary Final Rule Release, *supra* footnote 9.

preserving the staff's ability to require production of the data on a more timely basis upon request—will allow the Commission to fulfill its mission, while meaningfully reducing the potential cybersecurity risks arising from the collection and maintenance of sensitive non-public data on EDGAR.³⁰ We are therefore amending rule 30b1-9 and Form N-PORT to require funds to file reports on Form N-PORT for each month in a fiscal quarter not later than 60 days after the end of that quarter.³¹ The reports on Form N-PORT for the first two months of the quarterly filing period will continue to be non-public and the quarter-end report (i.e., the last month of the quarter) will become publicly available immediately upon filing, with the exception of the items identified in General Instruction F of Form N-PORT, which will continue to remain non-public.³²

As is the case under temporary rule 30b1-9(T), in order to continue to provide for Commission access to the information required to be included in Form N-PORT on a more timely basis, we are also amending rule 30b1-9 to require funds to maintain in their records the information that is required to be included on Form N-PORT not later than 30 days after the end of each month.³³ Consistent with current record retention requirements for registered investment companies, such information must be treated as a record under 15 U.S.C. 80a-30(a)(1) (section

³⁰ The Commission has not considered any other changes to Form N-PORT, rules, other forms, and amendments besides those discussed in this release. Additionally, if any of the provisions of these amendments, or the application thereof to any person or circumstance, is held to be invalid, such invalidity shall not affect other provisions or application of such provisions to other persons or circumstances that can be given effect without the invalid provision or application.

³¹ See amended rule 30b1-9; see also conforming amendments to 17 CFR 274.150(a) and amended General Instruction A of Form N-PORT. Funds may, at their discretion, file reports on Form N-PORT prior to the 60-day deadline.

³² Certain data fields on the quarter-end report on Form N-PORT, such as Highly Liquid Investment Minimum (Item B.7), derivatives transactions (Item B.8), country of risk and economic exposure (Item C.5.b), delta (Items C.9.f.v, C.11.c.vii, or C.11.g.iv), liquidity classification for portfolio investments (Item C.7), miscellaneous securities (Part D), or explanatory notes related to any of those topics (Part E) will continue to be masked from the public. See General Instruction F of Form N-PORT.

³³ See amended rule 30b1-9.

31(a)(1) of the Act) and 17 CFR 270.31a-1(b) (rule 31a-1(b)) thereunder, subject to the requirements of 17 CFR 270.31a-2(a)(2) (rule 31a-2(a)(2)).³⁴ While neither amended rule 30b1-9 nor rule 31a-2 require that the information maintained in the funds' records be stored in an XML format, we believe that doing so would facilitate the filing of Form N-PORT for each month at quarter end.

In reassessing whether, in this particular case, we can meaningfully reduce the sensitivity of the data we will maintain while continuing to achieve our regulatory objectives, we considered that these changes only relate to when funds must file reports on Form N-PORT with the Commission. The data content of what funds must report, either publicly or non-publicly, will not change. In addition, neither the content nor the timing requirements for publicly available information on Form N-PORT will change. Therefore, the amendments will have no effect on the ability of investors and other market participants to use this information to help them make more informed investment decisions. Rather, they will only modify the timing of the Commission's receipt of information for internal purposes. Additionally, requiring funds to maintain the Form N-PORT data in their records 30 days after the end of each month will ensure that the Commission can receive more timely information, when necessary.

This modification will reduce the Commission's cyber risk profile in several ways. First, extending the fiscal quarter-end filing deadline from 30 to 60 days allows the quarter-end report on Form N-PORT to be made public immediately upon filing, with the exception of the non-public fields described above.³⁵ Without this change, the Commission would need to keep this

³⁴ See rule 31a-2(a)(2) (providing that funds must preserve certain records for a period not less than six years from the end of the fiscal year, the first two years in an easily accessible place); see generally rule 31a-2(f) (requirements for electronic records).

³⁵ See *supra* footnote 32.

data non-public for at least a month after filing. This change therefore significantly reduces the volume of non-public data maintained in our systems, with no effect on the information investors and other market participants receive or the timing of such receipt.³⁶ Second, delaying the filing deadline for the fund's non-public first and second month reports for each fiscal quarter on Form N-PORT, to a time when the quarter-end report will be submitted and made public, significantly reduces the sensitivity of the non-public data.

Registrants can take steps to reduce the risk of any inadvertent disclosure of non-public Form N-PORT data filed through EDGAR by, for example, filing the quarter-end report (which is largely public data) on a separate day from the first two months of the fiscal quarter to reduce the risk of the fund incorrectly identifying a non-public filing as public.³⁷ In addition, we are modifying the filing schema for Form N-PORT to require registrants to affirm whether the data in the filing is non-public (for months 1 and 2) or public (month 3). For example, if a registrant affirms in the filing that the data is non-public, but attempts to file report type NPORT-P (which will be made public upon filing), such a filing will not be accepted by EDGAR.³⁸ We believe that such a change will help ensure that filers do not inadvertently make the wrong month's data public.

Importantly, we will still receive the monthly Form N-PORT data necessary to assist us in our role as primary regulator of investment companies and to better fulfill our mission of

³⁶ *See id.* While certain of these items, such as “miscellaneous securities” (Part D of the Form), may contain sensitive, non-public data, this data's sensitivity is also reduced by the additional delay.

³⁷ As further detailed in the Form N-PORT filing requirements in the EDGAR Filing Manual, quarter-end filings will be made by filing two separate reports on the NPORT-NP form type (for the first two months of the fund's fiscal quarter) and one report on NPORT-P form type (for the third month of the fund's fiscal quarter). *See* EDGAR Filer Manual, v. II, available at <https://www.sec.gov/info/edgar/edgarfm-vol2-v49.pdf>.

³⁸ *See id.*

protecting investors; maintaining fair, orderly, and efficient markets; and facilitating capital formation.³⁹ Additionally, the staff will continue to monitor and solicit feedback on the data received and the use made (or expected to be made) of such data in furtherance of the Commission's statutory mission, as well as cybersecurity considerations and other matters deemed relevant by the staff. In this regard, the staff will inform the Commission, within one year from the date hereof, what steps, if any, the staff recommends in light of this monitoring, including but not limited to whether the filing time frames should be amended.

The Commission also will continue to receive reports on Form N-LIQUID, which provides the Commission with more timely information on certain liquidity events at a fund.⁴⁰ In addition, we understand from staff outreach that certain funds would like the opportunity, when appropriate, to provide more information related to their filings on Form N-LIQUID. For example, when filing reports on Form N-LIQUID, some funds have requested the ability to include additional narrative information in their reports that relate to the circumstances surrounding the liquidity event. Therefore, in order to allow funds the opportunity to communicate this information voluntarily, we are amending Form N-LIQUID to provide for a voluntary explanatory notes section.⁴¹

³⁹ While we acknowledge that requiring funds to file reports more than 30 days after month end will result in less timely data being submitted to the Commission, which may reduce the utility of portfolio information to the Commission, we still believe that it is necessary for the Commission to receive monthly data points from funds, albeit with a longer delay. *See* Adopting Release, *supra* footnote 3, at section II.A.3. As we noted in the Adopting Release, such data will continue to enhance the ability of staff to perform analyses of funds in the course of monitoring for industry trends, or identifying issues for examination or inquiry. *Id.* Moreover, our experience with large hedge fund adviser reporting on Form PF has shown us that quarterly reporting of monthly data, with a 60-day delay in its submission, is useful in providing regulators with data to identify emerging trends and risks. *See* Form PF Adopting Release, *supra* footnote 19, at section II.B.1.

⁴⁰ *See* Investment Company Liquidity Risk Management Program, Investment Company Act Release No. 32315 (Oct. 13, 2016) [81 FR 82142 (Nov. 18, 2016)].

⁴¹ *See* Part E of Amended Form N-LIQUID.

As noted above, consistent with the Commission’s examination authority, upon request, funds will promptly provide data that is required by Form N-PORT and is maintained in their records within 30 days after the end of each month.⁴² The Commission’s ability to collect information in a timely fashion through its examination authority, and evaluate such information for compliance with the federal securities laws, is essential to our mission of protecting investors and our securities markets.⁴³ Indeed, the prompt production of records to the Commission is central to our mission of protecting investors, and is imperative to an effective and efficient examination program.⁴⁴ Accordingly, nothing in this release should be construed as diluting our commitment to enforcing the regulatory requirements relating to books and records and their production to us.

We request comment on our amendments to rule 30b1-9 and Form N-PORT.

- Should we amend rule 30b1-9 and Form N-PORT to require each monthly report to be filed with the Commission quarterly, rather than monthly? If not, why not?
- Should we amend rule 30b1-9 to require funds no later than 30 days after the end of each month, to maintain in their records the information that is required to be included in Form N-PORT? Should we extend the 30-day after month end deadline for retaining monthly data? If so, why and how long of a period would

⁴² See amended rule 30b1-9; *see also supra* footnotes 33-34 and accompanying text.

⁴³ *See, e.g.*, 15 U.S.C. 80a-30(b) (section 31(b) of the Investment Company Act) (providing the Commission with examination authority); 15 U.S.C. 80b-4 (section 204 of the Investment Advisers Act) (same); *see also* rule 31a-1 (Commission books and records rules); rule 31a-2 (same); 17 CFR 275.204-2 (rule 204-2 under the Investment Advisers Act) (same).

⁴⁴ *See, e.g.*, Electronic Recordkeeping by Investment Companies and Investment Advisers, Investment Advisers Act Release No. 1945 (May 24, 2001) [66 FR 29224 (May 30, 2001)] (explaining that the “continuing accessibility and integrity of fund and adviser records are critical to the fulfillment of our oversight responsibilities,” and noting the Commission’s expectation that a fund or adviser would be permitted to delay furnishing electronically stored records for more than 24 hours only in “unusual circumstances.”).

be appropriate? Are there any operational difficulties with maintaining such data in a fund's records?

- Should we require funds to maintain such data in an XML format?
- Should we extend the filing deadline for Form N-PORT until sixty days after quarter end? Does the extension sufficiently reduce the sensitivity of the data contained in Form N-PORT? If not, why not and how long of a period would be appropriate? Are there any operational difficulties with filing three separate reports on Form N-PORT sixty days after the end of the fiscal quarter?
- Should we amend Form N-LIQUID to provide for a voluntary explanatory notes section?

C. Compliance Dates

As discussed above, the current compliance dates for Form N-PORT will not change. Funds in larger fund groups that were subject to the June 1, 2018 compliance date must continue to satisfy their reporting obligation by maintaining in their records the information required to be included in Form N-PORT instead of submitting the information via EDGAR.⁴⁵ Additionally, after the April 1, 2019 expiration of the temporary final rule's retention requirement, funds in larger fund groups will be required to begin submitting their first reports on EDGAR (60 days after the end of their fiscal quarter) and will continue, 30 days after month-end, to maintain in their records the information that is required to be included in Form N-PORT.⁴⁶ Below is a chart that describes the current compliance dates for reports on Form N-PORT.

⁴⁵ See rule 30b1-9(T)(a); see also Temporary Final Rule Release, *supra* footnote 9.

⁴⁶ As discussed above, the temporary final rule requires larger fund groups to satisfy their reporting obligations by maintaining in their records the information required to be included in Form N-PORT. See amended rule 30b1-9(T). Amended rule 30b1-9, among other things, makes such a data retention

Form N-PORT	Compliance Date for Filing Reports on EDGAR
Large Fund Groups	April 1, 2019
Smaller Fund Groups	April 1, 2020

Finally, the first six months of reports on Form N-PORT (i.e., reports filed with the Commission with monthly data from the quarters ending March 31, 2019 through August 31, 2019) will continue to be kept non-public in order to allow funds and the Commission to make adjustments to fine-tune the technical specifications and data validation processes.⁴⁷ As before, portfolio information attached as exhibits to Form N-PORT for the first and third quarters of a fund's fiscal year (Part F of Form N-PORT) will still be made public during this period, to ensure that information about funds' portfolio holdings continues to be publicly available to investors and market participants during the period when reports on Form N-PORT will not be made publicly available.⁴⁸

However, given the timing considerations relating to this action, the Commission understands that some funds in larger fund groups, such as those with fiscal quarters ending in March or April, may not currently be prepared to file all three months of Form N-PORT reports at the end of their next fiscal quarter.⁴⁹ In order to give these larger fund groups adequate time to

requirement permanent for all funds, subject to rule 31a-2(a)(2). *See supra* footnotes 33-34 and accompanying text. Additionally, smaller fund groups will continue to be required to submit their first reports on EDGAR by April 30, 2020. Moreover, after April 1, 2020, smaller fund groups will also be required to comply with amended rule 30b1-9's data retention requirement.

⁴⁷ *See* Adopting Release, *supra* footnote 1, section II.H.1.

⁴⁸ *See id.*

⁴⁹ Neither temporary rule 30b1-9(T) nor amended rule 30b1-9 requires funds to maintain Form N-PORT information in their records in an XML format. *See* Temporary Final Rule Release, *supra* footnote 9, at note 28. Without relief, funds with fiscal quarters ending in March or April would be required to create XML reports on Form N-PORT for the months that are covered by the temporary rule which would effectively require funds to create XML reports on Form N-PORT earlier than anticipated. Such funds will still be required to comply with rule 30b1-9's data retention requirements for the information required to be reported on Form N-PORT. *See* amended rule 30b1-9.

prepare their reports, the Commission is exempting funds in larger fund groups with fiscal quarters ending in March from the requirement to file their reports on Form N-PORT for the first two months of data with the Commission (January and February), and funds with fiscal quarters ending in April from the requirement to file the report for the first month of data with the Commission (February).⁵⁰ For example, a fund in a larger fund group with its fiscal quarter ending in April 2019 will only be required to file reports on Form N-PORT for the fund’s second and third month (March and April 2019), which must be filed with the Commission 60 days from quarter-end.⁵¹ At the next fiscal quarter end (July 2019), the fund will file reports on Form N-PORT for each month of the quarter (May, June, and July), 60 days from the end of the quarter. Again, all such reports, with the exception of the month 3 portfolio holdings attachment (Part F of Form N-PORT), will not be made public. Below is a chart that describes the filing dates for larger funds groups’ first reports on Form N-PORT.

Fiscal Quarter End	First Report on Form N-PORT must be filed on EDGAR by:	Required Monthly Data
March 31, 2019	May 30, 2019	March 2019
April 30, 2019	July 1, 2019 ⁵²	March, April 2019
May 31, 2019	July 30, 2019	March, April, May 2019

We request comment on the compliance date for our amendments to Form N-PORT and rule 30b1-9.

⁵⁰ For the reasons discussed above, we find that this relief is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Investment Company Act. *See* 15 U.S.C. 80a-6(c).

⁵¹ Because of the 6-month non-public phase in period for Form N-PORT, this report would not be made public. *See supra* footnote 47 and accompanying text.

⁵² Because 60 days after the fund’s April 30, 2019 fiscal quarter end falls on a Saturday (June 29, 2019), the report on Form N-PORT must be filed with the Commission no later than July 1, 2019 (the next business day). *See* General Instruction A to Form N-PORT (“If the due date falls on a weekend or holiday, the filing deadline will be the next business day.”). In order to make General Instruction A clearer for registrants, we are moving the due date instruction to the end of the paragraph. *See* amended General Instruction A to Form N-PORT.

- Do the current compliance dates provide adequate time for funds to prepare their systems for filing reports on Form N-PORT? If not, why not, and how much more time is needed?
- Should we provide relief to funds with fiscal quarters ending in March and April to allow them only to file reports for the third month of their quarter end in 2019? Should we extend this relief to funds with other quarter-ends? Will funds with other quarter ends have any operational difficulties with modifying their systems to file each monthly report on Form N-PORT 60 days after the end of their fiscal quarter?

D. Procedural and Other Matters

The Administrative Procedure Act (“APA”) generally requires an agency to publish notice of a rulemaking in the *Federal Register* and provide an opportunity for public comment.⁵³ This requirement does not apply, however, if the agency “for good cause finds...that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest.”⁵⁴ We have determined to immediately adopt this modification to the filing requirements for Form N-PORT and the accompanying changes described above.

As discussed above, based on our recent evaluation of the data security protocols relating to Form N-PORT, and in light of our continued assessment of our internal cybersecurity risk profile, we have re-evaluated whether, in this particular case, we can meaningfully reduce the sensitivity of the data we will maintain while continuing to achieve our regulatory objectives. This recent re-evaluation has led us to determine that modifying the filing requirements for Form

⁵³ See 5 U.S.C. § 553(b)–(c).

⁵⁴ 5 U.S.C. § 553(b)(3)(B).

N-PORT is necessary. Additionally, as explained above, the modifications affect the timeliness of the data for the Commission’s analysis but would not affect the current requirements regarding the content of the data that is made public or when the data is made public. Given the limited nature of this change, and previous delays in implementation of the rule, we find that it is appropriate to implement this modification as an interim final rule. Soliciting public comment on this issue would be neither necessary, practicable, nor in the public interest.

Independently, providing immediate certainty to funds is critical because we understand that many funds are currently designing and testing their systems and procedures in light of the April 1, 2019 expiration of temporary rule 30b1-9(T)’s retention requirement. Funds need to know as soon as practicable that there will be a modification in the requirement for filing reports on Form N-PORT through the EDGAR system, and that as a result they will have to make changes to the timing of their reports. For example, absent the certainty provided by a final rule, funds may not be prepared to make all three Form N-PORT filings at quarter-end, especially in light of the compliance dates for larger fund groups. Providing notice and comment would defeat this goal of giving certainty as to funds’ obligations in light of the modifications stemming from the Commission’s recent cybersecurity initiatives.⁵⁵ Under these circumstances, soliciting public notice and comment would be unnecessary, impracticable, and contrary to the public interest. For these reasons, the Commission finds that good cause exists to dispense with notice and comment regarding the amendments to rule 30b1-9 and Form N-PORT outlined above.⁵⁶

⁵⁵ We similarly do not believe that notice and comment on the amendment to Form N-LIQUID are necessary given the limited and voluntary nature of the amendment.

⁵⁶ *See* Section 553(b)(3)(B) of the Administrative Procedure Act (5 U.S.C. 553(b)(3)(B)) (an agency may dispense with prior notice and comment when it finds, for good cause, that notice and comment are “impracticable, unnecessary, or contrary to the public interest”). This finding also satisfies the requirements of 5 U.S.C. 808(2), allowing the amendments to become effective notwithstanding the requirement of 5 U.S.C. 801 (if a federal agency finds that notice and public comment are impractical, unnecessary or

The APA also generally requires that an agency publish an adopted rule in the Federal Register at least 30 days before it becomes effective. This requirement does not apply, however, if the agency finds good cause for making the rule effective sooner.⁵⁷ For the reasons discussed above, and in order to give registrants immediate relief from filing reports on Form N-PORT with the Commission each month, we find good cause to make the rule effective upon publication in the Federal Register.

II. ECONOMIC ANALYSIS

A. Introduction

Our modifications to the timing requirements for filing Form N-PORT will require funds to file each monthly report on Form N-PORT with the Commission no later than 60 days after a fund's fiscal quarter end. Information for the first two months of each fund's fiscal quarter will continue to be non-public and available for use by the Commission. Information reported on the quarter-end report on Form N-PORT will be made public immediately upon filing and thus will continue to be required to be publicly available with a delay of, at most, 60 days after the end of the fiscal quarter.⁵⁸ In addition, funds will be required to maintain in their records the information that is required to be included on Form N-PORT no later than 30 days after the end of each month.

The Commission is sensitive to the economic effects, including the benefits and costs and the effects on efficiency, competition, and capital formation that will result from the change in

contrary to the public interest, a rule shall take effect at such time as the federal agency promulgating the rule determines). The amendments also do not require analysis under the Regulatory Flexibility Act. *See* 5 U.S.C. 604(a).

⁵⁷ 5 U.S.C. 553(d)(3).

⁵⁸ As discussed above, *see supra* footnote 32, certain data fields on the quarter-end report on Form N-PORT will continue to be masked from the public. *See* General Instruction F of Form N-PORT.

the timing of the EDGAR submission requirement for reports on Form N-PORT and the associated recordkeeping requirement.

B. Economic Baseline

The reporting and disclosure obligations created by the 2016 adoption of Form N-PORT serve as the baseline against which the costs and benefits as well as the effects on efficiency, competition, and capital formation of the modified timing requirements are discussed.⁵⁹ Additionally, the baseline takes into account the temporary rule that the Commission adopted on December 8, 2017, which delayed the initial reporting of Form N-PORT on EDGAR by nine months.⁶⁰

Currently, the Commission generally receives portfolio information from registered management investment companies (other than money market funds and SBICs) on Form N-Q and Form N-CSR on a quarterly basis, 60 and 70 days after the end of the quarter, respectively. Once the temporary final rule expires on June 1, 2019, funds in larger fund groups would be required to submit reports on Form N-PORT within 30 days after each month-end.⁶¹ The reports on Form N-PORT for the first two months of each fund's fiscal quarter would not be made public. Information reported on the quarter-end report, with the exception of the items identified in General Instruction F of Form N-PORT, would be made publicly available with a delay of 60 days after the end of the fiscal quarter. As a result, the Commission would confidentially maintain for at least 30 days Form N-PORT information that would eventually become publicly available.

⁵⁹ See Adopting Release, *supra* note 3, section III.

⁶⁰ See Temporary Final Rule Release, *supra* footnote 9, at note 5.

⁶¹ See *supra* footnotes 11-12 and accompanying text.

The entities affected by the modified timing of the EDGAR submission requirement for reports on Form N-PORT are the funds that will report using this form and their investors. As of the end of 2017, approximately 101.9 million individuals owned shares of registered investment companies, representing 57.3 million or 45.4% of U.S. households.⁶² As of September 2018, we estimate that there were 11,619 funds required to file Form N-PORT (i.e., 8,976 mutual funds (excluding money market funds), 1,939 ETFs (including 8 ETFs organized as UITs and 1,931 ETFs that are management investment companies), and 704 closed-end funds (excluding SBICs)).⁶³

C. Benefits and Costs of the Modified Timing Requirement for Filing Form N-PORT

The Commission relies on information included in reports filed by funds to monitor trends, identify risks, and inform its regulatory functions. Similarly, investors and other market participants rely on funds' public filings to assist in their investment decisions and understanding of financial markets. Form N-PORT, which requires reporting of a fund's complete portfolio holdings on a monthly basis with every third month available to the public, will contribute substantially to information made available to the Commission and the public by funds. As the Commission has previously stated, the adoption of Form N-PORT will modernize fund reporting, improve the ability of the Commission to fulfill its regulatory functions, and allow investors to make more informed investment decisions.⁶⁴

⁶² 2018 Investment Company FactBook (“2017 IC FactBook”), A Review of Trends and Activities in the Investment Company Industry, 57th edition, at 2, available at https://www.ici.org/pdf/2018_factbook.pdf.

⁶³ Counts of mutual funds and ETFs are based on data from the ICI and the count of closed-end funds is based on registrants' filings with the Commission on Forms N-SAR and N-Q and data from Morningstar Direct as of September 2018.

⁶⁴ See Adopting Release, *supra* footnote 3, at section II.A.

The data that the Commission will receive on Form N-PORT is sensitive and includes portfolio information for the first two months of a fund's fiscal quarter that is designated non-public, information for the third month of a fund's fiscal quarter before its scheduled publication, and information for the third month of a fund's fiscal quarter from non-public fields. The data at risk could, for example, harm fund shareholders by expanding the opportunities for professional traders and others to exploit this information.⁶⁵ In addition, an unauthorized intrusion could affect the Commission's future ability to collect the data necessary to support its mission.

We believe that increasing the delay in when funds must submit reports on Form N-PORT will reduce the value of non-public data maintained by the Commission. Reducing the value of this data may both reduce a potential motivation for cyberattacks and mitigate potential costs to funds and their investors in the event a fund's non-public data is exposed. First, the extension of the fiscal quarter-end filing deadline from 30 to 60 days allows the data in the quarter-end report on Form N-PORT to be public immediately upon filing, with the exception of the non-public fields described above.⁶⁶ As a result, the Commission will no longer have to keep this data non-public for at least a month after filing, thereby reducing the volume of non-public data maintained in our systems and the associated cybersecurity risks. Second, under the

⁶⁵ The academic literature has argued that certain trading strategies by outside investors that make use of a fund's timely portfolio information, including trading ahead of a fund and mimicking a fund's holdings, can be costly for funds and their investors, particularly for funds that execute large orders or employ proprietary trading strategies. (See, e.g., ICI, *The Potential Effects of More Frequent Portfolio Disclosure on Mutual Fund Performance*, Perspective Vol. 7, No. 3 (June 2001) and Vikas Agarwal, et al., *Mandatory Portfolio Disclosure, Stock Liquidity, and Mutual Fund Performance*, The Journal of Finance, Vol. 70, No. 6 (Dec. 2015)). In addition, the academic literature has studied the economic effects of cybersecurity risk in various settings. For example, one paper (See Campbell, Katherine, et. al., *The economic cost of publicly announced information security breaches: empirical evidence from the stock market*, Journal of Computer Security 11 (2003)) finds evidence suggesting that a firm's stocks price tends to decrease upon the announcement that an information security breach involving unauthorized access to confidential data has happened at the firm. However, we are not aware of any studies that would allow us to quantify the economic costs of a cybersecurity breach that revealed a fund's confidential portfolio information.

⁶⁶ See *supra* footnote 32.

modified timing of the EDGAR filing requirement for reports on Form N-PORT, a fund's submission for the first and second months of a fund's fiscal quarter will be delayed until the time that the submission for the quarter-end report is filed and made public. We believe that these changes to the timing requirements for filing Form N-PORT will reduce the sensitivity of the data the Commission stores and maintains.

The portion of the Form N-PORT data that will be made publicly available and the timing of the public availability will not change. As a result, the benefits of the disclosure to public users of the data would remain unchanged from the baseline. These benefits include, for example, an increase in the transparency of a fund's investment strategies and an increase in the ability of investors to identify more efficiently the funds' risk exposures, differentiate investment companies based on their investment strategies, and make more informed investment decisions associated with the public availability of this data.

Increasing the Form N-PORT filing delay and requiring funds to maintain in their records the information that is required to be included on Form N-PORT no later than 30 days after the end of each month likely will not meaningfully change the costs for submitting the form and keeping records borne by fund groups, as the timing of collecting the information, the amount of information to be submitted, and the number of forms to complete is identical to the baseline.⁶⁷ In addition, the current compliance dates for Form N-PORT will not change.⁶⁸ In light of our ongoing assessment of our internal cybersecurity risk profile, we have re-evaluated whether, in

⁶⁷ To the extent that it is more efficient for fund groups to submit all three monthly filings of Form N-PORT in one batch at quarter-end, rather than individually every month, the costs borne by fund groups may be marginally reduced under this increased delay.

⁶⁸ As discussed above, funds in larger fund groups with fiscal quarters ending in March, 2019, which may not be prepared to make initial filings of all three months of Form N-PORT reports on a single date, will only be required to file reports on Form N-PORT for the last month of that fiscal quarter. Larger fund groups with fiscal quarters ending in April, 2019, will only be required to file reports on Form N-PORT for the last two months of that fiscal quarter.

this particular case, we can meaningfully reduce the sensitivity of the data we will maintain while continuing to achieve our regulatory objectives. On the one hand, the modifications in the EDGAR submission requirement will delay the filings of Form N-PORT data with the Commission in the ordinary course. Compared to the baseline, the data for monthly filings will be less current, by an average of 60 days. The delay will reduce the data's utility to the Commission for analyses of funds in the course of monitoring for industry trends and identifying issues for examination or inquiry. The impact of the delay on the Commission's analytical capabilities will vary across applications, and for certain applications, the impact of greater data staleness would decrease over time as the Commission builds up historical data. For example, historical trends inferred from a long time series of data would, in many cases, not be significantly affected by the delay in filing of monthly information. Moreover, requiring funds to maintain the Form N-PORT data in their records 30 days after the end of each month will ensure that the Commission can receive more timely information when necessary.⁶⁹

D. Effects on Efficiency, Competition, and Capital Formation

The modification in the timing of the EDGAR submission requirements will—without materially affecting our ability to obtain data when we need it—reduce the risk of cybersecurity threats and thereby decrease the likelihood that exposure of sensitive data could hamper the Commission's future ability to collect the data necessary to support its mission. As a result, we believe that the modification will help the Commission maintain efficient capital markets through appropriate supervision and regulation.

⁶⁹ In addition, the Commission will continue to receive reports on Form N-LIQUID, which provides us with more timely information on certain liquidity events at a fund. In order to allow funds the opportunity to communicate this information, we are amending Form N-LIQUID to provide for a voluntary explanatory notes section. *See* Part E of Amended Form N-LIQUID.

A reduction in cybersecurity risk will also reduce the likelihood of related adverse impacts on an affected fund and its investors, as discussed above. To the extent that investors anticipate the potential impacts of cybersecurity risks, a reduction in this risk could increase the amount invested in funds. If this additional investment in funds does not represent substitution away from other forms of capital formation, such as direct investments in operating companies, the reduction in risk could thereby improve capital formation. We believe, however, that any such effect would likely be small.

Similarly, we believe that the modification would not have any significant competitive effects, as the delay affects all filers of Form N-PORT uniformly.

E. Alternatives

As an alternative to requiring monthly portfolio reporting (filed on a quarterly basis), the Commission considered requiring quarterly portfolio reporting. Under the alternative, the Commission would no longer receive non-public data for monthly portfolio reports related to the first two months in a fund's fiscal quarter, thereby reducing the amount of non-public information the Commission stores and maintains and further reducing the risk of cybersecurity risks. In addition, the alternative would likely reduce the costs for funds to file Form N-PORT. However, the alternative would eliminate the additional information in the monthly portfolio reporting that will allow the Commission to analyze the evolution of portfolio holdings and the fluctuations in the values of portfolio investments within a fund's fiscal quarter. We continue to believe that the higher frequency of monthly portfolio reporting will be useful to the staff to perform analyses of funds in the course of monitoring for industry trends or identifying issues for examination or inquiry, even if the Commission receives this information on a more delayed

basis in the ordinary course.⁷⁰ Our modifications to the timing of filings and not the frequency of data reflect our belief that the greater usefulness to the Commission of monthly portfolio reporting on a quarterly basis justifies any attendant risk and larger costs for funds to report monthly rather than quarterly portfolio information.

As an alternative to requiring funds to file all three monthly Forms N-PORT within 60 days of a fund's fiscal quarter end, we considered requiring funds to submit Form N-PORT within 60 days of the end of each month. While this alternative would increase the delay in when funds would be required to submit Forms N-PORT for all three months of a fund's fiscal quarter compared to the baseline, the delay would be shorter compared to the modified timing requirement we are adopting today for the first two months of a fund's fiscal quarter. As a result, the decrease in the sensitivity of the data the Commission stores and maintains and the resulting reduction in cybersecurity risk would be smaller under this alternative. We acknowledge the shorter delay in the Commission's receipt of data for the first two months under this alternative would have a smaller impact on the Commission's analytical capabilities than the modification to filing that we are adopting. However, as discussed above in section II.C, we expect this impact to (i) vary across applications and (ii) be attenuated by the requirement that funds maintain the Form N-PORT data in their records 30 days after the end of each month, which will ensure that the Commission can receive more timely information, when necessary.

III. PAPERWORK REDUCTION ACT

The Commission is modifying the requirement for reports on Form N-PORT to require all three monthly Form N-PORT reports for a particular fiscal quarter be filed with the

⁷⁰ Our experience with large hedge fund adviser reporting on Form PF has shown us that quarterly reporting of monthly data, with a 60-day delay in its submission, is useful in providing regulators with data to identify emerging trends and risks. *See supra* footnote 39.

Commission 60 days after the end of that quarter. Amended rule 30b1-9 will also require funds to maintain in their records the information that is required to be included on Form N-PORT no later than 30 days after the end of each month.⁷¹ We do not believe that these changes will make any substantive modifications to any existing collection of information requirements within the meaning of the Paperwork Reduction Act of 1995 (“PRA”).⁷² While the reporting dates for Form N-PORT will change, the number of Form N-PORT filings, timing of collecting the data, and other related burdens will remain the same. As a result, the Commission believes that the current PRA burden estimates for the existing collection of information requirements remain appropriate.⁷³

IV. STATUTORY AUTHORITY

We are adopting amendments to the rule 30b1-9, Form N-PORT, and Form N-LIQUID under the authority set forth in the Investment Company Act, particularly sections 6(c), 8, 30, 31, and 38 thereof [15 U.S.C. 80a *et seq.*], and 44 U.S.C. 3506.

List of Subjects

17 CFR Parts 270 and 274

Investment companies, Reporting and recordkeeping requirements, Securities.

⁷¹ We previously noted that the burden associated with preserving the information required by Form N-PORT in the fund’s records in an easily accessible place is similar to the burden associated with submitting the prepared report on EDGAR. *See* Temporary Final Rule Release, *supra* footnote 9, at section III.A.

⁷² 44 U.S.C. 3501 through 3521.

⁷³ “Form N-PORT Under the Investment Company Act, Monthly Portfolio Investments Report” (OMB Control No. 3235–0730). We similarly do not believe that our change to Form N-LIQUID will make any substantive modifications to the existing collection of information requirements within the meaning of the PRA. *See* “Form N-LIQUID Under the Investment Company Act, Current Report, Open-End Investment Company Liquidity” (OMB Control No. 3235-0754).

For reasons set forth in the preamble, title 17, chapter II of the Code of Federal Regulations is amended as follows:

PART 270 — RULES AND REGULATIONS, INVESTMENT COMPANY ACT OF 1940

1. The authority citation for part 270 continues to read, in part, as follows:

Authority: 15 U.S.C. 80a-1 *et seq.*, 80a-34(d), 80a-37, 80a-39, and Pub. L. 111-203, sec. 939A, 124 Stat. 1376 (2010), unless otherwise noted.

* * * * *

2. Section 270.30b1-9 is revised to read as follows:

§270.30b1-9 Monthly report.

Each registered management investment company or exchange-traded fund organized as a unit investment trust, or series thereof, other than a registered open-end management investment company that is regulated as a money market fund under § 270.2a-7 or a small business investment company registered on Form N-5 (§§ 239.24 and 274.5 of this chapter), must file a monthly report of portfolio holdings on Form N-PORT (§ 274.150 of this chapter), current as of the last business day, or last calendar day, of the month. A registered investment company that has filed a registration statement with the Commission registering its securities for the first time under the Securities Act of 1933 is relieved of this reporting obligation with respect to any reporting period or portion thereof prior to the date on which that registration statement becomes effective or is withdrawn. Each registered investment company that is required to file reports on Form N-PORT must maintain in its records the information that is required to be included on Form N-PORT no later than 30 days after the end of each month. Such information shall be treated as a record under section 31(a)(1) of the Act [15 U.S.C. 80a-30(a)(1)] and § 270.31a-1(b) of this chapter subject to the requirements of § 270.31a-2(a)(2) of this chapter.

Reports on Form N-PORT for each month in each fiscal quarter of a registered investment company must be filed with the Commission no later than 60 days after the end of such fiscal quarter.

PART 274—FORMS PRESCRIBED UNDER THE INVESTMENT COMPANY ACT OF 1940

3. The general authority citation for part 274 continues to read as follows:

Authority: 15 U.S.C. 77f, 77g, 77h, 77j, 77s, 78c(b), 78l, 78m, 78n, 78o(d), 80a-8, 80a-24, 80a-26, 80a-29, and Pub. L. 111-203, sec. 939A, 124 Stat. 1376 (2010), unless otherwise noted.

* * * * *

4. Section 274.150 is revised to read as follows:

§274.150 Form N-PORT, Monthly portfolio holdings report.

(a) Except as provided in paragraph (b) of this section, this form shall be used by registered management investment companies or exchange-traded funds organized as unit investment trusts, or series thereof, to file reports pursuant to §270.30b1-9 of this chapter not later than 60 days after the end of each fiscal quarter.

(b) Form N-PORT shall not be filed by a registered open-end management investment company that is regulated as a money market fund under §270.2a-7 of this chapter or a small business investment company registered on Form N-5 (§§239.24 and 274.5 of this chapter), or series thereof.

Note: The text of Form N-PORT will not appear in the *Code of Federal Regulations*.

5. Form N-PORT (referenced in §274.150) is amended as follows:

Note: The text of Form N-PORT does not, and these amendments will not, appear in the *Code of Federal Regulations*.

FORM N-PORT MONTHLY PORTFOLIO INVESTMENTS REPORT

Form N-PORT is to be used by a registered management investment company, or an exchange-traded fund organized as a unit investment trust, or series thereof (“Fund”), other than a Fund that is regulated as a money market fund (“money market fund”) under rule 2a-7 under the Investment Company Act of 1940 [15 U.S.C. 80a] (“Act”) (17 CFR 270.2a-7) or a small business investment company (“SBIC”) registered on Form N-5 (17 CFR 239.24 and 274.5), to file reports of monthly portfolio holdings pursuant to rule 30b1-9 under the Act (17 CFR 270.30b1-9). The Commission may use the information provided on Form N-PORT in its regulatory, enforcement, examination, disclosure review, inspection, and policymaking roles.

GENERAL INSTRUCTIONS

A. Rule as to Use of Form N-PORT

Form N-PORT is the reporting form that is to be used for monthly reports of Funds other than money market funds and SBICs under section 30(b) of the Act, as required by rule 30b1-9 under the Act (17 CFR 270.30b1-9). Funds must report information quarterly about their portfolios and each of their portfolio holdings as of the last business day, or last calendar day, of each month. A registered investment company that has filed a registration statement with the Commission registering its securities for the first time under the Securities Act of 1933 is relieved of this reporting obligation with respect to any reporting period or portion thereof prior to the date on which that registration statement becomes effective or is withdrawn.

Reports on Form N-PORT must disclose portfolio information as calculated by the fund for the reporting period’s ending net asset value (commonly, and as permitted by rule 2a-4, the first business day following the trade date). A Fund must maintain in its records the information that is required to be included on Form N-PORT no later than 30 days after the end of each month. Such information shall be treated as a record under section 31(a)(1) of the Act and rule 31a-1(b) thereunder subject to the requirements of rule 31a-2(a)(2). Reports on Form N-PORT for each month in each fiscal quarter of a fund must be filed with the Commission no later than 60 days after the end of such fiscal quarter. If the due date falls on a weekend or holiday, the filing deadline will be the next business day.

A Fund may file an amendment to a previously filed report at any time, including an amendment to correct a mistake or error in a previously filed report. A Fund that files an amendment to a previously filed report must provide information in response to all items of Form N-PORT, regardless of why the amendment is filed.

* * * * *

6. Form N-LIQUID (referenced in § 274.223) is amended as follows:

Note: The text of Form N-LIQUID does not, and these amendments will not, appear in the Code of Federal Regulations.

**FORM N-LIQUID
CURRENT REPORT
OPEN END MANAGEMENT INVESTMENT COMPANY LIQUIDITY**

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PART E. Explanatory Notes (if any)

Registrants may provide any information it believes would be helpful in understanding the information reported in response to any Item of this Form.

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By the Commission.

Dated: February 27, 2019

Eduardo A. Aleman
Deputy Secretary

[FR Doc. 2019-03958 Filed: 3/5/2019 8:45 am; Publication Date: 3/6/2019]