Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549

April 24, 2026

Re: Form N-PORT Reporting (File Number S7-2026-05; RIN 3235-AN44)

Dear Secretary:

The undersigned investor protection, consumer, and other advocacy groups oppose the proposed rule to weaken the Securities and Exchange Commission's (the Commission) investor protection mandate by making it easier for private funds to use names that can mislead investors about what they are actually buying.

We are strongly opposed to the Form N-PORT Reporting proposed rule, particularly its plan to eliminate the reporting items included in the 2023 amendments to modernize and enhance the investor protections provided by rule 35d-1 under the Investment Company Act of 1940 (also known as the Names Rule).[1] We urge the Commission to retain the reporting requirements on Form N-PORT related to certain registered funds' compliance with the adoption of a policy to invest at least 80 percent of the value of their assets in accordance with the investment focus that the fund's name suggests. Specifically, we urge the Commission to maintain the requirement that those funds report on a quarterly basis: (1) the definitions of terms used in the fund's name; (2) the value of the fund's 80 percent basket as a percentage of the value of the fund's assets; and (3) whether each investment in the fund's portfolio is within the 80 percent basket.

This is fundamentally an investor protection issue. In the 2023 final rule, the Commission correctly explained that Congress gave it authority to address materially deceptive or misleading fund names because investors may rely on a fund's name to understand its investments and risks.[2] The Commission further explained that the Names Rule helps make sure that investors' assets are invested in accordance with their reasonable expectations based on the fund's name; the role of this rule remains important and distinct from other disclosure requirements.[3]

That logic is especially important as the Commission facilitates broader exposure to private markets and private funds for retail, less financially-sophisticated investors. As former Commissioner Caroline A. Crenshaw recently warned, if retail investors are increasingly brought into private markets, the need for regulatory visibility and oversight becomes more urgent, not

[1] See, Proposed Rule: SEC Issued Version. Table 2 at 36-38; 17 CFR § 270.35d-1 - Investment company names; For 2023 amendments, see Investment Company Names. Final Rule. RIN: 3235-AM72.
[2] Investment Company Names. Final Rule. RIN: 3235-AM72 at 6.
[3] Investment Company Names. Final Rule. RIN: 3235-AM72 at 6-8.

less.[4] In that broader context, weakening a standardized disclosure regime that helps investors assess whether a fund's name matches its portfolio would move the Commission further away from its investor protection mandate.

The scale of the broader shift into private markets underscores the point. Regulation D private placements have grown from $588 billion in the aftermath of the 2008 financial crisis to more than $2 trillion in 2024, and assets under management for SEC-reporting private funds tripled over the last decade to more than $24 trillion by 2024.[5] As private funds and private markets in general continue to overtake public markets and a wider set of investors are pressured into those markets, the Commission should be preserving clear, structured, comparable disclosures wherever possible. Instead, this proposal would reduce visibility into whether registered funds are actually pursuing the investment strategies their names convey.

The Commission's 2023 final rule recognized the need to "modernize and enhance" the protections the Names Rule provide in order to address the evolution and growth of the private funds industry since the rule was first adopted over twenty years ago.[6] And the revisions reflected that the existing framework needed to be strengthened because fund names continue to shape investor expectations and because the evolution of the fund industry required stronger, more effective tools to test whether those expectations are being met.

Each of the three reporting requirements serve a distinct and important function.

First, requiring funds to report the definitions of terms used in their names is critical because many such terms are inherently flexible and susceptible to inconsistent application. Two funds can use the same words or name while applying materially different criteria and delivering different returns or offering different liquidity structures to investors. Funds should define terms used in their names, including the specific criteria used to select the investments the term describes. Standardized reporting of those definitions helps convert a fund name from a vague marketing label into something meaningful that investors, regulators, and market participants can actually evaluate. That function becomes even more important as funds are used to package increasingly complex, risky, and illiquid exposures for a broader investor base, including families saving for retirement through defined contribution plans such as 401(k)s.

Second, requiring funds to report the value of the 80 percent basket as a percentage of assets provides a clear, comparable measure of compliance. A names policy is far less useful if investors cannot see whether the portfolio actually satisfies it. This metric offers a straightforward snapshot of whether the fund is invested in accordance with the focus its name

[4] Crenshaw, Caroline A. "The Autobahn and Private Markets." Remarks at Better Markets Academic Advisory Board Annual Conference. September 19, 2025.
[5] Crenshaw, "The Autobahn and Private Markets."
[6] Investment Company Names. Final Rule. RIN: 3235-AM72 at 4.

suggests and provides a common benchmark across funds. In more opaque corners of the market, this kind of comparability becomes more valuable.

Third, requiring funds to report whether each portfolio investment is included in the 80 percent basket is indispensable because aggregate figures alone do not show how the fund is drawing the line. Portfolio-level information is what allows regulators and investors to assess whether a fund's application of its names policy is coherent and credible. It also makes the disclosed definition meaningful in practice. At a minimum, the Commission should not be reducing portfolio-level transparency at the same time the opaqueness and complexity of the products reaching mom and pop investors is increasing.

The proposal suggests that these N-PORT disclosures are unnecessary because investors and the Commission can look to other sources such as prospectuses. But that is not a persuasive basis for repealing the 2023 disclosures. Prospectuses do not provide the same standardized, comparable, machine-readable answers to the central Names Rule questions: what the fund means by the terms in its name, how much of the portfolio falls within the 80 percent basket, and which holdings count toward that basket. If other sources were sufficient substitutes, there would have been no reason to adopt these reporting items in the first place.

These concerns are not limited to any single category of fund names. They apply across the range of names covered by the rule, including names suggesting a particular investment type, industry, geography, or issuer characteristic. ESG-related names might be the best example of fund names conveying a particular investment focus, and greenwashing remains a useful illustration of why names-based transparency and accuracy matters.[7] To better protect investors, the Commission should preserve these tools that allow the public to assess whether a fund's portfolio actually reflects what its name conveys.

For these reasons, the Commission should withdraw the proposed rule and retain the requirement that funds quarterly report definitions of the terms used in their names, the value of the 80 percent basket as a percentage of assets, and whether each portfolio investment is included in that basket. These disclosures help investors know what they are buying, help the Commission oversee compliance with the Names Rule, and help preserve market integrity.

Thank you for the opportunity to comment.

Sincerely,

[7] Americans for Financial Reform Education Fund. Letter to the Securities and Exchange Commission Re: Investment Company Names (File No. S7-16-22); Enhanced Disclosures by Certain Investment Advisers and Investment Companies about Environmental, Social, and Governance Investment Practices (File No: S7-17-22). August 15, 2022.

Americans for Financial Reform Education Fund
As You Sow
Interfaith Center on Corporate Responsibility
Natural Investments PBLLC
Oxfam America
Public Citizen
Sierra Club
U.S. Impact Investing Alliance