

From the Public Company Advisory Group of Weil, Gotshal & Manges LLP

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## New Deadlines for Schedule 13G Filers Take Effect on September 30, 2024

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### Recent SEC enforcement “sweep” highlights importance of having procedures in place for new accelerated filing deadlines

Beginning September 30, 2024, Schedule 13G filers will need to comply with new accelerated filing deadlines previously adopted by the Securities and Exchange Commission (SEC). As we discussed in greater detail in a previous Alert (available [here](#)), the SEC approved [amendments](#) to the rules governing Schedule 13D and Schedule 13G beneficial ownership reporting, which generally became effective on February 5, 2024. However, the SEC deferred compliance with the revised Schedule 13G deadlines until September 30, 2024. This Alert highlights certain aspects of the new Schedule 13G rules and deadlines. A summary chart of updates to the filing deadlines is included in an Appendix to this Alert.

Notably, as a result of the rule changes and deferred compliance date, certain Schedule 13G filings may be required by no later than November 14, 2024, for:

- The initial Schedule 13G for qualified institutional investors (“QIIs”)<sup>1</sup> and exempt investors (e.g., pre-IPO investors)<sup>2</sup> that beneficially owned more than 5% as of September 30, 2024.
  - *Example:* IPO occurred in May 2024, and a pre-IPO investor continues to own 8% at September 30, 2024. The investor will be required to file its initial Schedule 13G by November 14, 2024 (instead of, under the “old” rules, only first determining whether it was a 5% owner at December 31, 2024, and if so, making the initial filing by February 14, 2025).
- Amendments to Schedule 13G for all filers if, as of September 30, 2024, there were any [material](#) changes in the information reported from previous Schedule 13G filings.

<sup>1</sup> As contemplated by SEC Rule 13d-1(b).

<sup>2</sup> As contemplated by SEC Rule 13d-1(d).

## Quarterly Amendments Replace Annual Amendments

Effective September 30, 2024, the initial Schedule 13G filing deadline for when beneficial ownership exceeds 5% for QIIs and exempt investors will change from within 45 calendar days after the end of a calendar year in which the person became obligated to report beneficial ownership to within 45 calendar days after the end of the calendar quarter. Additionally, the amendment deadline for all Schedule 13G filers will change from within 45 calendar days after the end of the calendar year in which any change occurred (in the information reported in the previous Schedule 13G) to within 45 calendar days after the end of each calendar quarter if, as of the end of the calendar quarter, there are any material changes (in the information reported in the previous Schedule 13G).

## Materiality Standard for Amendments

What is a “material change” that triggers an amended filing? As noted above, the SEC revised the text of the rule from “any change” to “material change.” According to the SEC’s adopting release, the change in text was “merely intended to codify the SEC’s previously stated view that there is an inherent materiality standard in the provisions governing Schedule 13G filings.”<sup>3</sup> The SEC stated that the term “material” is already defined in SEC Rule 12b-2 and a familiar securities law concept, and it declined to provide an express safe harbor for certain specified *de minimis* changes in ownership. Under Schedule 13D rules, an acquisition or disposition of beneficial ownership of securities of one percent or more is deemed material for purposes of Schedule 13D amendments. Although the SEC noted in the adopting release that the Schedule 13D one percent threshold is “equally instructive” for determining what changes are material for purposes of whether a Schedule 13G amendment is triggered, changes of less than 1% may still be considered material and trigger a Schedule 13G amendment depending on particular facts and circumstances.

## Other Changes to Schedule 13G Filing Deadlines

Additionally, the initial Schedule 13G filing deadline when beneficial ownership exceeds 5% for passive investors<sup>4</sup> will shorten from within 10 calendar days to within five business days.<sup>5</sup> The deadline for initial filings and amendments to Schedule 13G for QIIs when their beneficial ownership exceeds 10% and when there is a subsequent increase or decrease by more than 5% will shorten from within 10 calendar days to within five business days after the end of the month in which the obligation is triggered.

## “Cut-Off” Time for Filings and a Compliance Date for the New Structured Data Requirement

The filing “cut-off” time for Schedule 13G (and Schedule 13D) filings were extended from 5:30 p.m. to 10:00 p.m., Eastern time. Additionally, beginning December 18, 2024, Schedule 13G (as well as Schedule 13D) filings other than their exhibits must use a structured, machine readable data language (a 13D/G-specific XML), and voluntary early compliance is permitted.

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<sup>3</sup> SEC Adopting Release available [here](#) at n.306 and accompanying text (“This inherent materiality standard is based on the fact that any disclosure provided by a Schedule 13G filer, in light of the infrequency of the reports and comparatively minimal statements required to be made, is effectively material.”)

<sup>4</sup> As contemplated by SEC Rule 13d-1(c).

<sup>5</sup> If the person acquires 20% or more of the class or no longer passively holds their shares, a Schedule 13D is now due within 5 business days and the person is still not permitted to vote the shares or acquire more shares during the period of time beginning from the change in investment purpose or the acquisition of 20% until 10 calendar days after the Schedule 13D is filed.

## What to Do Now?

- Update controls and procedures to conform to the new filing deadlines and amendment triggers.
- Monitor “material changes” that would trigger a Schedule 13G filing obligation, including:
  - tracking increases and decreases of portfolio holdings in public companies; and
  - other changes in the information reporting in prior Schedule 13G filings.
- Educate personnel needing familiarity with Schedule 13G filings.
- Coordinate in advance with outside counsel, if applicable, regarding updated procedures.
- Prepare for SEC scrutiny. The Division of Corporation Finance already has been monitoring compliance with the accelerated deadlines for Schedule 13D and has begun to issue comment letters. Moreover, the Division of Enforcement occasionally conducts “sweeps” and recently [announced](#) settled charges against numerous entities and individuals for failures to timely file beneficial ownership reports.

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If you have questions concerning the contents of this Alert, or would like more information, please speak to your regular contact at Weil or to any of the following authors:

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## Appendix

**Summary of Updates to Schedule 13G Filing Requirements\***  
**(yellow shading highlights changes)**

Issue	Current Schedule 13G	New Schedule 13G
<b>Initial Filing Deadline</b>	<p><u>QII &amp; Exempt Investors</u>: 45 calendar days after calendar <b>year-end</b> in which beneficial ownership exceeds 5%. Rules 13d-1(b) and (d).</p> <p><u>QIIs</u>: <b>10 calendar days</b> after month-end in which beneficial ownership exceeds 10%. Rule 13d-1(b).</p> <p><u>Passive Investors</u>: <b>10 calendar days</b> after acquiring beneficial ownership of more than 5%. Rule 13d-1(c).</p>	<p><u>QIIs &amp; Exempt Investors</u>: 45 calendar days after calendar <b>quarter-end</b> in which beneficial ownership exceeds 5%. Rules 13d-1(b) and (d).</p> <p><u>QIIs</u>: <b>Five business days</b> after month-end in which beneficial ownership exceeds 10%. Rule 13d-1(b).</p> <p><u>Passive Investors</u>: <b>Five business days</b> after acquiring beneficial ownership of more than 5%. Rule 13d-1(c).</p>
<b>Amendment Triggering Event</b>	<p><u>All Schedule 13G Filers</u>: <b>Any change</b> in the information previously reported on Schedule 13G. Rule 13d-2(b).</p> <p><u>QIIs &amp; Passive Investors</u>: Upon exceeding 10% beneficial ownership or a 5% increase or decrease in beneficial ownership. Rules 13d-2(c) and (d).</p>	<p><u>All Schedule 13G Filers</u>: <b>Material change</b> in the information previously reported on Schedule 13G. Rule 13d-2(b).</p> <p><u>QIIs &amp; Passive Investors</u>: Same as current Schedule 13G: Upon exceeding 10% beneficial ownership or a 5% increase or decrease in beneficial ownership. Rules 13d-2(c) and (d).</p>
<b>Amendment Filing Deadline</b>	<p><u>All Schedule 13G Filers</u>: 45 calendar days after calendar <b>year-end</b> in which <b>any change</b> occurred. Rule 13d-2(b).</p> <p><u>QIIs</u>: <b>10 calendar days</b> after month-end in which beneficial ownership exceeds 10% or a 5% increase or decrease in beneficial ownership. Rule 13d-2(c).</p> <p><u>Passive Investors</u>: <b>Promptly</b> after exceeding 10% beneficial ownership or a 5% increase or decrease in beneficial ownership. Rule 13d-2(d).</p>	<p><u>All Schedule 13G Filers</u>: 45 calendar days after calendar <b>quarter-end</b> in which a <b>material change</b> occurred. Rule 13d-2(b).</p> <p><u>QIIs</u>: <b>Five business days</b> after month-end in which beneficial ownership exceeds 10% or a 5% increase or decrease in beneficial ownership. Rule 13d-2(c).</p> <p><u>Passive Investors</u>: <b>Two business days</b> after exceeding 10% beneficial ownership or a 5% increase or decrease in beneficial ownership. Rule 13d-2(d).</p>

\* Only those rules for which there were changes effective September 30, 2024. See Regulation 13D-G for all applicable rule requirements.