

Thus, the staff estimates that the annual hour burden of the collection of information imposed by rule 19b-1(e) would be approximately five hours per fund, at a cost of \$6173.50.⁵ Because the staff estimates that, each year, zero funds will file an application pursuant to rule 19b-1(e), the total burden for the information collection is 0 hours at a cost of \$0.⁶

Commission staff estimates that there is no hour burden associated with complying with the collection of information component of rule 19b-1(c). Although Commission staff estimates that there is no hour burden associated with rule 19b-1, the staff is requesting an hour burden of one hour for administrative purposes.

As noted above, Commission staff understands that funds that file an application under rule 19b-1(e) generally use outside counsel to prepare the application.⁷ The staff estimates that, on average, outside counsel spends 10 hours preparing a rule 19b-1(e) application, including eight hours by an associate and two hours by a partner. Outside counsel billing arrangements and rates vary based on numerous factors, but the staff has estimated the average cost of outside counsel as \$450 per hour, based on information received from funds, intermediaries, and their counsel. The staff therefore estimates that the average cost of outside counsel preparation of the rule 19b-1(e) exemptive application is \$4,500.⁸ Because the staff estimates that, each year, zero funds will file an application pursuant to rule 19b-1(e), the total annual cost burden imposed by the exemptive application requirements of rule 19b-1(e) is estimated to be \$0.⁹

The Commission staff estimates that there are approximately 3,361 UITs¹⁰

2012, modified by Commission staff to account for an 1800-hour work-year and multiplied by 2.93 to account for bonuses, firm size, employee benefits and overhead. The estimate for the board of directors as a whole is derived from estimates made by the staff regarding typical board size and compensation that is based on information received from fund representatives and publicly available sources.

⁵ This estimate is based on the following calculations: \$1634.50 (3.5 hours × \$467 = \$1634.50) plus \$36 (0.5 hours × \$72 = \$36) plus \$4500 equals \$6173.50 (cost of one application).

⁶ This estimate is based on the following calculation: \$6173.50 (cost of one application) multiplied by 0 applications = \$0 total cost.

⁷ This understanding is based on conversations with representatives from the fund industry.

⁸ This estimate is based on the following calculation: 10 hours multiplied by \$450 per hour equals \$4,500.

⁹ This estimate is based on the following calculation: \$4,500 multiplied by 0 (funds) equals \$0.

¹⁰ See 2013 Investment Company Fact Book, Investment Company Institute, available at http://www.ici.org/pdf/2013_factbook.pdf.

that may rely on rule 19b-1(c) to make capital gains distributions. The staff estimates that, on average, these UITs rely on rule 19b-1(c) once a year to make a capital gains distribution.¹¹ In most cases, the trustee of the UIT is responsible for preparing and sending the notices that must accompany a capital gains distribution under rule 19b-1(c)(2). These notices require limited preparation, the cost of which accounts for only a small, indiscrete portion of the comprehensive fee charged by the trustee for its services to the UIT. The staff believes that as a matter of good business practice, and for tax preparation reasons, UITs would collect and distribute the capital gains information required to be sent to unitholders under rule 19b-1(c) even in the absence of the rule. The staff estimates that the cost of preparing a notice for a capital gains distribution under rule 19b-1(c)(2) is approximately \$50. There is no separate cost to mail the notices because they are mailed with the capital gains distribution. Thus, the staff estimates that the capital gains distribution notice requirement imposes an annual cost on UITs of approximately \$168,050.¹² The staff therefore estimates that the total cost imposed by rule 19b-1 is \$168,050 (\$168,050 plus \$0 (total cost associated with rule 19b-1(e)) equals \$168,050).

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

The public may view the background documentation for this information collection at the following Web site, www.reginfo.gov. Comments should be directed to: (i) Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10102, New Executive Office Building, Washington, DC 20503, or by sending an email to: Shagufta_Ahmed@omb.eop.gov; and (ii) Thomas Bayer, Chief Information Officer, Securities and Exchange Commission, c/o Remi Pavlik-Simon, 100 F Street NE., Washington, DC 20549 or send an email to: PRA_Mailbox@sec.gov.

¹¹ The number of times UITs rely on the rule to make capital gains distributions depends on a wide range of factors and, thus, can vary greatly across years and UITs. UITs may distribute capital gains biannually, annually, quarterly, or at other intervals. Additionally, a number of UITs are organized as grantor trusts, and therefore do not generally make capital gains distributions under rule 19b-1(c), or may not rely on rule 19b-1(c) as they do not meet the rule's requirements.

¹² This estimate is based on the following calculation: 3361 UITs multiplied by \$50 equals \$168,050.

Comments must be submitted to OMB within 30 days of this notice.

Dated: March 6, 2014.

Kevin M. O'Neill,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

Submission for OMB Review; Comment Request

Upon Written Request, Copies Available

From: Securities and Exchange Commission, Office of Investor Education and Advocacy, Washington, DC 20549-0213.

Extension:

Form N-8B-4, OMB Control No. 3235-0247, SEC File No. 270-180.

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) ("PRA"), the Securities and Exchange Commission ("Commission") has submitted to the Office of Management and Budget ("OMB") requests for extension of the previously approved collection of information discussed below.

Form N-8B-4 (17 CFR 274.14) is the form used by face-amount certificate companies to comply with the filing and disclosure requirements imposed by Section 8(b) of the Investment Company Act of 1940 (15 U.S.C. 80a-8(b)). Among other items, Form N-8B-4 requires disclosure of the following information about the face-amount certificate company: date and form of organization; controlling persons; current business and contemplated changes to the company's business; investment, borrowing, and lending policies, as well as other fundamental policies; securities issued by the company; investment adviser; depositaries; management personnel; compensation paid to directors, officers, and certain employees; and financial statements. The Commission uses the information provided in the collection of information to determine compliance with Section 8(b) of the Investment Company Act of 1940.

Form N-8B-4 and the burden of compliance have not changed since the last approval. Each registrant files Form N-8B-4 for its initial filing and does not file post-effective amendments to Form N-8B-4.¹ Commission staff estimates

¹ Pursuant to Section 30(b)(1) of the Act, each respondent keeps its registration statement current through the filing of periodic reports as required by Section 13 of the Securities Exchange Act of 1934 and the rules thereunder. Post-effective

that no respondents will file Form N-8B-4 each year. There are currently only four existing face-amount certificate companies, and none have filed a Form N-8B-4 in many years. No new face-amount certificate companies have been established since the last OMB information collection approval for this form, which occurred in 2011. Accordingly, the staff estimates that, each year, zero face-amount certificate companies will file Form N-8B-4, and that the total burden for the information collection is zero hours. Although Commission staff estimates that there is no hour burden associated with Form N-8B-4, the staff is requesting an hour burden of one hour for administrative purposes. Estimates of the burden hours are made solely for the purposes of the PRA and are not derived from a comprehensive or even a representative survey or study of the costs of SEC rules and forms.

The information provided on Form N-8B-4 is mandatory. The information provided on Form N-8B-4 will not be kept confidential. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

The public may view the background documentation for this information collection at the following Web site: www.reginfo.gov. Comments should be directed to: (i) Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10102, New Executive Office Building, Washington, DC 20503, or by sending an email to: Shagufta_Ahmed@omb.eop.gov; and (ii) Thomas Bayer, Chief Information Officer, Securities and Exchange Commission, c/o Remi Pavlik-Simon, 100 F Street NE., Washington, DC 20549 or send an email to: PRA_Mailbox@sec.gov. Comments must be submitted to OMB within 30 days of this notice.

Dated: March 6, 2014.

Kevin M. O'Neill,

Deputy Secretary.

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amendments are filed with the Commission on the face-amount certificate company's Form S-1. Hence, respondents only file Form N-8B-4 for their initial registration statement and not for post-effective amendments.

SECURITIES AND EXCHANGE COMMISSION

Submission for OMB Review; Comment Request

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of Investor Education and Advocacy, Washington, DC 20549-0213.

Extension:

Rule 17f-5; OMB Control No. 3235-0269, SEC File No. 270-259.

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520), the Securities and Exchange Commission ("Commission") has submitted to the Office of Management and Budget ("OMB") requests for extension of the previously approved collections of information discussed below.

Rule 17f-5 (17 CFR 270.17f-5) under the Investment Company Act of 1940 [15 U.S.C. 80a] (the "Act") governs the custody of the assets of registered management investment companies ("funds") with custodians outside the United States. Under rule 17f-5, a fund or its foreign custody manager (as delegated by the fund's board) may maintain the fund's foreign assets in the care of an eligible fund custodian under certain conditions. If the fund's board delegates to a foreign custody manager authority to place foreign assets, the fund's board must find that it is reasonable to rely on each delegate the board selects to act as the fund's foreign custody manager. The delegate must agree to provide written reports that notify the board when the fund's assets are placed with a foreign custodian and when any material change occurs in the fund's custody arrangements. The delegate must agree to exercise reasonable care, prudence, and diligence, or to adhere to a higher standard of care. When the foreign custody manager selects an eligible foreign custodian, it must determine that the fund's assets will be subject to reasonable care if maintained with that custodian, and that the written contract that governs each custody arrangement will provide reasonable care for fund assets. The contract must contain certain specified provisions or others that provide at least equivalent care. The foreign custody manager must establish a system to monitor the performance of the contract and the appropriateness of continuing to maintain assets with the eligible foreign custodian.

The collection of information requirements in rule 17f-5 are intended to provide protection for fund assets

maintained with a foreign bank custodian whose use is not authorized by statutory provisions that govern fund custody arrangements,¹ and that is not subject to regulation and examination by U.S. regulators. The requirement that the fund board determine that it is reasonable to rely on each delegate is intended to ensure that the board carefully considers each delegate's qualifications to perform its responsibilities. The requirement that the delegate provide written reports to the board is intended to ensure that the delegate notifies the board of important developments concerning custody arrangements so that the board may exercise effective oversight. The requirement that the delegate agree to exercise reasonable care is intended to provide assurances to the fund that the delegate will properly perform its duties.

The requirements that the foreign custody manager determine that fund assets will be subject to reasonable care with the eligible foreign custodian and under the custody contract, and that each contract contain specified provisions or equivalent provisions, are intended to ensure that the delegate has evaluated the level of care provided by the custodian, that it weighs the adequacy of contractual provisions, and that fund assets are protected by minimal contractual safeguards. The requirement that the foreign custody manager establish a monitoring system is intended to ensure that the manager periodically reviews each custody arrangement and takes appropriate action if developing custody risks may threaten fund assets.²

Commission staff estimates that each year, approximately 130 registrants³ could be required to make an average of one response per registrant under rule 17f-5, requiring approximately 2.5 hours of board of director time per response, to make the necessary findings concerning foreign custody managers. The total annual burden associated with these requirements of the rule is up to approximately 325 hours (130 registrants × 2.5 hours per registrant). The staff further estimates that during each year, approximately 15

¹ See section 17(f) of the Act, 15 U.S.C. 80a-17(f).

² The staff believes that subcustodian monitoring does not involve "collection of information" within the meaning of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) ("Paperwork Reduction Act").

³ This figure is an estimate of the number of new funds each year, based on data reported by funds in 2012 on Forms N-1A, N-2, N-4, N-6, and S-6. In practice, not all funds will use foreign custody managers, and the actual figure may be smaller.