SUPPORTING STATEMENT
Rule 2a-7

A. JUSTIFICATION

1. Necessity for the Information Collection

Money market funds are open-end management investment companies that differ from other open-end management investment companies in that they seek to maintain a stable price per share, usually $1.00. Rule 2a-7 (17 CFR 270.2a-7) under the Investment Company Act of 1940 (15 U.S.C. 80a) (the "Act") exempts money market funds from the valuation requirements of the Act, and, subject to certain risk-limiting conditions, permits money market funds to use the "amortized cost method" of asset valuation or the "penny-rounding method" of share pricing. It also imposes certain recordkeeping and reporting obligations on money market funds.

On February 23, 2010, the Commission issued a release amending rule 2a-7 in several respects.[1] The amendments revise the rule by: revising portfolio quality and maturity requirements; introducing liquidity requirements; requiring money market fund boards to adopt procedures providing for periodic stress testing of the fund's portfolio; requiring funds to disclose monthly on their websites information on portfolio securities; requiring a fund to look through a repurchase agreement for purposes of rule 2a-7's diversification provisions only if the fund's board of directors or its delegate evaluates the counterparty's creditworthiness; and finally, requiring money market fund boards to determine, at least once each calendar year, that the fund has the capability to redeem and issue its securities at prices other than the fund's stable net asset value per share. Four of the amendments create new collection of information requirements. The respondents to these collections of information would be money market funds or their advisers, as noted below.

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1 See Money Market Fund Reform, Investment Company Act Release No. 29132 (Feb. 23, 2010).

First, the amendments require money market fund boards to adopt written procedures that provide for the periodic testing of the fund's ability to maintain a stable net asset value per share based on certain hypothetical events.[2] These procedures must provide for a report to be submitted to the board of directors at its next regularly scheduled meeting, which report must include the testing results and an assessment by the fund's adviser of the fund's ability to withstand the events (and concurrent occurrences of those events) that are reasonably likely to occur within the following year.[3] We anticipate that stress testing will give fund advisers a better understanding of the effect of potential market events and shareholder redemptions on their funds' ability to maintain a stable net asset value, the fund's exposure to that risk, and actions the adviser may need to take to mitigate the possibility of the fund breaking the buck.

Second, the amendments require money market funds to post monthly portfolio information on their websites.[4] Greater transparency of fund portfolios is designed to give investors a better understanding of the current risks to which the fund is exposed, strengthening their ability to exert influence on risk-taking by fund advisers, and thus reduce the likelihood that a fund may break the buck.

Third, the amendments affect a money market fund's ability to "look through" a

[2] Rule 2a-7(c)(10)(v)(A). These events would include, but would not be limited to, a change in short-term interest rates, an increase in shareholder redemptions, a downgrade of or default on portfolio securities, and the widening or narrowing of spreads between yields on an appropriate benchmark the fund has selected for overnight interest rates and commercial paper and other types of securities held by the fund.

[3] Rule 2a-7(c)(10)(v)(B). The report to the board would include the dates on which the testing was performed and the magnitude of each hypothetical event that would cause the deviation of the money market fund's net asset value calculated using available market quotations (or appropriate substitutes that reflect current market conditions) from its net asset value per share calculated using amortized cost to exceed ½ of 1 percent.

[4] Rule 2a-7(c)(12).

repurchase agreement for purposes of rule 2a-7's diversification provisions.[5] Under the amended rule, a money market fund will be able to look through a repurchase agreement only if it is collateralized by cash items or government securities, and if the fund's board of directors or its delegate evaluates the counterparty's creditworthiness.[6] The changes are designed to reduce money market funds' risks related to repurchase agreement investments so that funds will be better positioned to weather market turbulence and maintain a stable net asset value per share. Funds will need to keep records of these creditworthiness evaluations under the rule's recordkeeping requirements.[7]

Finally, the amendments to rule 2a-7 require a money market fund to promptly notify the Commission by electronic mail of the purchase of a money market fund's portfolio security by an affiliated person in reliance on Rule 17a-9 (17 CFR 270.17a-9) under the Act and to explain the reasons for such purchase.[8] The reporting requirement is designed to assist Commission staff in monitoring money market funds' affiliated transactions that otherwise would be prohibited.

2. Purpose of the Information Collection

The recordkeeping requirements in rule 2a-7 are designed to enable Commission staff in its examinations of money market funds to determine compliance with the rule, as well as to ensure that money market funds have established procedures for collecting the information necessary to make adequate credit reviews of securities in their portfolios. The reporting requirements of rule 2a-7, including the new reporting requirement regarding rule 17a-9 transactions, are intended to assist Commission staff in overseeing money market funds. Requiring money market fund boards to adopt written stress testing procedures are designed to

5 See Rule 2a-7(c)(4)(ii)(A).

6 Id.

7 See Rule 2a-7(c)(11)(ii).

8 See Rule 2a-7(c)(7)(iii)(B).

give fund advisers a better understanding of the effect of potential market events and shareholder redemptions on their funds' ability to maintain a stable net asset value, the fund's exposure to that risk, and actions the adviser may need to take to mitigate the possibility of the fund breaking the buck. Requiring money market funds to post monthly portfolio information on their websites is designed to give investors a better understanding of the current risks to which the fund is exposed, strengthening their ability to exert influence on risk-taking by fund advisers, and thus reduce the likelihood that a fund may break the buck.

3. Role of Improved Information Technology

In addition to electronic filing of information already required under rule 2a-7 as an exhibit to Form N-SAR, under the proposed amendments to rule 2a-7, money market funds would be required to post monthly portfolio information on their websites, taking advantage of investors' widespread use of the Internet to obtain investment information. Funds would also be required to notify the Commission of transactions conducted pursuant to rule 17a-9 by electronic mail, reflecting current primary methods of communications in the business world.

4. Efforts to Identify Duplication

The Commission periodically evaluates rule-based reporting and recordkeeping requirements for duplication, and reevaluates them whenever it proposes a rule or form, or a change in either. The recordkeeping, reporting, and website posting proposed to be required by rule 2a-7 are not duplicated elsewhere.

5. Effect on Small Entities

As is the case for current rule 2a-7 reporting and recordkeeping requirements, the new requirements under rule 2a-7 are the same for all money market funds, including those that are small entities. The portfolio website posting requirement involves organizing information that the funds already collect for current less frequent portfolio holdings reporting requirements and many money market funds already voluntarily post this information on their websites on a more frequent basis. The stress testing need not be conducted in any particular manner—money market funds are free to determine what stress testing is most appropriate for them as long as it covers the general areas outlined in the Commission's rule amendment. The requirement to maintain records of creditworthiness determinations for repurchase agreement counterparties is not likely to require significant additional time, particularly as funds have a choice of methods for maintaining these records that vary in technical sophistication and formality (e.g., handwritten notes, computer disks, *etc*.) The reporting requirement of transactions conducted pursuant to rule 17a-9 should impose only minimal burdens on money market funds, including small funds, as discussed further below.

6. Consequences of Less Frequent Collection

As discussed above, the amendments to rule 2a-7 require money market fund boards to adopt written procedures that provide for the periodic testing of the fund's ability to maintain a stable net asset value per share based on certain hypothetical events, require money market funds to post monthly portfolio information on their websites, require funds to maintain records of creditworthiness determinations, and require a money market fund to promptly notify the Commission by electronic mail of the purchase of a money market fund's portfolio security by an affiliated person in reliance on rule 17a-9 and to explain the reasons for such purchase.

We expect that money market fund boards will adopt stress testing procedures initially and then modify them periodically as necessary because of changing market conditions or the changing nature of the money market fund. Currently, money market funds are only required to disclose portfolio holdings quarterly, and even then may disclose information as old as 70 days prior to the filing. Most of this information is stale by the time it is disclosed. The rule amendments require that this information be posted on the fund's website within two business days after the end of each month. We believe that this frequency allows current and prospective investors in the fund to have timely information about the fund without excessively burdening money market funds. Many money market funds voluntarily provide this information on their websites even more frequently than monthly. The rule requires funds to record the creditworthiness determinations of counterparties to repurchase agreements. The frequency of these determinations is within a fund's discretion, and like the requirements that money market funds maintain records of other determinations, this requirement is essential to the Commission's ability to determine compliance with the rule. Finally, the reporting of transactions conducted in reliance on rule 17a-9 is only required in the relatively rare event that such a transaction occurs.

7. Inconsistencies with Guidelines in 5 CFR 1320.5(d)(2)

Rule 2a-7 requires money market funds to retain certain written records for more than three years. The amendments to rule 2a-7 require money market funds to retain records of the reports to the board of directors on stress tests and records of determinations of the credit quality of counterparties to repurchase agreements for at least six years (the first two in an easily accessible place).[9] The long-term retention of these records is necessary to allow Commission inspection staff to determine compliance with these aspects of rule 2a-7. The amendments also require funds to post portfolio information monthly. Given the short-term nature of money market fund portfolio holdings, this increased frequency of information collection is necessary to

9 Rule 2a-7(c)(11)(vii).

provide portfolio information that is meaningful to investors.

8. Consultation Outside the Agency

The Commission requested public comment on the collection requirements in the amendments to rule 2a-7 when they were proposed.[10] The Commission received comment on certain of the burden hour estimates discussed in the Proposing Release, as discussed in paragraph 12 below.

The Commission and the staff of the Division of Investment Management also participate in an ongoing dialogue with representatives of the investment company industry through public conferences, meetings and informal exchanges. These various forums provide the Commission and the staff with a means of ascertaining and acting upon paperwork burdens confronting the industry.

9. Payment or Gift to Respondents

Not applicable.

10. Assurance of Confidentiality

Not applicable.

11. Sensitive Questions

Not applicable.

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10 See Money Market Fund Reform, Investment Company Act Release No. 28807 (June 30, 2009) [74 FR 32688 (July 8, 2009)] ("Proposing Release"), at Section IV.A.

12. Estimates of Hour Burden

OMB recently approved the collection of information renewal submission for rule 2a-7 with a burden of 310,983 hours per year. The additional burden hours associated with amended rule 2a-7 are discussed below.

a. Stress Testing

Commission staff believes that in light of the market events impacting money market funds during 2007 to 2008, most, if not all, money market funds currently conduct some stress testing of their portfolios as a matter of routine fund management and business practice.[11] These procedures likely vary depending on the fund's investments. For example, a prime money market fund that is offered to institutional investors may test for hypothetical events such as potential downgrades or defaults in portfolio securities while a U.S. Treasury money market fund might not. Some funds that currently conduct testing may be required to include additional hypothetical events under the amended rule. These funds likely provide regular reports of the test results to senior management. We assumed, however, that currently most funds do not have written procedures documenting the stress testing, do not report the results of testing to their boards of directors, and do not provide an assessment from the fund's adviser regarding the fund's ability to withstand the hypothetical events reasonably likely to occur in the next year.

Commission staff believes that the stress testing procedures are or would be developed for all the money market funds in a fund complex by the fund adviser, and would address appropriate variations for individual money market funds within the complex. Staff estimates that it would take a portfolio risk management specialist an average of 22 hours initially to draft

[11] The estimates of hour burdens and costs provided in the PRA and cost benefit analyses are based on staff discussions with representatives of money market funds and on the experience of Commission staff. We expect that the board of directors would be the same for all the money market funds in a complex, and thus could adopt the stress test procedures for all money market funds in the complex at the same meeting.

procedures documenting the complex's stress testing, and 3 hours for the board of directors (as a whole) to consider and adopt the written procedures. We estimate that 163 fund complexes with money market funds are subject to rule 2a-7. We therefore estimate that the total burden to draft these procedures initially would be 4075 hours.[12] Amortized over a three-year period, this would result in an average annual burden of 8.33 hours for an individual fund complex and a total of 1358 hours for all fund complexes.[13] We estimate that this burden would result in an aggregate cost to all money market funds of $980,717 per year.[14]

Staff estimates that a risk analyst also may spend an average of 6 hours per year revising the written procedures to reflect changes in the type or nature of hypothetical events appropriate to stress tests and the board would spend 1 hour to consider and adopt the revisions, for a total annual burden of 1141 hours.[15] This burden would result in an estimated aggregate cost to all money market funds of $920,950 per year.[16] Commission staff estimates further that it would take an average of 10 hours of portfolio management time to draft each report to the board of directors, 2 hours of an administrative assistant's time to compile and copy the report (for a total of 12 hours) and 15 hours for the fund adviser to provide an assessment of the funds' ability to

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12 This estimate is based on the following calculation: (22 hours + 3 hours) x 163 fund complexes = 4075 hours.

13 These estimates are based on the following calculations: (22 + 3) ÷ 3 = 8.33 hours; 8.33 x 163 fund complexes = 1357.79 hours. PRA submissions for approval are made every three years. To estimate an annual burden for a collection of information that occurs one time, the total burden is amortized over the three year period.

14 This estimate is based on the following calculation: 22 hours to draft policies and procedures x $275/hour for a risk management specialist = $6050. 3 hours to adopt the policies and procedures x $4000/hour for board of directors action = $12,000. ($6050 + $12,000) x 163 fund complexes = $2,942,150 for 3 years or $980,717 per year.

15 This estimate is based on the following calculation: (6 hours (analyst) + 1 hour (board)) x 163 fund complexes = 1141 hours.

16 This estimate is based on the following calculation: 6 hours to revise policies and procedures x $275/hour for a risk management specialist = $1650. 1 hour to adopt the revised policies and procedures x $4000/hour for board of directors action = $4000. ($1650 + $4000) x 163 fund complexes = $920,950 per year.

withstand reasonably likely hypothetical events in the coming year. The report must be provided at the next scheduled board meeting, and we estimate that the report would cover all money market funds in a complex. We assume that funds would conduct stress tests no less than monthly. With an average of 6 board meetings each year, we estimate that the annual burden would be 162 hours for an individual fund complex.[17] with a total annual burden for all fund complexes of 26,406 hours.[18] Under the final rule, a report must be provided earlier if appropriate in light of the results of the test. Staff estimates that as a result of unanticipated changes in market conditions or other events, stress testing results are likely to prompt additional reports on average four times each year.[19] Thus, we estimate these reports would result in an additional 108 hours for an individual fund complex each year.[20] We estimate the total annual burden for all fund complexes would be 44,010 hours.[21] This burden would result in an estimated aggregate cost to all money market funds of $11,408,370 per year.[22]

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[17] This estimate is based on the following calculation: (10 hours + 2 hours + 15 hours) x 6 meetings = 162 hours.

[18] These estimates are based on the following calculations: (10 hours + 2 hours + 15 hours) x 6 meetings = 162 hours; 162 hours x 163 fund complexes = 26,406 hours.

[19] We anticipate that in many years there will be no need for special reports, but that in a year in which there is severe market stress, a fund may report to the board weekly for a period of 3 to 6 months. Such reporting would generate 9 to 18 reports in addition to the regular monthly reports. Assuming that this type of event may occur once every five years, and additional reports would be generated for 6 months, a fund would produce an average of four additional reports per year (18 additional reports ÷ 5 = 3.6 reports).

[20] This estimate is based on the following calculation: (10 hours + 2 hours + 15 hours) x 4 = 108 hours.

[21] This estimate is based on the following calculation: (162 hours + 108 hours) x 163 fund complexes = 44,010 hours.

[22] This estimate is based on the following calculation: 10 hours to draft report to board x

The amendments would require the fund to retain records of the reports on stress tests for at least 6 years (the first two in an easily accessible place).[23] The retention of these records is necessary to allow the staff during examinations of funds to determine whether a fund is in compliance with the stress test requirements. The Commission staff estimates that the burden would be 10 minutes per fund complex per meeting to retain these records for a total annual burden of 272 hours for all fund complexes.[24] This burden would result in an aggregate cost to all money market funds of $16,854 per year.[25]

Thus, we estimate that for the three years following adoption, the average annual burden resulting from the stress testing requirements would be 287 hours for each fund complex with a total of 46,781 hours for all fund complexes.[26] This burden would result in an annual cost burden for all fund complexes of $13,326,891.[27]

$275/hour for a senior risk management specialist = $2750. 2 hours to compile and copy the report x $62/hour for an administrative assistant = $124. 15 hours for adviser assessment x $275/hour for a senior risk management specialist = $4125. The cost of each report is thus $2750 + $124 + $4125 = $6999, and the annual cost of this reporting is $6999/report x 10 reports per year = $69,990. The total cost is: $69,990 x 163 fund complexes = $11,408,370 per year.

23 Rule 2a-7(c)(11)(vii).

24 This estimate is based on the following calculation: 0.1667 hours x 10 reports x 163 fund complexes = 271.7 hours.

25 This estimate is based on the following calculation: 0.1667 hours to retain records x $62/hour for an administrative assistant = $10.34. $10.34 x 10 reports/year = $103.40. $103.40 x 163 fund complexes = $16,854.20 per year.

26 These estimates are based on the following calculations: 8.33 hours (draft procedures) + 7 hours (revise procedures) + 120 hours (10 reports) + 150 hours (10 assessments) + 1.67 hours (record retention) = 287 hours; 287 hours x 163 complexes = 46,781 hours.

27 Based on the following calculation: $980,717 (for creation of policies and procedures) + $920,950 (for revising policies and procedures) + $11,408,370 (for board reporting) + $16,854 (for recordkeeping) = $13,326,891.

b. Repurchase Agreements

We assume that money market fund boards already evaluate the credit quality of counterparties in the course of making an overall credit risk determination under rule 2a-7(c)(3)(i).[28] Because we are adding a separate creditworthiness evaluation in rule 2a-7(c)(4)(ii)(A), funds will need to keep records of such evaluations pursuant to rule 2a-7(c)(11)(ii), which requires a money market fund to retain a record of considerations and actions under the rule for at least 6 years (the first two in an easily accessible place).[29] We estimate that the burden to keep those records will be 2 hours per fund complex, for a total annual burden of 326 hours for all fund complexes at an aggregate cost of $20,212 per year.[30]

c. Public Website Posting

The amendments require money market funds to post monthly portfolio information on their websites.[31] We estimate that each of the approximately 719 money market funds would be affected by this proposal. We understand, based on interviews with industry representatives, that most money market funds already post portfolio information on their webpages at least quarterly.[32] To be conservative, the staff estimates that 20 percent of money market funds, or 144 funds, do not currently post this information at least quarterly, and therefore would need to develop a webpage to comply with the proposed rule. Commission staff estimates that a money

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28 This assumption is based on several comments the Commission received in response to the Proposing Release, *supra* note Error: Reference source not found.

29 Amended rule 2a-7(c)(11)(ii).

30 This estimate is based on the following calculation: 2 hours x 163 fund complexes = 326 hours; $62/hour (administrative assistant) x 326 hours = $20,212.

31 Proposed rule 2a-7(c)(12).

32 Certain of the required information is currently maintained by money market funds for regulatory reasons, such as in connection with accounting, tax and disclosure requirements. We understand that the remaining information is retained by funds in the ordinary course of business. Accordingly, for the purposes of our analysis, we do not ascribe any time to producing the required information.

market fund would spend approximately 24 hours of internal money market fund staff time initially to develop the webpage. Staff further estimates that a money market fund would spend approximately 4 hours of professional time to maintain and update the relevant webpage with the required information on a monthly basis. One commenter stated that the funds that currently post portfolio holdings information at least quarterly on their websites would need, under the rule amendments, to develop the capability to retain previous months' portfolio holdings information on their websites, resulting in an additional one-time burden that Commission staff did not include in its estimate in the Proposing Release.[33] Based on a review of some of the current portfolio website disclosure by some commenters and follow-up discussions with some commenters, Commission staff estimates that 500 of the 575 funds that currently post portfolio information on their webpages at least quarterly will need to develop this capability. Commission staff further estimates that each of these 500 funds will spend 12 hours to develop this capability, resulting in an additional one-time burden for all such funds of 6000 hours.[34]

Based on an estimate of 719 money market funds posting their portfolio holdings on their webpages, including 144 funds incurring start-up costs to develop a webpage, we estimate that, in the aggregate, the proposed amendment would result in a total of 37,664 average burden hours for all money market funds for each of the first three years.[35] This burden would result in an

[33] *See* Comment Letter of Data Communiqué (Sept. 8, 2009), available at http://www.sec.gov/comments/s7-11-09/s71109-93.pdf. Under our proposal, funds would have been required to maintain the portfolio holdings information on their websites for at least 12 months. We are adopting a 6-month maintenance period for portfolio holding information.

[34] The estimated 12 hours is one-half the time that we estimated that a fund would need to set up a new webpage (24 hours).

[35] The estimate is based on the following calculations. The staff estimates that 144 funds will require a total of 3456 hours initially to develop a webpage (144 funds x 24 hours per fund = 3456 hours) and 500 funds will require a total of 6000 hours initially to develop the capability to maintain historical portfolio holding information (500 funds x 12 hours per fund = 6000 hours). In addition, each of the 719 funds would require 48 hours per year to update and maintain the

estimated initial cost of $1,947,936[36] for money market funds and an annual cost of $7.1 million for all money market funds to maintain and update their webpages.[37]

d. Reporting of Rule 17a-9 Transactions

We are proposing to amend rule 2a-7 to require a money market fund to promptly notify the Commission by electronic mail of the purchase of a money market fund's portfolio security by an affiliated person in reliance on rule 17a-9 and to explain the reasons for such purchase.[38] We estimate that fund complexes will provide one notice for all money market funds in a particular fund complex holding a distressed security purchased in a transaction under rule 17a-9. As noted above, Commission staff estimates that there are 163 fund complexes with money market funds subject to rule 2a-7. Of these fund complexes, Commission staff estimates that an average of 25 per year would be required to provide notice to the Commission of a rule 17a-9 transaction, with the total annual response per fund complex, on average, requiring 1 hour of an in-house attorney's time. Given these estimates, the total annual burden of this proposed amendment to rule 2a-7 for all money market funds would be approximately 25 hours.[39] This

webpage, for a total of 34,512 hours per year (4 hours per month x 12 months = 48 hours per year; 48 hours per year x 719 funds = 34,512). The average annual hour burden for each of the first three years would thus equal 37,664 hours (3456 + 6000 + (34,512 x 3) ÷ 3).

36 This estimate is based on the following calculations. We estimate that a webmaster at a money market fund would initially develop and maintain the webpage at a cost of $206 per hour. 24 hours to initially develop the webpage x $206 per hour = $4944. 4 hours to maintain and update the webpage x $206 per hour = $9888. $4944 x 144 portfolios creating a new webpage = $711,936. We further estimate that a webmaster at a money market fund would require 12 hours (at $206 per hour) to develop the capability to retain previous months' portfolio holdings information on their websites as required by the rule (12 hours x $206 = $2472). $2472 x 500 portfolios = $1,236,000. $711, 936 + $1,236,000 = $1,947,936.

37 This estimate is based on the following calculations. 4 hours for a webmaster to maintain and update the webpage x $206 per hour = $9888. $9888 x 719 money market fund portfolios = $7,109,472.

38 See proposed rule 2a-7(c)(7)(iii).

39 The estimate is based on the following calculation: (25 fund complexes x 1 hour) = 25 hours.

burden would result in an annual cost burden for all fund complexes of $7625.[40]

All of the estimates in this section are made solely for the purposes of the PRA and are not derived from a comprehensive or even representative survey or study of the cost of Commission rules. We estimate that the additional burden hours associated with the proposed amendments to rule 2a-7 would increase the burden to 395,779 hours annually.[41]

13. Estimate of Total Annual Cost Burden

As part of the renewal submission for rule 2a-7 that OMB approved, the Commission estimated that in addition to the costs discussed in section 12, money market funds will incur other costs to preserve records, as required under rule 2a-7. These costs estimates were $72.4 million per year to preserve records and up to $48.8 million for funds that establish computer systems for preserving records. Commission staff also estimated that absent the current rule 2a-7 requirements, money market funds would spend at least half of the amount for capital costs ($24.4 million) and for record preservation ($36.2 million) to establish and maintain these records and the systems for preserving them as a part of sound business practices to ensure diversification and minimal credit risk in a portfolio for a fund that seeks to maintain a stable price per share.

Commission staff estimates that the amendments to rule 2a-7 would not result in any costs other than those described in section 12 for the estimated burden hours associated with the proposed amendments. Thus, the estimates of costs other than those discussed in section 12

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[40] This estimate is based on the following calculation: 25 hours x $305 = $7625. Data from the Securities Industry and Financial Markets Association's Report on Management & Professional Earnings in the Securities Industry 2008, modified to account for an 1,800-hour work-year and multiplied by 5.35 to account for bonuses, firm size, employee benefits and overhead, suggest that costs for an attorney is $305 per hour.

[41] The 395,779 hour annual burden estimate is based on the following calculation: 310,983 hours (current hour burden estimate) + 46,781 hours (stress testing) + 326 (repurchase agreements) + 37,664 hours (public website posting) + 25 hours (reporting of rule 17a-9 transactions) = 395,779 hours.

remain the same.

14. Estimate of Cost to the Federal Government

Rule 2a-7 does not impose any costs on the federal government.

15. Explanation of Changes in Burden

Under the amendments to rule 2a-7, the estimated total annual burden would increase from 310,983 to 395,779 hours. This increase is primarily attributable to the stress testing and monthly website posting requirements. The estimated total annual cost, in addition to those discussed in section 12, would not increase as a result of the amendments.

16. Information Collection Planned for Statistical Purposes

Not applicable.

17. Approval to not Display Expiration Date

Not applicable.

18. Exceptions to Certification Statement

Not applicable.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

Not applicable.