

**SECURITIES AND EXCHANGE COMMISSION****[OMB Control No. 3235-0311]****Proposed Collection; Comment Request; Extension: Rule 7d-1***Upon Written Request, Copies Available*

From: Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE, Washington, DC 20549-2736

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission ("Commission") is soliciting comments on the collection of information discussed below.

Section 7(d) of the Investment Company Act of 1940 (15 U.S.C. 80a-7(d)) (the "Act" or "Investment Company Act") requires an investment company ("fund") organized outside the United States ("foreign fund") to obtain an order from the Commission allowing the fund to register under the Act before making a public offering of its securities through the United States mail or any means of interstate commerce. The Commission may issue an order only if it finds that it is both legally and practically feasible effectively to enforce the provisions of the Act against the foreign fund, and that the registration of the fund is consistent with the public interest and protection of investors.

Rule 7d-1 (17 CFR 270.7d-1) under the Act, which was adopted in 1954, specifies the conditions under which a Canadian management investment company ("Canadian fund") may request an order from the Commission permitting it to register under the Act. Although rule 7d-1 by its terms applies only to Canadian funds, funds in other jurisdictions generally have agreed to comply with the requirements of rule 7d-1 as a prerequisite to receiving an order permitting the fund's registration under the Act.

The rule requires Canadian funds that propose to register under the Act to file an application with the Commission that contains various undertakings and

agreements by the fund. The requirement of the Canadian fund to file an application is a collection of information under the Paperwork Reduction Act. Certain of the undertakings and agreements, in turn, impose the following additional information collection requirements:

(1) the fund must file with the Commission agreements between the fund and its directors, officers, and service providers requiring them to comply with the fund's charter and bylaws, the Act, and certain other obligations relating to the undertakings and agreements in the application;

(2) the fund and each of its directors, officers, and investment advisers that is not a U.S. resident, must file with the Commission an irrevocable designation of the fund's custodian in the United States as agent for service of process;

(3) the fund's charter and bylaws must provide that (a) the fund will comply with certain provisions of the Act applicable to all funds, (b) the fund will maintain originals or copies of its books and records in the United States, and (c) the fund's contracts with its custodian, investment adviser, and principal underwriter, will contain certain terms, including a requirement that the adviser maintain originals or copies of pertinent records in the United States;

(4) the fund's contracts with service providers will require that the provider perform the contract in accordance with the Act, the Securities Act of 1933 (15 U.S.C. 77a), and the Securities Exchange Act of 1934 (15 U.S.C. 78a), as applicable; and

(5) the fund must file, and periodically revise, a list of persons affiliated with the fund, its investment adviser, and principal underwriter.

As noted above, under section 7(d) of the Act, the Commission may issue an order permitting a foreign fund's registration only if the Commission finds that "by reason of special circumstances or arrangements, it is both legally and practically feasible effectively to enforce the provisions of the (Act)." The information collection requirements are necessary to ensure

that the substantive provisions of the Act may be enforced as a matter of contract right in the United States or Canada by the fund's shareholders or by the Commission.

Rule 7d-1 also contains certain information collection requirements that are associated with other provisions of the Act. These requirements are applicable to all registered funds and are outside the scope of this request. The Commission staff estimates that one foreign fund is registered under the Act pursuant to rule 7d-1 and is currently active. The burden hours under the rule associated with the fund's compliance with the Act's requirements are reflected in the information collection burdens applicable to those requirements for all registered funds. If a fund were to file an application under rule 7d-1 to register under the Act, the Commission estimates that the rule would impose initial information collection burdens (for example, for filing an application, preparing the specified charter, bylaw, and contract provisions, designations of agents for service of process, and an initial list of affiliated persons, and establishing a means of keeping records in the United States) of approximately 90 hours for the fund and its associated persons. As noted above, after registration, a Canadian fund may file a supplemental application seeking special relief designed for the fund's particular circumstances. Rule 7d-1 does not mandate these applications. The Commission is not including these applications in its calculation of the annual burden because no fund has applied to register under the Act pursuant to rule 7d-1 in the last three years.

These estimates of average burden hours are made solely for the purposes of the Paperwork Reduction Act. These estimates are not derived from a comprehensive or even a representative survey or study of Commission rules. Commission staff estimates the burden of the rule as set forth in Table 1 below:

	Number of affected funds	Internal annual burden hours	Wage rate <sup>1</sup>	Internal time costs	Annual external cost burden <sup>2</sup>
Rule 7d-1 .....	1	5	\$1,910	\$9,550	\$5,256
Total Annual Burden .....	.....	5	.....	9,550	5,256

Cost burden is the cost of goods and services purchased to comply with rule 7d-1, such as legal and accounting services. The cost burden does not

include the hour burden discussed in Item 12 above. As outlined in the table above, we estimate the total external

cost burden to comply with rule 7d-1 to be \$5,256.

If a Canadian or other foreign fund in the future applied to register under the

Act under rule 7d–1, the fund initially might have capital and start-up costs (not including hourly burdens) of an estimated \$20,000 to comply with the rule's initial information collection requirements. These costs include legal and processing-related fees for preparing the required documentation (such as the application, charter, bylaw, and contract provisions, designations for service of process, and the list of affiliated persons). Other related costs would include fees for establishing arrangements with a custodian or other agent for maintaining records in the United States, copying and transportation costs for records, and the costs of purchasing or leasing computer equipment, software, or other record storage equipment for records maintained in electronic or photographic form.

The Commission expects that the fund and its sponsors would incur these costs immediately, and that the annualized cost of the expenditures would be \$20,000 in the first year. Some expenditures might involve capital improvements, such as computer equipment, having expected useful lives for which annualized figures beyond the first year would be meaningful. These annualized figures are not provided, however, because, in most cases, the expenses would be incurred immediately rather than on an annual basis. As indicated above, a Canadian or foreign fund may file a supplemental application seeking special relief designed for the fund's particular circumstances. Rule 7d–1 does not mandate these applications. The Commission is not including these costs because no fund has applied made an application under rule 7d–1 in the last three years.

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.

Written comments are invited on: (a) whether this proposed collection of information is necessary for the proper performance of the functions of the SEC, including whether the information will have practical utility; (b) the accuracy of the SEC's estimate of the burden imposed by the proposed collection of information, including the validity of the methodology and the assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated, electronic collection techniques or other forms of information technology.

Please direct your written comment to Austin Gerig, Director/Chief Data Officer, Securities and Exchange Commission, c/o Tanya Ruttenberg, 100 F Street NE, Washington, DC 20549 and send it by email to [PaperworkReductionAct@sec.gov](mailto:PaperworkReductionAct@sec.gov) by July 28, 2025.

Dated: May 22, 2025.

**Sherry R. Haywood,**  
Assistant Secretary.

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103112; File No. SR–NASDAQ–2025–013]

### Self-Regulatory Organizations; Nasdaq Stock Market LLC; Order Instituting Proceedings To Determine Whether To Approve or Disapprove a Proposed Rule Change To List and Trade Shares of the CoinShares Litecoin ETF Under Nasdaq Rule 5711(d) (Commodity Based Trust Shares)

May 22, 2025.

#### I. Introduction

On February 7, 2025, The Nasdaq Stock Market LLC (“Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”) <sup>1</sup> and Rule 19b–4 thereunder, <sup>2</sup> a proposed rule change to list and trade shares (“Shares”) of the CoinShares Litecoin ETF (“Trust”) under Nasdaq Rule 5711(d) (Commodity-Based Trust Shares). The proposed rule change was published for comment in the **Federal Register** on February 25, 2025. <sup>3</sup>

On March 11, 2025, pursuant to Section 19(b)(2) of the Act, <sup>4</sup> the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change. <sup>5</sup> This order institutes proceedings under Section

19(b)(2)(B) of the Act <sup>6</sup> to determine whether to approve or disapprove the proposed rule change.

#### II. Summary of the Proposal

As described in more detail in the Notice, <sup>7</sup> the Exchange proposes to list and trade the Shares of the Trust under Nasdaq Rule 5711(d), which governs the listing and trading of Commodity-Based Trust Shares on the Exchange.

According to the Exchange, the investment objective of the Trust is for the Shares to reflect the performance of the value of Litecoin (“LTC”) <sup>8</sup> as represented by the Compass Crypto Reference Index Litecoin—4 p.m. NY Time (“Index”), less the Trust's liabilities and expenses. <sup>9</sup> In seeking to achieve its investment objective, the Trust will hold LTC and will value its Shares daily based on the value of LTC as reflected by the Index. <sup>10</sup> The Trust holds only LTC and cash. <sup>11</sup> When the Trust sells or redeems its Shares, it will do so in cash transactions with authorized participants in blocks of 5,000 Shares. <sup>12</sup>

#### III. Proceedings To Determine Whether To Approve or Disapprove SR–NASDAQ–2025–013 and Grounds for Disapproval Under Consideration

The Commission is instituting proceedings pursuant to Section 19(b)(2)(B) of the Act <sup>13</sup> to determine whether the proposed rule change should be approved or disapproved. Institution of proceedings is appropriate at this time in view of the legal and policy issues raised by the proposed rule change. Institution of proceedings does not indicate that the Commission has reached any conclusions with respect to any of the issues involved. Rather, the Commission seeks and encourages interested persons to provide comments on the proposed rule change.

<sup>6</sup> 15 U.S.C. 78s(b)(2)(B).

<sup>7</sup> See Notice, *supra* note 3.

<sup>8</sup> The Exchange states that LTC is a digital asset that is created and transmitted through the operations of the peer-to-peer, decentralized network of computers that operates on cryptographic protocols (“Litecoin Network”). See *id.* at 10657.

<sup>9</sup> See *id.* at 10656–57. CoinShares Co. is the sponsor of the Trust, CSC Delaware Trust Company is the trustee, and a third-party custodian will be responsible for the custody of the Trust's LTC. See *id.* at 10656.

<sup>10</sup> See *id.* at 10657. The Index is representative of the LTC trading activity on selected trading platforms and is calculated by Compass Financial Technologies. See *id.*

<sup>11</sup> See *id.* at 10656.

<sup>12</sup> See *id.* at 10657.

<sup>13</sup> 15 U.S.C. 78s(b)(2)(B).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b–4.

<sup>3</sup> See Securities Exchange Act Release No. 102444 (Feb. 19, 2025), 90 FR 10656 (“Notice”). Comments received on the proposed rule change are available at: <https://www.sec.gov/comments/sr-nasdaq-2025-013/srnasdaq2025013.htm>.

<sup>4</sup> 15 U.S.C. 78s(b)(2).

<sup>5</sup> See Securities Exchange Act Release No. 102606, 90 FR 12425 (Mar. 17, 2025). The Commission designated May 26, 2025, as the date by which the Commission shall approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change.