



## **PAPERWORK REDUCTION ACT SUPPORTING STATEMENT**

for the Extension of  
Form N-8B-4  
OMB Control Number 3235-0247

The U.S. Securities and Exchange Commission (“Commission” or SEC) submits this information collection request (ICR) pursuant to the Paperwork Reduction Act of 1995 (PRA), 44 U.S.C. Section 3501 et seq., with the following justification.

### **1. Necessity of Information Collection**

Section 8(b) of the Investment Company Act of 1940 (“Act”) provides that every registered investment company must file a registration statement with the Commission that includes certain information about the company and recites the company’s policies on certain significant matters. Face-amount certificate companies satisfy this requirement by filing a registration statement on Form N-8B-4.<sup>1</sup> 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. In addition to filing a registration statement on Form N-8B-4, face-amount certificate companies must register their securities offerings on Form S-1 to comply with the Securities Act of 1933.

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<sup>1</sup> Face-amount certificate companies issue certificates that obligate the company to pay, at maturity, fixed sums (*i.e.*, the face amounts of the certificates) to purchasers who have made a series of installment payments; the rates of return on the certificates issued by face-amount certificate companies are almost entirely predetermined, although these companies may, and on occasion do, pay supplemental credits in addition to the interest rate called for by the certificate.

## **2. Purpose and Use of Information Collection**

Registration statements are required in order to provide the Commission, investors, and the public with certain basic information about investment companies. The information enables the Commission to determine whether a company's operations and policies comply with the Act and provides data upon which the Commission may base changes in its regulatory program for companies subject to the form. Absent the requirement to file Form N-8B-4, the Commission would be unable to determine whether the operations of face-amount certificate investment company registrants are in compliance with the Act or whether changes regarding the regulation of such companies are necessary.

## **3. Use and Consideration of Information Technology**

The Commission's electronic filing system ("EDGAR") automates the filing, processing, and dissemination of full disclosure filings. EDGAR permits publicly held companies to transmit their filings to the Commission electronically. This automation has increased the speed, accuracy, and availability of information, generating benefits to investors and financial markets. All face-amount certificate companies are currently required to file Form N-8B-4 electronically.

## **4. Identifying and Minimizing Duplication**

Form S-1, the form used by face-amount certificate companies to register their securities under the Securities Act of 1933, requires a prospectus that includes much of the information requested in Form N-8B-4. To eliminate presenting duplicative information in the registration forms used by face-amount certificate companies, the Commission allows face-amount certificate companies to respond to many of the items set forth in Form N-8B-4 by incorporating by reference certain disclosures contained in the company's Form S-1 registration statement.<sup>2</sup>

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<sup>2</sup> See rule 8b-23 under the Act and General Instruction 1 to Form N-8B-4.

Otherwise, the Commission believes that there are no federal rules that duplicate, overlap with, or conflict with Form N-8B-4.

## **5. Effect on Small Entities**

Form N-8B-4 must be filed by all face-amount certificate companies, regardless of size. It would not be in the best interest of investors to reduce the reporting and recordkeeping requirements for small entities.

## **6. Consequences of Not Conducting Collection and Obstacles to Reducing Burden**

Section 8(b) of the Act requires each registered investment company to file a registration statement with the Commission that includes certain information about the company and recites the company's policies on certain significant matters. Absent information collection on Form N-8B-4, face-amount certificate companies would fail to satisfy this legal requirement. As discussed in more detail below, each face-amount certificate company is required to file Form N-8B-4 only once and does not file post-effective amendments to Form N-8B-4.<sup>3</sup>

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

Not applicable.

## **8. Public Comment and Consultations Outside the Agency**

The SEC did not receive public comment during the 60-day notice and comment period.

## **9. Payment or Gift to Respondents**

Not applicable.

## **10. Assurance of Confidentiality and Privacy**

Not applicable.

## **11. Collection Questions of a Sensitive Nature**

Not applicable.

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<sup>3</sup> See *infra* note 5 and accompanying text.

## 12. Estimated Time Burden and its Cost Equivalent

The following estimates of average burden hours and costs are made solely for purposes of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3521) and are not derived from a quantitative, comprehensive, or even representative survey or study of the burdens associated with Commission 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.

Each registrant subject to the Form N-8B-4 filing requirement files Form N-8B-4 for its initial filing and does not file post-effective amendments on Form N-8B-4.<sup>4</sup> There are currently only two existing face-amount certificate companies, and only one face-amount certificate company has filed a Form N-8B-4 since the last OMB information collection approval for this form. Prior to that filing, no face-amount certificate company had filed a Form N-8B-4 in the last ten years.<sup>5</sup> Based on the foregoing, for purposes of estimating the average burden hours and cost of this information collection, commission staff estimates that one respondent will file Form N-8B-4 each year. Based on our experience with Form N-8B-4 and disclosure documents in general, we estimate the burden hours for preparing and filing registration statements on Form N-8B-4 is approximately 10 hours per respondent.<sup>6</sup> The number of burden hours may vary depending on, among other things, the complexity of the filing and whether preparation of the registration statement is performed internally or by outside counsel.

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<sup>4</sup> 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 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.

<sup>5</sup> Periodically, filers purporting to be face amount certificate companies file Form N-8B-4; such filings are excluded from this total as they are not from actual face amount certificate companies and are not required.

<sup>6</sup> We previously estimated the average time burden associated with Form N-8B-4 as taking 171 hours per respondent. However, based on the staff's more recent experience with Form N-8B-2, which we believe is substantially similar to Form N-8B-4 and should involve a similar time burden, we have revised this estimate to be consistent with the estimates associated with that form.

Based on the foregoing, the Commission staff estimates the total annual burden for this form to be 10 hours (10 burden hours per respondent x 1 respondent x 1 response = 10 total annual burden hours). Because we previously estimated that there would be no respondents filing this form, this represents an increase from the previous estimate. As displayed in Table 1 below, the total estimated annual cost of the burden hours is \$5,800. This figure is based on an hourly rate figure of \$580/hour (which is a one-to-one blend of hourly rates for a compliance attorney and a senior programmer).<sup>7</sup> Because we previously estimated that no face-amount certificate companies would file Form N-8B-4, this represents an increase of \$5,800 from the previously approved total estimated annual cost of burden hours for this form.

**Table 1: Change in Burden Estimates**

	Annual Number of Responses			Annual Time Burden (hours)			Cost Burden (dollars)		
	Previously approved	Proposed estimate	Change	Previously approved	Proposed estimate	Change	Previously approved	Proposed estimate	Change
Form N-8B-4	0	1	1	1	10	+9	\$0	\$5,800	+\$5,800

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<sup>7</sup> This blended rate of \$580 per hour is based on a one-to-one ratio of the Commission staff's estimated hourly rate for a compliance attorney of \$744/hour and estimated hourly rate for a senior programmer of \$416/hour. The Commission staff's estimates concerning the wage rates for compliance attorneys and senior programmers are [based on data from the Bureau of Economic Analysis and the Bureau of Labor Statistics, as of May, 2025].

### 13. Estimated Additional Cost Burden

The preparation and filing of Form N-8B-4 by face-amount certificate companies will not require any investment in capital equipment. The total cost burden is the cost of services purchased to prepare Form N-8B-4 and does not include the cost of the hour burden discussed in Item 12.

#### Total Annualized Cost Burden of Preparing and Filing Form N-8B-4

Cost burden per filing of preparing and filing Form N-8B-4	\$10,000
Number of Form N-8B-4s filed annually	1
Cost burden of preparing and filing Form N-8B-4	\$10,000

The estimates regarding the cost burden of preparation and filing of Form N-8B-4 is based on the Commission's industry statistics and was derived by comparison of Form N-8B-4 with other disclosure documents.<sup>8</sup>

### 14. Annual Cost to the Federal Government

Not applicable. There is no requirement to report the information collection(s) to the SEC.

### 15. Reasons for Changes in Burden

The estimated annual burden hours associated with preparing and filing registration statements on Form N-8B-4 has increased from 1 hour to 10 hours based to reflect our estimate that one Form N-8B-4 may be filed each year, as opposed to our previous estimate of no issuers filing the form. For the same reason, the estimated external cost burden has increased to \$10,000.

### 16. Plans for Publishing Results

Not applicable.

### 17. Approval to Omit Display of OMB Expiration Date

We request authorization to omit the expiration date on the electronic version of the form, although the OMB control number will be displayed. Including the expiration date on the electronic

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<sup>8</sup> In connection with the 2014 OMB collection approval for this form, we estimated the cost burden per filing of preparing and filing of Form N-8B-4 to be \$9,100. Based on the staff's more recent experience with Form N-8B-2, which we believe is substantially similar to Form N-8B-4 and should involve a similar cost burden, we have revised this estimate to be consistent with the estimates associated with that form.

version of this form will result in increased costs, because the need to make changes to the form may not follow the application's scheduled version release dates.

**18. Exceptions to the Certification for Paperwork Reduction Act Submissions**

Not applicable.