

1(b) provides that the Commission is required to consider “whether the participation of such registered or controlled company in such joint enterprise, joint arrangement or profit-sharing plan on the basis proposed is consistent with the provisions, policies and purposes of the Investment Company Act and the extent to which such participation is on a basis different from or less advantageous than that of other participants.”

23. The Applicants believe that none of these purposes will be undermined or circumvented by permitting the Affiliated Dealer to transact in Shares of a Covered Fund held or to be held within its own inventory with investors at a price other than NAV. First, the Affiliated Dealer will transact with a Covered Fund on the same basis as any other investor. Second, there are several safeguards designed to ensure that the Affiliated Dealer is not able to act upon any material non-public information (“MNPI”) with respect to a Covered Fund, such as information about a Covered Fund’s NAV or valuation decisions, prior to publication of such information to all other investors. Such safeguards include policies and procedures of a Covered Fund and the Adviser designed to ensure that MNPI with respect to a Covered Fund is not disclosed to the Affiliated Dealer unless it is necessary for the conduct of its business. Similarly, the Affiliated Dealer will maintain policies and procedures that seek to prevent the Affiliated Dealer from obtaining and acting upon MNPI of a Covered Fund (unless as necessary for the conduct of its business). The policies and procedures will also prevent the sharing or overlap of common senior officers of a Covered Fund and Adviser with senior officers of the Affiliated Dealer. Additionally, the Trust and the Adviser have each adopted a Code of Ethics pursuant to rule 17j–1 under the Investment Company Act and rule 204A–1 under the Investment Advisers Act of 1940, respectively. Each Code of Ethics is designed, in part, to ensure that officers or employees of the Trust and Adviser keep confidential and do not misuse MNPI obtained by such persons in their capacity as an employee or officer. Each Code of Ethics will supplement and reinforce the Trust’s and Adviser’s policies and procedures that seek to ensure that the Affiliated Dealer is not able to act upon any MNPI with respect to a Covered Fund. If the Affiliated Dealer does receive MNPI about a Covered Fund because it is necessary to conduct the Affiliated Dealer’s business, then such information will be subject to

a confidentiality agreement, which will restrict the Affiliated Dealer from using or acting upon the MNPI, except as necessary to comply with the representations or conditions of the Application, until it is disclosed to all investors of a Covered Fund. Lastly, investors will need to affirmatively elect to use the Affiliated Dealer’s principal transaction service, and investors will continue to be able to purchase and redeem Shares directly from a Covered Fund.

24. On the basis of the foregoing, Applicants believe that the protections intended to be afforded by section 17(d) and rule 17d–1 are adequately addressed. Accordingly, Applicants hereby request that an order be granted under section 17(d) and rule 17d–1 to permit the arrangement described herein with respect to a Covered Fund’s engagement of the Affiliated Dealer.

#### Applicants’ Conditions

Applicants agree that any order of the Commission granting the requested relief will be subject to the following conditions:

1. The Relief will only apply with respect to a Covered Fund that is organized as a government money market fund subject to the provisions and restrictions of rule 2a–7 under the Investment Company Act and whose shares are not listed on a national securities exchange. In relying on the Relief, Applicants will not establish, operate or otherwise make available any facility that would create a secondary market for shares of a Covered Fund other than what is contemplated in the Application.

2. A Covered Fund will not impose a sales charge or any rule 12b–1 fees.

3. Any investor has the option and remains eligible to purchase or redeem shares directly from a Covered Fund.

4. Shares of a Covered Fund purchased or sold in reliance on the Relief will only be purchased from or sold to an investor by a Covered Dealer at a price of \$1.00 per share (plus or minus any dealer compensation). Shares of a Covered Fund will only be purchased from or submitted for redemption to a Covered Fund by a Covered Dealer in cash (U.S. dollars) at a Covered Fund’s NAV per share next calculated after a Covered Fund’s receipt of a Covered Dealer’s order for purchase or redemption.

5. A Covered Dealer will not advertise or market that shares being purchased or sold in connection with the principal transaction service as being purchased or sold directly from a Covered Fund. A Covered Dealer will provide appropriate disclosure to inform investors (i) that

they are purchasing from or selling their shares to a Covered Dealer, and (ii) of the investors’ right to purchase and redeem shares from a Covered Fund directly.

6. A Covered Fund will calculate a market-based (or shadow) NAV per share on each day the NYSE is open for trading for purposes of confirming that its NAV continues to approximate fair value. If a Covered Fund’s market-based NAV per share deviates from the Covered Fund’s amortized-cost NAV per share by 0.25% or greater, the option to transact with a Covered Dealer would be either: (i) temporarily suspended, effective upon the Covered Fund’s filing of Form N–CR with respect to such deviation, until the deviation has been remedied, and investors would be required to transact directly with the Covered Fund; or (ii) a Covered Dealer would process any transactions at the Covered Fund’s next calculated NAV in accordance with section 22(d) of and rule 22c–1 under the Investment Company Act.

By the Commission,  
**Sherry R. Haywood**,  
*Assistant Secretary.*

[FR Doc. 2026–01691 Filed 1–27–26; 8:45 am]

BILLING CODE 8011–01–P

## SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235–0269]

### Agency Information Collection Activities; Proposed Collection; Comment Request; Extension: Rule 17f–5

*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.

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, in performing the delegated services. 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,<sup>1</sup> 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.<sup>2</sup>

Commission staff estimates that each year, approximately 55 registrants<sup>3</sup> could be required to make an average of one response per registrant under rule 17f-5. A "response" may involve the fund's directors making certain findings concerning foreign custody managers, and the review and ratification of custodial contracts. Commission staff estimates a response relating to these matters will require approximately 2.5 hours of board of director time per response, to make the necessary findings concerning foreign custody managers, and 1 hour of related compliance attorney time per response, to assist the fund board.<sup>4</sup> For registrants, the total annual burden associated with these requirements of the rule is up to approximately 192.5 hours (55 responses  $\times$  3.5 hours per response).

Foreign custody managers are also affected by the collection of information requirements under rule 17f-5. Commission staff estimate that, in connection with each registrant's board of directors making certain findings concerning a foreign custody manager, approximately 20 hours of trust administrator time from the applicable foreign custody manager will be required for initial considerations regarding custodial arrangements with each registrant and preparing reports to the fund board.<sup>5</sup> Commission staff further estimate that annually, approximately 15 foreign custody

managers will be required to make an average of 4 responses per manager concerning the use of foreign custodians other than depositories.<sup>6</sup> This "response" may involve the foreign custody manager establishing bank custody arrangements, negotiating/re negotiating custodial contracts, preparing reports to fund boards, and establishing and/or amending the foreign custody manager's system for monitoring custody arrangements for its clients. The staff estimates that each response will take approximately 250 hours of trust administrator time, requiring approximately 1000 total hours annually per foreign custody manager (4 responses per foreign custody manager  $\times$  250 hours per response). Thus, the total annual burden for foreign custody managers associated with the requirements of the rule is approximately 16,100 hours ((55 responses by foreign custody managers to registrants for initial consideration  $\times$  20 hours per response) + ((15 foreign custody managers  $\times$  4 responses per manager)  $\times$  250 hours per response)).

Therefore, the total annual burden of all collection of information requirements of rule 17f-5 is estimated to be up to 16,292.5 hours (192.5 hours + 16,100 hours). The total monetized annual cost of burden hours is estimated to be \$5,344,500 ((192.5 hours  $\times$  \$3,760/hour blended wage rate) + (16,100 hours  $\times$  \$287/hour for a trust administrator's time)).<sup>7</sup> Compliance with the collection of information requirements of the rule is necessary to obtain the benefit of relying on the rule's permission for funds to maintain their assets with foreign custodians.

An agency may not conduct or sponsor, and a person is not required to

<sup>2</sup> 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").

<sup>3</sup> This figure is an estimate of the number of new management investment company registrants each year, based on data reported on Form N-CEN as of December 2022, 2023, and 2024; Commission staff anticipates that the number of existing registrants that change their foreign custody managers is negligible and, therefore, the compliance burden of rule 17f-5 falls primarily on new registrants; in practice, not all registrants will use foreign custody managers; the actual figure therefore may be smaller.

<sup>4</sup> As discussed below, Commission staff estimate that a response from a registrant will also include a related burden for the applicable foreign custody manager chosen by the registrant's board of directors.

<sup>5</sup> This estimate does not include burden hours related to the establishment and/or amendment of the foreign custody manager's system for monitoring custody arrangements for its clients, which is accounted for separately as discussed below.

<sup>6</sup> This figure is based on the staff's estimate of the number of global custodians that may act as foreign custody managers under rule 17f-5.

<sup>7</sup> The rates used to create the blended rate are as follows: board of director time—\$5,085 and compliance attorney time—\$449; staff estimates concerning wage rates for the cost of board of director time are based on fund industry representations; based on fund industry representations, the staff estimated in 2014 that the average cost of board of director time, for the board as a whole, was \$4,000 per hour; adjusting for inflation, the staff estimates that the current average cost of board of director time is approximately \$5,085 per hour; estimates concerning wage rates for compliance attorneys and trust administrators are based on salary information for the securities industry compiled by the Securities Industry and Financial Markets Association and modified by Commission staff for 2025; the compliance attorney and trust administrator wage figures are based on published rates for each, modified to account for a 1800-hour work-year and inflation, and multiplied by 5.35 to account for bonuses, firm size, employee benefits and overhead; see Securities Industry and Financial Markets Association, Report on Management & Professional Earnings in the Securities Industry 2013.

<sup>1</sup> See section 17(f) of the Act. 15 U.S.C. 80a-17(f).

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 comments on this 60-Day Collection Notice to Austin Gerig, Director/Chief Data Officer, Securities and Exchange Commission, c/o Tanya Ruttenberg via email to [PaperworkReductionAct@sec.gov](mailto:PaperworkReductionAct@sec.gov) by March 30, 2026. There will be a second opportunity to comment on this SEC request following the **Federal Register** publishing a 30-Day Submission Notice.

Dated: January 23, 2026.

**Vanessa A. Countryman,**  
Secretary.

[FR Doc. 2026-01626 Filed 1-27-26; 8:45 am]

BILLING CODE 8011-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104674; File No. SR-CBOE-2026-006]

### Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Rule 5.34(c) With Respect to Its Risk Monitor Mechanism, To Provide Users With Additional Flexibility in Establishing How Their Trading Activity Counts Towards Certain Risk Parameters

January 23, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on January 14, 2026, Cboe Exchange, Inc. (the "Exchange" or "Cboe Options") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I and II below, which Items have

been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

#### I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

Cboe Exchange, Inc. (the "Exchange" or "Cboe Options") proposes to amend Rule 5.34(c) with respect to its Risk Monitor Mechanism, to provide Users with additional flexibility in establishing how their trading activity counts towards certain risk parameters. The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Commission's website (<https://www.sec.gov/rules/sro.shtml>), the Exchange's website ([https://www.cboe.com/us/options/regulation/rule\\_filings/bzx/](https://www.cboe.com/us/options/regulation/rule_filings/bzx/)), and at the principal office of the Exchange.

#### II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

##### A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

###### 1. Purpose

The Exchange proposes to amend Rule 5.34(c), Order and Quote Price Protection Mechanisms and Risk Controls (All Orders). Specifically, the Exchange proposes changes to the Risk Monitor Mechanism to provide Users with additional flexibility in establishing how their trading activity counts towards certain risk parameters.

By way of background, the Risk Monitor Mechanism provides Users<sup>3</sup> with the ability to manage their order and execution risk. Each User may establish limits for various parameters in the Exchange's counting program. The System<sup>4</sup> counts each of the

following within a class for an EFID<sup>5</sup> ("class limit") and across all classes for an EFID ("EFID limit") and/or for all classes for a group of EFIDs ("EFID Group") ("EFID Group limit"), over a User-established time period ("interval") and on an absolute basis for a trading day ("absolute limits"): (i) number of contracts executed ("volume"); (ii) notional value of executions ("notional"); (iii) number of executions ("count"); (iv) number of contracts executed as a percentage of number of contracts outstanding within an Exchange-designated time period or during the trading day, as applicable ("percentage"), which the System determines by calculating the percentage of a User's outstanding contracts that executed on each side of the market during the time period or trading day, as applicable, and then summing the series percentages on each side in the class; and (v) number of times the limits established by the parameters (i) through (iv) are reached ("risk trips") (collectively, "risk parameters"). Additionally, when the System determines a risk parameter exceeds a User's class limit within the interval or the absolute limit for the class, the Risk Monitor Mechanism cancels or rejects such User's orders or quotes in all series of the class and cancels or rejects any additional orders or quotes from the User in the class until the counting program resets. Similarly, when the System determines a risk parameter exceeds a User's EFID limit within the interval or the absolute limit for the EFID, the Risk Monitor Mechanism cancels or rejects such User's orders or quotes in all classes and cancels or rejects any additional orders or quotes from the EFID in all classes until the counting program resets. Finally, when the System determines a risk parameter exceeds a User's EFID Group limit within the interval or the absolute limit for the EFID Group, the Risk Monitor Mechanism cancels or rejects such User's orders or quotes in all classes and cancels or rejects any additional orders or quotes from any EFID within the EFID Group in all classes until the counting program resets.

The Exchange proposes to amend Rule 5.34(c) to enhance the Risk Monitor Mechanism to provide Users with additional flexibility in

and open outcry trading of option contracts on the Exchange, and includes any connectivity to the foregoing trading platform that is administered by or on behalf of the Exchange, such as a communications hub. See Rule 1.1.

<sup>5</sup> The term "EFID" means an Executing Firm ID. See Rule 1.1.

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

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> The term "User" means any TPH or Sponsored User who is authorized to obtain access to the System pursuant to Rule 5.5. See Rule 1.1.

<sup>4</sup> The term "System" means the Exchange's hybrid trading platform that integrates electronic