U.S. Securities and Exchange Commission

PAPERWORK REDUCTION ACT SUPPORTING STATEMENT

for the Extension of
Form 2-E, Report pursuant to rule 609 and Regulation E
OMB Control Number 3235-0233

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 3(c) of the Securities Act of 1933 ("Securities Act") permits the Securities and Exchange Commission (the "Commission") to exempt completely or conditionally securities issued by small business investment companies ("SBICs") from the provisions of the Securities Act.[1] Regulation E under the Securities Act[2] provides specific exemptions from the registration provisions of the Securities Act for SBICs and business development companies ("BDCs"). Under Regulation E, securities issued by SBICs that are registered under the Investment Company Act of 1940 ("Investment Company Act")[3] and securities issued by certain investment companies that elect to be treated as BDCs under the Investment Company Act are exempt from registration under the Securities Act, provided that certain conditions are met.

Rule 609 under the Securities Act[4] requires SBICs and BDCs that have engaged in offerings of securities that are exempt from registration pursuant to Regulation E to report semi-annually on Form 2-E[5] the progress of the offering. The form solicits information such as the dates an offering commenced and was completed (if completed), the number of shares sold and still being offered, amounts received in the offering, and expenses and underwriting discounts incurred in the offering. Upon completion of the offering and the filing of a final report, no further reports are required under this regulation.

2. Purpose and Use of Information Collection

The information provided on Form 2-E assists the staff in monitoring the progress of the offering and in determining whether the offering has stayed within the limits set for an offering exempt under Regulation E.

3. Use and Consideration of Information Technology

The Commission's Electronic Data Gathering, Analysis and Retrieval System ("EDGAR") automates the filing, processing, and dissemination of full disclosure filings. The system permits publicly held companies to transmit their filings to the Commission electronically. This automation

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1 15 U.S.C. 77c(c).
2 17 CFR 230.601 to 610a.
3 15 U.S.C. 80a-1 et seq.
4 17 CFR 230.609.
5 17 CFR 239.201.

provides for speed, accuracy, and availability of information, generating benefits to investors and financial markets. Form 2-E is required to be filed electronically on EDGAR.[6] The public may access filings on EDGAR through the Commission's website (http://www.sec.gov).

4. Identifying and Minimizing Duplication

The Commission periodically evaluates rule-based reporting and recordkeeping requirements for duplication and reevaluates them whenever it proposes a rule or a change in a rule. The information required by Form 2-E is not generally duplicated elsewhere.

5. Effect on Small Entities

The Commission reviews all rules periodically, as required by the Regulatory Flexibility Act, to identify methods to minimize recordkeeping or reporting requirements affecting small businesses.[7] Congress enacted the Small Business Investment Act of 1958[8] in order to stimulate and supplement the flow of capital to small businesses. A primary purpose of the small offering exemption under Regulation E is to provide a simple and relatively inexpensive procedure by which small businesses can raise limited amounts of needed capital.

Offerings under Regulation E require less extensive disclosure than Securities Act registrations. Generally, the less burdensome provisions under Regulation E reflect a commitment by the Commission to facilitate capital formation by SBICs and BDCs while maintaining a level of investor protection traditionally afforded smaller offerings.

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

Reports on Form 2-E must be filed semi-annually during an offering and as a final report at the completion of the offering. Less frequent filing would not allow the Commission to monitor the progress of the offering to ensure that the issuer was not attempting to avoid the normal registration provisions of the securities laws.

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.

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6 See rule 101(a)(1)(v) of Regulation S-T (17 CFR 232.101(a)(1)(v)).

7 5 U.S.C. 601 et seq.

8 15 U.S.C. 661 et seq.

11. Collection Questions of a Sensitive Nature

Not applicable.

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[9] and are not derived from a comprehensive or even representative survey or study of the cost of Commission rules and forms. Compliance with Form 2-E is mandatory to qualify for the exemption. Responses to the disclosure requirements will not be kept confidential.

The estimated burden of information collection for Form 2-E remains unchanged from our prior estimates; that estimated burden is set forth in Table 1 below.

Table 1: Form 2-E PRA Estimates

	Estimated Annual No. of Responses			**Estimated Annual Time Burden (Hrs.)**			**Estimated External Cost to Respondents ($)**		
	Previously approved	*Requested*	*Change*	*Previously approved*	*Requested*	*Change*	*Previously approved*	*Requested*	*Change*
Form 2-E	1[1]	1	0	4	4	0	$0	$0	$0

[1] One respondent submitted a Form 2-E filing in 2017; there has not been a Form 2-E filing since that filing in calendar year 2017. We are submitting an estimate of one respondent and a four-hour estimated time burden for administrative purposes.

13. Estimated Additional Cost Burden

We estimate that there are no external cost burdens imposed by the information collection for Form 2-E.

14. Annual Cost to the Federal Government

The SEC is in the process of revising its methodologies to estimate annualized costs to the Federal government for all its relevant collections of information. The SEC anticipates that future extensions of this collection of information will reflect the revised methodologies.

15. Reasons for Changes in Burden

There is no change to the estimated annual time burden and external cost burden from the existing approved burden estimates for this information collection. The Commission continues to estimate that this information collection imposes a four-hour time burden for administrative purposes and no external cost burden.

16. Plans for Publishing Results

The results of any information collected will not be published.

[9] 44 U.S.C. 3501 et seq.

17. Approval to Omit Display of OMB Expiration Date

The Commission is not seeking approval to omit the expiration.

18. Exceptions to the Certification for Paperwork Reduction Act Submissions

The Commission is not seeking an exception to the certification statement.