



PAPERWORK REDUCTION ACT SUPPORTING STATEMENT

for the Extension of
Form N-54C
OMB Control Number 3235-0236

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

Certain investment companies can elect to be regulated as business development companies, as defined in section 2(a)(48) of the Investment Company Act of 1940 (“Investment Company Act”), under sections 55 through 65 of the Investment Company Act. Under section 54(a) of the Investment Company Act,¹ any company defined in section 2(a)(48)(A) and (B) of the Investment Company Act may, if it meets certain enumerated eligibility requirements, elect to be subject to the provisions of Sections 55 through 65 of the Investment Company Act by filing with the Commission a notification of election. Under section 54(c) of the Investment Company Act,² any business development company may voluntarily withdraw its election under section 54(a) of the Investment Company Act by filing a notice of withdrawal of election with the Commission. The Commission has adopted Form N-54C as the form

¹ 15 U.S.C. 80a-53(a).

² 15 U.S.C. 80a-53(c).

for the notification of withdrawal of election to be subject to Sections 55 through 65 of the Investment Company Act.

2. Purpose and Use of Information Collection

The purpose of Form N-54C is to notify the Commission that the business development company withdraws its election to be subject to Sections 55 through 65 of the Investment Company Act.

3. Use and Consideration of Information Technology

Form N-54C is electronically filed with the Commission. The Commission's electronic filing system (Electronic Data Gathering, Analysis and Retrieval or "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 has increased the speed, accuracy and availability of information, generating benefits to investors and financial markets.

4. Identifying and Minimizing Duplication

The Commission periodically evaluates reporting and recordkeeping requirements for duplication and reevaluates them whenever it proposes a rule or form or a change in a rule or form. The information required by Form N-54C is not generally duplicated elsewhere.

5. Effect on Small Entities

The Commission reviews all rules periodically, as required by the Regulatory Flexibility Act,³ to identify methods to minimize recordkeeping or reporting requirements affecting small businesses. The current disclosure requirements for Form N-54C do not distinguish between small entities and other business development companies. Although the burden on small business development companies may

³ 5 U.S.C. 601 *et seq.*

be greater than on larger ones, the Commission believes the burden imposed on any business development company is small due to the extent and type of information required by the form.

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

A business development company that withdraws its election to be subject to Sections 55 through 65 of the Investment Company Act is required to file the notification of withdrawal on Form N-54C only once, and therefore, the filing of Form N-54C is not a recurring event requiring periodic collection.

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

Not applicable.

8. Public Comment and Consultations Outside the Agency

The Commission and the Division of Investment Management staff 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 that may confront the industry. The Commission requested public comment on the collection of information requirements in Form N-54C before it submitted this request for extension and approval to the Office of Management and Budget. The Commission 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.

12. Estimated Time Burden and its Cost Equivalent

The Commission estimates that on average approximately eight business development companies file notifications on Form N-54C each year. Each of those business development companies need only make a single filing of Form N-54C. The Commission further estimates that this information collection imposes a burden of one hour, resulting in a total annual burden of eight hours. The form involves legal judgements and therefore, the Commission estimates that the internal annual time burden will be based on legal time.

Table 1: Form N-54C PRA Time Burden Estimates

	Internal annual burden hours		Wage rate ¹	Internal time costs
Filing Form N-54C	1 hour	x	\$774 (lawyer)	\$774
Number of affected entities	8 ²			
Total annual burden	8 hours			\$6,192

Notes:

1. To calculate the occupational hourly rates used in this release, the Commission uses occupational mean hourly wage data from the Occupational Employment and Wage Statistics (OEWS) program of the Bureau of Labor Statistics (BLS) for "Securities, Commodity Contracts, and Other Financial Investments and Related Activities" (NAICS 523)]. See *Occupational Employment and Wage Statistics*, U.S. BUREAU OF LABOR STATISTICS, <https://www.bls.gov/oes/>; see also *Standard Occupational Classification*, U.S. BUREAU OF LABOR STATISTICS, <https://www.bls.gov/soc/> (describing occupational classification system used by BLS); EXEC. OFF. OF THE PRESIDENT, OFF. OF MGMT. & BUDGET, NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM (2022), available at https://www.census.gov/naics/reference_files_tools/2022_NAICS_Manual.pdf (describing the industry classification system used by BLS and other agencies). The mean hourly wage for each occupation is adjusted for changes in the seasonally adjusted employment cost index for private wages and salaries between the data reference period and when the data are released by BLS. See *Employment Cost Index*, U.S. BUREAU OF LABOR STATISTICS, <https://www.bls.gov/eci/>. The adjusted mean hourly wage is then multiplied by a factor that accounts for nonwage costs borne by employers, such as bonuses, benefits, and overhead. This factor is calculated as an average over the 10 most recently available years of data of the ratio of the Bureau of Economic Analysis's annual gross output data for NAICS 523 to total annual wages across all occupations for NAICS 523 in the OEWS data. See *Gross Output by Industry*, U.S. BUREAU OF ECONOMIC ANALYSIS, <https://www.bea.gov/data/industries/gross-output-by-industry>; *Occupational Employment and Wage Statistics*, U.S. BUREAU OF LABOR STATISTICS, <https://www.bls.gov/oes/>. The final product is the occupational hourly rate. See *generally UPDATED METHODOLOGY FOR CALCULATING OCCUPATIONAL HOURLY RATES* (Dec. 19, 2025), available at <https://www.sec.gov/files/method-occupational-hourly-rates.pdf>.

2. This estimate is based on the three-year average number of filings submitted to the Commission on Form N-54-C from 2023 through 2025 [(6 filings (2023) + 7 filings (2024) + 12 filings (2025) = 25 filings/3 = 8 filings, as rounded].

13. Estimated Additional Cost Burden

The additional cost burden (external cost burden) is the cost of services purchased to prepare and file Form N-54C, such as for the services of lawyers, computer programmers, financial printers, and third-party filing services vendors. The external cost burden does not include the internal cost of the burden hours shown in Table 1, above. The Commission estimates that most filers use external lawyers in connection with their filings on Form N-54C as the form requires legal judgments. The table below summarizes the PRA external cost burden estimate associated with complying with Form N-54C.

Table 2: Form N-54C PRA External Cost Burden Estimate

	Estimated annual external hours		Wage Rate ¹	Annual external cost burden
Filing Form N-54C	.3 hours	x	\$774 (lawyer)	\$232
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Number of affected entities				x 8
Total annual burden				\$1,856

1. See *supra* Table 1 note 1.

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

As summarized in the table below, the estimated total annual hourly burden associated with Form N-54C has increased from seven to eight hours, an increase of one hour. The increase in the estimated annual burden hours of one hour reflects an increase in the estimated number of responses.

There also is an increase in the estimated annual external cost burden attributed to Form N-54C from \$560 to \$1,856, an increase of \$1,296. The increase in the estimated external annual cost burden reflects an increase in the estimated number of responses and in the cost of legal services.

	Annual Number of Responses			Annual Time Burden (hours)			Annual Cost Burden (dollars)		
	Currently Approved	Revised Estimate	Change	Currently Approved	Revised Estimate	Change	Currently Approved	Revised Estimate	Change
Form N-54C	7	8	1	7	8	1	\$560	\$1,856	\$1,296

16. Plans for Publishing Results

Not applicable.

17. Approval to Omit Display of OMB Expiration Date

Not applicable.

18. Exceptions to the Certification for Paperwork Reduction Act Submissions

Not applicable.