



PAPERWORK REDUCTION ACT SUPPORTING STATEMENT
for the Revision of
Rule 17f-6
OMB Control Number 3235-0447

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

Rule 17f-6 (17 CFR 270.17f-6) under the Investment Company Act of 1940 (15 U.S.C. 80a et seq.) permits registered investment companies (“funds”) to maintain assets (i.e., margin) with futures commission merchants (“FCMs”) in connection with commodity transactions effected on both domestic and foreign exchanges. Before the rule was adopted, funds generally were required to maintain those assets in special accounts with a custodian bank.

Rule 17f-6 permits funds to maintain their assets with FCMs that are registered under the Commodity Exchange Act (“CEA”) and that are not affiliated with the fund. The rule requires that a written contract containing the following provisions govern the manner in which the FCM maintains a fund’s assets:

The FCM must comply with the segregation requirements of section 4d(2) of the CEA (7 U.S.C. 6d(2)) and the rules under that statute (17 CFR Chapter I) or, if applicable, the secured amount requirements of rule 30.7 under the CEA (17 CFR 30.7);

If the FCM places the fund’s margin with another entity for clearing purposes, the FCM must obtain an acknowledgment from the clearing organization that the fund’s assets are held on behalf of the FCM’s customers in accordance with provisions under the CEA; and

Upon request the FCM must furnish records about the fund’s assets to the Commission or its staff.

On October 1, 2026, the Commission proposed, among other things, to amend rule 17f-6 to add a reference to business development companies (“BDCs”) to clarify that BDCs, like registered investments companies, may rely on rule 17f-6 to custody their securities and similar investments.¹

2. Purpose and Use of Information Collection

The rule requires a fund and an FCM to enter into a written contract that contains three safeguards relating to the custody of fund assets by the FCM. First, the requirement that FCMs comply with segregation or secured amount requirements is designed to protect fund assets held by FCMs. Second, the requirement that an FCM obtain an acknowledgement from any entity upon which it relies to clear fund transactions accommodates the legitimate needs of the participants in the commodity settlement process, while ensuring that fund assets are protected. The requirement that FCMs must

¹ See Adviser and Regulated Fund Custody Rules; Crypto Custody Rules, Investment Company Act Release No. 36353 (Oct. 1, 2026) [91 FR 63870 (Oct. 6, 2026)] (“Proposing Release”).

furnish to the Commission or its staff upon request information concerning the fund's assets does not constitute a collection of information.

3. Use and Consideration of Information Technology

The Commission's Electronic Data Gathering, Analysis, and Retrieval System ("EDGAR") provides for the automated collection, processing, and dissemination of full disclosure filings. The automation provides for speed, accuracy, and public availability of information, generating benefits to investors and financial markets. EDGAR may be used in the future to obtain other types of information from sources outside the Commission, such as information requested by the Commission or its staff in connection with an inspection of fund margin in an FCM's custody. The Electronic Signatures in Global and National Commerce Act (15 U.S.C. 7001) and the conforming amendments to recordkeeping rules under the Investment Company Act permit funds to maintain records electronically.

4. Identifying and Minimizing Duplication

The Commission sought to avoid duplication of requirements imposed under the CEA and Commodity Futures Trading Commission ("CFTC") rules that more generally govern custody of customer margins by FCMs and clearinghouses. Thus, for example, rule 17f-6 does not require FCMs to maintain daily financial ledger records of fund margin deposits or to supply funds with monthly account statements. FCMs and their customers typically enter into a contract when an FCM is retained to effect commodities transactions, and the rule requires certain terms for contracts with an FCM's fund clients, some of which incorporate requirements under the CEA.

5. Effect on Small Entities

The information collection requirements of rule 17f-6 apply to all funds, including those that are small entities. The Commission believes that the costs of complying with the rule are minimal and do not impose a significant burden on small entities.

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

The contract requirements of rule 17f-6 do not recur periodically, but rather have to be followed only when a fund enters into a contract with an FCM. Less frequent collection would not be consistent with the Commission's investor protection objectives.

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

None.

8. Public Comment and Consultations Outside the Agency

The Commission requested public comment on the collection of information requirements in Rule 17f-6 before it submitted this request for extension and approval to the Office of Management and Budget. 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.

12. Estimated Time Burden and its Cost Equivalent

Because rule 17f-6 does not impose any ongoing obligations on funds or FCMs, Commission staff estimates there are only costs related to new contracts between funds and FCMs. Commission staff have previously estimated that the burden of compliance with rule 17f-6 would be 1 hour at a cost of \$511 per fund. Of the 14,125 management investment companies that filed Part C of Form N-CEN, 1,262 or 11% relied on rule 17f-6. Therefore, of 176 BDCs, we estimate that 19 rely on rule 17f-6. Of those we estimate that 10%, or 2 BDCs enter into new FCM contracts each year. The total annual burden of the proposed amendment to rule 17f-6 is estimated to be 2 hours² and \$1,022.³

Table 1: Summary of Revised Annual Responses, Burden Hours, and Cost Estimates

IC Title	Annual No. of Responses			Annual Time Burden (Hrs.)			External Cost Burden (\$) ⁴		
	<i>Previously approved</i>	<i>Requested</i>	<i>Change</i>	<i>Previously approved</i>	<i>Requested</i>	<i>Change</i>	<i>Previously approved</i>	<i>Requested</i>	<i>Change</i>
Rule 17f-6	131	133	2	27	2	29	\$15,534	\$16,702	\$1,168

13. Estimated Additional Cost Burden

Commission staff have previously estimated the annual external cost burden per fund is \$584. Thus, the total additional estimated annual cost to the industry is approximately \$1,168.⁵

14. Annual Cost to the Federal Government

Not applicable.

15. Reasons for Changes in Burden Estimates

The estimated total annual hour burden for rule 17f-6 has increased from 27 hours to 29 hours (an increase of 2 hours) and the estimated external costs burden has increased from \$15,534 to \$16,702 due to the addition of BDCs to the rule.

16. Plans for Publishing Results

Not applicable.

² 2 BDCs x 1 hour per response = 2 hours.

³ 2 BDCs x \$511 per response = \$1022.

⁴ The external costs of the information collection are discussed below in Item 13.

⁵ 2 BDCs x \$584 = \$1,168

17. Approval to Omit Display of OMB Expiration Date

We are seeking OMB approval to omit the expiration date because the public may find it confusing to see an expiration date on a form, especially when approaching the expiration date.

18. Exceptions to the Certification for Paperwork Reduction Act Submissions

Not applicable.