



## SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235-0522]

### **Proposed Collection; Comment Request; Extension: Rule 701, Exemption for offers and sales of securities pursuant to certain compensatory benefit plans and contracts relating to compensation**

*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 summarized below. The Commission plans to submit this existing collection of information to the Office of Management and Budget (“OMB”) for extension and approval.

Rule 701 (17 CFR 230.701) under the Securities Act of 1933 (“Securities Act”) (15 U.S.C. 77a et seq.) provides an exemption for certain issuers from the registration requirements of the Securities Act for limited offerings and sales of securities issued under compensatory benefit plans or contracts. The purpose of Rule 701 is to enable issuers that are not reporting companies under the Securities Exchange Act of 1934 to compensate employees and others without registering an offer and sale of securities under the Securities Act, while requiring issuers, as a condition of reliance on the rule, to provide investors with certain information that is important to investment decision making. We estimate that approximately 3,725 issuers annually rely on the Rule 701 exemption and that it takes approximately two hours to prepare each response. We estimate that 25% of the 2 hours per response (0.5 hours) is prepared by the issuer for a total annual burden of 1,863 hours (0.5 hours per response x 3,725 responses). We estimate that 75% of the two hours per response (1.5 hours) is carried by outside professionals retained by

the issuer at an estimated cost of \$600 per hour, for a total annual cost burden of \$3,352,500 (1.5 hours per response x \$600 per hour x 3,725 responses annually).

An agency may not conduct or sponsor, and a person is not required to 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 agency, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden imposed by the collection of information; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated 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 e-mail to [PaperworkReductionAct@sec.gov](mailto:PaperworkReductionAct@sec.gov) by **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**. There will be a second opportunity to comment on this SEC request following the Federal Register publishing a 30-Day Submission Notice.

Dated: June 25, 2025.

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2025-12007 Filed: 6/27/2025 8:45 am; Publication Date: 6/30/2025]