



SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235-0529]

Agency Information Collection Activities; Proposed Collection; Comment Request;

Extension: Rule 17f-7

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 – 3521) (“Paperwork Reduction Act”), the Securities and Exchange Commission (the “Commission”) is soliciting comments on the collections of information summarized below. The Commission plans to submit these existing collections of information to the Office of Management and Budget (“OMB”) for extension and approval.

Rule 17f-7 (17 CFR 270.17f-7) permits a fund under certain conditions to maintain its foreign assets with an eligible securities depository, which has to meet minimum standards for a depository. The fund or its investment adviser generally determines whether the depository complies with those requirements based on information provided by the fund’s primary custodian (a bank that acts as global custodian). The depository custody arrangement also must meet certain conditions. The fund or its adviser must receive from the primary custodian (or its agent) an initial risk analysis of the depository arrangements, and the fund’s contract with its primary custodian must state that the custodian will monitor risks and promptly notify the fund or its adviser of material changes in risks. The primary custodian and other custodians also are required to agree to exercise at least reasonable care, prudence, and diligence.

The collection of information requirements in rule 17f-7 are intended to provide workable standards that protect funds from the risks of using foreign securities depositories while assigning appropriate responsibilities to the fund’s primary custodian and investment adviser based on their capabilities. The requirement that the foreign securities depository meet specified

minimum standards is intended to ensure that the depository is subject to basic safeguards deemed appropriate for all depositories. The requirement that the fund or its adviser must receive from the primary custodian (or its agent) an initial risk analysis of the depository arrangements, and that the fund's contract with its primary custodian must state that the custodian will monitor risks and promptly notify the fund or its adviser of material changes in risks, is intended to provide essential information about custody risks to the fund's investment adviser as necessary for it to approve the continued use of the depository. The requirement that the primary custodian agree to exercise reasonable care is intended to provide assurances that its services and the information it provides will meet an appropriate standard of care.

In addition, based on public filings made with the Commission, we calculate that there are approximately 87 global custodians that are engaged to perform global custodial services to funds and thus subject to the provisions of rule 17f-7.¹ This estimate is based on information that is publicly available on Form N-CEN filings.² The staff further estimates that during each year, each of the approximately 87 global custodians will make an average of 4 responses to analyze custody risks and provide notice of any materials changes to custody risks under the rule.³ The staff estimates that each response will take 260 hours, requiring approximately 1,040 hours annually per global custodian.⁴ Thus the total annual burden associated with this aspect of the rule is approximately 90,480 hours.⁵ Assuming an estimated wage rate of approximately \$287 per hour, the total internal cost to the industry is approximately \$25,967,760 to comply with this

¹ We analyzed Form N-CEN filings for registrants as of September 15, 2025 and based on these filings, we calculated the number of global custodians that have been retained by funds and are subject to the provisions of rule 17f-7 to be 87.

² See Item C.12.a.vii.7 of Form N-CEN.

³ 87 custodians x 4 responses =348 responses.

⁴ 260 hours per response x 4 responses per global custodian = 1,040 hours per global custodian.

⁵ 87 global custodians x 1,040 hours per global custodian = 90,480 hours.

aspect of the rule.⁶

The total annual hour burden associated with all collection of information requirements of the rule is therefore 151,152 hours,⁷ and the total internal cost to the industry of the hour burden is approximately \$49,083,792.⁸

The estimate of average burden hours is made solely for the purposes of the Paperwork Reduction Act and is not derived from a comprehensive or even a representative survey or study of the costs of Commission rules and forms. 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 in foreign custodians. The information provided under rule 17f-7 will not be kept confidential.

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 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.

⁶ 90,480 hours x \$287 per hour (wage rate for trust administrators) = \$25,967,760.

⁷ 60,672 hours + 90,480 hours = 151,152 hours.

⁸ \$23,116,032 + \$25,967,760 = \$49,083,792.

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 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: December 10, 2025.

Sherry R. Haywood,

Assistant Secretary.

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