

SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235–0779]

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Extension: Rule 2a–5

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.*) (“PRA”), the Securities and Exchange Commission (“Commission”) is submitting to the Office of Management and Budget (“OMB”) this request for extension of the collection of information titled, “Rule 2a–5 under the Investment Company Act of 1940, Fair Value.” The OMB Control Number is 3235–0779. 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.

Section 2(a)(41) of the Investment Company Act of 1940 (“Investment Company Act”) requires funds to value their portfolio investments using the market value of their portfolio securities when market quotations for those securities are “readily available,” and, when a market quotation for a portfolio security is not readily available, by using the fair value of that security, as determined in good faith by the fund’s board. The aggregate value of a fund’s investments is the primary determinant of the fund’s net asset value (“NAV”), which for many funds determine the price at which their shares are offered and redeemed (or repurchased).

17 CFR 270.2a–5 (“rule 2a–5”) provides requirements for determining in good faith the fair value of the investments of a registered investment company or companies that have elected to be treated as business development companies under the Investment Company Act (“BDCs” and, collectively, “funds”) for purposes of section 2(a)(41) of the Investment Company Act and rule 2a–4 thereunder. Under the rule, fair value as determined in good faith requires assessing and managing material risks associated with fair value determinations; selecting, applying, and testing fair value methodologies; and overseeing and evaluating any pricing services used. The rule also permits a fund’s board to designate a “valuation designee” to perform fair value determinations. The

valuation designee can be the adviser of the fund or an officer of an internally managed fund. When a board designates the performance of determinations of fair value to a valuation designee for some or all of the fund’s investments under the rule, the rule requires the board to oversee the valuation designee’s performance of fair value determinations.

To facilitate the board’s oversight, the rule also includes certain reporting and other requirements in the case of designation to a valuation designee. As relevant here, the rule requires, if the board designates performance of fair value determinations to a valuation designee, that the valuation designee report to the board in both periodic and as needed reports on a per-fund basis.

Specifically, on a periodic basis, the valuation designee must provide the following to the board:

- *Quarterly Reports.* At least quarterly, in writing, (1) any reports or materials requested by the board related to the fair value of designated investments or the valuation designee’s process for fair valuing fund investments and (2) a summary or description of material fair value matters that occurred in the prior quarter. This summary or description must include (1) any material changes in the assessment and management of valuation risks, including any material changes in conflicts of interest of the valuation designee (and any other service provider), (2) any material changes to, or material deviations from, the fair value methodologies, and (3) any material changes to the valuation designee’s process for selecting and overseeing pricing services, as well as any material events related to the valuation designee’s oversight of pricing services.

- *Annual Reports.* At least annually, in writing, an assessment of the adequacy and effectiveness of the valuation designee’s process for determining the fair value of the designated portfolio of investments. At a minimum, this annual report must include a summary of the results of the testing of fair value methodologies required under the rule and an assessment of the adequacy of resources allocated to the process for determining the fair value of designated investments, including any material changes to the roles or functions of the persons responsible for determining fair value.

Further, the rule requires the valuation designee to provide a written notification to the board of the occurrence of matters that materially affect the fair value of the designated portfolio of investments (defined as

“material matters”) within a time period determined by the board, but in no event later than five business days after the valuation designee becomes aware of the material matter. Material matters in this instance include, as examples, a significant deficiency or material weakness in the design or effectiveness of the valuation designee’s fair value determination process or of material errors in the calculation of net asset value. The valuation designee must also provide such timely follow-on reports as the board may reasonably determine are appropriate.

The rule constitutes a “collection of information” for PRA purposes. Respondents are funds. Compliance with rule 2a–5 is mandatory for any fund that would need to determine fair value under the Investment Company Act. To the extent that records required to be created and maintained under the rule are provided to the Commission in connection with examinations or investigations, such information would be kept confidential subject to the provisions of applicable law.

Commission staff estimates that 10,047 respondents will provide one response each, for an aggregate of 10,047 responses, annually. Commission staff estimates 34 hours per response, for an aggregate of 341,598 hours, annually. Commission staff estimates a monetized time cost of \$33,422 per response, for an aggregate monetized time cost of \$335,790,834, annually. Commission staff estimates an external cost burden of \$3,632 per response, for an aggregate external cost burden of \$36,490,704, annually.

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The public may view and comment on this information collection request at: https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202606-3235-004 or email comment to MBX.OMB.OIRA.SEC_desk_officer@omb.eop.gov within 30 days of the day after publication of this notice, by September 28, 2026.

Dated: August 26, 2026.

Sherry R. Haywood,

Assistant Secretary.

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