

## SECURITIES AND EXCHANGE COMMISSION

### Proposed Collection; Comment Request

Upon Written Request, Copies Available  
From: Securities and Exchange Commission, Office of Filings and Information Services, Washington, DC 20549.

Extension: Rule 17f-1(b). SEC File No. 270-28. OMB Control No. 3235-0032.

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 for extension and approval.

### Rule 17f-1(b): Requirements for Reporting and Inquiry With Respect to Missing, Lost, Counterfeit, or Stolen Securities

Rule 17f-1(b) (17 CFR 240.17f-1(b)) under the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*) (the "Act") requires approximately 26,000 entities in the securities industry to register in the Lost and Stolen Securities Program ("Program"). Registration fulfills a statutory requirement that entities report and inquire about missing, lost, counterfeit, or stolen securities. Registration also allows entities in the securities industry to gain access to a confidential database that stores information for the Program.

We estimate that 1,000 new entities will register in the Program each year. The staff estimates that the average number of hours necessary to comply with the Rule 17f-1(b) is one-half hour.

Written comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (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 collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

Comments should be directed to (1) the Desk Officer for the SEC, Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10102, New Executive Office Building, Washington, DC, 20503 or by sending an e-mail to: [David\\_Rostker@omb.eop.gov](mailto:David_Rostker@omb.eop.gov); and (ii) R. Corey Booth, Director/Chief Information Officer, Securities and Exchange Commission, C/O Shirley Martinson, 6432 General Green Way, Alexandria, Virginia 22312 or send an e-mail to: [PRA\\_Mailbox@sec.gov](mailto:PRA_Mailbox@sec.gov). Comments must be submitted to OMB within 60 days of this notice.

Dated: May 23, 2006.

**Jill M. Peterson,**

*Assistant Secretary.*

[FR Doc. E6-8488 Filed 5-31-06; 8:45 am]

BILLING CODE 8010-01-P

## SECURITIES AND EXCHANGE COMMISSION

### Proposed Collection; Comment Request

Upon Written Request, Copies Available  
From: Securities and Exchange Commission, Office of Filings and Information Services, Washington, DC 20549.

Extension: Rule 17f-1(c) and Form X-17F-1A; SEC File No. 270-29; OMB Control No. 3235-0037.

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 for extension and approval.

### Rule 17f-1(c) and Form X-17F-1A—Reporting of Missing, Lost, Stolen, or Counterfeit Securities

Rule 17f-1(c) (17 CFR 240.17f-1(c)) under the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*) (the "Act") requires approximately 26,000 entities in the securities industry to report lost, stolen, missing, or counterfeit securities to a central database. Form X-17F-1A (17 CFR 249.100) facilitates the accurate reporting and precise and immediate data entry into the central database. Reporting to the central database fulfills a statutory requirement that reporting institutions report and inquire about missing, lost, counterfeit, or stolen securities. Reporting to the central

database also allows reporting institutions to gain access to the database that stores information for the Lost and Stolen Securities Program.

We estimate that 26,000 reporting institutions will report that securities are either missing, lost, counterfeit, or stolen annually and that each reporting institution will submit this report 50 times each year. The staff estimates that the average amount of time necessary to comply with Rule 17f-1(c) and Form X-17F-1A is five minutes. The total burden is 10,333 hours annually for respondents. (26,000 times 50 times 5 divided by 60.)

Written comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (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 collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

Comments should be directed to (i) the Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10102, New Executive Office Building, Washington, DC 20503 or by sending an e-mail to: [David\\_Rostker@omb.eop.gov](mailto:David_Rostker@omb.eop.gov); and (ii) R. Corey Booth, Director/Chief Information Officer, Securities and Exchange Commission, c/o Shirley Martinson, 6432 General Green Way, Alexandria, Virginia 22312 or send an e-mail to: [PRA\\_Mailbox@sec.gov](mailto:PRA_Mailbox@sec.gov). Comments must be submitted to OMB within 60 days of this notice.

Dated: May 24, 2006.

**Jill M. Peterson,**

*Assistant Secretary.*

[FR Doc. E6-8492 Filed 5-31-06; 8:45 am]

BILLING CODE 8010-01-P

## SECURITIES AND EXCHANGE COMMISSION

### Submission for OMB Review; Comment Request

Upon Written Request, Copies Available  
From: Securities and Exchange Commission, Office of Filings and

Information Services, Washington, DC 20549.

Extension:

Rule 17f-2; SEC File No. 270-233; OMB Control No. 3235-0223.

Form N-17f-2; SEC File No. 270-317; OMB Control No. 3235-0360.

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 (the "Commission") has submitted to the Office of Management and Budget requests for extension of the previously approved collections of information discussed below.

Rule 17f-2 (17 CFR 270.17f-2) under the Investment Company Act of 1940 (the "Act") (15 U.S.C. 80a-1) is entitled: "Custody of Investments by Registered Management Investment Company." Rule 17f-2 establishes safeguards for arrangements in which a registered management investment company ("fund") is deemed to maintain custody of its own assets, such as when the fund maintains its assets in a facility that provides safekeeping but not custodial services. The rule includes several recordkeeping or reporting requirements. The fund's directors must prepare a resolution designating not more than five fund officers or responsible employees who may have access to the fund's assets. The designated access persons (two or more of whom must act jointly when handling fund assets) must prepare a written notation providing certain information about each deposit or withdrawal of fund assets, and must transmit the notation to another officer or director designated by the directors. Independent public accountants must verify the fund's assets at least three times a year and two of the examinations must be unscheduled.

The requirement that directors designate access persons is intended to ensure that directors evaluate the trustworthiness of insiders who handle fund assets. The requirements that access persons act jointly in handling fund assets, prepare a written notation of each transaction, and transmit the notation to another designated person are intended to reduce the risk of misappropriation of fund assets by access persons, and to ensure that adequate records are prepared, reviewed by a responsible third person, and available for examination by the Commission's examination staff. The requirement that auditors verify fund assets without notice twice each year is intended to provide an additional deterrent to the misappropriation of

fund assets and to detect any irregularities.

The Commission staff estimates that each fund makes 270.5 responses and spends an average of 95 hours annually in complying with the rule's requirements.<sup>1</sup> Commission staff estimates that on an annual basis it takes: (i) 0.17 hours of fund accounting personnel at a total cost of \$10 to draft director resolutions;<sup>2</sup> (ii) 0.6 hours of the fund's board of directors at a total cost of \$1200 to adopt the resolution; (iii) 75 hours for the fund's accounting personnel at a total cost of \$5228 to prepare written notations of transactions;<sup>3</sup> and (iv) 18.9 hours for the fund's accounting personnel at a total cost of \$1087 to assist the independent public accountants when they perform verifications of fund assets.<sup>4</sup> Approximately 140 funds rely upon Rule 17f-2 annually.<sup>5</sup> Thus, the total annual hour burden for Rule 17f-2 is estimated to be 13,300 hours.<sup>6</sup> Based on the total costs per fund listed above, the total cost of the Rule 17f-2's collection of information requirements is estimated to be \$1 million.<sup>7</sup>

Form N-17f-2 (17 CFR 274.220) under the Act is entitled "Certificate of

<sup>1</sup> The 270.5 responses are: 1.5 responses to draft and adopt the resolution and 269 notations. Estimates of the number of hours are based on conversations with individuals in the mutual fund industry. In preparing this submission, Commission staff randomly selected 9 funds from the pool of Form N-17f-2 filers. The actual number of hours may vary significantly depending on individual fund assets.

<sup>2</sup> This estimate is based on the following calculation: 0.17 (burden hours per fund)  $\times$  \$57.52 (fund senior accountant's hourly rate) = \$9.78. The estimated costs for fund personnel were based on the average annual salaries reported for employees in New York City in Securities Industry Association, *Management and Professional Earnings in the Securities Industry* (2003) and Securities Industry Association, *Office Salaries in the Securities Industry* (2003), which were adjusted to include overhead costs and employee benefits.

<sup>3</sup> Respondents estimated that each fund makes 269 responses on an annual basis and spent a total of 0.28 hours per response. The fund personnel involved are Fund Payable Manager (\$47.03 hourly rate), Fund Operations Manager (\$64.25 hourly rate) and Fund Accounting Manager (\$96.95 hourly rate). The weighted hourly rate of these personnel is \$69.41. The estimated cost of preparing notations is based on the following calculation:  $269 \times 0.28 \times \$69.41 = \$5227.96$ .

<sup>4</sup> This estimate is based on the following calculation:  $18.9 \times \$57.52$  (fund senior accountant hourly rate) = \$1087.13.

<sup>5</sup> Based on a review of Form N-17f-2 filings in 2004, the Commission staff estimates that 140 funds relied on Rule 17f-2 in 2005.

<sup>6</sup> This estimate is based on the following calculation:  $140$  (funds)  $\times$   $95$  (total annual hourly burden per fund) =  $13,300$  hours for rule. The annual burden for Rule 17f-2 does not include time spent preparing Form N-17f-2. The burden for Form N-17f-2 is included in a separate collection of information.

<sup>7</sup> This estimate is based on the following calculation:  $\$7525$  (total annual cost per fund)  $\times$   $140$  funds = \$1,053,500.

Accounting of Securities and Similar Investments in the Custody of Management Investment Companies." Form N-17f-2 is the cover sheet for the accountant examination certificates filed under Rule 17f-2 by registered management investment companies (funds) maintaining custody of securities or other investments. Form N-17f-2 facilitates the filing of the accountant's examination certificates. The use of the form allows the certificates to be filed electronically, and increases the accessibility of the examination certificates to both the Commission's examination staff and interested investors by ensuring that the certificates are filed under the proper Commission file number and the correct name of a fund.

Commission staff estimates that on an annual basis it takes: (i) On average 3.25 hours of fund accounting personnel at a total cost of \$187 to prepare the Form N-17f-2;<sup>8</sup> and (ii) 3.15 hours of clerical time at a total cost of \$187 to file the Form N-17f-2 with the Commission.<sup>9</sup> As noted above, approximately 140 funds currently file Form N-17f-2 with the Commission, and each fund is required to make three filings annually for a total annual hourly burden per fund of approximately 6.4 hours at a total cost of \$274. The total annual hour burden for Form N-17f-2 is therefore estimated to be approximately 896 hours. Based on the total annual costs per fund listed above, the total cost of Form N-17f-2's collection of information requirements is estimated to be approximately \$38,360.<sup>10</sup>

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. Complying with the collections of information required by Rule 17f-2 and Form N-17f-1 is mandatory for those funds that maintain custody of their own assets. Responses 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 control number.

General comments regarding the above information should be directed to the following persons: (i) Desk Officer

<sup>8</sup> This estimate is based on the following calculation:  $3.25 \times \$57.52$  (fund senior accountant's hourly rate) = \$186.94.

<sup>9</sup> This estimate is based on the following calculation:  $3.15 \times \$27.6$  (secretary hourly rate) = \$86.94.

<sup>10</sup> This estimate is based on the following calculation:  $140$  funds  $\times$   $\$274$  (total annual cost per fund) = \$38,360.

for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10102, New Executive Office Building, Washington, DC 20503, or e-mail to: [David\\_Rostker@omb.eop.gov](mailto:David_Rostker@omb.eop.gov); and (ii) R. Corey Booth, Director/Chief Information Officer, Securities and Exchange Commission, C/O Shirley Martinson, 6432 General Green Way, Alexandria, Virginia 22312 or send an e-mail to: [PRA\\_Mailbox@sec.gov](mailto:PRA_Mailbox@sec.gov). Comments must be submitted to OMB within 30 days of this notice.

Dated: May 22, 2006.

**Jill M. Peterson,**

*Assistant Secretary.*

[FR Doc. E6-8494 Filed 5-31-06; 8:45 am]

**BILLING CODE 8010-01-P**

## SECURITIES AND EXCHANGE COMMISSION

### Collection; Comment Request

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of Filings and Information Services, Washington, DC 20549.

Extension: Rule 202(a)(11)-1; SEC File No. 270-471; OMB Control No. 3235-0532.

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 (the "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.

The title for the collection of information is "Certain Broker-Dealers Deemed Not To Be Investment Advisers." Rule 202(a)(11)-1 (17 CFR 275.202(a)(11)-1) under the Investment Advisers Act of 1940 (15 U.S.C. 80b-1 *et seq.*) ("Advisers Act") addresses the application of the Advisers Act to broker-dealers offering accounts charging an asset-based fee. The rule is intended to clarify when brokers offering these programs are subject to the provisions of the Advisers Act. The rule requires that all advertisements for brokerage accounts charging an asset-based fee and all agreements and contracts governing the operation of those accounts contain a certain prominent statement that the accounts are brokerage accounts and not advisory accounts. This collection of information is necessary so that customers are not confused with respect to the services

that they are receiving, *i.e.*, to prevent customers and prospective customers from mistakenly believing that the account is an advisory account subject to the Advisers Act. The collection assists customers in making informed decisions regarding whether to establish accounts.

The respondents to this collection of information are all broker-dealers that are registered with the Commission. The Commission has estimated that the average annual burden for ensuring compliance with the disclosure element of the rule is 5 minutes per broker-dealer taking advantage of the rule. If all of the approximately 6,158 broker-dealers registered with the Commission took advantage of the rule, the total estimated annual burden would be 511 hours (.083 hours  $\times$  6,158 brokers).

Written comments are invited on: (a) Whether the 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 of 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. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

Please direct your written comments to R. Corey Booth, Director/Chief Information Officer, Securities and Exchange Commission, C/O Shirley Martinson, 6432 General Green Way, Alexandria, Virginia 22312, or send an e-mail to: [PRA\\_Mailbox@sec.gov](mailto:PRA_Mailbox@sec.gov).

Dated: May 24, 2006.

**Jill M. Peterson,**

*Assistant Secretary.*

[FR Doc. E6-8495 Filed 5-31-06; 8:45 am]

**BILLING CODE 8010-01-P**

## SECURITIES AND EXCHANGE COMMISSION

### Sunshine Act Meeting Notice

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Public Law 94-409, that the Securities and Exchange Commission will hold the following meeting during the week of June 5, 2006:

A Closed Meeting will be held on Tuesday, June 6, 2006 at 2 p.m.

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the Closed Meeting. Certain staff members who have an interest in the matters may also be present.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c)(3), (5), (6), (9)(B), (10) and 17 CFR 200.402(a)(3), (5), (6), (9)(ii), and (10) permit consideration of the scheduled matters at the Closed Meeting.

Commissioner Campos, as duty officer, voted to consider the items listed for the closed meetings in closed session.

The subject matter of the Closed Meeting scheduled for Tuesday, June 6, 2006 will be: Formal orders of investigation; Institution and settlement of injunctive actions; Institution and settlement of administrative proceedings of an enforcement nature; and Resolution of litigation claims.

At times, changes in Commission priorities require alterations in the scheduling of meeting items.

For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact:

The Office of the Secretary at (202) 551-5400.

Dated: May 30, 2006.

**Nancy M. Morris,**  
*Secretary.*

[FR Doc. 06-5077 Filed 5-31-06; 3:45 pm]

**BILLING CODE 8010-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. PA-36; File No. S7-09-06]

### Privacy Act of 1974: System of Records: Office of Inspector General Investigative Files (SEC-43)

**AGENCY:** Securities and Exchange Commission.

**ACTION:** Notice of an altered system of records.

**SUMMARY:** In accordance with the requirements of the Privacy Act of 1974, as amended, 5 U.S.C. 552a, the Securities and Exchange Commission proposes to alter a Privacy Act system of records: "Office of Inspector General Investigative Files (SEC-43)", originally published at 55 FR 1744, January 18, 1990. Revisions to this system were last published at 63 FR 11936, March 11, 1998.