

Series for the period of time and accessibility specified in Rule 17a-4(b).<sup>105</sup> Because proposed Rule 6890 incorporate Rule 17a-4(b) and implements the recordkeeping provision of the CAT NMS Plan, the Commission finds that proposed Rule 6890 is consistent with the Act.

*K. Timely, Accurate and Complete Data (Rule 6893)*

The Commission finds that proposed Rule 6893 is consistent with the Act as it implements the requirements for reporting timely, accurate and complete data to the CAT as set forth in the CAT NMS Plan. FINRA notes that proposed Rule 6893 implements the requirement in Rule 613 and the CAT NMS Plan that data reported to the CAT be timely, accurate and complete. Specifically, proposed Rule 6893(a) requires that Industry Members record and report data to the Central Repository as required by the proposed Rule 6800 Series in a manner that ensures the timeliness, accuracy, integrity and completeness of such data. Proposed Rule 6893(b) requires Industry Members to accurately provide the LEIs in their records as required by the proposed Rule 6800 Series and states that Industry Members may not knowingly submit inaccurate LEIs to the Central Repository. Paragraph (b) notes, however, that this requirement does not impose any additional due diligence obligations on Industry Members with regard to LEIs for CAT purposes. Proposed Rule 6893(c) and (d) require Industry Members to be in compliance with the Error Rate as set forth in the CAT NMS Plan and the Compliance Thresholds as discussed in the CAT NMS Plan and determined by the Operating Committee. Proposed Rule 6893 implements the CAT NMS Plan's provisions.

*L. Compliance Dates (Rule 6895)*

The Commission finds that the compliance dates in proposed Rule 6895 are consistent with the Act, as they implement the compliance dates for reporting data to the CAT as set forth in the CAT NMS Plan and an exemptive order issued by the Commission. Proposed Rule 6895(a) states that, except as set forth in paragraphs (b) and (c) of the Rule or otherwise set forth in this Rule Series, the compliance date for the proposed Rule 6800 Series will be the date of Commission approval of the proposed rule change.

<sup>105</sup> 17 CFR 240.17a-4(b). FINRA also notes that proposed Rule 6890 is based on Rule 7440(a)(5), which sets forth the recordkeeping requirements related to OATS.

Proposed Rule 6895(b)(1) states that each Industry Member that captures time in milliseconds shall comply with Rule 6820 with regard to Business Clocks on or before March 15, 2017. Paragraph (b)(2) states that each Industry Member that does not capture time in milliseconds shall comply with Rule 6820 with regard to Business Clocks on or before February 19, 2018. The Commission notes that the compliance date set forth in proposed Rule 6895(b)(2) reflects the exemptive relief requested by the Participants and granted by the Commission with regard to the clock synchronization requirements related to Business Clocks that do not capture time in milliseconds.<sup>106</sup>

Proposed Rule 6895(c)(1) requires each Industry Member (other than Small Industry Members) to record and report the Industry Member Data to the Central Repository by November 15, 2018. Proposed rule 6895(c)(2) requires that each Industry Member that is a Small Industry Member to record and report the Industry Member Data to the Central Repository by November 15, 2019.<sup>107</sup> Proposed Rule 6895(c)(1) and (c)(2) implement the CAT NMS Plan's provisions regarding the reporting of Industry Member data to the Central Repository.

The Commission notes that one commenter also requested that FINRA classify all firms currently exempt from reporting to OATS to be classified as a "Small Industry Member" as defined by the CAT NMS Plan.<sup>108</sup> The commenter notes that some OATS exempt firms would be classified as Large Industry Members but really should be subject to the three year implementation timeframe for Small Industry Members. The Participants responded that the definition of "Small Industry Member" is appropriate because it is an existing regulatory standard. The Commission believes that the proposed rule change's use of the "Small Industry Member" definition is consistent with the CAT NMS Plan.

The Commission notes that a commenter suggested that a cost/benefit analysis be performed to review the impact of CAT on firms currently exempt from reporting to OATS. The Participants responded the Commission had already undertaken into account the impact of CAT on firms currently exempt from OATS. The Commission likewise notes that it took into account

<sup>106</sup> See *supra* note 77.

<sup>107</sup> Such compliance dates are consistent with the compliance dates set forth in SEC Rule 613(a)(3)(v) and (vi), and Sections 6.7(a)(v) and (vi) of the CAT NMS Plan.

<sup>108</sup> Wachtel Letter at 1.

the impact of the Plan on firms currently exempt from reporting to OATS when it approved the CAT NMS Plan.

**VI. Conclusion**

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act, that the proposed rule change (SR-FINRA-2017-003) is approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>109</sup>

**Eduardo A. Aleman**,  
*Assistant Secretary*.

[FR Doc. 2017-05504 Filed 3-20-17; 8:45 am]

**BILLING CODE 8011-01-P**

**SECURITIES AND EXCHANGE COMMISSION**

**Submission for OMB Review; Comment Request**

*Upon Written Request, Copies Available From:* Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE., Washington, DC 20549-0213

**ACTION:** Notice.

[SEC File No. TM-S7-11-10, OMB Control No. 3235-0671]

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") has submitted to the Office of Management and Budget ("OMB") a request for approval of an amendment to a collection of information in connection with an National Market System (NMS) Plan filed with the Commission under Rule 613 (17 CFR 242.613), under the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*).

Rule 613 of Regulation NMS (17 CFR part 242) required national securities exchanges and national securities associations ("Participants") to jointly submit to the Commission a national market system ("NMS") plan to govern the creation, implementation, and maintenance of a consolidated audit trail ("CAT") and Central Repository for the collection of information for NMS securities. On February 27, 2015, the Participants submitted the CAT NMS Plan to the Commission.<sup>1</sup>

<sup>109</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> See Letter from Participants to Brent J. Fields, Secretary, Commission, dated February 27, 2015. The Participants filed the CAT NMS Plan on September 30, 2014. See Letter from the Participants, to Brent J. Fields, Secretary, Commission, dated September 30, 2014. The CAT

On April 27, 2016, the Commission published a notice soliciting comments from the public (“CAT NMS Plan Notice”).<sup>2</sup> On November 15, 2016, the Commission approved the CAT NMS Plan (“CAT NMS Plan Order”), including the information collections proposed in the CAT NMS Plan Notice and certain additional information collections that are the subject of this Notice.<sup>3</sup> This Notice addresses only the new information collections noticed in the CAT NMS Plan Order, which are: (1) A one-time independent audit of the fees, costs, and expenses incurred by the Participants on behalf of CAT NMS, LLC prior to the Effective Date<sup>4</sup> of the Plan;<sup>5</sup> (2) a one-time assessment of the clock synchronization standards in the Plan before reporting begins for Industry Members, which assessment shall take into account the diversity of CAT Reporters and systems;<sup>6</sup> (3) a one-time report that discusses the Participants’ assessment of implementing coordinated surveillance;<sup>7</sup> (4) a one-time report discussing the feasibility and advisability of allowing Industry Members to bulk download the Raw Data that it has submitted to the Central Repository;<sup>8</sup> (5) a one-time assessment of the nature and extent of errors in the Customer information submitted to the Central Repository and whether the correction of certain data fields over others should be prioritized;<sup>9</sup> (6) a one-

NMS Plan filed on February 27, 2015, was an amendment to and replacement of the Initial CAT NMS Plan (the “Amended and Restated CAT NMS Plan”). On December 24, 2015, the Participants submitted an Amendment to the Amended and Restated CAT NMS Plan. See Letter from Participants to Brent J. Fields, Secretary, Commission, dated December 23, 2015 (the “Amendment”). On February 9, 2016, the Participants filed with the Commission an identical, but unmarked, version of the Amended and Restated CAT NMS Plan, dated February 27, 2015, as modified by the Amendment, as well as a copy of the request for proposal issued by the Participants to solicit Bids from parties interested in serving as the Plan Processor for the consolidated audit trail. Unless the context otherwise requires, the “CAT NMS Plan” shall refer to the Amended and Restated CAT NMS Plan, as modified by the Amendment.

<sup>2</sup> See Securities Exchange Act Release No. 77724 (April 27, 2016), 81 FR 30613 (May 17, 2016). The burdens associated with the CAT NMS Plan Notice were submitted under OMB number 3235–0671 which relates to the NMS Plan required to be filed under Rule 613.

<sup>3</sup> See Securities Exchange Act Release No. 79318 (November 15, 2016), 81 FR 84696 (November 23, 2016), available at <https://www.sec.gov/rules/sro/nms/2016/34-79318.pdf>.

<sup>4</sup> The “Effective Date” is the date the Commission approved the CAT NMS Plan, which was November 15, 2016. See *id.*

<sup>5</sup> See CAT NMS Plan Order, *supra* note at 84940.

<sup>6</sup> *Id.*

<sup>7</sup> *Id.* at 84940–84941.

<sup>8</sup> *Id.* at 84941.

<sup>9</sup> *Id.*

time report on the impact of tiered fees on market liquidity, including an analysis of the impact of the tiered-fee structure on Industry Members provision of liquidity;<sup>10</sup> (7) an assessment of the projected impact of any Material Systems Change on the Maximum Error Rate, prior to the implementation of such Material Systems Change;<sup>11</sup> and (8) an annual requirement that that the CAT LLC financials be (i) in compliance with GAAP, (ii) be audited by an independent public accounting firm, and (iii) be made publicly available.<sup>12</sup>

The Commission believes that these audits, reports, and assessments of various aspects of the CAT NMS Plan are necessary to achieving the CAT NMS Plan’s objective of improving the quality of the data available to regulators in four areas that affect the ultimate effectiveness of core regulatory efforts—completeness, accuracy, accessibility and timeliness.<sup>13</sup>

The new information collections further require that each Participant conduct background checks for its employees and contractors that will use the CAT System.<sup>14</sup> The Commission believes that these background checks are necessary to ensure that only authorized and qualified persons are using the CAT System.

There are 21 respondents that require an aggregate total of 8,269,747.99 hours to comply with the collection of information, as amended. The Commission further estimates that the aggregate cost to comply with the collection of information, as amended, is \$534,465,565.81.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information under the PRA unless it displays a currently valid OMB control number.

The public may view background documentation for this amendment at the following Web site: [www.reginfo.gov](http://www.reginfo.gov). Comments should be directed to: (i) 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 email to: [<sup>10</sup> \*Id.\* at 84941–84942.](mailto:Shagufta_</a></p>
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<sup>11</sup> *Id.* at 84942. The Commission believes that four assessments would be filed annually.

<sup>12</sup> *Id.*

<sup>13</sup> See Securities Exchange Act Release No. 67457 (July 18, 2012), 77 FR 45722 (August 1, 2012) (“Rule 613 Adopting Release”), at 45727 (discussing four “qualities” of trade and order data that impact the effectiveness of core Participant and Commission regulatory efforts: accuracy, completeness, accessibility, and timeliness).

<sup>14</sup> See CAT NMS Plan Order, *supra* note at 84942.

[Ahmed@omb.eop.gov](mailto:Ahmed@omb.eop.gov); and (ii) Pamela Dyson, Director/Chief Information Officer, Securities and Exchange Commission, c/o Remi Pavlik-Simon, 100 F Street NE., Washington, DC 20549, or by sending an email to: [PRA\\_Mailbox@sec.gov](mailto:PRA_Mailbox@sec.gov). Comments must be submitted to OMB within 30 days of this notice.

Dated: March 16, 2017.

**Eduardo A. Aleman,**  
Assistant Secretary.

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## SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 32533; File No. 812–14255]

### Allianz Funds Multi-Strategy Trust and Allianz Global Investors U.S. LLC

March 15, 2017.

**AGENCY:** Securities and Exchange Commission (“Commission”).

**ACTION:** Notice.

Notice of an application for an order under section 12(d)(1)(j) of the Investment Company Act of 1940 (the “Act”) for an exemption from sections 12(d)(1)(A), (B), and (C) of the Act and under sections 6(c) and 17(b) of the Act for an exemption from sections 17(a)(1) and (2) of the Act. The requested order would permit certain registered open-end investment companies to acquire shares of certain registered open-end investment companies, registered closed-end investment companies, business development companies, as defined in section 2(a)(48) of the Act, and unit investment trusts (collectively, “Underlying Funds”) that are within and outside the same group of investment companies as the acquiring investment companies, in excess of the limits in section 12(d)(1) of the Act.

**APPLICANTS:** Allianz Funds Multi-Strategy Trust (the “Trust”), a Massachusetts business trust that is registered under the Act as an open-end management investment company with multiple series, and Allianz Global Investors U.S. LLC (the “Applying Manager”), a Delaware limited liability company registered as an investment adviser under the Investment Advisers Act of 1940.

**FILING DATES:** The application was filed on December 23, 2013 and amended on July 30, 2015, May 2, 2016, February 3, 2017, March 8, 2017 and March 13, 2017.

**HEARING OR NOTIFICATION OF HEARING:** An order granting the requested relief will