

Commission, Office of FOIA Services, 100 F Street NE., Washington, DC 20549–2736

**Extension:**

Rule 17f–2(d); SEC File No. 270–36, OMB Control No. 3235–0028

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (“PRA”) (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 extension of the previously approved collection of information provided for in Rule 17f–2(d) (17 CFR 240.17f–2(d)), under the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*).

Rule 17f–2(d) requires that records created pursuant to the fingerprinting requirements of Section 17(f)(2) of the Act be maintained and preserved by every member of a national securities exchange, broker, dealer, registered transfer agent and registered clearing agency (“covered entities” or “respondents”); permits, under certain circumstances, the records required to be maintained and preserved by a member of a national securities exchange, broker, or dealer to be maintained and preserved by a self-regulatory organization that is also the designated examining authority for that member, broker or dealer; and permits the required records to be preserved on microfilm. The general purpose of Rule 17f–2 is to: (i) Identify security risk personnel; (ii) provide criminal record information so that employers can make fully informed employment decisions; and (iii) deter persons with criminal records from seeking employment or association with covered entities. The rule enables the Commission or other examining authority to ascertain whether all covered persons are being fingerprinted and whether proper procedures regarding fingerprinting are being followed. Retention of these records for a period of not less than three years after termination of a covered person’s employment or relationship with a covered entity ensures that law enforcement officials will have easy access to fingerprint cards on a timely basis. This in turn acts as an effective deterrent to employee misconduct.

Approximately 4,200 respondents are subject to the recordkeeping requirements of the rule. Each respondent maintains approximately 68 new records per year, each of which takes approximately 2 minutes per record to maintain, for an annual burden of approximately 2.2666667 hours (68 records times 2 minutes). The

total annual burden for all respondents is approximately 9,520 (4,200 respondents times 2.2666667 hours). As noted above, all records maintained subject to the rule must be retained for a period of not less than three years after termination of a covered person’s employment or relationship with a covered entity. In addition, we estimate the total cost to respondents is approximately \$42,000 in third party storage costs.

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 information collection 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: [Shagufta Ahmed@omb.eop.gov](mailto:Shagufta.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: November 9, 2017.

**Eduardo A. Aleman,**

*Assistant Secretary.*

[FR Doc. 2017–24752 Filed 11–15–17; 8:45 am]

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## 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 20549–2736*

**Extension:**

Rule 19a–1; SEC File No. 270–240, OMB Control No. 3235–0216

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520), the Securities and Exchange Commission (the “Commission”) has submitted to the Office of Management and Budget a request for extension of the previously approved collection of information discussed below.

Section 19(a) (15 U.S.C. 80a–19(a)) of the Investment Company Act of 1940 (the “Act”)<sup>1</sup> makes it unlawful for any registered investment company to pay any dividend or similar distribution from any source other than the company’s net income, unless the payment is accompanied by a written statement to the company’s shareholders which adequately discloses the sources of the payment. Section 19(a) authorizes the Commission to prescribe the form of such statement by rule.

Rule 19a–1 (17 CFR 270.19a–1) under the Act, entitled “Written Statement to Accompany Dividend Payments by Management Companies,” sets forth specific requirements for the information that must be included in statements made pursuant to section 19(a) by or on behalf of management companies.<sup>2</sup> The rule requires that the statement indicate what portions of distribution payments are made from net income, net profits from the sale of a security or other property (“capital gains”) and paid-in capital. When any part of the payment is made from capital gains, rule 19a–1 also requires that the statement disclose certain other information relating to the appreciation or depreciation of portfolio securities. If an estimated portion is subsequently determined to be significantly inaccurate, a correction must be made on a statement made pursuant to section 19(a) or in the first report to shareholders following the discovery of the inaccuracy.

The purpose of rule 19a–1 is to afford fund shareholders adequate disclosure of the sources from which distribution payments are made. The rule is intended to prevent shareholders from confusing income dividends with distributions made from capital sources. Absent rule 19a–1, shareholders might receive a false impression of fund gains.

Based on a review of filings made with the Commission, the staff estimates that approximately 11,818 series of registered investment companies that are management companies may be subject to rule 19a–1 each year,<sup>3</sup> and

<sup>1</sup> 15 U.S.C. 80a.

<sup>2</sup> Section 4(3) of the Act (15 U.S. C. 80a–4(3)) defines “management company” as “any investment company other than a face amount certificate company or a unit investment trust.”

<sup>3</sup> This estimate is based on statistics compiled by Commission staff as of April 30, 2017. The number of management investment company portfolios that make distributions for which compliance with rule 19a–1 is required depends on a wide range of factors and can vary greatly across years. Therefore, the calculation of estimated burden hours is based on the total number of management investment company portfolios, each of which may be subject to rule 19a–1.

that each portfolio on average mails two statements per year to meet the requirements of the rule.<sup>4</sup> The staff further estimates that the time needed to make the determinations required by the rule and to prepare the statement required under the rule is approximately 1 hour per statement. The total annual burden for all portfolios therefore is estimated to be approximately 23,636 burden hours.<sup>5</sup>

The staff estimates that approximately one-third of the total annual burden (7,879 hours) would be incurred by a paralegal with an average hourly wage rate of approximately \$205 per hour,<sup>6</sup> and approximately two-thirds of the annual burden (15,757 hours) would be incurred by a compliance clerk with an average hourly wage rate of \$66 per hour.<sup>7</sup> The staff therefore estimates that the aggregate annual cost of complying with the paperwork requirements of the rule is approximately \$2,655,157 ((7,879 hours × \$205 = \$1,615,195) + (15,757 hours × \$66 = \$1,039,962)).

To comply with state law, many investment companies already must distinguish the different sources from which a shareholder distribution is paid and disclose that information to shareholders. Thus, many investment companies would be required to distinguish the sources of shareholder dividends whether or not the Commission required them to do so under rule 19a-1.

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. Compliance with the collection of information required by rule 19a-1 is mandatory for management companies that make statements to shareholders pursuant to section 19(a) of the Act. An agency may not conduct or sponsor, and a person is not required to respond to, a collection

<sup>4</sup> A few portfolios make monthly distributions from sources other than net income, so the rule requires them to send out a statement 12 times a year. Other portfolios never make such distributions.

<sup>5</sup> This estimate is based on the following calculation: 11,818 management investment company portfolios × 2 statements per year × 1 hour per statement = 23,636 burden hours.

<sup>6</sup> Hourly rates are derived from the Securities Industry and Financial Markets Association (“SIFMA”), Management and Professional Earnings in the Securities Industry 2013, modified to account for an 1800-hour work-year and inflation, and multiplied by 5.35 to account for bonuses, firm size, employee benefits, and overhead.

<sup>7</sup> Hourly rates are derived from SIFMA’s Office Salaries in the Securities Industry 2013, modified to account for an 1800-hour work-year and multiplied by 2.93 to account for bonuses, firm size, employee benefits and overhead.

of information unless it displays a currently valid control number.

The public may view the background documentation for this information collection 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: [Shagufta.Ahmed@omb.eop.gov](mailto:Shagufta.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 send 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: November 9, 2017.

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

[FR Doc. 2017-24749 Filed 11-15-17; 8:45 am]

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### SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-82052; File No. SR-BatsBZX-2017-76]

### Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Modify Its Fees for Physical Ports as They Apply to the Exchange’s Equity Options Platform

November 9, 2017.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on November 2, 2017, Cboe BZX Exchange, Inc. (“BZX” or the “Exchange”) (formerly known as Bats BZX Exchange, Inc.) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Exchange has designated the proposed rule change as one establishing or changing a member due, fee, or other charge imposed by the Exchange under Section 19(b)(3)(A)(ii) of the Act<sup>3</sup> and Rule 19b-4(f)(2) thereunder,<sup>4</sup> which renders the proposed rule change effective upon filing with the Commission. The Commission is publishing this notice to

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

<sup>4</sup> 17 CFR 240.19b-4(f)(2).

solicit comments on the proposed rule change from interested persons.

### I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The Exchange filed a proposal to amend the fee schedule applicable to Members<sup>5</sup> and non-Members of the Exchange pursuant to BZX Rules 15.1(a) and (c) to modify its fees for physical ports as they apply to the Exchange’s equity options platform (“BZX Options”).

The text of the proposed rule change is available at the Exchange’s Web site at [www.markets.cboe.com](http://www.markets.cboe.com), at the principal office of the Exchange, and at the Commission’s Public Reference Room.

### II. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in Sections A, B, and C below, of the most significant parts of such statements.

#### A. Self-Regulatory Organization’s Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

##### 1. Purpose

A physical port is utilized by a Member or non-Member to connect to the Exchange at the data centers where the Exchange’s servers are located. The Exchange currently maintains a presence in two third-party data centers: (i) The primary data center where the Exchange’s business is primarily conducted on a daily basis, and (ii) a secondary data center, which is predominantly maintained for business continuity purposes. The Exchange currently assesses the following physical connectivity fees for Members and non-Members on a monthly basis: \$2,000 per physical port that connects to the System<sup>6</sup> via 1 gigabyte circuit;

<sup>5</sup> The term “Member” is defined as “any registered broker or dealer that has been admitted to membership in the Exchange.” See Exchange Rule 1.5(n).

<sup>6</sup> The term “System” is defined as “the electronic communications and trading facility designated by the Board through which securities orders of Users are consolidated for ranking, execution and, when

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