

estimates that the average number of hours necessary to complete a submission pursuant to Rule 19h-1(a) notices is 80 hours (for a total annual burden for all respondents in the amount of 17,600 hours). With respect to submissions for Rule 19h-1(a)(4) notifications, and based upon past submissions, the staff estimates that respondents will make a total of 9 submissions per year. The staff estimates that the average number of hours necessary to complete a submission pursuant to Rule 19h-1(a)(4) notifications is 80 hours (for a total annual burden for all respondents in the amount of 14,400 hours). With respect to submissions for Rule 19h-1(b), and based upon past submissions, the staff estimates that respondents will make a total of 28 submissions per year. The staff estimates that the average number of hours necessary to complete a submission pursuant to Rule 19h-1(b) is 13 hours (for a total annual burden for all respondents in the amount of 7,280 hours). With respect to submissions for Rule 19h-1(d), and based upon past submissions, the staff estimates that respondents will make a total of 5 submissions per year. The staff estimates that the average number of hours necessary to complete a submission pursuant to Rule 19h-1(d) is 80 hours (for a total annual burden for all respondents in the amount of 8,000 hours). The aggregate annual burden for all respondents is thus approximately 47,280 hours (17,600 + 14,400 + 7,280 + 8,000).

Written comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's estimates 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.

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.

Please direct your written comments to: David Bottom, Director/Chief Information Officer, Securities and Exchange Commission, c/o John

Pezzullo, 100 F Street NE, Washington, DC 20549, or send an email to: *PRA\_Mailbox@sec.gov*.

Dated: January 14, 2022.

**J. Matthew DeLesDernier,**  
Assistant Secretary.

[FR Doc. 2022-01059 Filed 1-19-22; 8:45 am]

**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

**[SEC File No. 270-653, OMB Control No. 3235-0703]**

### 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:*

Regulation SCI, Form SCI

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 Regulation Systems Compliance and Integrity ("Regulation SCI") (17 CFR 242.1000-1007) and Form SCI (17 CFR 249.1900) under the Securities Exchange Act of 1934 ("Exchange Act") (15 U.S.C. 78a *et seq.*).

Regulation SCI requires certain key market participants to, among other things: (1) Have comprehensive policies and procedures in place to help ensure the robustness and resiliency of their technological systems, and also that their technological systems operate in compliance with the federal securities laws and with their own rules; and (2) provide certain notices and reports to the Commission to improve Commission oversight of securities market infrastructure.

Regulation SCI advances the goals of the national market system by enhancing the capacity, integrity, resiliency, availability, and security of the automated systems of entities important to the functioning of the U.S. securities markets, as well as reinforcing the requirement that such systems operate in compliance with the Exchange Act and rules and regulations thereunder, thus strengthening the infrastructure of the U.S. securities markets and improving its resilience when technological issues arise. In this respect, Regulation SCI establishes an

updated and formalized regulatory framework, thereby helping to ensure more effective Commission oversight of such systems.

Respondents consist of national securities exchanges and associations, registered clearing agencies, exempt clearing agencies, plan processors, and alternative trading systems. There are currently 47 respondents, and the Commission staff estimates that, on average, 2 new respondents may become SCI entities each year, 1 of which would be a self-regulatory organization ("SRO"). Accordingly, Commission staff estimates that over the next three years there will be an average of 49 respondents per year.

In addition, in December 2020, the Commission adopted amendments to Regulation SCI in connection with updates to the national market system for the collection, consolidation, and dissemination of information with respect to quotations for and transactions in national market system ("NMS") stocks ("Infrastructure Amendments"). Specifically, the Commission adopted a definition of "SCI competing consolidator" that will subject competing consolidators to Regulation SCI, after a transition period, if they are above a specified consolidated market data gross revenue threshold.<sup>1</sup> The Infrastructure Amendments increased the number of respondents to the collections of information in Regulation SCI, and the Commission estimates that seven competing consolidators will meet this definition and be subject to the requirements of Regulation SCI.<sup>2</sup>

Rule 1001(a) requires each SCI entity to establish, maintain, and enforce written policies and procedures reasonably designed to ensure that its SCI systems and, for purposes of security standards, indirect SCI systems, have levels of capacity, integrity, resiliency, availability, and security, adequate to maintain the SCI entity's operational capability and promote the maintenance of fair and orderly markets. The Commission staff estimates that the total annual initial recordkeeping burden for 7 new respondents will be 4,511 hours, and the annual ongoing recordkeeping burden for all 54 respondents will be, on average, 12,528 hours. The Commission staff estimates

<sup>1</sup> See Securities Exchange Act Release No. 34-90610 (December 9, 2020), 86 FR 18596 (April 9, 2021) (File No. S7-03-20) ("Infrastructure Adopting Release").

<sup>2</sup> Some of these respondents were estimated to incur no, or only part of, the estimated initial burdens because they were already subject to Regulation SCI (*i.e.*, as plan processors, SROs or affiliates of SROs).

that the 7 new respondents would incur, on average, an annual initial internal cost of compliance of \$1,513,382, as well as outside legal or consulting costs of \$305,500. In addition, all respondents will incur, on average, an estimated ongoing annual internal cost of compliance of \$4,205,412.

Rule 1001(b) requires each SCI entity to establish, maintain, and enforce written policies and procedures reasonably designed to ensure that its SCI systems operate in a manner that complies with the Exchange Act and the rules and regulations thereunder and the entity's rules and governing documents, as applicable. The Commission staff estimates that the total annual initial recordkeeping burden for 7 new respondents will be 1,755 hours, and the annual ongoing recordkeeping burden for all respondents will be, on average, 8,010 hours. The Commission staff estimates that the 7 new respondents would incur an initial internal cost of compliance of \$660,270, as well as outside legal or consulting costs of \$175,500. In addition, all respondents will incur, on average, an estimated ongoing annual internal cost of compliance of \$2,539,890.

Rule 1001(c) requires each SCI entity to establish, maintain, and enforce reasonably designed written policies and procedures that include the criteria for identifying responsible SCI personnel, the designation and documentation of responsible SCI personnel, and escalation procedures to quickly inform responsible SCI personnel of potential SCI events. The Commission staff estimates that the total annual initial recordkeeping burden for 7 new respondents will be 741 hours, and the annual ongoing recordkeeping burden for all respondents will be, on average, 2,106. The Commission staff estimates that the 7 new respondents would incur an initial internal cost of compliance of \$276,432, and all respondents will incur, on average, an estimated ongoing annual internal cost of compliance of \$839,592.

Rule 1004 requires each SCI entity to establish standards for the designation of certain members or participants for BC/DR plan testing, to designate members or participants in accordance with these standards, to require participation by designated members or participants in such testing at least annually, and to coordinate such testing on an industry- or sector-wide basis with other SCI entities. The Commission staff estimates that the total annual initial recordkeeping burden for 9 new respondents will be 2,700 hours, and the annual ongoing recordkeeping burden for all respondents that are not

plan processors will be, on average, 7,290 hours. The Commission staff estimates that the 7 new respondents would incur an initial internal cost of compliance of \$804,735. In addition, all respondents that are not plan processors will incur, on average, an estimated ongoing annual internal cost of compliance of \$1,939,950. In addition, the Commission staff estimates that the 2 plan processor respondents will incur an estimated ongoing annual cost of \$108,000 for outside legal services (\$54,000 per plan processor respondent  $\times 2$  respondents).

Rule 1002(b)(1) requires each SCI entity, upon any responsible SCI personnel having a reasonable basis to conclude that an SCI event has occurred, to notify the Commission immediately. The Commission staff estimates that the total annual ongoing burden for all 54 respondents will be, on average, 432 hours. The Commission staff estimates that respondents will incur, on average, an estimated ongoing annual internal cost of compliance of \$133,030.

Rule 1002(b)(2) requires each SCI entity, within 24 hours of any responsible SCI personnel having a reasonable basis to conclude that the SCI event has occurred, to submit a written notification to the Commission pertaining to the SCI event on a good faith, best efforts basis. These notifications are required to be submitted on Form SCI. The Commission staff estimates that the total annual ongoing burden for all 54 respondents will be, on average, 6,480 hours. The Commission staff estimates that respondents will incur, on average, an estimated ongoing annual internal cost of compliance of \$2,134,890.

Rule 1002(b)(3) requires each SCI entity to provide updates to the Commission pertaining to an SCI event on a regular basis, or at such frequency as reasonably requested by a representative of the Commission, until the SCI event is resolved and the SCI entity's investigation of the SCI event is closed. The Commission staff estimates that the total annual ongoing burden for all 54 respondents will be, on average, 567 hours. The Commission staff estimates that all respondents will incur, on average, an estimated ongoing annual internal cost of compliance of \$177,106.50.

Rule 1002(b)(4) requires each SCI entity to submit written interim reports, as necessary, and a written final report regarding an SCI event to the Commission. These reports are required to be submitted on Form SCI. The Commission staff estimates that the total annual ongoing burden for all 54

respondents will be, on average, 9,450 hours. The Commission staff estimates that all respondents will incur, on average, an estimated ongoing annual internal cost of compliance of \$3,297,510.

Rule 1002(b)(5) requires each SCI entity to submit to the Commission quarterly reports containing a summary description of any systems disruption or systems intrusion that has had, or the SCI entity reasonably estimates would have, no or a de minimis impact on the SCI entity's operations or on market participants. These reports are required to be submitted on Form SCI. The Commission staff estimates that the total annual ongoing burden for all 54 respondents will be, on average, 8,640 hours. The Commission staff estimates that respondents will incur, on average, an estimated ongoing annual internal cost of compliance of \$2,919,348.

In addition, the Commission staff estimates that all 54 respondents will incur, on average, annual costs of \$313,200 for outside legal advice in preparation of certain notifications required by Rule 1002(b).

Rule 1002(c)(1)(i) requires each SCI entity, promptly after any responsible SCI personnel has a reasonable basis to conclude that an SCI event (other than a systems intrusion) has occurred, to disseminate certain information to its members or participants. The Commission staff estimates that the total annual ongoing burden for all 54 respondents will be, on average, 1,134 hours. The Commission staff estimates that all respondents will incur, on average, an estimated ongoing annual internal cost of compliance of \$741,557.50.

Rule 1002(c)(1)(ii) requires each SCI entity, when known, to promptly disseminate additional information about an SCI event (other than a systems intrusion) to its members or participants. Rule 1002(c)(1)(iii) requires each SCI entity to provide to its members or participants regular updates of any information required to be disseminated under Rules 1002(c)(1)(i) and (ii) until the SCI event is resolved. The Commission staff estimates that the total annual ongoing burden for all 54 respondents will be, on average, 6,318 hours. The Commission staff estimates that all respondents will incur, on average, an estimated ongoing annual internal cost of compliance of \$2,496,096.

Rule 1002(c)(2) requires each SCI entity to disseminate certain information regarding a systems intrusion to its members or participants, and provides an exception when the SCI entity determines that dissemination of

such information would likely compromise the security of its SCI systems or indirect SCI systems, or an investigation of the systems intrusion, and documents the reasons for such determination. The Commission staff estimates that the total annual ongoing burden for all 54 respondents will be, on average, 540 hours. The Commission staff estimates that all respondents will incur, on average, an estimated ongoing annual internal cost of compliance of \$212,827.25.

In addition, the Commission staff estimates that all 54 respondents will incur, on average, annual costs of \$179,280 for outside legal advice in preparation of certain notifications required by Rule 1002(c).

Rule 1003(a)(1) requires each SCI entity to submit to the Commission quarterly reports describing completed, ongoing, and planned material changes to its SCI systems and security of indirect SCI systems during the prior, current, and subsequent calendar quarters. These reports are required to be submitted on Form SCI. The Commission staff estimates that the total annual ongoing burden for all 54 respondents will be, on average, 27,000 hours. The Commission staff estimates that all respondents will incur, on average, an estimated ongoing annual internal cost of compliance of \$8,063,820.

Rule 1003(a)(2) requires each SCI entity to promptly submit a supplemental report notifying the Commission of a material error in or material omission from a report previously submitted under Rule 1003(a)(1). These reports are required to be submitted on Form SCI. The Commission staff estimates that the total annual ongoing burden for all 54 respondents will be, on average, 810 hours. The Commission staff estimates that all respondents will incur, on average, an estimated ongoing annual internal cost of compliance of \$256,716.

Rule 1003(b)(1) requires each SCI entity to conduct an SCI review of its compliance with Regulation SCI not less than once each calendar year, with an exception for penetration test reviews, which are required to be conducted not less than once every three years. Rule 1003(b)(1) also provides an exception for assessments of SCI systems directly supporting market regulation or market surveillance, which are required to be conducted at a frequency based on the risk assessment conducted as part of the SCI review, but in no case less than once every three years. Rule 1003(b)(2) requires each SCI entity to submit a report of the SCI review to senior management no more than 30 calendar

days after completion of the review. The Commission staff estimates that the total annual ongoing burden for all 54 respondents will be, on average, 37,260 hours. The Commission staff estimates that all respondents will incur, on average, an estimated ongoing annual internal cost of compliance of \$11,934,810.

Rule 1003(b)(3) requires each SCI entity to submit the report of the SCI review to the Commission and to its board of directors or the equivalent of such board, together with any response by senior management, within 60 calendar days after its submission to senior management. These reports are required to be submitted on Form SCI. The Commission staff estimates that the total annual ongoing burden for all 54 respondents will be, on average, 54 hours. The Commission staff estimates that all respondents will incur, on average, an estimated ongoing annual internal cost of compliance of \$22,248.

In addition, the Commission staff estimates that all respondents will incur, on average, annual costs of \$2,700,000 for outside legal advice in preparation of certain notifications required by Rule 1003(b).

Rule 1006 requires each SCI entity, with a few exceptions, to file any notification, review, description, analysis, or report to the Commission required under Regulation SCI electronically on Form SCI through the EFFS. An SCI entity will submit to the Commission an EAUF to register each individual at the SCI entity who will access the EFFE system on behalf of the SCI entity. The Commission staff estimates that the total annual initial burden for 7 new respondents will be 1.95 hours, and the annual ongoing burden for all respondents will be, on average, 8.1 hours. The Commission staff estimates that the 7 new respondents would incur an initial internal cost of compliance of \$806. In addition, all 54 respondents will incur, on average, an estimated ongoing annual internal cost of compliance of \$3,348, as well as outside costs to obtain a digital ID of \$2,700.

Rule 1002(a) requires each SCI entity, upon any responsible SCI personnel having a reasonable basis to conclude that an SCI event has occurred, to begin to take appropriate corrective action. The Commission staff estimates that the total annual initial recordkeeping burden for 7 new respondents will be 741 hours, and the annual ongoing recordkeeping burden for all 54 respondents will be, on average, 2,106 hours. The Commission staff estimates that the 7 new respondents would incur an initial internal cost of compliance of

\$276,432. In addition, all 54 respondents will incur, on average, an estimated ongoing annual internal cost of compliance of \$831,438.

Rule 1003(a)(1) requires each SCI entity to establish reasonable written criteria for identifying a change to its SCI systems and the security of indirect SCI systems as material. The Commission staff estimates that the total annual initial recordkeeping burden for 7 new respondents will be 741 hours, and the annual ongoing recordkeeping burden for all 54 respondents will be, on average, 1,458 hours. The Commission staff estimates that the 7 new respondents would incur an initial internal cost of compliance of \$276,432. In addition, all 54 respondents will incur, on average, an estimated ongoing annual internal cost of compliance of \$622,944.

Regulation SCI also requires SCI entities to identify certain types of events and systems. The Commission staff estimates that the total annual initial recordkeeping burden for 7 new respondents will be 1,287 hours, and the annual ongoing recordkeeping burden for all 54 respondents will be, on average, 2,106 hours. The Commission staff estimates that the 7 new respondents would incur an initial internal cost of compliance of \$453,089. In addition, all 54 respondents will incur, on average, an estimated ongoing annual internal cost of compliance of \$831,438.

Rules 1005 and 1007 establish recordkeeping requirements for SCI entities other than SROs. The Commission staff estimates that for 6 new respondents that are not SROs the average annual initial burden would be 935 hours, and the annual ongoing burden for all 18 respondents will be, on average, 450 hours. The Commission staff estimates that 6 new respondents would incur an estimated internal initial internal cost of compliance of \$64,515, as well as a one-time cost of \$5,400 to modify existing recordkeeping systems. In addition, all 18 respondents will incur, on average, an estimated ongoing internal cost of compliance of \$31,050.

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 website: [www.reginfo.gov](http://www.reginfo.gov). Find this particular information collection by selecting “Currently under 30-day Review—Open for Public Comments” or by using the search function. Written comments and

recommendations for the proposed information collection should be sent within 30 days of publication of this notice to (i) *MBX.OMB.OIRA.SEC\_desk\_officer@omb.eop.gov* and (ii) David Bottom, Director/Chief Information Officer, Securities and Exchange Commission, c/o John Pezzullo, 100 F Street NE, Washington, DC 20549, or by sending an email to: *PRA\_Mailbox@sec.gov*.

Dated: January 14, 2022.

**J. Matthew DeLesDernier,**  
Assistant Secretary.

[FR Doc. 2022-01058 Filed 1-19-22; 8:45 am]

**BILLING CODE 8011-01-P**

## **SECURITIES AND EXCHANGE COMMISSION**

**[SEC File No. 270-523, OMB Control No. 3235-0585]**

### **Submission for OMB Review; Comment Request; Extension: Rule 206(4)-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 *et seq.*), the Securities and Exchange Commission (the “Commission”) has submitted to the Office of Management and Budget (“OMB”) a request for extension of the previously approved collection of information discussed below.

The title for the collection of information is “Investment Advisers Act rule 206(4)-7, 17 CFR Sec. 275.206(4)-7, Compliance procedures and practices.” This collection of information is found at 17 CFR 275.206(4)-7, and is mandatory. Rule 206(4)-7 under the Investment Advisers Act of 1940 (“Advisers Act”) requires each investment adviser registered with the Commission to (1) adopt and implement written policies and procedures reasonably designed to prevent violations of the Advisers Act and its rules, (2) review those compliance policies and procedures annually, and (3) designate a chief compliance officer who is responsible for administering the compliance policies and procedures. The rule is designed to protect investors by fostering better compliance with the securities laws. The collection of information under rule 206(4)-7 is necessary to help ensure that investment advisers maintain comprehensive internal programs that

promote the advisers’ compliance with the Advisers Act and its rules. The Commission’s examination and oversight staff may review the information collected to assess investment advisers’ compliance programs. Responses provided to the Commission pursuant to the rule in the context of the Commission’s examination and oversight program are generally 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.

The respondents to this information collection are investment advisers registered with the Commission. Updated data indicate that there were 14,376 advisers registered with the Commission as of August 2021. Each respondent would produce one response, per year. Commission staff has estimated that compliance with rule 206(4)-7 imposes an annual burden of approximately 90 hours per response. Based on this figure, Commission staff estimates a total annual burden of 1,293,840 hours for this collection of information.

The public may view the background documentation for this information collection at the following website, [www.reginfo.gov](http://www.reginfo.gov). Comments should be directed to: (1) 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: *Lindsay.M.Abate@omb.eop.gov*; and (2) David Bottom, Director/Chief Information Officer, Securities and Exchange Commission, c/o John R. Pezzullo, 100 F Street NE, Washington, DC 20549 or send an email to: *PRA\_Mailbox@sec.gov*. Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to [www.reginfo.gov/public/do/PRAMain](http://www.reginfo.gov/public/do/PRAMain). Find this particular information collection by selecting “Currently under 30-day Review—Open for Public Comments” or by using the search function.

Dated: January 14, 2022.

**J. Matthew DeLesDernier,**  
Assistant Secretary.

[FR Doc. 2022-01061 Filed 1-19-22; 8:45 am]

**BILLING CODE 8011-01-P**

## **SECURITIES AND EXCHANGE COMMISSION**

**[SEC File No. 270-586, OMB Control No. 3235-0647]**

### **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 204

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 204 (17 CFR 242.204), under the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*).

Rule 204(a) provides that a participant of a registered clearing agency must deliver securities to a registered clearing agency for clearance and settlement on a long or short sale in any equity security by settlement date, or if a participant of a registered clearing agency has a fail to deliver position at a registered clearing agency in any equity security for a long or short sale transaction in the equity security, the participant shall, by no later than the beginning of regular trading hours on the applicable close-out date, immediately close out its fail to deliver positions by borrowing or purchasing securities of like kind and quantity. For a short sale transaction, the participant must close out a fail to deliver by no later than the beginning of regular trading hours on the settlement day following the settlement date. If a participant has a fail to deliver that the participant can demonstrate on its books and records resulted from a long sale, or that is attributable to bona-fide market making activities, the participant must close out the fail to deliver by no later than the beginning of regular trading hours on the third consecutive settlement day following the settlement date. Rule 204 is intended to help further the Commission’s goal of reducing fails to deliver by maintaining the reductions in fails to deliver achieved by the adoption of temporary Rule 204T, as well as other actions taken by the Commission. In addition, Rule 204 is intended to help further the Commission’s goal of addressing