

By the Commission.

Erica A. Barker,
Secretary.

[FR Doc. 2022-07817 Filed 4-12-22; 8:45 am]

BILLING CODE 7710-FW-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-94644]

Order Making Fiscal Year 2022 Annual Adjustments to Transaction Fee Rates

I. Background

Section 31 of the Securities Exchange Act of 1934 (“Exchange Act”) requires each national securities exchange and national securities association to pay transaction fees to the Commission.¹ Specifically, Section 31(b) requires each national securities exchange to pay to the Commission fees based on the aggregate dollar amount of sales of certain securities (“covered sales”) transacted on the exchange.² Section 31(c) requires each national securities association to pay to the Commission fees based on the aggregate dollar amount of covered sales transacted by or through any member of the association other than on an exchange.³

Section 31 of the Exchange Act requires the Commission to annually adjust the fee rates applicable under Sections 31(b) and (c) to a uniform adjusted rate.⁴ Specifically, the Commission must adjust the fee rates to a uniform adjusted rate that is reasonably likely to produce aggregate fee collections (including assessments on security futures transactions) equal to the regular appropriation to the Commission for the applicable fiscal year.⁵

The Commission is required to publish notice of the new fee rates under Section 31 not later than 30 days after the date on which an Act making a regular appropriation for the applicable fiscal year is enacted.⁶ On March 15, 2022, the President signed into law the Consolidated

Appropriations Act, 2022, which includes total appropriations of \$1,999,663,000 to the SEC for fiscal year 2022.

II. Fiscal Year 2022 Annual Adjustment to the Fee Rate

The new fee rate is determined by (1) subtracting the sum of fees estimated to be collected prior to the effective date of the new fee rate⁷ and estimated assessments on security futures transactions to be collected under Section 31(d) of the Exchange Act for all of fiscal year 2022⁸ from an amount equal to the regular appropriation to the Commission for fiscal year 2022, and (2) dividing by the estimated aggregate dollar amount of covered sales for the remainder of the fiscal year following the effective date of the new fee rate.⁹

As noted above, the Consolidated Appropriations Act, 2022, includes total appropriations of \$1,999,663,000 to the Commission for fiscal year 2022.¹⁰ The Commission estimates that it will collect \$643,763,663 in fees for the period prior to the effective date of the new fee rate and \$0 in assessments on round turn transactions in security futures products during all of fiscal year 2022. Using the methodology described in Appendix A, the Commission

⁷ The sum of fees to be collected prior to the effective date of the new fee rate is determined by applying the current fee rate to the dollar amount of covered sales prior to the effective date of the new fee rate. The exchanges and FINRA have provided data on the dollar amount of covered sales through February, 2022. To calculate the dollar amount of covered sales from March, 2022 to the effective date of the new fee rate, the Commission is using the same methodology it used in fiscal year 2020. This methodology is described in Appendix A of this order.

⁸ Currently, security futures do not trade on any market, therefore the Commission has not collected any assessments for transactions in security futures. Accordingly, the forecast for the assessments for all of fiscal year 2022 for single stock futures is zero.

⁹ To estimate the aggregate dollar amount of covered sales for the remainder of fiscal year 2022 following the effective date of the new fee rate, the Commission is using the same methodology it used previously. This methodology is described in Appendix A of this order.

¹⁰ The President signed into law the “Consolidated Appropriations Act, 2022” on March 15, 2022. This legislation included an appropriation of \$1,988,550,000 to the SEC for fiscal year 2022 operations. The Act further directed that “[i]n addition to the foregoing appropriation, for move, replication, and related costs associated with a replacement lease for the Commission’s Fort Worth Regional Office facilities, not to exceed \$6,746,000, to remain available until expended; and for move, replication, and related costs associated with a replacement lease for the Commission’s San Francisco Regional Office facilities, not to exceed \$4,367,000, to remain available until expended.” The sum of these three amounts is \$1,999,663,000. Finally, the Act further directed that “for purposes of calculating the fee rate under section 31(j) . . . all amounts appropriated under this heading shall be deemed to be the regular appropriation to the Commission for fiscal year 2022.”

estimates that the aggregate dollar amount of covered sales for the remainder of fiscal year 2022 to be \$59,331,516,269,025.

The uniform adjusted rate is computed by dividing the residual fees to be collected of \$1,355,899,337 by the estimated aggregate dollar amount of covered sales for the remainder of fiscal year 2022 of \$59,331,516,269,025; this results in a uniform adjusted rate for fiscal year 2022 of \$22.90 per million.¹¹

III. Effective Date of the Uniform Adjusted Rate

Under Section 31(j)(4)(A) of the Exchange Act, the fiscal year 2022 annual adjustments to the fee rates applicable under Sections 31(b) and (c) of the Exchange Act shall take effect on the later of October 1, 2021, or 60 days after the date on which a regular appropriation to the Commission for fiscal year 2022 is enacted.¹² The regular appropriation to the Commission for fiscal year 2022 was enacted on March 15, 2022, and accordingly, the new fee rates applicable under Sections 31(b) and (c) of the Exchange Act will take effect on May 14, 2022.

IV. Conclusion

Accordingly, pursuant to Section 31 of the Exchange Act,

It is hereby ordered that the fee rates applicable under sections 31(b) and (c) of the Exchange Act shall be \$22.90 per \$1,000,000 effective on May 14, 2022.

By the Commission.

Dated: April 8, 2022.

Jill M. Peterson,
Assistant Secretary.

APPENDIX A

This appendix provides the methodology for determining the annual adjustment to the fee rates applicable under Sections 31(b) and (c) of the Exchange Act for fiscal year 2022. Section 31 of the Exchange Act requires the fee rates to be adjusted so that it is reasonably likely that the Commission will collect aggregate fees equal to its regular appropriation for fiscal year 2022.

To make the adjustment, the Commission must project the aggregate dollar amount of covered sales of securities on the securities exchanges and certain over-the-counter (“OTC”) markets over the course of the year. The fee rate equals the ratio of the

¹¹ Appendix A shows the process of calculating the fiscal year 2022 annual adjustment and includes the data used by the Commission in making this adjustment.

¹² 15 U.S.C. 78ee(j)(4)(A).

¹ 15 U.S.C. 78ee.

² 15 U.S.C. 78ee(b).

³ 15 U.S.C. 78ee(c).

⁴ In some circumstances, the SEC also must make a mid-year adjustment to the fee rates applicable under Sections 31(b) and (c).

⁵ 15 U.S.C. 78ee(j)(1) (the Commission must adjust the rates under Sections 31(b) and (c) to a “uniform adjusted rate that, when applied to the baseline estimate of the aggregate dollar amount of sales for such fiscal year, is reasonably likely to produce aggregate fee collections under [section 31] (including assessments collected under [Section 31(d)]) that are equal to the regular appropriation to the Commission by Congress for such fiscal year.”)

⁶ 15 U.S.C. 78ee(g).

Commission's regular appropriation for fiscal year 2022 (less the sum of fees to be collected during fiscal year 2022 prior to the effective date of the new fee rate and aggregate assessments on security futures transactions during all of fiscal year 2022) to the estimated aggregate dollar amount of covered sales for the remainder of the fiscal year following the effective date of the new fee rate.

For 2022, the Commission has estimated the aggregate dollar amount of covered sales by projecting forward the trend established in the previous decade. More specifically, the dollar amount of covered sales was forecasted for months subsequent to February 2022, the last month for which the Commission has data on the dollar volume of covered sales.¹³

The following sections describe this process in detail.

A. Baseline Estimate of the Aggregate Dollar Amount of Covered Sales for Fiscal Year 2022

First, calculate the average daily dollar amount of covered sales ("ADS") for each month in the sample (August 2011–February 2022). The monthly total dollar amount of covered sales (exchange plus certain OTC markets) is presented in column C of Table A.

The model forecasts the monthly moving average of the average daily dollar amount of covered sales. Each month's average daily dollar amount of covered sales is calculated by dividing the total covered sales for that month (column C of Table A) by the number of trading days for that month (column B of Table A). These amounts are shown in column D of Table A. The moving average will span the same number of months required to be forecast for the remainder of the fiscal year. The trailing moving average used in the forecast model is presented in column E of Table A.

To capture the recent trends in the monthly changes in the moving averages, calculate the 1-month and 2-month lags of the trailing moving average shown in column E in Table A. These amounts are shown in columns F and G, respectively, of Table A.

¹³To determine the availability of data, the Commission compares the date of the appropriation with the date the transaction data are due from the exchanges (10 business days after the end of the month). If the business day following the date of the appropriation is equal to or subsequent to the date the data are due from the exchanges, the Commission uses these data. The appropriation was signed on March 15, 2022. The first business day after this date was March 16, 2022. Data for February were due from the exchanges on March 14, 2022. As a result, the Commission used February 2022 and earlier data to forecast volume for March 2022 and later months.

Next, model the monthly trailing moving average of ADS as function of a constant term and the two lagged trailing moving averages using the ordinary least squares technique.

Use the estimated model to forecast the trailing moving average of ADS of the first month after the last available monthly data. Estimate the trailing moving average of the second month using the forecasted value of the first month and the actual value of the month before that. Similarly, estimate the trailing moving average of the third month using the forecasted values of the two previous months. Continue in this fashion until the end of the fiscal year.

The estimate of the trailing moving average ADS for the last applicable month in the fiscal year is a prediction of the moving average for those months that need to be predicted. This estimate is used as the predicted value of ADS for each month in the forecast period; to obtain the forecast total covered sales for each month, multiply the predicted ADS by the number of days in each month.

The following is a more formal (mathematical) description of the procedure:

1. Begin with the monthly data for total dollar volume of covered sales (column C). The sample spans ten years, from August 2011–February 2022.¹⁴ Divide each month's total dollar volume by the number of trading days in that month (column B) to obtain the average daily dollar volume (ADS, column D).

2. For each month t , calculate the 6-month trailing moving average of ADS (shown in column E). For example, the value for January, 2012 is the average of the 6 months ending in January, 2012, or August 2011 through January 2012 inclusive.

3. Calculate the 1-month and 2-month lags of the trailing moving average. For example, the 1-month lag of the 6-month trailing moving average for February, 2012 is equal to the 6-month trailing moving average for January, 2012. The 2-month lag of the 6-month trailing moving average for March, 2012 is equal to the 6-month trailing moving average for January 2012. These are shown in columns F and G.

4. Estimate the model using ordinary least squares:

$$y_t = \alpha + \beta_1 y_{t-1} + \beta_2 y_{t-2} + u_t$$

Where y_t is the 6-month trailing moving average of the average daily sales for month t , and y_{t-1} and y_{t-2} are the 1-month

and 2-month lags of y_t , and u_t representing the error term for month t . The model can be estimated using standard commercially available software. The estimated parameter values are $a = -367,840,831$, $b_1 = +1.635496$, $b_2 = -0.629751$. The root-mean squared error (RMSE) of the regression is 10,477,301,062.

5. The predicted value of the 6-month trailing moving average of the last month to be forecast represents the final forecast of covered sales for the entire prediction period. This value is shown in column H. This represents the prediction for August of 2022. To calculate this value from the model above, one needs the 1-month and 2-month lag of the 6-month trailing moving average ADS, *i.e.*, the 6-month trailing moving average for June and July. The 6-month trailing moving average for July is obtained by using the 1-month and 2-month lags for July, that is, the 6-month trailing moving averages for June and May. To arrive at all the necessary inputs, one begins with the first month to be forecast, in this case, March 2022, and iterates predictions forward until the last month is predicted. One then multiplies the final predicted 6-month trailing moving average ADS by the number of days in each month to arrive at the forecast total dollar amount of covered sales. This is shown in column I.

6. For example, for March 2022, using the a , b_1 , and b_2 parameter estimates shown above, along with the 1-month and two-month lags in the 6-month trailing moving average ADS (representing the 6-month trailing moving average ADS for January and February 2022, respectively), one can estimate the forecast 6-month trailing moving average ADS for March:

$$-367,840,831 + (1.635496 \times 681,912,575,789) + (-0.629751 \times 641,935,586,835) = 710,637,605,562.$$

7. With the estimated 6-month trailing moving average ADS for March 2022 calculated above, one can estimate the 6-month trailing moving average ADS for April, 2022. The estimate obtained from March becomes the 1-month lag for April, and the 1-month lag used in the March forecast becomes the 2-month lag for the April forecast. Thus, the predicted 6-month trailing moving average ADS for April 2022 is calculated as:

$$-367,840,831 + (1.635496 \times 710,637,605,562) + (-0.629751 \times 681,912,575,789) = 732,441,711,767.$$

8. Using the forecasts for March and April, one can estimate the value for May. Repeat this procedure for subsequent months, until the estimate for August 2022 is obtained. This value

¹⁴Because the model uses a two period lag in the 6-month trailing moving average of average daily covered sales, seven additional months of data are added to the table so that the model is estimated with 120 observations.

is 791,086,883,587.¹⁵ This value is then used to calculate the final forecast total monthly covered sales for all 6 months from March 2022 through August 2022.

9. To obtain the estimate of total monthly covered sales for each month, multiply the number of trading days in the month, shown in column B in Table A, by the final forecast 6-month trailing moving average ADS, shown in column H of Table A. This product is shown in column I of Table A, and these figures are used to calculate the new fee rate.

B. Using the Forecasts From A To Calculate the New Fee Rate

1. Use Table A to estimate fees collected for the period September 1, 2021 through May 13, 2022. The projected aggregate dollar amount of covered sales for this period is \$126,228,169,296,551. Actual and projected fee collections at the current fee rate of \$5.10 per million are \$643,763,663.

2. Estimate the amount of assessments on security futures products collected from September 1, 2021 through August 31, 2022. The only entity reporting assessable security futures products ceased operations in September, 2020.¹⁶ Consequently, the estimated amount of assessments on security futures products collected from September 2021 through August 2022 is zero.

¹⁵ One obtains insignificantly different values using the rounded parameter estimates shown above. The predicted ADS values displayed above represents the full precision estimate.

¹⁶ Currently, security futures do not trade on any market, therefore the Commission has not collected any assessments for transactions in security futures. Accordingly, the forecast for the assessments for all of fiscal year 2022 for single stock futures is zero.

3. Subtract the amount \$643,763,663 from the target off-setting collection amount set by Congress of \$1,999,663,000, leaving \$1,355,899,337 to be collected on dollar volume for the period May 14, 2022 through August 31, 2022.

4. Use Table A to estimate dollar volume for the period May 14, 2022 through August 31, 2022. The estimate is \$59,331,516,269,025. Finally, compute the fee rate required to produce the additional \$1,355,899,337 in revenue. This rate is \$1,355,899,337 divided by \$59,331,516,269,025 or 0.00002285293.

5. Round the result to the seventh decimal point, yielding a rate of 0.0000229 (or \$22.90 per million).

This table summarizes the estimates of the aggregate dollar amount of covered sales, by time period. The figures in this table can be used to determine the new fee rate.

Table A. Baseline estimate of the aggregate dollar amount of sales.

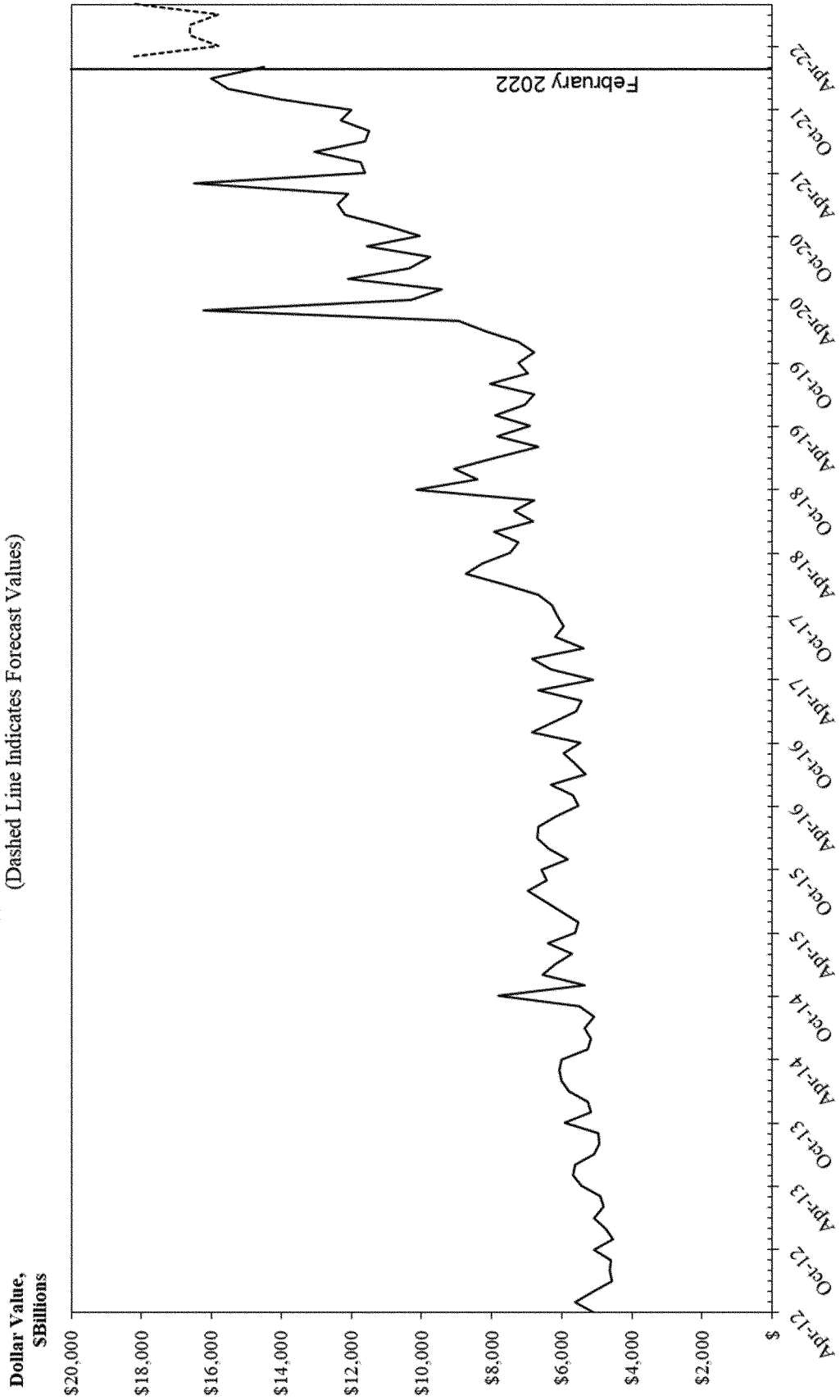
	09/01/2021 to 04/30/2022 (\$Millions)	05/01/2022 to 05/13/2022 (\$Millions)	05/14/2022 to 05/31/2022 (\$Millions)	06/01/2022 to 08/31/2022 (\$Millions)	Estimated collections in assessments on security futures products in fiscal year 2022 (\$Millions)	Implied fee rate $(\$1,999,663,000 - \$5.10 \times (a+b) - e) / (c+d)$
a. Baseline estimate of the aggregate dollar amount of sales, 09/01/2021 to 04/30/2022 (\$Millions)	118,317,300					
b. Baseline estimate of the aggregate dollar amount of sales, 05/01/2022 to 05/13/2022 (\$Millions)		7,910,869				
c. Baseline estimate of the aggregate dollar amount of sales, 05/14/2022 to 05/31/2022 (\$Millions)			8,701,956			
d. Baseline estimate of the aggregate dollar amount of sales, 06/01/2022 to 08/31/2022 (\$Millions)				50,629,561		
e. Estimated collections in assessments on security futures products in fiscal year 2022 (\$Millions)					0,000	
f. Implied fee rate $(\$1,999,663,000 - \$5.10 \times (a+b) - e) / (c+d)$						\$22.90

Month (A)	# of trading days in month (B)	Total dollar amount of sales (C)	Average daily dollar amount of sales (ADS) (D)	6-Month trailing moving average ADS (E)	1 Month lag of 6-month trailing moving average ADS (F)	2 Month lag of 6-month trailing moving average ADS (G)	Forecast 6-month trailing moving average ADS (H)	Forecast total dollar amount of sales (I)
Aug-11	23	\$8,720,566,877,109	\$379,155,081,613	285,267,697,392	285,267,697,392	285,267,697,392	285,267,697,392	285,267,697,392
Sep-11	21	6,343,578,147,811	302,075,149,896	263,840,704,741	263,840,704,741	263,840,704,741	263,840,704,741	263,840,704,741
Oct-11	21	6,163,272,963,688	293,489,188,747	256,213,391,630	256,213,391,630	256,213,391,630	256,213,391,630	256,213,391,630
Nov-11	21	5,493,906,473,584	261,614,593,980	249,667,188,476	249,667,188,476	249,667,188,476	249,667,188,476	249,667,188,476
Dec-11	21	5,017,867,255,600	238,946,059,790	249,402,797,711	249,402,797,711	249,402,797,711	249,402,797,711	249,402,797,711
Jan-12	20	4,726,522,206,487	236,326,110,324	263,840,704,741	263,840,704,741	263,840,704,741	263,840,704,741	263,840,704,741
Feb-12	20	5,011,862,514,132	250,593,125,707	256,213,391,630	256,213,391,630	256,213,391,630	256,213,391,630	256,213,391,630
Mar-12	22	5,638,847,967,025	256,311,271,228	248,577,165,642	248,577,165,642	248,577,165,642	248,577,165,642	248,577,165,642
Apr-12	20	5,084,239,396,560	254,211,969,828	246,265,265,946	246,265,265,946	246,265,265,946	246,265,265,946	246,265,265,946
May-12	22	5,611,638,053,374	255,074,456,972	237,989,584,739	237,989,584,739	237,989,584,739	237,989,584,739	237,989,584,739
Jun-12	21	5,121,896,896,362	243,899,852,208	235,608,758,505	235,608,758,505	235,608,758,505	235,608,758,505	235,608,758,505
Jul-12	23	4,567,519,314,374	217,500,919,374	233,677,998,362	233,677,998,362	233,677,998,362	233,677,998,362	233,677,998,362
Aug-12	23	4,621,597,884,730	200,939,038,467	227,259,898,186	227,259,898,186	227,259,898,186	227,259,898,186	227,259,898,186
Sep-12	19	4,598,499,962,682	242,026,313,825	226,150,945,771	226,150,945,771	226,150,945,771	226,150,945,771	226,150,945,771
Oct-12	21	5,095,175,588,310	241,885,896,071	230,215,108,494	230,215,108,494	230,215,108,494	230,215,108,494	230,215,108,494
Nov-12	21	4,547,882,974,292	216,565,855,919	238,836,352,321	238,836,352,321	238,836,352,321	238,836,352,321	238,836,352,321
Dec-12	20	4,744,922,754,360	237,246,137,718	239,479,482,016	239,479,482,016	239,479,482,016	239,479,482,016	239,479,482,016
Jan-13	19	4,800,663,527,089	252,666,501,426	240,339,752,014	240,339,752,014	240,339,752,014	240,339,752,014	240,339,752,014
Feb-13	20	4,917,701,839,870	245,885,091,993	247,289,297,481	247,289,297,481	247,289,297,481	247,289,297,481	247,289,297,481
Mar-13	22	5,451,358,637,079	247,789,028,958	254,611,153,380	254,611,153,380	254,611,153,380	254,611,153,380	254,611,153,380
Apr-13	22	5,681,788,831,869	258,263,128,721	252,810,939,715	252,810,939,715	252,810,939,715	252,810,939,715	252,810,939,715
May-13	20	5,623,545,462,226	281,177,273,111	248,015,092,455	248,015,092,455	248,015,092,455	248,015,092,455	248,015,092,455
Jun-13	22	5,083,861,509,754	231,084,614,080	248,360,890,679	248,360,890,679	248,360,890,679	248,360,890,679	248,360,890,679
Jul-13	22	4,925,611,193,095	223,891,417,868	250,025,067,222	250,025,067,222	250,025,067,222	250,025,067,222	250,025,067,222
Aug-13	20	4,959,197,626,713	247,959,881,336	250,164,750,869	250,164,750,869	250,164,750,869	250,164,750,869	250,164,750,869
Sep-13	20	5,928,804,028,970	257,774,088,216	245,089,832,288	245,089,832,288	245,089,832,288	245,089,832,288	245,089,832,288
Oct-13	23	5,182,024,612,049	259,101,230,602	268,158,892,846	268,158,892,846	268,158,892,846	268,158,892,846	268,158,892,846
Nov-13	21	5,265,282,994,173	250,727,761,627	274,995,875,663	274,995,875,663	274,995,875,663	274,995,875,663	274,995,875,663
Dec-13	21	5,808,700,114,288	276,604,767,347	279,763,281,227	279,763,281,227	279,763,281,227	279,763,281,227	279,763,281,227
Jan-14	21	6,018,926,931,054	316,785,627,950	278,370,174,915	278,370,174,915	278,370,174,915	278,370,174,915	278,370,174,915
Feb-14	19	6,068,617,342,988	288,981,778,238	272,067,006,193	272,067,006,193	272,067,006,193	272,067,006,193	272,067,006,193
Mar-14	21	6,013,948,953,528	286,378,521,597	259,549,815,405	259,549,815,405	259,549,815,405	259,549,815,405	259,549,815,405
Apr-14	21	5,265,594,447,318	250,742,592,729	255,100,021,915	255,100,021,915	255,100,021,915	255,100,021,915	255,100,021,915
May-14	21	5,159,506,989,669	245,690,809,032	263,867,645,387	263,867,645,387	263,867,645,387	263,867,645,387	263,867,645,387
Jun-14	21	5,364,099,567,460	243,822,707,612	277,668,508,213	277,668,508,213	277,668,508,213	277,668,508,213	277,668,508,213
Jul-14	22	5,075,332,147,677	241,682,483,223	288,578,219,786	288,578,219,786	288,578,219,786	288,578,219,786	288,578,219,786
Aug-14	22	5,507,943,363,243	262,283,017,297	298,504,150,088	298,504,150,088	298,504,150,088	298,504,150,088	298,504,150,088
Sep-14	21	7,796,638,035,879	338,984,262,430	303,237,634,306	303,237,634,306	303,237,634,306	303,237,634,306	303,237,634,306
Oct-14	23	5,340,847,027,697	281,097,211,984	290,549,197,054	290,549,197,054	290,549,197,054	290,549,197,054	290,549,197,054
Nov-14	19	5,340,847,027,697	281,097,211,984	286,926,748,596	286,926,748,596	286,926,748,596	286,926,748,596	286,926,748,596
Dec-14	20	6,559,110,068,128	298,141,366,733	277,668,508,213	277,668,508,213	277,668,508,213	277,668,508,213	277,668,508,213
Jan-15	20	6,185,619,541,044	309,280,977,052	291,387,465,949	291,387,465,949	291,387,465,949	291,387,465,949	291,387,465,949
Feb-15	19	5,723,523,235,641	301,238,065,034	288,578,219,786	288,578,219,786	288,578,219,786	288,578,219,786	288,578,219,786
Mar-15	22	6,395,046,297,249	290,683,922,602	286,355,343,969	286,355,343,969	286,355,343,969	286,355,343,969	286,355,343,969
Apr-15	21	5,625,548,298,004	267,883,252,286	284,002,986,546	284,002,986,546	284,002,986,546	284,002,986,546	284,002,986,546
May-15	22	5,521,351,972,386	276,067,598,619	289,065,699,908	289,065,699,908	289,065,699,908	289,065,699,908	289,065,699,908
Jun-15	22	6,005,521,460,806	272,978,248,218	291,685,814,164	291,685,814,164	291,685,814,164	291,685,814,164	291,685,814,164
Jul-15	22	6,493,670,315,390	295,166,832,518	296,982,504,753	296,982,504,753	296,982,504,753	296,982,504,753	296,982,504,753
Aug-15	21	6,963,901,249,279	331,614,345,203	299,494,771,783	299,494,771,783	299,494,771,783	299,494,771,783	299,494,771,783
Sep-15	21	6,434,496,770,897	306,404,608,138	302,364,590,101	302,364,590,101	302,364,590,101	302,364,590,101	302,364,590,101
Oct-15	22	6,592,594,708,082	299,663,395,822	311,907,484,647	311,907,484,647	311,907,484,647	311,907,484,647	311,907,484,647
Nov-15	22	5,822,824,015,945	290,197,158,127	312,137,418,019	312,137,418,019	312,137,418,019	312,137,418,019	312,137,418,019
Dec-15	19	6,384,337,478,801	352,424,199,792	307,751,375,409	307,751,375,409	307,751,375,409	307,751,375,409	307,751,375,409
Jan-16	22	6,696,059,796,055	299,663,395,822	307,751,375,409	307,751,375,409	307,751,375,409	307,751,375,409	307,751,375,409
Feb-16	20	6,659,878,908,747	332,993,945,437	298,447,414,095	298,447,414,095	298,447,414,095	298,447,414,095	298,447,414,095
Mar-16	22	6,161,943,754,542	280,088,352,479	297,938,894,201	297,938,894,201	297,938,894,201	297,938,894,201	297,938,894,201
Apr-16	21	5,541,076,988,322	263,860,808,968	283,633,171,413	283,633,171,413	283,633,171,413	283,633,171,413	283,633,171,413
May-16	21	5,693,520,415,112	271,120,019,767	297,938,894,201	297,938,894,201	297,938,894,201	297,938,894,201	297,938,894,201
Jun-16	22	6,317,212,852,759	287,146,038,762	297,938,894,201	297,938,894,201	297,938,894,201	297,938,894,201	297,938,894,201
Jul-16	20	5,331,797,261,269	266,589,863,063	297,938,894,201	297,938,894,201	297,938,894,201	297,938,894,201	297,938,894,201

Aug-16	5,635,976,607,786	245,042,461,208	268,974,590,708	283,633,171,413	297,938,894,201
Sep-16	5,942,072,626,976	282,955,823,189	269,452,502,493	268,974,590,708	283,633,171,413
Oct-16	5,460,906,573,682	260,043,170,175	268,816,229,361	269,452,502,493	268,974,590,708
Nov-16	6,845,287,809,886	325,966,086,185	277,957,240,431	268,816,229,361	269,452,502,493
Dec-16	6,208,579,860,999	295,646,660,999	279,374,010,803	277,957,240,431	268,816,229,361
Jan-17	5,598,200,907,603	279,910,045,380	281,594,041,190	279,374,010,803	277,957,240,431
Feb-17	5,443,426,609,533	286,496,137,344	288,502,987,212	281,594,041,190	279,374,010,803
Mar-17	6,661,861,914,530	289,646,170,197	289,618,045,047	288,502,987,212	281,594,041,190
Apr-17	5,116,714,033,499	269,300,738,605	291,160,973,118	289,618,045,047	288,502,987,212
May-17	6,305,822,460,672	286,628,293,667	284,604,674,365	291,160,973,118	289,618,045,047
Jun-17	6,854,993,097,601	311,590,595,346	287,261,996,756	284,604,674,365	289,618,045,047
Jul-17	5,394,333,070,522	269,716,653,526	285,563,098,114	287,261,996,756	284,604,674,365
Aug-17	6,206,204,906,864	269,834,995,951	282,786,241,215	285,563,098,114	287,261,996,756
Sep-17	5,939,886,169,525	296,994,308,476	284,010,930,928	282,786,241,215	285,563,098,114
Oct-17	6,134,529,538,894	278,842,251,768	285,601,183,122	284,010,930,928	282,786,241,215
Nov-17	6,289,748,560,897	299,511,836,233	287,748,440,217	285,601,183,122	284,010,930,928
Dec-17	6,672,181,323,001	333,609,066,150	291,418,185,351	287,748,440,217	285,601,183,122
Jan-18	7,672,288,677,308	365,347,079,872	307,356,589,742	291,418,185,351	287,748,440,217
Feb-18	8,725,420,462,639	459,232,655,928	338,922,866,405	307,356,589,742	291,418,185,351
Mar-18	8,264,755,011,030	393,559,762,430	355,017,108,730	338,922,866,405	307,356,589,742
Apr-18	7,490,308,402,446	356,681,352,497	367,990,292,185	355,017,108,730	338,922,866,405
May-18	7,242,077,467,361	329,185,339,426	372,935,876,051	367,990,292,185	355,017,108,730
Jun-18	7,936,783,802,579	377,942,085,837	380,324,712,665	372,935,876,051	367,990,292,185
Jul-18	6,807,593,326,456	324,171,110,784	373,462,051,150	380,324,712,665	372,935,876,051
Aug-18	7,363,115,477,823	320,135,455,558	350,279,184,422	373,462,051,150	380,324,712,665
Sep-18	6,781,988,459,996	356,946,761,052	344,177,017,526	350,279,184,422	373,462,051,150
Oct-18	10,133,514,482,168	440,587,586,181	358,161,389,806	344,177,017,526	373,462,051,150
Nov-18	8,414,847,862,204	400,707,041,057	370,081,673,412	358,161,389,806	344,177,017,526
Dec-18	9,075,221,733,736	477,643,249,144	386,698,533,963	370,081,673,412	358,161,389,806
Jan-19	7,960,664,643,749	379,079,268,750	395,849,893,624	386,698,533,963	370,081,673,412
Feb-19	6,676,391,653,247	351,389,034,381	401,058,823,428	395,849,893,624	386,698,533,963
Mar-19	7,828,979,311,928	372,808,538,663	403,702,453,030	401,058,823,428	395,849,893,624
Apr-19	6,907,923,076,080	328,948,717,909	385,095,974,984	403,702,453,030	401,058,823,428
May-19	7,895,053,976,747	358,866,089,852	378,122,483,117	385,095,974,984	403,702,453,030
Jun-19	7,070,583,442,058	353,529,172,103	357,436,803,610	378,122,483,117	385,095,974,984
Jul-19	6,792,811,319,712	308,764,150,896	345,717,617,301	357,436,803,610	378,122,483,117
Aug-19	8,059,527,400,976	366,342,154,590	348,209,804,002	345,717,617,301	357,436,803,610
Sep-19	6,958,132,871,506	347,906,643,575	344,059,488,154	348,209,804,002	345,717,617,301
Oct-19	7,235,982,824,882	314,607,948,908	341,669,359,987	344,059,488,154	348,209,804,002
Nov-19	6,784,888,230,209	339,244,411,510	338,399,080,264	341,669,359,987	344,059,488,154
Dec-19	7,252,856,724,647	345,374,129,745	337,039,906,538	338,399,080,264	341,669,359,987
Jan-20	8,178,172,797,805	389,436,799,895	350,485,348,037	337,039,906,538	341,669,359,987
Feb-20	8,951,554,790,521	471,134,462,659	367,950,732,716	350,485,348,037	338,399,080,264
Mar-20	16,218,726,536,159	737,214,842,553	432,835,432,545	367,950,732,716	350,485,348,037
Apr-20	10,289,596,902,933	489,980,804,902	462,064,241,877	432,835,432,545	367,950,732,716
May-20	9,435,524,799,540	471,776,239,977	484,152,879,955	462,064,241,877	432,835,432,545
Jun-20	12,093,857,552,130	549,720,797,824	518,210,657,968	484,152,879,955	462,064,241,877
Jul-20	10,355,334,352,448	470,697,016,020	531,754,027,322	518,210,657,968	484,152,879,955
Aug-20	9,763,364,099,981	464,922,099,981	530,718,633,543	531,754,027,322	484,152,879,955
Sep-20	11,545,564,207,158	549,788,717,769	499,480,955,079	530,718,633,543	518,210,657,968
Oct-20	10,052,383,314,951	456,926,514,316	493,971,906,648	499,480,955,079	530,718,633,543
Nov-20	11,039,477,432,965	551,973,871,648	507,338,178,593	493,971,906,648	530,718,633,543
Dec-20	12,172,302,216,779	553,286,464,399	507,932,456,356	507,338,178,593	493,971,906,648
Jan-21	12,396,479,814,996	652,446,306,052	538,224,004,694	507,932,456,356	493,971,906,648
Feb-21	12,103,659,666,497	637,034,719,289	566,909,441,246	538,224,004,694	507,932,456,356
Mar-21	16,485,012,205,966	716,739,661,129	594,734,589,472	566,909,441,246	538,224,004,694
Apr-21	11,602,282,119,601	552,489,624,743	610,661,774,543	594,734,589,472	566,909,441,246
May-21	11,729,455,630,914	586,472,781,546	616,411,592,860	610,661,774,543	594,734,589,472
Jun-21	13,038,812,281,463	592,673,285,521	622,976,063,047	616,411,592,860	610,661,774,543
Jul-21	11,623,478,100,180	553,498,957,151	606,484,838,230	622,976,063,047	616,411,592,860
Aug-21	11,493,350,851,643	522,425,038,711	587,383,224,800	606,484,838,230	622,976,063,047
Sep-21	12,312,072,157,576	586,289,150,361	565,641,473,005	587,383,224,800	606,484,838,230
Oct-21	12,011,570,888,110	571,979,566,100	568,889,796,565	565,641,473,005	587,383,224,800
Nov-21	13,996,377,941,116	666,494,187,672	582,226,697,586	568,889,796,565	587,383,224,800
Dec-21	15,494,373,840,971	704,289,720,044	600,829,436,673	582,226,697,586	587,383,224,800
Jan-22	16,002,717,162,409	800,135,858,120	641,935,586,835	600,829,436,673	582,226,697,586

Month (A)	# of trading days in month (B)	Total dollar amount of sales (C)	Average daily dollar amount of sales (ADS) (D)	6-Month trailing moving average ADS (E)	1 Month lag of 6-month trailing moving average ADS (F)	2 Month lag of 6-month trailing moving average ADS (G)	Forecast 6-month trailing moving average ADS (H)	Forecast total dollar amount of sales (I)
Feb-22	19	14,483,452,476,259	762,286,972,435	681,912,575,789	641,935,586,835	600,829,436,673	791,086,883,587	18,194,998,322,501
Mar-22	23	.....	.....	.....	681,912,575,789	641,935,586,835	791,086,883,587	15,821,737,671,740
Apr-22	20	.....	.....	.....	.....	681,912,575,789	791,086,883,587	16,612,824,555,327
May-22	21	.....	.....	.....	.....	.....	791,086,883,587	16,612,824,555,327
Jun-22	21	.....	.....	.....	.....	.....	791,086,883,587	15,821,737,671,740
Jul-22	20	.....	.....	.....	.....	.....	791,086,883,587	18,194,998,322,501
Aug-22	23	.....	.....	.....	.....	.....	791,086,883,587	.....

Figure A.
 Aggregate Dollar Amount of Sales Subject to Exchange Act Sections 31(b) and 31(c)¹
 Methodology Developed in Consultation With OMB and CBO
 (Dashed Line Indicates Forecast Values)



¹Forecasted line is not smooth because the number of trading days varies by month.

[FR Doc. 2022-07881 Filed 4-12-22; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-94638; File No. SR-NYSENAT-2022-05]

Self-Regulatory Organizations; NYSE National, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Extend the Current Pilot Program Related to Rule 7.10

April 7, 2022.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (the “Act”)² and Rule 19b-4 thereunder,³ notice is hereby given that on April 5, 2022, NYSE National, Inc. (“NYSE National” or the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to 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 proposes to extend the current pilot program related to Rule 7.10 (Clearly Erroneous Executions) to the close of business on July 20, 2022. The proposed rule change is available on the Exchange’s website at www.nyse.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 self-regulatory organization 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 those 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

The purpose of the proposed rule change is to extend the current pilot program related to Rule 7.10 (Clearly Erroneous Executions) to the close of business on July 20, 2022. The pilot program is currently due to expire on April 20, 2022.

On September 10, 2010, the Commission approved, on a pilot basis, changes to Rule 11.19 (Clearly Erroneous Executions) that, among other things: (i) Provided for uniform treatment of clearly erroneous execution reviews in multi-stock events involving twenty or more securities; and (ii) reduced the ability of the Exchange to deviate from the objective standards set forth in the rule.⁴ In 2013, the Exchange adopted a provision designed to address the operation of the Plan.⁵ Finally, in 2014, the Exchange adopted two additional provisions providing that: (i) A series of transactions in a particular security on one or more trading days may be viewed as one event if all such transactions were effected based on the same fundamentally incorrect or grossly misinterpreted issuance information resulting in a severe valuation error for all such transactions; and (ii) in the event of any disruption or malfunction in the operation of the electronic communications and trading facilities of an Exchange, another SRO, or responsible single plan processor in connection with the transmittal or receipt of a trading halt, an Officer, acting on his or her own motion, shall nullify any transaction that occurs after a trading halt has been declared by the primary listing market for a security and before such trading halt has officially ended according to the primary listing market.⁶ Rule 11.19 is no longer applicable to any securities that trade on the Exchange and has been replaced with Rule 7.10, which is substantively identical to Rule 11.19.⁷

These changes were originally scheduled to operate for a pilot period to coincide with the pilot period for the Plan to Address Extraordinary Market

Volatility (the “Limit Up-Limit Down Plan” or “LULD Plan”),⁸ including any extensions to the pilot period for the LULD Plan.⁹ In April 2019, the Commission approved an amendment to the LULD Plan for it to operate on a permanent, rather than pilot, basis.¹⁰ In light of that change, the Exchange amended Rule 7.10 to untie the pilot program’s effectiveness from that of the LULD Plan and to extend the pilot’s effectiveness to the close of business on October 18, 2019.¹¹ The Exchange later amended Rule 7.10 to extend the pilot’s effectiveness to the close of business on April 20, 2020,¹² October 20, 2020,¹³ April 20, 2021,¹⁴ October 20, 2021,¹⁵ and April 20, 2022.¹⁶

The Exchange now proposes to amend Rule 7.10 to extend the pilot’s effectiveness for a further three months to the close of business on July 20, 2022. If the pilot period is not either extended, replaced or approved as permanent, the prior versions of paragraphs (c), (e)(2), (f), and (g) as described in former Rule 11.19 will be in effect, and the provisions of paragraphs (i) through (k) shall be null and void.¹⁷ In such an event, the remaining sections of Rule 7.10 would continue to apply to all transactions executed on the Exchange. The Exchange understands that the other national securities exchanges and Financial Industry Regulatory Authority (“FINRA”) will also file similar proposals to extend their respective clearly erroneous execution pilot programs, the substance of which are identical to Rule 7.10.

The Exchange does not propose any additional changes to Rule 7.10.

⁸ See Securities Exchange Act Release No. 67091 (May 31, 2012), 77 FR 33498 (June 6, 2012) (the “Limit Up-Limit Down Release”).

⁹ See Securities Exchange Act Release No. 71797 (March 25, 2014), 79 FR 18108 (March 31, 2014) (SR-NSX-2014-07).

¹⁰ See Securities Exchange Act Release No. 85623 (April 11, 2019), 84 FR 16086 (April 17, 2019) (approving Eighteenth Amendment to LULD Plan).

¹¹ See Securities Exchange Act Release No. 85522 (April 5, 2019), 84 FR 14704 (April 11, 2019) (SR-NYSENAT-2019-07).

¹² See Securities Exchange Act Release No. 87352 (October 18, 2019), 84 FR 57063 (October 24, 2019) (SR-NYSENAT-2019-24).

¹³ See Securities Exchange Act Release No. 88593 (April 8, 2020), 85 FR 20728 (April 14, 2020) (SR-NYSENAT-2020-13).

¹⁴ See Securities Exchange Act Release No. 90157 (October 13, 2020), 85 FR 66393 (October 19, 2020) (SR-NYSENAT-2020-32).

¹⁵ See Securities Exchange Act Release No. 91549 (April 14, 2021), 86 FR 20548 (April 20, 2021) (SR-NYSENAT-2021-08).

¹⁶ See Securities Exchange Act Release No. 93359 (October 15, 2021), 86 FR 58322 (October 21, 2021) (SR-NYSENAT-2021-20).

¹⁷ See *supra* notes 4-6. The prior versions of paragraphs (c), (e)(2), (f), and (g) generally provided greater discretion to the Exchange with respect to breaking erroneous trades.

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

⁴ See Securities Exchange Act Release No. 62886 (Sept. 10, 2010), 75 FR 56613 (Sept. 16, 2010) (SR-NSX-2010-07).

⁵ See Securities Exchange Act Release No. 68803 (Feb. 1, 2013), 78 FR 9078 (Feb. 7, 2013) (SR-NSX-2013-06).

⁶ See Securities Exchange Act Release No. 72434 (June 19, 2014), 79 FR 36110 (June 25, 2014) (SR-NSX-2014-08).

⁷ See Securities Exchange Act Release No. 83289 (May 17, 2018), 83 FR 23968 (May 23, 2018) (SR-NYSENAT-2018-02).