

**SUPPORTING STATEMENT**  
**for the Paperwork Reduction Act Information Collection Submission for Regulation of**  
**NMS Stock Alternative Trading Systems – Rule 304**

This submission is being made pursuant to the Paperwork Reduction Act of 1995, 44 U.S.C. Section 3501 et seq.

**A. JUSTIFICATION**

**1. Necessity of Information Collection**

a. Regulation ATS

In 1998, the Commission adopted Regulation ATS, which established a new regulatory framework for alternative trading systems (“ATS”), which allows entities that meet the definition of “exchange” under Section 3(a)(1) of the Exchange Act to choose between two regulatory structures: registering as a national securities exchange or registering as a broker-dealer and complying with Regulation ATS.

Since the adoption of Regulation ATS, the equity markets have evolved substantially and ATSs have become a significant source of liquidity in NMS stocks, accounting for approximately 11.4 percent of total share trading volume (11.5 percent of total dollar volume) in NMS stocks. ATSs that trade NMS stocks (“NMS Stock ATSs”) generally operate with complexity and sophistication similar to registered national securities exchanges, which applicable laws and regulations require to publish their rules.<sup>1</sup> As discussed further below, prior to the adoption of the amendments to Regulation ATS and adoption of Form ATS-N, the Commission was concerned that the regulatory requirements relating to operational transparency for NMS Stock ATSs no longer fully met the goals of furthering the public interest and protecting investors.<sup>2</sup>

Before the amendments to Regulation ATS for NMS Stock ATSs, NMS Stock ATS were required to file disclosures on Form ATS, which is not public. Despite their role in the U.S. equity markets, little information is available to market participants about NMS Stock ATS’s

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

<sup>2</sup> As discussed in the proposing release (Securities Exchange Act Release No. 76474 (Nov. 18, 2015), 80 FR 80998, 81105 (Dec. 28, 2015) (“Proposal”)), the Commission is submitting separate information collections for Rules 301, 303, and 304 of Regulation ATS because we consider this method to be the most practical and efficient manner in which to organize the collections. The collections associated with each rule serve different purposes: the collection in Rule 301 relates in large part to Form ATS; Rule 304 relates primarily to Form ATS-N; and Rule 303 is the associated record preservation requirements. The Commission at one point combined these collections under OMB control number 3235-0509 during the proposing stage, but for the aforementioned reasons, we believe that separating the information collections for these rules is more effective.

manner of operations and the relationship between the NMS Stock ATS and the other business interests of the broker-dealer operators that operate NMS Stock ATSs (“broker-dealer operators”). The Commission is concerned about the current lack of transparency around potential conflicts of interest that arise from the ATS-related activities of the broker-dealer operator and its affiliates.

In addition to the amendments to Regulation ATS, we have adopted Form ATS-N, which will require NMS Stock ATSs to provide information to the public about their manner of operations, the broker-dealer operator, and the ATS-related activities of the broker-dealer operator and its affiliates.<sup>3</sup> Additionally, as amended, Regulation ATS requires public posting of certain Form ATS-N filings on the Commission’s website, which will be accomplished through the Commission’s Electronic Data Gathering, Analysis, and Retrieval system (“EDGAR”), and require each NMS Stock ATS that has a website to post on its website a direct URL hyperlink to the Commission’s website.

b. Rule 304 and Form ATS-N

We have amended Regulation ATS by adopting Rule 304 to provide new conditions for NMS Stock ATSs seeking to rely on the exemption from the definition of “exchange” provided by Rule 3a1-1(a) of the Exchange Act.<sup>4</sup> We also adopted Form ATS-N under the Exchange Act, which will require NMS Stock ATSs to provide information about their manner of operations, the broker-dealer operator, and the ATS-related activities of the broker-dealer operator and its affiliates to comply with the new conditions provided under Rule 304. The adopted amendments to Regulation ATS provide a process for the Commission to review Form ATS-N filings and, after notice and opportunity for hearing, declare an NMS Stock ATS’s Form ATS-N ineffective.

Form ATS-N will promote more efficient and effective market operations by providing more transparency to market participants about the operations of ATSs and the potential conflicts of interest of the controlling broker-dealer operator and its affiliates, and help brokers meet their best execution obligations to their customers. Operational transparency rules, including Form ATS-N, could also increase competition among trading centers in regard to order routing and execution quality.

**2. Purpose and Use of the Information Collection**

Rule 304 of Regulation ATS, as adopted, states that no exemption from the definition of “exchange” is available to an NMS Stock ATS pursuant to § 240.3a1-1(a)(2) unless the NMS Stock ATS files with the Commission an initial Form ATS-N, in accordance with the instructions therein, and the initial Form ATS-N is effective. Form ATS-N requires NMS Stock ATSs to provide information to the public about the broker-dealer operator of the NMS Stock ATS and the ATS-related activities of the broker-dealer operator and its affiliates. Form ATS-N

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<sup>3</sup> See Exchange Act Release No. 83663 (July 18, 2018) (File No. S7-23-15).

<sup>4</sup> We have adopted conforming amendments to Rule 300 of Regulation ATS and Exchange Act Rule 3a1-1(a).

also requires NMS Stock ATSs to provide certain information about the manner of operations of the NMS Stock ATS and the ATS's contact information.

Form ATS-N is designed to provide the public with greater transparency around the operations of NMS Stock ATSs and potential conflicts of interest that may arise involving the broker-dealer operator and its affiliates. Among other things, these enhanced, public disclosures also are designed to limit the potential that a broker-dealer operator of an NMS Stock ATS could provide certain subscribers with greater disclosure about the operations and system functionalities of the ATS than it provides to other market participants.

We believe that if market participants have more information about the operations of NMS Stock ATSs and the ATS-related activities of the broker-dealer operators and the broker-dealer operators' affiliates, they could better evaluate whether to do business with an ATS and make more informed decisions about where to route their orders. We also believe that improved transparency about the operations of NMS Stock ATSs could aid broker-dealers with meeting their best execution obligations to their customers, as they can better assess the trading venues to which they route orders. In addition, we believe that Form ATS-N could also help customers of broker-dealers, whose orders are routed to an NMS Stock ATS for possible execution in the ATS, evaluate whether their broker-dealers fulfilled their duty of best execution.

We will use the information provided pursuant to Rule 304 will also help the Commission monitor NMS Stock ATS for the purpose of protecting investors.

### **3. Consideration Given to Information Technology**

Form ATS-N is filed electronically in a structured format through EDGAR. By filing in EDGAR, NMS Stock ATSs will be given the option of filing using a web-fillable Form ATS-N which will render into XML in EDGAR, or to file directly in XML using the XML schema for NMS Stock ATSs as published on the Commission's website. With both options, we will receive the Form ATS-N information in XML format. For those NMS Stock ATSs that would prefer to manually key in all of their Form ATS-N responses, as had been originally proposed by the Commission, those NMS Stock ATSs can do so using the Commission's web-fillable Form ATS-N, which will render into XML in EDGAR. The Commission's XML schema and the Commission's web-fillable Form ATS-N both reflect the same set of custom XML tags and XML restrictions designed by the Commission to submit the disclosures in Form ATS-N.

Based on the widespread use and availability of the Internet, we believe that filing Form ATS-N in an electronic format will be less burdensome and a more efficient filing process than the current paper process for NMS Stock ATSs and the Commission, as it is likely to be less expensive and cumbersome than mailing and filing paper forms to the Commission. Such automation will increase the speed, accuracy, and availability of information, generating benefits to investors and financial markets.

Form ATS-N requires NMS Stock ATSs to file the form electronically via EDGAR with a typed signature. This requirement is intended to provide a uniform manner in which we would receive—and the broker-dealer operator would file—the Form ATS-N made pursuant to Rule 304 of Regulation ATS. We believe that the XML format will allow the Commission and the

public to better gather, analyze, aggregate, compare, and use the Form ATS-N data. Requiring XML should result in the Form ATS-N data being provided in a consistent, structured format. This consistent structure can be automatically recognized and processed by a variety of software applications such as databases, financial reporting systems, and spreadsheets, and then made immediately available to the end user to search, aggregate, compare, and analyze.

#### **4. Duplication**

If an ATS trades both NMS and non-NMS stock, certain information the ATS provides on its Form ATS-N may be found on its Form ATS. We do not consider this information duplicative because the Form ATS is not required to be made public. In addition, Form ATS discloses only limited aspects of an ATS's operations, and we believe that even where an ATS has voluntarily made public its Form ATS,<sup>5</sup> market participants might not be able to obtain as complete an understanding of how the ATS operates.

#### **5. Effect on Small Entities**

Under the Regulatory Flexibility Act ("RFA")<sup>6</sup> a small entity includes a broker or dealer that: (1) has total capital (net worth plus subordinated liabilities) of less than \$500,000 on the date in the prior fiscal year as of which its audited financial statements were prepared pursuant to Rule 17a-5(d) under the Exchange Act,<sup>7</sup> or, if not required to file such statements, a broker-dealer with total capital (net worth plus subordinated liabilities) of less than \$500,000 on the last day of the preceding fiscal year (or in the time that it has been in business, if shorter); and (2) is not affiliated with any person (other than a natural person) that is not a small business or small organization.<sup>8</sup>

We examined recent Financial and Operational Combined Uniform Single data for the 41 broker-dealers that currently operate ATSS that trade NMS stocks and concluded that no more than 5 of the broker-dealer operators of ATSS that currently trade NMS stocks had total capital of less than \$500,000 on the last day of the preceding fiscal year (or in the time that it has been in business, if shorter) and were not affiliated with any person that is not a small business or small organization. Three of these five entities, however, never reported transactions in any security, including NMS stocks, to the Commission since filing an initial operations report on Form ATS. Therefore, we believe that it is unlikely that these three entities would complete a Form ATS-N to operate as an NMS Stock ATS pursuant to Rule 304.

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<sup>5</sup> We note that some ATSS have chosen to make Form ATS filings publicly available.

<sup>6</sup> Although Section 601(b) of the RFA defines the term "small entity," the statute permits agencies to formulate their own definitions. We have adopted definitions for the term "small entity" for the purposes of Commission rulemaking in accordance with the RFA. Those definitions, as relevant to this rulemaking, are set forth in Rule 0-10 under the Exchange Act, 17 CFR 240.0-10. See Exchange Act Release No. 18451 (January 28, 1982), 47 FR 5215 (February 4, 1982) (File No. AS-305).

<sup>7</sup> 17 CFR 240.17a-5(d).

<sup>8</sup> See 17 CFR 240.0-10(c).

The remaining two entities include one broker-dealer that operates an ATS pursuant to an active Form ATS on file with the Commission and has reported transactions in NMS stocks to the Commission. The other broker-dealer has filed an initial operation report on Form ATS with the Commission and noticed its intention to trade NMS stocks; however, this ATS has not yet commenced operations. We do not believe that Rule 304, including the requirement for NMS Stock ATSs to file a Form ATS-N, will represent a significant economic impact on these two entities. Stand-alone broker-dealers that operate an ATS, such as these two entities, will have less complex ATS operations than multi-service broker-dealer operators. .

## **6. Consequences of Not Conducting Collection**

Without the information required by Rule 304, we would not have readily available information on a regular basis in a format that would allow us to evaluate the operation of alternative trading systems with regard to national market system goals, and monitor the competitive effects of these systems to ascertain whether the regulatory framework remains appropriate to the operation of such systems. Without the data required by Form ATS-N, the public would have less information concerning NMS Stock ATSs available to them when selecting a trading venue.

## **7. Inconsistencies with Guidelines in 5 CFR 1320.5(d)(2)**

There are no special circumstances. This collection is consistent with the guidelines in 5 CFR 1320.5(d)(2).

## **8. Consultations Outside the Agency**

In the Proposal, we solicited comments on the collection of information burdens and asked whether commenters agree with our estimate of the number of respondents and paperwork burdens of the Proposal. We received one comment on our estimates of the collection of information burden included in the Proposal.<sup>9</sup> We considered all comments received prior to publishing the final rule as required by 5 C.F.R. 1320.11(f).<sup>10</sup> These letters are available to the public on the Commission's website at <https://www.sec.gov/comments/s7-23-15/s72315.shtml>.

## **9. Payment or Gift**

<sup>9</sup> Letter from Marc B. Bryant, Senior Vice President, Deputy General Counsel, Fidelity Investments, to Brent J. Fields, Secretary, Commission, dated February 26, 2016.

<sup>10</sup> The commenter expresses concern that due to the breadth of Form ATS-N disclosures, the estimated amount of time and resources required to keep Form ATS-N "evergreen" is "daunting," and asserts that the Commission did not fully consider in the Proposal the amount of time and resources that would be required to keep Form ATS-N current. The Commission fully considered the burden for each question on the Form ATS-N by indicating the estimated burden hour for each item. After consideration of comments, we made changes to adopted Form ATS-N, which we believe will alleviate some of the potential burdens of Form ATS-N, including, among other things, requiring correcting amendments only for "material" information, and eliminating the proposed requirement to attach a copy of any materials currently provided to subscribers or other persons related to the operations of the NMS Stock ATS or the disclosures on Form ATS-N.

Not applicable.

## **10. Confidentiality**

The amendments to Regulation ATS mandate greater disclosure of reports filed by NMS Stock ATSs. The following will be publicly posted on the Commission's website: (i) order of ineffective Form ATS-N; (ii) effective initial Form ATS-N, as amended; (iii) Form ATS-N amendment to an effective Form ATS-N; (iv) order of ineffective Form ATS-N amendment; (v) notice of cessation; and (vi) order suspending, limiting, or revoking the exemption from the definition of an "exchange" pursuant to Exchange Act Rule 3a1-1(a)(2).

## **11. Sensitive Questions**

No information of a sensitive nature, including social security numbers, will be required under the Form ATS-N collection of information. The information collection collects basic Personally Identifiable Information (PII) that includes name and job title. However, we have determined that the information collection does not constitute a system of record for purposes of the Privacy Act. Information is not retrieved by a personal identifier.

## **12. Burden of Information Collection**

### **a. Initial Form ATS-N**

We estimate that Form ATS-N will, on average, require an estimated 127.4 burden hours.<sup>11</sup> This would result in an aggregate annual burden of 42.47 hours per ATS and 1,741.27 hours for all NMS Stock ATSs.<sup>12</sup>

### **b. Form ATS-N Amendments**

In the Proposal, we estimated that ATSs that trade NMS stocks submit 2 amendments, on

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<sup>11</sup> (Current Baseline to complete an initial Form ATS at 20 hours) + (Part I at 0.5 hour) + (Part II at an average of 29 hours) + (Part III at an average of 77.5 hours) + (Access to EDGAR at 0.15 hours) = 127.4 burden hours. The aggregate totals by professional, including the baseline, are estimated to be approximately 54.1 hours for an Attorney, .5 hours for a Chief Compliance Manager, 33.9 hours for a Compliance Manager, 30.25 hours for a Senior Systems Analyst, 1 hour for a Senior Marketing Manager, and 7.65 hours for a Compliance Clerk. This estimated burden for a Form ATS-N includes the hour burden associated with completing Part III, Items 24 and 25 of Form ATS-N. We believe that the majority of NMS Stock ATSs would not be required to complete those items of the form.

<sup>12</sup> The annual one-time burden is aggregated over a three-year period. Currently, there are 87 ATSs that have filed Form ATS with the Commission as of March 31, 2018. Of these 87 ATSs, 41 would meet the definition of an NMS Stock ATS. Accordingly, the Commission estimates that 87 entities would be required to comply with the amendments related to Rule 301(b)(10) of Regulation ATS and 41 entities would be required to complete Form ATS-N.

average, each year.<sup>13</sup> We also estimated that the 46 respondents would file 3 Form ATS-N amendments each year, for an estimated total of 138 Form ATS-N amendments.<sup>14</sup>

Rule 304(a)(2) of Regulation ATS contain four general categories of required amendments for Form ATS-N.<sup>15</sup> We estimate that the current hourly burden related to an amendment to Form ATS is 6 hours.<sup>16</sup> We also estimate that the 41 respondents will file 3 Form ATS-N amendments each year, for a total of 123 Form ATS-N amendments.<sup>17</sup> In addition, an NMS Stock ATS must provide a brief summary of the changes on the cover page of Form ATS-N. Form ATS-N also requires NMS Stock ATSs to submit as Exhibit 3 one redline that indicates changes to “yes” or “no” answers or additions to or deletions to Parts I, II and III.<sup>18</sup>

A Form ATS-N amendment will add 3 hours above the current baseline of 6 hours for amendments to Form ATS, as set forth in the Proposal. We believe that requiring a redline for amendments to Part I of Form ATS-N would add an additional burden of 0.4 hours.<sup>19</sup> This would result in a total estimated hourly burden, including the baseline, of 9.4 hours for an NMS Stock ATS to file a Form ATS-N amendment,<sup>20</sup> and an aggregate annual burden on all NMS Stock ATSs of 1,156.2 hours.<sup>21</sup>

c. Notice of Cessation on Form ATS-N

From January 2014 through March 2018, there have been an average of 9 ATSs that trade NMS stocks that cease operations each year. Although it is unclear how many NMS Stock ATSs might cease operations each year going forward, for purposes of providing a PRA burden estimate,

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<sup>13</sup> See Proposal at 81105. During the fiscal year of 2017, we received 85 amendments from ATSs that trade NMS stocks, of which there were approximately 38 at any given time during 2017. Some ATSs that trade NMS stocks filed as many as 7 amendments while others did not file any amendments in 2017.

<sup>14</sup> See Proposal at 81105.

<sup>15</sup> An NMS Stock ATS may amend a Form ATS-N by submitting a material amendment, updating amendment, correcting amendment, or order display and fair access amendment.

<sup>16</sup> See Proposal at 81005.

<sup>17</sup> 41 respondents x 3 Form ATS-N amendments per year = 123 Form ATS-N amendments per year.

<sup>18</sup> See Exhibit 3 to Form ATS-N.

<sup>19</sup> Compliance Clerk at 0.4 hours. We note that most word processing software provides for this functionality.

<sup>20</sup> Attorney at 5.5 hours + Compliance Manager at 2 hours + Compliance Clerk at 1.9 hours = 9.4 burden hours.

<sup>21</sup> 123 amendments per year x 9.4 hours = 1,156.2 aggregate burden hours. Therefore, the aggregate burden hours equals 1,156.2 hours.

we are estimating that this average would generally remain the same for NMS Stock ATSs using Form ATS-N as economic conditions, business reasons, and other factors may cause some NMS Stock ATSs to cease operations. Accordingly, we estimate that 9 respondents may file a cessation of operation report on Form ATS-N each year.

We believe that the burden for filing a notice of cessation on Form ATS-N will be the same for filing a cessation of operations report on Form ATS because Form ATS-N does not contain any additional requirements for a cessation of operation report. For both Form ATS and Form ATS-N, the requirement is to check the appropriate box indicating that the ATS is ceasing operations. We estimate that the average compliance burden for each respondent will be 2 hours.<sup>22</sup> This will result in an aggregate annual burden of 18 hours for all NMS Stock ATSs that choose to cease operations and submit a cessation of operation report on Form ATS-N.<sup>23</sup>

d. Access to EDGAR

The Proposal contemplated the use of an online filing system, the EFFS, but the adopted amendments to Regulation ATS require NMS Stock ATSs to submit certain Form ATS-N filings on EDGAR. As discussed above, based on the widespread use and availability of the Internet, we believe that filing Form ATS-N in an electronic format will be less burdensome and result in a more efficient filing process for NMS Stock ATSs and the Commission, as it is likely to be less expensive and cumbersome than mailing and filing paper forms to the Commission.<sup>24</sup>

For a Form ATS-N filer to gain access to make filings on EDGAR, the filer must submit a Form ID as required by Regulation S-T Rule 11 (B) and submit the Form ID following the processes detailed in Volume I of the EDGAR Filer Manual. Once a Form ID has been successfully completed and processed, EDGAR will establish a Central Index Key (“CIK”) number which enables each authorized user to create EDGAR access codes, which will enable the NMS Stock ATS to use EDGAR. We estimate that the burden associated with receiving access to EDGAR by submitting a Form ID is 0.15 burden hours per response. We believe that the broker-dealers already have access to EDGAR. All registered broker-dealers have been assigned a CIK number and do not need to submit a Form ID to access EDGAR.<sup>25</sup> Because all ATSs, regardless of whether they trade NMS stocks, are operated by registered broker-dealers, we estimate that there will be no burden associated with gaining access to EDGAR for an NMS

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<sup>22</sup> Attorney at 1.5 hours + Compliance Clerk at 0.5 hours = 2 burden hours.

<sup>23</sup> 2 burden hours x 9 NMS Stock ATSs = 18 aggregate annual burden hours.

<sup>24</sup> All estimated burden hours with regard to completing Parts I-V of Form ATS-N, which are explained above and herein, include the estimated burden associated with the requirement that NMS Stock ATSs file Form ATS-N in a structured XML format on EDGAR, including narrative responses that are block-text tagged, or use the web-fillable form.

<sup>25</sup> A broker-dealer that has never used EDGAR to make electronic submissions may use its assigned CIK number to receive access codes that will allow the broker-dealer operator to submit Form ATS-N filings on EDGAR without needing to apply for a Form ID.



Stock ATS that is operating pursuant to an initial operation report on Form ATS as of January 7, 2019 (“Legacy NMS Stock ATS”) or non-NMS Stock ATSs that later decide to trade NMS stocks. Based on the number of initial filings and cessation of operations reports on current Form ATS for ATSs that trade NMS stocks, we estimate that 2 to 3 new entities will file Form ATS-N to become an NMS Stock ATS in each of the next three years. We estimate that among these new entities, one new entity per year will be operated by an entity that has not previously registered as a broker-dealer or that does not otherwise already have access to EDGAR. The total estimated hourly burden and aggregate one-time burden for gaining access to EDGAR is therefore 0.15 hours.

We believe that any burden in connection with submitting a Form ID is already accounted for in the current burden estimate of Form ID, therefore, a revision to the current burden estimate for the collection of information (OMB No. 3235-0328) is not necessary.

e. Public Posting on NMS Stock ATS’s website

Rule 304(b)(3), as adopted, will require each NMS Stock ATS to make public via posting on the NMS Stock ATS’s website, a direct URL hyperlink to the Commission’s website that contains the documents enumerated in Rule 304(b)(2). We estimate that each NMS Stock ATS will incur an initial, one-time burden to program and configure its website to post the required direct URL hyperlink pursuant to Rule 304(b)(3). We estimate that this initial, one-time burden would be approximately 2 hours, in part because many broker-dealer operators currently maintain a website for their NMS Stock ATSs.<sup>26</sup> This is unchanged from the estimate set forth in the Proposal.<sup>27</sup> We estimate that the aggregate initial, one-time burden will be approximately 82 hours.<sup>28</sup>

f. Aggregate Respondent Reporting Burdens

The estimated average annual aggregate burden for alternative trading systems to comply with Rule 304 would be 6,481.74 hours. This estimate is broken down as follows:

**Summary of Hourly Burdens**

Name of Information Collection	Type of Burden	# Entities Impacted	Annual Responses per Entity	Initial Burden per Entity	Initial Burden Annualized per Entity	Ongoing Burden per Entity	Annual Burden Per Entity per Response	Total Annual Burden Per Entity	Total Industry Burden	Total Initial Burden For All Respondents	Total Ongoing Burden For All Respondents	Small Business Entities Affected
Form ATS-N Initial Operation Report (Rule 304)	Reporting	41	1	127.40	42.47	0.00	42.47	42.47	1,741.13	5,223.39	0.00	5
Form ATS-N	Reporting	41	3	0.00	0.00	9.40	9.40	28.20	1,156.20	0.00	1,156.20	5

<sup>26</sup> Senior Systems Analyst at 2 burden hours.

<sup>27</sup> See Proposal at 81106-07.

<sup>28</sup> Senior Systems Analyst at 2 hours x 41 NMS Stock ATSs = 82 burden hours. This burden is annualized over a three-year period.

Amendments (Rule 304)												
Form ATS-N Cessation of Operations Report (Rule 304)	Reporting	9	1	0.00	0.00	2.00	2.00	2.00	18.00	0.00	18.00	1
Access to EDGAR (Rule 304)	Reporting	1	1	0.15	0.15	0.00	0.00	0.15	0.15	0.15	0.00	0
Public Posting on NMS Stock ATS's website (Rule 304)	Reporting	41	1	2.00	0.67	0.00	0.67	0.67	27.33	82.00	0.00	5
<b>TOTAL HOURLY BURDEN FOR ALL RESPONDENTS</b>									<b>73.49</b>	<b>2,942.81</b>	<b>5,305.54</b>	<b>1,174.20</b>

**13. Costs to Respondents**

Not applicable. We do not anticipate that respondents will have to incur any capital or start-up costs, nor any additional operational or maintenance costs (other than as provided in Item 12), to comply with the collection of information requirements associated with Rule 304 and Form ATS-N.

**14. Cost to Federal Government**

Not applicable. The amendments to Regulation ATS as well as Rule 304 and Form ATS-N will not result in any costs to the federal government beyond normal full-time employee labor costs, nor does the rule require the Commission to hire any new employees or reallocate existing employees to ensure compliance with the rule.

**15. Changes in Burden**

As noted in Section 12 above, the aggregate burden for all NMS Stock ATSs associated with implementing and complying with Rule 304 – including filing and amending a Form ATS-N– are estimated to be 5,305.5 hours initially and 1,174.20 hours on an annual ongoing basis.

**16. Information Collection Planned for Statistical Purposes**

Not applicable. The information collections above are not planned for statistical purposes.

**17. OMB Expiration Date Display Approval**

The Commission is not seeking approval to not display the OMB approval expiration date.

**18. Exceptions to Certification for Paperwork Reduction Act Submissions**

This collection complies with the requirements in 5 CFR 1320.9.

**B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS**

This collection does not involve statistical methods.