Commission.[37] The commenter states that ''[t]he Commission's authority to temporarily suspend the fee, once implemented, is no substitute for a careful consideration at this juncture of the important issues [it] has raised.'' [38] Substantively, the commenter states any fee charged to ITP would be merely a paper transfer of revenue from one corporate affiliate to another, while a fee charged to the commenter, another Matching Utility, would be a true cost with real consequences.[39]

For the following reasons, the Commission believes that the Proposed Rule Change would not impose any burden on competition regarding fees that is not necessary or appropriate in furtherance of the purposes of the Act. As a procedural matter, not including the fee for Status Information in the Proposed Rule Change is consistent with the Act. Sections 19(b)(3)(A) and (C) of the Act [40] specifically provide for the process to which the commenter objects, *i.e.,* a proposed rule change that establishes a fee imposed by a self-regulatory organization on any person, whether or not the person is a member of the organization, shall take effect upon filing with the Commission and be subject to potential suspension if the Commission determines that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of Section 19 of the Act. Therefore, the Commission believes that DTC choosing to include any associated fee in a subsequent proposed rule change is consistent with the Act.

Substantively, it is consistent with the Act to charge fees to both affiliates and third-party competitors of the affiliate. The commenter argues that the mere existence of a fee is problematic because DTC would be charging that fee to its affiliate which renders the fee a ''paper transfer'' of revenue.[41] However, the Commission believes that, under the Act, any fee charged by DTC for this service should be equitably allocated among potential users, including users that are affiliates of DTC. [42] Therefore, it would not be reasonable for DTC to not charge a fee for this service solely because its affiliate may be a user of the service.

Finally, the Commission notes that the Proposed Rule Change would also provide that a Matching Utility agree to pay DTC for the reasonable cost of DTC's development of the mechanism necessary for DTC to directly provide Status Information to a Matching Utility for each transaction to which a customer of the Matching Utility is a party and matched via the Matching Utility. As noted above, the Commission notes that this approach, which applies to all Matching Utilities, is consistent with Section 17A(b)(3)(D),[43] which requires the equitable allocation of fees among a clearing agency's participants. The Commission also notes that it would review the future fee filing for consistency with this provision and all other relevant Exchange Act provisions, as well as the standard set forth by DTC in this filing.

Therefore, for all of the above reasons, the Commission believes that the Proposed Rule Change is consistent with Section 17A(b)(3)(I) of the Act.[44]

IV. Accelerated Approval of Amendment Nos. 1 and 2

As noted above, in Amendment No. 1, as compared to the original proposal, DTC proposes to provide status information to a Matching Utility even if that matching utility did not submit a transaction to DTC.[45] As noted above, in Amendment No. 2, as compared to the original proposal, DTC proposes to delay the implementation timeframe of the proposal to until DTC has submitted a subsequent fee filing.[46]

As discussed above, the Commission believes that the amendments do not raise any regulatory issues and are consistent with the Act because Amendment No. 1 provides different methods for Matching Utilities to access Status Information directly from DTC to help ensure that Matching Utilities can access Status Information regardless of which Matching Utility submits the transaction to DTC. Likewise, Amendment No. 2 would provide more time before the proposal would go into effect.

Therefore, the Commission finds that Amendment Nos. 1 and 2 to the proposal raise no novel regulatory issues, that they are reasonably designed to protect investors and the public interest, and that they are consistent with the requirements of the Act. Accordingly, the Commission finds good cause, pursuant to Section 19(b)(2) of the Act,[47] to approve the proposed rule change, as modified by Amendment Nos. 1 and 2, on an accelerated basis.

VI. Conclusion

On the basis of the foregoing, the Commission finds that the proposed rule change, as modified by Amendment Nos. 1 and 2, is consistent with the requirements of the Act, in particular, with the requirements of Section 17A of the Act and the rules and regulations thereunder.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,[48] that proposed rule change SR–DTC–2018–010, as modified by Amendment Nos. 1 and 2, be, and it hereby is, approved on an accelerated basis.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[49]

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 2019–17232 Filed 8–12–19; 8:45 am]

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[37] *See* SS&C Letter II at 3; *see also* 15 U.S.C. § 78s(b)(3).

[38] *See* SS&C Letter II at 3–4.

[39] *See* SS&C Letter II at 4.

[40] 15 U.S.C. § 78s(b)(3)(A) and (C).

[41] *See* SS&C Letter I at 5; SS&C Letter II at 4.

[42] Although Section 17A(b)(3)(D) applies to clearing agency fees on participants, the Commission believes that it is also instructive here with respect to fees on users of a service provided by a clearing agency. 15 U.S.C. 78q–1(b)(D).

[43] 15 U.S.C. 78q–1(b)(D).

[44] 15 U.S.C. 78q–1(b)(3)(I).

[45] Amendment No. 1, *supra* note 10.

[46] Amendment No. 1, *supra* note 11.

[47] 15 U.S.C. 78s(b)(2).

[48] *Id.*

[49] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

Proposed Collection; 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 31a–2, SEC File No. 270–174, OMB Control No. 3235–0179

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'') is soliciting comments on the collection of information summarized below. The Commission plans to submit this existing collection of information to the Office of Management and Budget (''OMB'') for extension and approval.

Section 31(a)(1) of the Investment Company Act of 1940 (15 U.S.C. 80a–1 *et seq.*) (the ''Act'') requires registered investment companies (''funds'') and certain underwriters, broker-dealers, investment advisers, and depositors to maintain and preserve records as prescribed by Commission rules. Rule 31a–1 (17 CFR 270.31a–1) under the Act specifies the books and records that

each of these entities must maintain. Rule 31a–2 (17 CFR 270.31a–2) under the Act specifies the time periods that entities must retain certain books and records, including those required to be maintained under rule 31a–1.

The retention of records, as required by the rule, is necessary to ensure access to material business and financial information about funds and certain related entities. We periodically inspect the operations of funds to ensure they are in compliance with the Act and regulations under the Act. Due to the limits on our resources, however, each fund may only be inspected at intervals of several years. In addition, the prosecution of persons who have engaged in certain violations of the federal securities laws may not be limited by timing restrictions. For these reasons, we often need information relating to events or transactions that occurred years ago. Without the requirement to preserve books, records, and other documents, our staff would have difficulty determining whether the fund was in compliance with the law in such areas as valuation of its portfolio securities, computation of the prices investors paid, and, when purchasing and selling fund shares, types and amounts of expenses the fund incurred, kinds of investments the fund purchased, actions of affiliated persons, or whether the fund had engaged in any illegal or fraudulent activities. As part of our examinations of funds, our staff also reviews the materials that directors consider in approving the advisory contract.

There are 3,160 funds currently operating as of December 31, 2018, all of which are required to comply with rule 31a–2. The Commission staff estimates that, on average, a fund spends 220.4 hours annually to comply with the rule. The Commission therefore estimates the total annual hour burden of the rule's and form's paperwork requirements to be 696,464 hours. In addition to the burden hours, the Commission staff estimates that the average yearly cost to each fund that is subject to rule 31a–2 is about $36,510.28. The Commission estimates total annual cost is therefore about $115.4 million.

Estimates of average burden hours and costs are made solely for purposes of the Paperwork Reduction Act and are not derived from a comprehensive or even representative survey or study of the costs of Commission rules and forms. Compliance with the collection of information requirements of the rule is mandatory. Responses to the disclosure requirements will not be 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 OMB control number.

Written comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the functions of the Commission, including whether the information has practical utility; (b) the accuracy of the Commission's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information 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.

Please direct your written comments to Charles Riddle, Acting Director and Chief Information Officer, Securities and Exchange Commission, c/o Candace Kenner, 100 F Street NE, Washington, DC 20549; or send an email to: *PRA_Mailbox@sec.gov*.

All submissions should refer to File Number 270–174. This file number should be included on the subject line if email is used. The Commission will post all comments on the Commission's internet website (*http://www.sec.gov*). All comments received will be posted without change; we do not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly.

Dated: August 7, 2019.

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 2019–17298 Filed 8–12–19; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[SEC File No. 270–026, OMB Control No. 3235–0033]

Proposed Collection; 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 17a–3

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'') is soliciting comments on the existing collection of information provided for in Rule 17a–3 (17 CFR 240.17a–3), under the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*). The Commission plans to submit this existing collection of information to the Office of Management and Budget (''OMB'') for extension and approval.

Rule 17a–3 under the Securities Exchange Act of 1934 establishes minimum standards with respect to business records that broker-dealers registered with the Commission must make and keep current. These records are maintained by the broker-dealer (in accordance with a separate rule), so they can be used by the broker-dealer and reviewed by Commission examiners, as well as other regulatory authority examiners, during inspections of the broker-dealer.

The collections of information included in Rule 17a–3 are necessary to provide Commission, self-regulatory organization (''SRO'') and state examiners to conduct effective and efficient examinations to determine whether broker-dealers are complying with relevant laws, rules, and regulations. If broker-dealers were not required to create these baseline, standardized records, Commission, SRO and state examiners could be unable to determine whether broker-dealers are in compliance with the Commission's antifraud and anti-manipulation rules, financial responsibility program, and other Commission, SRO, and State laws, rules, and regulations.

As of December 31, 2018 there were 3,764 broker-dealers registered with the Commission. The Commission estimates that these broker-dealer respondents incur a total burden of 2,893,773 hours per year to comply with Rule 17a–3.[1]

In addition, Rule 17a–3 contains ongoing operation and maintenance costs for broker-dealers, including the cost of postage to provide customers

[1] On June 5, 2019, the Commission adopted Rule 151–1 under the Securities Exchange Act of 1934 establishing a standard of conduct for broker-dealers and natural persons who are associated persons of a broker-dealer when making a recommendation of any securities. *See* Securities Exchange Act Release No. 86031 (Jun. 5, 2019), 84 FR 33318 (Jul. 12, 2019). At the same time, the Commission adopted Exchange Act Rule 17a–14 (CFR 240.17a–14) and Form CRS (17 CFR 249.640) under the Exchange Act. *See* Form CRS Relationship Summary; Amendments to Form ADV Exchange Act Release No. 86032, Advisers Act Release No. 5247, File No. S7–08–18 (June 5, 2019), 84 FR 33492 (July 12, 2019). As part of new Rule 17a–14 and Form CRS, and Regulation Best Interest, the Commission amended Rule 17a–3 by adding new paragraphs (a)(24) and (a)(35). The collections of information and the related burdens associated with these amendments have been separately noticed for comment and are currently under review.