

consultant for approximately 200 hours at a cost of approximately \$596 per hour, for a one-time external management consulting cost of approximately \$119,200 per respondent, and a total one-time industry management consulting cost of approximately \$596,000, or approximately \$198,667 per year⁴ when annualized over 3 years.

Nonbank MSBSPs may incur start-up costs to comply with Rule 18a–2, including information technology costs. The information technology systems of a nonbank MSBSP may be in varying stages of readiness to enable these firms to meet the requirements of Rule 18a–2, so the cost of modifying their information technology systems could vary significantly among firms. Based on estimates for similar collections of information,⁵ the Commission staff expects that each nonbank MSBSP will spend an average of approximately \$16,000 for one-time initial hardware and software external expenses, for a total one-time industry-wide external information technology cost of approximately \$80,000, or approximately \$26,667 per year⁶ when annualized over 3 years. Based on the estimates for these similar collections of information, the average ongoing external cost to meet the information technology requirements of Rule 18a–2 will be approximately \$20,500 per nonbank MSBSP. This will also result in an ongoing annual industry-wide external information technology cost of approximately \$102,500.⁷ Taken together, the total industry-wide information technology related cost burden is approximately \$129,167 per year.⁸

Therefore, the total industry-wide recordkeeping cost burden is approximately \$327,834 per year (\$198,667 + \$129,167 = \$327,834).

The requirement to establish, document, and maintain a system of internal risk management controls will be imposed on nonbank MSBSPs because, by definition, they maintain materially large positions in security-based swap markets and will pose substantial risk to the stability of those

markets should they default on their obligations.⁹ The collections of information in Rule 18a–2 will facilitate the monitoring of the financial condition of nonbank MSBSPs by the Commission and its staff. The information collection is mandatory and is kept confidential to the extent permitted by the Freedom of Information Act (5 U.S.C. 552 *et seq.*).

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 this proposed collection of information is necessary for the proper performance of the functions of the SEC, including whether the information will have practical utility; (b) the accuracy of the SEC's estimate of the burden imposed by the proposed collection of information, including the validity of the methodology and the assumptions used; (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, electronic collection techniques or other forms of information technology.

The public may view and comment on this information collection request at: https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202507-3235-006 or email comment to MBX.OMB.OIRA.SEC_desk_officer@omb.eop.gov within 30 days of the day after publication of this notice, by October 20, 2025.

Dated: September 16, 2025.

J. Matthew DeLesDernier,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235–0701]

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Extension: Rule 18a–1

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 (SEC or “Commission”) is submitting to the Office of Management and Budget (“OMB”) this request for the extension of the proposed collection of information in Rule 18a–1.

Rule 18a–1, 17 CFR 240.18a–1, establishes net capital requirements for nonbank security-based swap dealers that are not also broker-dealers registered with the Commission (“stand-alone SBSDs”). First, under paragraphs (a)(2) and (d) of Rule 18a–1, a stand-alone SBSD may apply to the Commission to be authorized to use internal value-at-risk (“VaR”) models to compute net capital, and a stand-alone SBSD authorized to use internal models must review and update the models it uses to compute market and credit risk, as well as back-test the models. Second, under paragraph (f) of Rule 18a–1, a stand-alone SBSD is required to comply with certain requirements of Exchange Act Rule 15c3–4 (17 CFR 240.15c3–4). Rule 15c3–4 requires OTC derivatives dealers and firms subject to its provisions to establish, document, and maintain a system of internal risk management controls to assist the firm in managing the risks associated with business activities, including market, credit, leverage, liquidity, legal, and operational risks. Third, for purposes of calculating “haircuts” on credit default swaps, paragraph (c)(1)(vi)(B)(1)(iii) of Rule 18a–1 requires stand-alone SBSDs that are not using internal models to use an industry sector classification system that is documented and reasonable in terms of grouping types of companies with similar business activities and risk characteristics. Fourth, under paragraph (h) of Rule 18a–1, stand-alone SBSDs are required to provide the Commission with certain written notices with respect to equity withdrawals. Fifth, under paragraph (c)(5) of Appendix D to Rule 18a–1 (17 CFR 240.18a–1d), stand-alone SBSDs are required to file with the Commission two copies of any proposed subordinated loan agreement (including nonconforming subordinated loan agreements) at least 30 days prior to the proposed execution date of the agreement. Finally, under paragraph (c)(1)(ix)(C) of Rule 18a–1, a nonbank SBSD may treat collateral held by a third-party custodian to meet an initial margin requirement of a security-based swap or swap customer as being held by the nonbank SBSD for purposes of the capital in lieu of margin charge provisions of the rule if certain conditions are met. In particular, the SBSD must execute an account control agreement and must maintain written

⁴ 5 MSBSPs × 200 hours × \$596/hour = \$596,000. Annualized over three years, this industry-wide burden is approximately \$198,667 per year (\$596,000/3 years = \$198,666.66 rounded up to \$198,667).

⁵ See *Risk Management Controls for Broker or Dealers with Market Access*, Exchange Act Release No. 6321 (Nov. 3, 2010), 75 FR 69792, 69814 (Nov. 15, 2010).

⁶ 5 MSBSPs × \$16,000/3 years = \$26,666.666, rounded up to \$26,667.

⁷ 5 MSBSP × \$20,500 = \$102,500.

⁸ \$80,000/3 years + \$102,500 = \$129,166.667 rounded up to \$129,167.

⁹ The record preservation requirements for the information collections are in Rule 18a–6, 17 CFR 240.18a–6.

documentation of its analysis that in the event of a legal challenge the account control agreement would be held to be legal, valid, binding, and enforceable under the applicable law.

The collection of information is mandatory and is designed to ensure that stand-alone SBSBs maintain sufficient liquidity at all times to meet all unsubordinated obligations of their customers and counterparties and, should a nonbank SBSB fail, that there are sufficient resources for an orderly liquidation. These information collections facilitate the monitoring of the financial condition of nonbank SBSBs by the Commission. The information collected by the Commission under Rule 18a–1, as adopted, is kept confidential to the extent permitted by the Freedom of Information Act (5 U.S.C. 552 *et seq.*).

The annual aggregate initial burden for all respondents is estimated to be 4,310 hours. The aggregate initial cost burden for all respondents is estimated to be \$2,772,334. The aggregate annual burden for all respondents is estimated to be 28,933 hours. The aggregate annual cost burden for all respondents is estimated to be \$3,732,600.

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 this proposed collection of information is necessary for the proper performance of the functions of the SEC, including whether the information will have practical utility; (b) the accuracy of the SEC's estimate of the burden imposed by the proposed collection of information, including the validity of the methodology and the assumptions used; (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, electronic collection techniques or other forms of information technology.

The public may view and comment on this information collection request at: https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202505-3235-018 or email comment to MBX.OMB.OIRA.SEC_desk_officer@omb.eop.gov within 30 days of the day after publication of this notice, by October 20, 2025.

Dated: September 16, 2025.

J. Matthew DeLesDernier,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103987; File No. SR–MSRB–2025–01]

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Order Approving a Proposed Rule Change To Amend Rule G–14 RTRS Procedures Under MSRB Rule G–14 Regarding the Timing of Reporting Transactions in Municipal Securities to the MSRB and To Make a Related Amendment to Rule G–12

September 16, 2025.

I. Introduction

On June 10, 2025, the Municipal Securities Rulemaking Board (“MSRB” or “Board”) filed with the Securities and Exchange Commission (“SEC” or “Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act” or “Exchange Act”) ¹ and Rule 19b–4 thereunder, ² a proposed rule change to (i) amend Rule G–14 RTRS Procedures under MSRB Rule G–14, on reports of sales or purchases, to rescind a previously approved but not yet effective shortening of the amount of time within which brokers, dealers and municipal securities dealers (“dealers”) must report most transactions to the MSRB, reverting such timeframe to the currently operative 15-minute reporting timeframe, (ii) amend the Rule G–14 RTRS Procedures to eliminate two previously approved but not yet effective reporting exceptions and a manual trade indicator relating to the rescinded shortened timeframes, and (iii) make a related conforming amendment to MSRB Rule G–12, on uniform practice (“Rule G–12”), as described herein (the “proposed rule change”). ³ The proposed rule change was published for comment in the **Federal Register** on June 20, 2025. ⁴ On July 22, 2025, the Commission extended until September 18, 2025, the time period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change. ⁵ The Commission received comment letters on the proposed rule change. ⁶

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ See Exchange Act Release No. 103262 (June 16, 2025), 90 FR 26390 (June 20, 2025) (“Notice”). Comments on the proposed rule change are available at <https://www.sec.gov/comments/sr-msrb-2025-01/srmsrb202501.htm>.

⁴ See Notice, 90 FR at 26390.

⁵ See Exchange Act Release No. 103516 (July 22, 2025), 90 FR 35325 (July 25, 2025).

⁶ See Letters to Secretary, from Christopher A. Iacovella, President & Chief Executive Office,

The MSRB filed a response to comments on File No. SR–MSRB–2025–01. ⁷

II. Description of the Proposed Rule Change

On September 20, 2024, the Commission issued an order approving proposed rule change SR–MSRB–2024–01, as modified by Amendment No. 1, which modified, among other things, the baseline 15-minute reporting requirement for reporting trades to MSRB’s Real-time Transaction Reporting System (“RTRS”) in two ways: (i) reducing the deadline for reporting such trades to no later than one minute after the Time of Trade (the “one-minute reporting requirement”) and (ii) requiring that trades be reported as soon as practicable, regardless of the amended deadline (the “as soon as practicable requirement”). ⁸ Under file No. SR–MSRB–2024–01, the MSRB also added two new exceptions to the new one-minute reporting requirement for trades with a manual component ⁹ and for trades by dealers with limited trading activity ¹⁰ and included a requirement that dealers append a new manual trade indicator to identify all manual trades. ¹¹ The 2024 Amendments were intended to make publicly available more timely information about the market and the prices at which municipal securities transactions are executed. ¹² The MSRB has not

American Securities Association (July 10, 2025) (“ASA Letter”); Gerard O’Reilly, Co-CEO and Co-Chief Investment Officer, and David A. Plecha, Global Head of Fixed Income, Dimensional Fund Advisors LP (July 10, 2025) (“Dimensional Fund Advisors Letter”); Kenneth E. Bentsen Jr., President and CEO, SIFMA and SIFMA Asset Management Group (July 11, 2025) (“SIFMA Letter”); Howard Meyerson, Managing Director, Financial Information Forum (“FIF Letter”); Michael Decker, Senior Vice President, Research and Public Policy, Bond Dealers of America (July 11, 2025) (“BDA Letter”); Tyler Gellasch, President and CEO, Healthy Markets Association (Aug. 8, 2025) (“HMA Letter”). One of these commenters also commented on the governance practices and rulemaking processes of the MSRB. See ASA Letter at 2–5. Those comments are outside of the scope of the proposed rule change.

⁷ See Letter to Secretary, Commission, from Ernesto A. Lanza, Chief Regulatory and Policy Officer, MSRB, dated September 5, 2025, available at <https://www.sec.gov/comments/sr-msrb-2025-01/srmsrb202501-648967-1945034.pdf> (“MSRB Letter”).

⁸ See Exchange Act Release No. 101118 (Sept. 20, 2024), 89 FR 78955 (Sept. 26, 2024), File No. SR–MSRB–2024–01 (the “2024 Amendments”). The 2024 Amendments were developed in close coordination with the Financial Industry Regulatory Authority (“FINRA,” and together with the MSRB, the “SROs”).

⁹ See 2024 Amendments, 89 FR at 78957–59.

¹⁰ See *id.* at 78957.

¹¹ See *id.* at 78959.

¹² See *id.* at 78956.