

SUPPORTING STATEMENT

for the Paperwork Reduction Act Information Collection Submission for Regulation SBSR – Reporting and Dissemination of Security-Based-Swap Information

(OMB Control No. 3235-0718)

A. JUSTIFICATION

1. Necessity of the Information Collection

On July 21, 2010, the President signed into law the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank Act”).¹ The Dodd-Frank Act amended the Exchange Act to require the Commission to adopt rules providing for, among other things (i) the reporting of security-based swaps to a registered security-based swap data repository (“SDR”) or to the Commission; and (ii) real-time public dissemination of security-based-swap transaction, volume, and pricing information. On November 19, 2010, pursuant to Sections 763 and 766 of Title VII of the Dodd-Frank Act, the Commission proposed Regulation SBSR to fulfill these requirements.² In May 2013, the Commission re-proposed the entirety of Regulation SBSR as part of the Cross-Border Proposing Release³ and re-opened the comment period for all of its other outstanding Title VII rulemakings.⁴

After reviewing comments submitted to the Commission, including not only those comments specifically addressing Regulation SBSR, but also comments addressing cross-border issues generally, as well as comments germane to regulatory reporting and/or public dissemination of security-based swaps that were submitted in other contexts, the Commission adopted Regulation SBSR, with certain revisions suggested by commenters or designed to clarify the rules (“Regulation SBSR Adopting Release”).⁵ In addition, in a separate release, the Commission proposed certain rules, amendments, and guidance relating to Regulation SBSR

¹ The Dodd-Frank Wall Street Reform and Consumer Protection Act (Pub. L. No. 11-203, H.R. 4173).

² Regulation SBSR—Reporting and Dissemination of Security-Based Swap Information, Securities Exchange Act Release No. 63346 (Nov. 19, 2010), 75 FR 75208 (Dec. 2, 2010) (“Regulation SBSR Proposing Release”).

³ See Securities Exchange Act Release No. 69490 (May 1, 2013), 78 FR 30967 (May 23, 2013) (“Cross-Border Proposing Release”).

⁴ See Securities Exchange Act Release No. 69491 (May 1, 2013), 78 FR 30799 (May 23, 2013).

⁵ See Securities Exchange Act Release No. 74244 (Feb. 11, 2015), 80 FR 14563 (Mar. 19, 2015).

(“Regulation SBSR Proposed Amendments Release”).⁶ On July 13, 2016, the Commission adopted the proposed amendments (“Regulation SBSR Amendments Adopting Release”).⁷

Regulation SBSR consists of ten rules, Rules 900 to 909 under the Exchange Act. Regulation SBSR provides generally for the reporting of security-based-swap information to a registered security-based swap data repository (“registered SDRs”) or to the Commission, and for the public dissemination of security-based-swap transaction, volume, and pricing information by registered SDRs. Rule 901 specifies, with respect to each reportable event pertaining to covered transactions, who is required to report, what data must be reported, when it must be reported, where it must be reported, and how it must be reported. Rule 901(a)(1) of Regulation SBSR requires a platform to report to a registered SDR a security-based swap executed on such platform that will be submitted to clearing. Rule 901(a)(2)(i) of Regulation SBSR requires a registered clearing agency to report to a registered SDR any security-based swap to which it is a counterparty. Rules 902 to 909 of Regulation SBSR provide additional details as to how reporting and public dissemination are to occur. On November 8, 2021, market participants began to report information about their security-based swap transactions to registered SDRs under Regulation SBSR.

2. Purpose and Use of the Information Collection

The security-based-swap information reported pursuant to Regulation SBSR fulfills the Congressional mandate that the Commission provide for, among other things: (i) the reporting of security-based swaps to a registered SDR or to the Commission; and (ii) real-time public dissemination of security-based-swap transaction, volume, and pricing information. The reporting pursuant to Regulation SBSR: provides insight about the size and operation of the security-based-swap market and a benchmark against which to assess the development of the security-based-swap market over time; provides the Commission information to assist with its analysis of the security-based-swap market; is used to assess activities and risks in the security-based-swap market or securities markets more generally; facilitates general market oversight; and facilitates the reports the Commission is required to provide to Congress on security-based swaps and the security-based-swap marketplace.⁸

3. Consideration Given to Information Technology

Regulation SBSR leverages information technology in the collection of information. Regulation SBSR requires reporting sides, platforms, and clearing agencies to electronically report

⁶ See Securities Exchange Act Release No. 74245 (Feb. 11, 2015), 80 FR 14739 (Mar. 9, 2015). Further amendments to Regulation SBSR were proposed to address the application of certain provisions of the Exchange Act to cross-border security-based-swap activities. See Securities Exchange Act Release No. 74834 (Apr. 29, 2015), 80 FR 27443 (May 13, 2015) (“U.S. Activity Proposal”).

⁷ See Securities Exchange Act Release No. 78321 (July 14, 2016), 81 FR 53546 (Aug. 12, 2016).

⁸ See Section 719 of the Dodd-Frank Act.

security-based-swap transaction data to registered SDRs, and it also requires registered SDRs to disseminate transaction data and corrections electronically. Further, Regulation SBSR requires registered SDRs to make their policies and procedures, along with other information, publicly available on their websites. Regulation SBSR contemplates a phased-in approach to public dissemination in order to allow market participants sufficient time to effectively implement necessary technology systems and make necessary technological preparations for Regulation SBSR. Over time, the Commission expects that the burdens on market participants will be reduced due to future technology enhancements. The Commission is not aware of any technical or legal obstacles to reducing the burden through the use of improved information technology. As mentioned above, on November 8, 2021, market participants began to report information about their security-based swap transactions to registered SDRs under Regulation SBSR.

4. Duplication

The SEC does not believe that Regulation SBSR requires any duplicative filing requirements.

5. Effect on Small Entities

Not applicable. Regulation SBSR does not have a significant economic impact on a substantial number of small entities.

6. Consequences of Less Frequent Collection

Collecting the information on a less frequent basis would frustrate the purposes of the Congressional mandate to provide for regulatory reporting and public dissemination of security-based swap volume and pricing information on a transaction-by-transaction basis.

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

An agency is required, under 5 CFR 1320.5(d)(2), to demonstrate in its submission for OMB clearance that the reporting of information more often than quarterly is necessary to satisfy statutory requirements or other substantial need. Sections 763 and 766 of the Dodd-Frank Act amended the Exchange Act to require the Commission to adopt rules providing for, among other things (i) the reporting of security-based swaps to an SDR or to the Commission; and (ii) real-time public dissemination of security-based-swap transaction, volume, and pricing information. Although the Dodd-Frank Act did not stipulate how often the reporting of security-based swaps to an SDR or to the Commission must occur, the Dodd-Frank Act did stipulate that real-time public dissemination must occur “as soon as technologically practicable after the time at which the [SBS] transaction has been executed.”⁹ As a result, reporting more often than quarterly is required by the Dodd-Frank Act.

⁹ See Section 763(i) of the Dodd-Frank Act.

8. Consultations Outside the Agency

The required Federal Register notice with a 60-day comment period soliciting comments on this collection of information was published. No public comments were received.

9. Payment or Gift

Not applicable.

10. Assurance of Confidentiality

Some information collected pursuant to Regulation SBSR is widely available to the extent it is information that is required to be publicly disseminated by a registered SDR. However, registered SDRs are generally under an obligation to maintain the confidentiality of the other reported information collected pursuant to Rule 901(d) and pursuant to Section 13(n)(5) of the Exchange Act and Rule 13n-9 thereunder. To the extent that the Commission receives confidential information pursuant to Regulation SBSR, such information will be kept confidential, subject to the provisions of the Freedom of Information Act.

11. Sensitive Questions

The Information Collection does not collect information about individuals, therefore, a Privacy Impact Analysis, System of Records Notice, and Privacy Act Statement are not required.

12. Estimate of Reporting Burden

The total annual hour burden for Regulation SBSR, for all respondents, is approximately 3,173,444 hours per year, calculated as described in the table and narrative below.

Summary of Hours Burden					
Title of Collection¹⁰	Number of Respondents (A)	Responses per Year for Each Respondent (B)	Total Number of Responses per Year (C) (C)=(A)x(B)	Burden Hours per Response (D)	Total Annual Burden Hours for the Collection (C)x(D)
Rule 901-Reporting Sides (#1)	118	1	118	940	110,920
Rule 901-SDRs (#2)	3	2	6	96	576
Rule 902-SDRs (#3)	3	1	3	7,840	23,520
Rule 904-SDRs (#4)	3	12	36	3	108
Rule 905-Reporting Sides (#5)	118	365	43,070	0.110046	4,740
Rule 905-Participants (#6)	13,434	365	4,903,410	0.5	2,451,705
Rule 905-SDR (#7)	3	1	3	1,703.33	5,110
Rule 906-SDR (#8)	3	5,500,000	16,500,000	0.00006278	1,036
Rule 906(a)-Participants (#9)	13,434	365	4,903,410	0.0769861	377,495

¹⁰ For ease of reference to the narratives below, each collection title has been assigned a number, e.g., “Rule 901-Reporting Sides” is collection “#1.”

Summary of Hours Burden					
Title of Collection¹⁰	Number of Respondents (A)	Responses per Year for Each Respondent (B)	Total Number of Responses per Year (C) (C)=(A)x(B)	Burden Hours per Response (D)	Total Annual Burden Hours for the Collection (C)x(D)
Rule 906(b)-Participants (#10)	10,000	2	20,000	1	20,000
Rule 906(c)-Security-Based Swap Dealers and Major Security-Based Swap Participants (#11)	54	1	54	192	10,368
Rule 907-SDR (#12)	3	1	3	38,500	115,500
Rule 903(a)-Participants without LEIs (#13)	788	1	788	1	788
Rule 903(a)-Participants with LEIs (#14)	12,646	1	12,646	1	12,646
Rule 908(c)-Requesting Entities (#15)	13	1	13	26.67	347
Rule 901-Platforms (#16)	8	1	8	967	7,736

Summary of Hours Burden

Title of Collection¹⁰	Number of Respondents (A)	Responses per Year for Each Respondent (B)	Total Number of Responses per Year (C) (C)=(A)x(B)	Burden Hours per Response (D)	Total Annual Burden Hours for the Collection (C)x(D)
Rule 905-Platforms (#17)	8	1	8	41.93333	335
Rule 901-Clearing Agencies (#18)	2	1	2	1,989.67	3,979
Rule 906(c)-Registered Clearing Agencies and Platforms (#19)	10	1	10	192	1,920
Rule 901-Reporting Sides-New Respondents (#20)	20	1	20	989.67	19,793
Rule 905-Reporting Sides-New Respondents (#21)	20	365	7,300	0.10393	759

Summary of Hours Burden					
Title of Collection¹⁰	Number of Respondents (A)	Responses per Year for Each Respondent (B)	Total Number of Responses per Year (C) (C)=(A)x(B)	Burden Hours per Response (D)	Total Annual Burden Hours for the Collection (C)x(D)
Rule 906(c)-Registered Broker-Dealer Participants (#22)	20	1	20	192	3,840
Rule 905-Clearing Agencies (#23)	2	365	730	.30484	223
Total Annual Burden Hours for All Respondents for All Collections				3,173,444	

a. Reporting Obligations – Rule 901

i. Rule 901-Reporting Sides (Collection #1)

The Commission previously stated its belief that reporting sides that fall under the reporting hierarchy in Rule 901(a)(2)(ii) will incur certain burdens with respect to their reporting of covered transactions. Specifically, the Commission believes that the requirement to report covered transactions to a registered SDR or to the Commission pursuant to Rule 901 will impose a one-time burden on each reporting-side respondent of approximately 707 burden hours. The Commission previously estimated that 134 reporting sides will be subject to this burden.

Since the prior submission, however, the Commission has reviewed more recent data pertaining to transactions in the security-based swap market, and based on that data, the Commission now estimates that 118 reporting sides will be subject to this burden. Although the Commission is revising its estimates to account for a revised number of reporting sides, it is maintaining the hourly breakdown of labor, as well as the per-reporting-side burden from its prior submission. As a result, the Commission now estimates that the one-time initial reporting obligation burden for all reporting sides will be approximately 83,426 hours, which includes

development of an Order Management System (“OMS”) capable of capturing relevant security-based-swap transaction information, implementation of a reporting mechanism, and establishment of an appropriate compliance program and support for the operation of the OMS and reporting mechanism.¹¹ Further, the Commission continues to estimate that the ongoing annualized burden will be 687 burden hours per reporting side, which corresponds to 81,066 burden hours in the aggregate.¹² The Commission estimates one response per respondent per year, which, including the one-time burden equally allocated over three years, results in a burden of 922.7 hours per response.¹³

Rule 901(a)(3) requires a person—either the platform upon which the security-based swap was executed or the reporting side for those security-based swaps other than clearing transactions—to report, for those security-based swaps submitted to a registered clearing agency, the transaction ID of the submitted security-based swap and the identity of the registered SDR to which the transaction will be or has been reported. The Commission believes that reporting sides (and platforms as discussed below) required to report transaction IDs and the identity of a registered SDR will already have put into place any infrastructure needed to report these security-based swaps to a registered clearing agency.¹⁴ However, the Commission does believe

¹¹ The Commission previously estimated: [(Sr. Programmer (160 hours)) + (Sr. Systems Analyst (160 hours)) + (Compliance Manager (10 hours)) + (Director of Compliance (5 hours)) + (Compliance Attorney (20 hours)) + (Sr. Programmer (80 hours)) + (Sr. Systems Analyst (80 hours)) + (Compliance Manager (5 hours)) + (Director of Compliance (2 hours)) + (Compliance Attorney (5 hours)) + (Sr. Programmer (100 hours)) + (Sr. Systems Analyst (40 hours)) + (Compliance Manager (20 hours)) + (Director of Compliance (10 hours)) + (Compliance Attorney (10 hours))] x (134 reporting sides) = 94,738 hours. The Commission is now revising its estimate to account for a revised number of reporting sides, but is maintaining the hourly breakdown of labor from its prior submission: 707 burden hours x 118 reporting sides = 83,426 hours.

¹² The Commission previously estimated: [(Sr. Programmer (32 hours)) + (Sr. Systems Analyst (32 hours)) + (Compliance Manager (60 hours)) + (Compliance Clerk (240 hours)) + (Director of Compliance (24 hours)) + (Compliance Attorney (48 hours)) + (Compliance Clerk (16.7 hours)) + (Sr. Computer Operator (16.7 hours)) + (Sr. Programmer (16 hours)) + (Sr. Systems Analyst (16 hours)) + (Compliance Manager (30 hours)) + (Compliance Clerk (120 hours)) + (Director of Compliance (12 hours)) + (Compliance Attorney (24 hours))] x (134 reporting sides) = 92,0582 hours. The Commission is now revising its estimate to account for a revised number of reporting sides, but is maintaining the hourly breakdown of labor from its prior submission: 687 burden hours x 118 reporting sides = 81,066 hours.

¹³ This figure is based on the following: $(((707 \text{ hours}/3 \text{ years}) + (687 \text{ hours})) / (1 \text{ response per year})) = 922.7 \text{ hours}$.

¹⁴ The required infrastructure for platforms and related burdens and costs are discussed in the Regulation SBSR Amendments Adopting Release. The required infrastructure and related burdens and costs applicable to reporting sides were already accounted for in the Regulation SBSR Adopting Release. 80 FR at 14675–77. The additional burdens

that including the transaction ID and the identify of the registered SDR will result in additional development and maintenance burdens. Specifically, the Commission believes that the additional one-time burden related to the development of the ability to capture the additional specific data elements required by Rule 901(a)(3) will be 10 burden hours, and the additional one-time burden related to the implementation of a reporting mechanism will be 6 burden hours, per reporting side for a total additional one-time burden of 16 hours (approximately 5.333 hours per year when annualized over three years).¹⁵ The Commission believes that the additional ongoing burden related to the ability to capture the additional specific data elements required by Rule 901(a)(3) will be 10 burden hours, and the additional ongoing burden related to the maintenance of the reporting mechanism will be 2 burden hours, per reporting side for a total additional ongoing burden of 12 hours per year.¹⁶

Rule 901(c)(1) requires a reporting side to include a product ID, if one is available, on a security-based swap transaction report. If the security-based swap has no product ID, or if the product ID does not include the information enumerated in Rule 901(c)(1)(i)–(v), then the information specified in subparagraphs (i)–(v) of Rule 901(c)(1) must be reported. On May 2, 2019, the Financial Stability Board designated the Derivatives Service Bureau (“DSB”) as the sole unique product identifier (“UPI”) service provider.¹⁷ The role of the UPI service provider is

discussed in this paragraph related to the ability to capture the additional specific data elements, as required by Rule 901(a)(3), are incremental burdens that are in addition to the previously established infrastructure burdens and costs.

¹⁵ The Commission previously estimated that the additional burdens would be: [(Sr. Programmer (5 hours)) + (Sr. Systems Analyst (5 hours)) = 10 burden hours (development of the ability to capture transaction information); ((Sr. Programmer (3 hours)) + (Sr. Systems Analyst (3 hours))) = 6 burden hours (implementation of reporting mechanism)], which resulted in an estimated total one-time burden associated with the amendments to Rule 901(a) of 16 burden hours per platform and reporting side, for a total one-time burden of 2,144 hours (16 x 134 reporting sides). The Commission is now revising its estimate to account for a revised number of reporting sides, but is maintaining the hourly breakdown of labor from its prior submission: 16 burden hours x 118 reporting sides = 1,888 hours.

¹⁶ The Commission previously estimated that the additional burdens would be: [(Sr. Programmer (5 hours)) + (Sr. Systems Analyst (5 hours)) = 10 burden hours (maintenance of transaction capture system); (Sr. Programmer (1 hour)) + (Sr. Systems Analyst (1 hour)) = 2 burden hours (maintenance of reporting mechanism)], which resulted in an estimated total ongoing burden associated with the amendments to Rule 901(a) of 12 burden hours per platform and reporting side, for a total ongoing burden of 1,608 hours (12 x 134 reporting sides). The Commission is now revising its estimate to account for a revised number of reporting sides, but is maintaining the hourly breakdown of labor from its prior submission: 12 burden hours x 118 reporting sides = 1,416 hours.

¹⁷ See Financial Stability Board, FSB Designates DSB as Unique Product Identifier (UPI) Service Provider (May 2, 2019) ([available at https://www.fsb.org/2019/05/fsb-designates-dsb-as-unique-product-identifier-upi-service-provider/](https://www.fsb.org/2019/05/fsb-designates-dsb-as-unique-product-identifier-upi-service-provider/)).

to issue identification codes to derivatives products (including security-based swaps) and to maintain a UPI reference data library that catalogs the attributes of each product having a UPI code. On January 29, 2024, DSB launched the UPI service.¹⁸ Accordingly, since the prior submission, because DSB is assigning UPIs to a range of derivatives products including security-based swaps, reporting sides must obtain from DSB a new or existing UPI, as appropriate, to include on transaction reports to comply with Rule 901(c)(1).¹⁹

*In summary, the Commission estimates that there will be 118 respondents, making one response per year, for a total of 118 total responses per year, with each response requiring 940 burden hours, for a total annual burden of $(118 \times 940 = 110,920)$ **110,920 hours**.*

These totals are derived as follows. The Commission estimates that each reporting side will have a total one-time burden of approximately 723 burden hours (707 + 16), which corresponds to approximately 85,314 burden hours (or 28,438 hours per year when annualized over three years) for all 118 reporting sides (i.e., respondents).²⁰ Furthermore, the Commission estimates that each reporting side will have a total ongoing annual burden of approximately 699 burden hours (687 + 12), which corresponds to approximately 82,482 burden hours for all 118 reporting sides.²¹ Thus, the aggregate annual burden for all reporting sides (i.e., respondents) is approximately 110,920 hours per year (28,438 + 82,482). The Commission estimates one response per respondent per year, which, including the one-time burden equally allocated over three years, results in a burden of 940 hours per response.²² This collection is a third-party disclosure type of collection.

ii. Rule 901-Reporting Sides – New Respondents (Collection #20)

Rule 901 assigns the duty to report security-based swaps (other than clearing transactions) when neither side of the security-based swap includes a registered security-based swap dealer or registered major security-based swap participant and when one (or both) side(s) of the security-based swap is not a U.S. person. The Commission continues to believe that 20 respondents fall into this category as a result of Rule 901(a)(2)(ii)(E) and will accordingly be required to report transactions that are not required to be reported by other market participants under Regulation SBSR.

¹⁸ See DSB announces the UPI Service launch dates (available at <https://www.anna-dsb.com/2023/02/23/dsb-announces-the-upi-service-launch-dates/>).

¹⁹ The burdens applicable to reporting sides associated with complying with the requirements of Rule 901 were already accounted for in the Regulation SBSR Adopting Release. 80 FR at 14675–77. DSB imposes fees for obtaining new or searching for existing UPIs, discussed in section 13.

²⁰ This figure is based on the following: $(723 \text{ hours} * 118 \text{ reporting sides}) = 85,314 \text{ hours}$.

²¹ This figure is based on the following: $(699 \text{ hours} * 118 \text{ reporting sides}) = 82,482 \text{ hours}$.

²² This figure is based on the following: $(((723 \text{ hours}/3 \text{ years}) + (699 \text{ hours})) / (1 \text{ response per year})) = 940 \text{ hours}$.

Although the number of reportable events that respondents will have to report has likely increased substantially from the Commission's earlier estimates, the Commission continues to believe that many reportable events will be reported through electronic means and that the ratio of electronic reporting to manual reporting is likely to increase over time. We therefore believe that, while the burden of reporting may have increased, as the result of economies of scale and the adoption of electronic reporting, the burden hours will not increase in direct proportion to the number of reportable events. As a result, we continue to believe that 100 hours per year per respondent represents a reasonable estimate of the burden of reporting for security-based swaps. The Commission continues to believe that a substantial majority of the reportable events that will be reported by respondents pursuant to Rule 901 will be reported through electronic means.

The Commission estimates that Rule 901 will impose an estimated total first-year burden of approximately 1,461 hours²³ per respondent that will incur the duty to report as a result of the amendments to Rule 901(a)(2)(ii)(E). The Commission further estimates that Rule 901 will impose an initial annualized burden of approximately 235.67 hours²⁴ per respondent and a total ongoing annual burden of approximately 754 hours per respondent resulting in a total approximate aggregate annualized burden of 19,793 hours (19,793.4 rounded down to 19,793) for all respondents.²⁵

*In summary, the Commission estimates that there will be 20 respondents, making one response per year, for a total of 20 total responses per year, with each response requiring approximately 989.67 burden hours, for a total annual burden of approximately **19,793 hours** ($20 \times 989.67 = 19,793.4$ rounded down to 19,793).*

These totals are derived as follows. The Commission estimates that each new respondent will have a total one-time burden of approximately 707 burden hours (approximately 235.67 hours per year when annualized over three years), taking into account those burdens previously adopted along with burdens resulting from the amendments, which corresponds to a one-time burden of approximately 14,140 burden hours (approximately 4,713.33 hours per year when

²³ We derived our estimate from the following: (355 hours (one-time hourly burden for establishing an OMS) + 172 hours (one-time hourly burden for establishing security-based swap reporting mechanisms) + 180 hours (one-time hourly burden for compliance and ongoing support)) = 707 hours (one-time total hourly burden). (436 hours (annual-ongoing hourly burden for internal order management) + 100 hours (revised annual-ongoing hourly burden for security-based swap reporting mechanisms) + 218 hours (annual-ongoing hourly burden for compliance and ongoing support)) = 754 hours (annual-ongoing hourly burden). (707 one-time hourly burden + 754 revised annual-ongoing hourly burden) = 1,461 (total first-year hourly burden).

²⁴ We derived our estimate from the following: (Y1: 707 hours per respondent; Y2: 0 hours per respondent; Y3: 0 hours per respondent) = 707 hours / 3 years = 235.67 hours per year.

²⁵ We derived our estimate from the following: ((707 hours / 3 years = 235.67) + (754) = 989.67 hours per respondent * 20 respondents) = 19,793.4 hours.

annualized over three years) for all 20 new respondents.²⁶ Further, the Commission estimates that each new respondent will have a total ongoing annual burden of approximately 754 burden hours, taking into account those burdens previously adopted along with burdens resulting from the amendments, which corresponds to approximately 15,080 burden hours per year for all 20 new respondents.²⁷ The Commission estimates one response per respondent per year, which, including the one-time burden equally allocated over three years, results in a burden of 989.67 hours per response (235.67 + 754).²⁸ This collection is a third-party disclosure type of collection.

iii. Rule 901-SDRs (Collection #2)

Rules 901(f) and 901(g) require a registered SDR to time-stamp, to the second, information that it receives and to assign a unique transaction ID to each security-based swap it receives or establish or endorse a methodology for transaction IDs to be assigned by third parties, respectively. The Commission previously estimated that 3 entities would register as SDRs and thus be subject to this burden. Based on SDR registration data available since the prior submission, the Commission continues to estimate that 3 entities will be registered as SDRs and subject to this burden. The Commission is also maintaining the hourly breakdown of labor as well as the per-SDR burden from its prior submission. The Commission previously and continues to estimate that Rules 901(f) and 901(g) will impose an initial one-time total burden of approximately 360 burden hours, which corresponded to approximately 120 burden hours per SDR respondent (or 40 hours per respondent when annualized over three years).²⁹ Further, the Commission previously and continues to estimate that Rules 901(f) and 901(g) will impose a total ongoing annual burden of 456 hours, which corresponds to 152 burden hours per SDR respondent.³⁰ The Commission previously estimated and continues to estimate two responses per SDR respondent per year, which, including the one-time burden equally allocated over three years, results in a burden of approximately 192 hours per respondent per year (152 + 40)³¹ or 96 hours per response (192 divided by 2 responses per year).

²⁶ This figure is based on the following: (707 hours * 20 respondents) = 14,140 hours.

²⁷ This figure is based on the following: (754 hours * 20 respondents) = 15,080 hours.

²⁸ This figure is based on the following: [((707 hours/3 years) + (754 hours)) / (1 response per year)] = 989.67 hours.

²⁹ The Commission previously estimated: ((Sr. Programmer (80 hours)) + (Sr. Systems Analyst (20 hours)) + (Compliance Manager (8 hours)) + (Director of Compliance (4 hours)) + (Compliance Attorney (8 hours))) x (3 registered SDRs) = 360 hours. The Commission is not changing this estimate.

³⁰ The Commission previously estimated: ((Sr. Programmer (60 hours)) + (Sr. Systems Analyst (48 hours)) + (Compliance Manager (24 hours)) + (Director of Compliance (12 hours)) + (Compliance Attorney (8 hours))) x (3 registered SDRs)] = 456 hours. The Commission is not changing this estimate.

³¹ This figure is based on the following: [((120 hours/3 years) + (152 hours)) / (2 responses per year)] = 96 hours per response or 192 hours per respondent.

*The Commission continues to estimate that the aggregate annual burden is approximately **576 hours** per year or 96 hours per response multiplied by 3 respondents multiplied by 2 responses per year per respondent (96 x 3 x 2).*

This collection is a recordkeeping type of collection.

iv. Rule 901-Platforms (Collection #16)

Rule 901(a) puts in place certain reporting obligations for those security-based swaps that are clearing transactions (discussed in greater detail below) or that are executed on a platform and will be submitted to clearing. The Commission believes that Rule 901(a) will result in 10 respondents incurring the duty to report under Regulation SBSR. Specifically, the Commission believes that there will be 8 platforms (exchanges and SB SEFs) and 2 registered clearing agencies (discussed below) that will incur such duties.³² Rule 901(a)(3) requires a person—either the platform upon which the security-based swap was executed or the reporting side for those security-based swaps other than clearing transactions—to report, for those security-based swaps submitted to a registered clearing agency, the transaction ID of the submitted security-based swap and the identity of the registered SDR to which the transaction will be or has been reported.

The Commission previously stated its belief that reporting sides that fall under the reporting hierarchy in Rule 901(a)(2)(ii) will incur certain burdens with respect to their reporting of covered transactions. The Commission believes that platforms will face the same categories of burdens as those identified for other types of respondents. However, in addition to the burden of development of an OMS capable of capturing relevant security-based-swap transaction information, implementation of a reporting mechanism, and establishment of an appropriate compliance program and support for the operation of the OMS and reporting mechanism, platforms will also have the added burden of reporting a larger number of transactions, including the Rule 901(a) requirements relating to the reporting of clearing information.

The Commission previously estimated that the number of reportable events associated with security-based-swap transactions was approximately 3 million reportable events per year under Rule 901.³³ At that time, the Commission also stated that it believed that 600 annual burden hours (or 60 annual burden hours per platform) for the reporting of security based swaps represented a reasonable upper bound of the actual burdens and costs required to comply with the paperwork burdens associated with Rule 901.

Prior to the last submission, the Commission reviewed more data pertaining to transactions in the security-based swap market, and based on that data, the Commission estimated the total number of number of reportable events associated with security-based-swap transactions to be 550 million per year. The Commission now revises its estimate based on more recent data from 550 million to 1.3 billion. Of these reportable events, the Commission continues to believe that approximately one-third, or 433 million, are the result of new security-based-swap

³² The Commission previously estimated three clearing agencies but based on more recent data and experience it is now reducing this number to two.

³³ See Regulation SBSR Amendments Adopting Release.

transactions and thus would be reportable by platforms. Although the number of reportable events continues to increase substantially from the Commission's earlier estimates, we believe that, because of economies of scale and the adoption of electronic reporting, the burden hours would not increase in direct proportion to the number of reportable events. As a result, we continue to believe that the previous estimate of 600 annual burden hours (or 60 annual burden hours per platform) for the reporting of security-based swaps continues to represent a reasonable upper bound of the actual burdens and costs required to comply with the paperwork burdens associated with Rule 901. The Commission believes that substantially all reportable events that will be reported by platforms pursuant to Rule 901 will be reported through electronic means.

Additionally, Rule 901(a)(3) will require a platform upon which the security-based swap was executed to report, for those security-based swaps submitted to a registered clearing agency, the transaction ID of the submitted security-based swap and the identity of the registered SDR to which the transaction will be or has been reported. As a result, platforms will already have put into place any infrastructure needed to report these security-based swaps to a registered clearing agency.³⁴ However, the Commission believes that including the additional reportable items will result in additional development and maintenance burdens. Specifically, the Commission believes that the additional one-time burden related to the development of the ability to capture the additional specific data elements required by Rule 901(a)(3) will be 10 burden hours and the additional one-time burden related to the implementation of a reporting mechanism will be 6 burden hours, per platform and reporting side.³⁵ The Commission believes that the additional ongoing burden related to the ability to capture the additional specific data elements required by Rule 901(a)(3) will be 10 burden hours and the additional ongoing burden related to the maintenance of the reporting mechanism will be 2 burden hours, per platform.³⁶

³⁴ The required infrastructure for platforms and related burdens and costs are discussed in the Regulation SBSR Amendments Adopting Release. The required infrastructure and related burdens and costs for reporting side were already accounted for in the Regulation SBSR Adopting Release. 80 FR at 14675–77. The additional burdens discussed in this paragraph related to the ability to capture the additional specific data elements, as required by Rule 901(a)(3), will be incremental burdens that are in addition to the previously established infrastructure burdens and costs.

³⁵ The Commission estimates that the additional burdens will be: [(Sr. Programmer (5 hours) + Sr. Systems Analyst (5 hours)) = 10 burden hours (development of the ability to capture transaction information); (Sr. Programmer (3 hours) + Sr. Systems Analyst (3 hours)) = 6 burden hours (implementation of reporting mechanism)]. The total one-time burden associated with the amendments to 901(a) would be 16 burden hours per platform and reporting side for a total one-time burden of 128 hours (16 x 8 platforms).

³⁶ The Commission estimates that the additional burdens would be: [(Sr. Programmer (5 hours) + Sr. Systems Analyst (5 hours)) = 10 burden hours (maintenance of transaction capture system); (Sr. Programmer (1 hour) + Sr. Systems Analyst (1 hour)) = 2 burden hours (maintenance of reporting mechanism)]. The total ongoing burden associated with the amendments to Rule 901(a) would be 12 burden hours per platform and reporting side for a total ongoing burden of 96 hours (12 x 8 platforms).

The Commission estimates that the total burden placed upon reporting sides as a result of Rule 901 will be approximately 1,449 hours per entity in the first year (723 one-time initial burden per entity + 726 ongoing burden per entity),³⁷ resulting in a total first-year burden of approximately 11,592 hours for all platforms,³⁸ which includes development of an OMS capable of capturing relevant security-based swap transaction information, implementation of a reporting mechanism, and establishment of an appropriate compliance program and support for the operation of the OMS and reporting mechanism.³⁹ The Commission estimates that Rule 901 will impose ongoing annual burdens of approximately 726 hours⁴⁰ per platform for a total annual burden of approximately 5,808 hours for all platforms.⁴¹

*In summary, the Commission estimates that there will be 8 respondents, making one response per year, for a total of 8 total responses per year, with each response requiring approximately 967 burden hours, for a total annual burden of (8 x 967 = 7,736) **7,736 hours**.*

³⁷ The Commission derived its estimate from the following: (355 hours (one-time hourly burden for establishing an OMS) + 172 hours (one-time hourly burden for establishing security-based swap reporting mechanisms) + 180 hours (one-time hourly burden for compliance and ongoing support) + 16 hours (additional hourly burden resulting from establishing ability to report information related to clearing)) = 723 hours (one-time total hourly burden). (436 hours (annual-ongoing hourly burden for order management) + 218 hours (annual-ongoing hourly burden for compliance and ongoing support) + 60 hours (annual-ongoing burden of reporting security-based swap transaction information) + 12 hours (annual-ongoing hourly burden of reporting security-based swap transaction information related to clearing)) = 726 hours (annual-ongoing hourly burden). (723 (one-time hourly burden) + 726 (revised annual-ongoing hourly burden) = 1,449 (total first-year hourly burden). See Regulation SBSR Amendments Adopting Release.

³⁸ The Commission derived its estimate from the following: (1,449 hours per reporting entity x 8 platforms) = 11,592 hours.

³⁹ The Commission estimates: (355 hours (one-time hourly burden for establishing and OMS) + 172 hours (one-time hourly burden for establishing security-based swap reporting mechanisms) + 180 hours (one-time hourly burden for compliance and ongoing support) + 16 hours (additional hourly burden resulting from establishing ability to report information related to clearing)) = 723 hours (one-time total hourly burden). See Regulation SBSR Amendments Adopting Release.

⁴⁰ The Commission estimates: (436 hours (annual-ongoing hourly burden for order management) + 218 hours (annual-ongoing hourly burden for compliance and ongoing support) + 60 hours (annual-ongoing burden of reporting security-based swap transaction information) + 12 hours (annual-ongoing hourly burden of reporting security-based swap transaction information related to clearing)) = 726 hours (annual-ongoing hourly burden). See Regulation SBSR Amendments Adopting Release.

⁴¹ The Commission derived its estimate from the following: (726 hours per reporting entity x 8 platforms) = 5,808 hours.

These totals are derived as follows. The Commission estimates one response per each of the 8 respondents per year, which, including the one-time burden equally allocated over three years ($723 / 3 = 241$), results in a total annual burden of approximately 967 hours ($726 + 241$) per response⁴² and a total aggregate annual burden of approximately 7,736 hours (967×8) for all respondents.⁴³

This collection is a third-party disclosure type of collection.

v. Rule 901- Clearing Agencies (Collection #18)

The Commission has adopted certain reporting obligations for those security-based swaps that are clearing transactions or are executed on a platform (discussed in greater detail above) and will be submitted to clearing. Subparagraph (2)(i) of Rule 901(a) assigns the reporting duty for a clearing transaction to the registered clearing agency that is a counterparty to the security-based swap. As stated above, the Commission believes that there will be 10 respondents incurring the duty to report under Regulation SBSR, including two registered clearing agencies. The Commission believes that clearing agencies will face the same categories of burdens as those identified in the Regulation SBSR Adopting Release for other types of respondents. In addition, registered clearing agencies will also have the added burden of reporting a larger number of transactions.

The Commission previously estimated that the total number of number of reportable events associated with security-based-swap transactions to be 550 million per year. Based on more recent data, the Commission now estimates the total number of reportable events to be 1.3 billion. The Commission continues to believe that approximately two-thirds, or 433 million, are the result of life-cycle events and thus would be reportable by registered clearing agencies. Although the number of reportable events has increased substantially from the Commission's earlier estimates, we believe that, because of economies of scale and the adoption of electronic reporting, the burden hours would not increase in direct proportion to the number of reportable events. As a result, we continue to believe that the previous estimate of 1,100 hours per registered clearing agency for the reporting of security-based swaps represents a reasonable upper bound of the actual burdens and costs required to comply with the paperwork burdens associated with Rule 901. The Commission believes that substantially all reportable events that will be reported by registered clearing agencies pursuant to Rule 901 will be reported through electronic means.

The Commission previously stated its belief that reporting sides that fall under the reporting hierarchy in Rule 901(a)(2)(ii) will incur certain burdens with respect to their reporting of covered transactions. The Commission continues to believe that registered clearing agencies will face the same categories of burdens as those identified in the Regulation SBSR Adopting Release for other types of respondents. The Commission estimates that the total burden placed

⁴² This figure is based on the following: $((723 \text{ hours}/3 \text{ years}) + (726 \text{ hours})) / (1 \text{ response per year}) = 967 \text{ hours}$.

⁴³ We derived our estimate from the following: $(967 \text{ hours per respondent} \times 8 \text{ respondents}) = 7,736 \text{ hours}$.

upon reporting sides as a result of Rule 901 would be approximately 1,361 hours⁴⁴ per reporting side during the first year.⁴⁵ The Commission believes that the per-entity burden for registered clearing agencies will be similar in composition. As a result, the Commission estimates that the total first-year burden will be 2,461 hours per registered clearing agency,⁴⁶ resulting in a total first-year burden of 4,922 hours for all registered clearing agencies under Rule 901,⁴⁷ which includes development of an OMS capable of capturing relevant security-based-swap transaction information, implementation of a reporting mechanism, and establishment of an appropriate compliance program and support for the operation of the OMS and reporting mechanism. The Commission believes that Rule 901 will impose ongoing annual burdens of approximately 1,754 hours⁴⁸ per registered clearing agency for a total ongoing annual burden of 3,508 hours for all registered clearing agencies.⁴⁹ The Commission estimates one response per respondent per year, which, including the one-time burden equally allocated over three years ($707 / 3 = 235.67$), results in an annual burden of 1,989.67 hours per response ($1,754 +$

⁴⁴ The Commission derived its estimate from the following: (355 hours (one-time hourly burden for establishing and OMS) + 172 hours (one-time hourly burden for establishing security-based swap reporting mechanisms) + 180 hours (one-time hourly burden for compliance and ongoing support)) = 707 hours (one-time total hourly burden). (436 hours (annual-ongoing hourly burden for order management) + 218 hours (annual-ongoing hourly burden for compliance and ongoing support)) = 654 hours (one-time total hourly burden). (707 one-time hourly burden + 654 revised annual-ongoing hourly burden = 1,361 total first-year hourly burden). See Regulation SBSR Amendments Adopting Release.

⁴⁵ See Regulation SBSR Amendments Adopting Release.

⁴⁶ The Commission derived its estimate from the following: (355 hours (one-time hourly burden for establishing and OMS) + 172 hours (one-time hourly burden for establishing security-based swap reporting mechanisms) + 180 hours (one-time hourly burden for compliance and ongoing support)) = 707 hours (one-time total hourly burden). (436 hours (annual-ongoing hourly burden for order management) + 218 hours (annual-ongoing hourly burden for compliance and ongoing support) + 1,100 hours (annual-ongoing burden of reporting security-based swap transaction information)) = 1,754 hours (annual-ongoing hourly burden). (707 (one-time hourly burden) + 1,754 (revised annual-ongoing hourly burden) = 2,461 (total first-year hourly burden). See Regulation SBSR Amendments Adopting Release.

⁴⁷ The Commission derived its estimate from the following: (2,461 hours per reporting entity x 2 registered clearing agencies) = 4,922 hours.

⁴⁸ The Commission estimates: (436 hours (annual-ongoing hourly burden for order management) + 218 hours (annual-ongoing hourly burden for compliance and ongoing support) + 1,100 hours (annual-ongoing burden of reporting security-based swap transaction information)) = 1,754 hours (annual-ongoing hourly burden).

⁴⁹ The Commission derived its estimate from the following: (1,754 hours per reporting entity x 2 registered clearing agencies) = 3,508 hours.

235.67).⁵⁰ The aggregate annual burden for all clearing agencies is thus 3,979 hours (1,989.67 x 2 = 3,979). This collection is a third-party disclosure type of collection.

*In summary, the Commission estimates that there will be 2 respondents making one response per year, for a total of 2 total responses per year, with each response requiring approximately 1,989.67 burden hours, for a total annual burden of (2 x 1,989.67 = 3,979) **3,979 hours**.*

These totals are derived as follows. The Commission estimates that the initial one-time burden will be approximately 707 hours per clearing agency, resulting in a total initial one-time burden of approximately 1,414 hours for all registered clearing agencies under the amendments to Rule 901.⁵¹ The Commission further estimates that the amendments to Rule 901 will impose ongoing annual burdens of approximately 1,754 hours per reporting entity for a total aggregate annual burden of 3,508 hours for all registered clearing agencies.⁵² The Commission estimates one response per respondent per year, which, including the one-time burden equally allocated over three years (707 / 3 = 235.67), results in a burden of approximately 1,989.67 hours per response (1,754 + 235.67) or an aggregate annual burden for all 2 respondents of approximately 3,979 hours.⁵³

This collection is a third-party disclosure type of collection.

b. Rule 902-SDRs (Collection #3)—Public Dissemination of Transaction Reports

Rule 902 requires a registered SDR to publicly disseminate a transaction report immediately upon receipt of information about a security-based swap, or a life cycle event or adjustment due to a life cycle event (or upon re-opening following a period when the registered SDR was closed), except in certain limited circumstances described in Rule 902(c).⁵⁴ A published transaction report must consist of all of the information reported pursuant to Rule 901(c), plus any condition flags required by the policies and procedures of the registered SDR to which the transaction is reported. The Commission previously estimated that 3 entities would register as SDRs and thus be subject to this burden. Based on SDR registration data available

⁵⁰ This figure is based on the following: $(((707 \text{ hours}/3 \text{ years}) + (1,754 \text{ hours})) / (1 \text{ response per year})) = 1,989.67 \text{ hours}$.

⁵¹ The Commission derived its estimate from the following: (2,461 hours per reporting entity x 2 registered clearing agencies) = 4,922 hours.

⁵² The Commission derived its estimate from the following: (1,754 hours per reporting entity x 2 registered clearing agencies) = 3,508 hours.

⁵³ This figure is based on the following: $(((707 \text{ hours}/3 \text{ years}) + (1,754 \text{ hours})) / (1 \text{ response per year})) = 1,989.67 \text{ hours} \times 2 = 3,979 \text{ hours}$.

⁵⁴ The Commission notes that reporting side respondents incur no duties of dissemination under Rule 902. All duties of dissemination apply only to registered SDRs.

since the prior submission, the Commission continues to estimate that 3 entities will be subject to this burden.

The Commission is also maintaining the hourly breakdown of labor as well as the per-SDR burden from its prior submission. Based on the methodology of the prior submission the Commission continues to estimate that the initial one-time total burden for the development and implementation of systems necessary to comply with Rule 902 will be approximately 25,200 hours (approximately 8,400 hours per year when annualized over three years), which corresponds to approximately 8,400 burden hours per SDR respondent (approximately 2,800 per year when annualized over three years). Further, the Commission estimates that the public dissemination requirements will impose a total ongoing annual burden of approximately 15,120 hours, which corresponds to approximately 5,040 burden hours per SDR respondent. The Commission estimates that each registered SDR will have to build the infrastructure only once and will have to update that infrastructure each year.

As a result, the Commission estimates one response per each of the 3 respondents (i.e., SDRs) per year (representing the annual upkeep of the public dissemination system), which, including the one-time hourly burden equally allocated over three years ($8,400 / 3 = 2,800$), results in an annual hourly burden of 7,840 hours per response for each respondent and an aggregate burden of 23,520 hours per year for all respondents (1 response per year x 3 respondents).⁵⁵ This collection is a third-party disclosure type of collection.

c. Rule 903(a) – Participants with and without LEIs (Collections #13 and #14)

Rule 903(a) continues to provide that, if an internationally recognized standards-setting system (“IRSS”) that meets certain criteria is recognized by the Commission and has assigned a unique identification code (“UIC”) to a person, unit of a person, or product (or has endorsed a methodology for assigning transaction IDs), all registered SDRs must use that UIC in carrying out their responsibilities under Regulation SBSR. If no such system has been recognized by the Commission, or if such a system has not assigned a UIC to a particular person, unit of a person, or product (or has not endorsed a methodology for assigning transaction IDs), the registered SDR must assign a UIC to that person, unit of a person, or product using its own methodology (or endorse a methodology for assigning transaction IDs). In the Regulation SBSR Adopting Release, the Commission recognized the Global LEI System (“GLEIS”) as an IRSS that meets the criteria of Rule 903. The GLEIS issues UICs for legal entities, known as “legal entity identifiers” or “LEIs.” Therefore, if an entity has an LEI issued by or through the GLEIS, that LEI must be used for all purposes under Regulation SBSR. In conjunction with the Commission’s recognition of the GLEIS, Rule 903 requires all persons who are participants of at least one registered SDR to obtain an LEI from or through the GLEIS for use under Regulation SBSR. Furthermore, each participant that acts as a guarantor of a direct counterparty’s performance of any obligation under a security-based swap that is subject to Rule 908(a) shall, if the direct counterparty has not already done so, obtain a UIC for identifying the direct

⁵⁵ This figure is based on the following: $[(8,400 \text{ hours}/3 \text{ years}) + (5,040 \text{ hours})] = 7,840$ hours per respondent. $7,840 \times 3 = 23,520$.

counterparty from or through that system, if that system permits third-party registration without a requirement to obtain prior permission of the direct counterparty.

Rule 903 applies to any person who is a participant of at least one registered SDR. The Commission previously estimated that as many as 15,082 participants will be subject to this burden. Since the prior submission, however, the Commission has reviewed more recent data pertaining to transactions in the security-based swap market and based on that data, the Commission now estimates that 13,434 participants will be subject to this burden. Although the Commission is revising its estimates to account for a revised number of participants, it is maintaining the methodology, hourly breakdown of labor, and the per-participant burden from its prior submission. The Commission previously estimated that as many as 2,573 respondents did not already have a GLEIS LEI and who would be required to obtain one, and as many as 12,509 respondents who will need to maintain a GLEIS LEI. Based on more recent data, the Commission now estimates that, for purposes of the PRA, there may be as many as 788 respondents who do not already have a GLEIS LEI and who will be required to obtain one, and as many as 12,646 respondents who will need to maintain a GLEIS LEI. The Commission estimates that the total one-time first-year burden imposed by Rule 903 will be approximately 788 hours (or 262.67 per year when annualized over three years), which corresponds to 1 hour per participant, to account for the initial burdens of obtaining an LEI.⁵⁶ The Commission estimates that the total ongoing burden imposed by Rule 903 will be approximately 12,646 hours for respondents that currently have LEIs and 525.34 hours for respondents that currently do not have an LEI, which corresponds to 1 hour per participant per year, to account for ongoing administration of the LEI.⁵⁷ In addition, for these participants, the assignment of an LEI will entail both one-time and ongoing costs assessed by local operation units (“LOUs”) of the GLEIS. This collection is a third-party disclosure type of collection.

*In summary, the Commission estimates that there will be 12,646 respondents that currently have an LEI, , making one response per year, for a total of 12,646 total responses per year, with each response requiring one burden hour, for a total annual burden of (12,646 x 1 = 12,646) **12,646 hours**. The Commission also estimates that there will be 788 respondents that currently do not have an LEI, making one response per year, for a total of 788 total responses*

⁵⁶ These figures are based on the following: [Compliance Attorney at 1 hour/year) x (788 participants)] = 788 burden hours. 788 hours / 3 = 262.67 hours.

⁵⁷ These figures are based on the following: [(Compliance Attorney at 1 hour/year) x (12,646 participants that currently have LEIs)] = 12,646 burden hours. The Commission notes that for the 788 participants that currently do not have an LEI, the first year burden on obtaining an LEI will be one hour per participant. However, these same participants will not incur the annual recurring burden during that first year and will only incur this recurring burden in subsequent years. Thus, the one hour per year ongoing estimate for participants that do not currently have an LEI will be reduced (Y1: 0; Y2: 1 hour; Y3: 1 hour = 2 hours / 3 years = .6667 hours/year). 788 hours x .6667 = 525.34. The total burden for those participants that currently do not have an LEI will be 788 hours (262.67 burden hours to obtain an LEI + 525.34 burden hours to maintain an LEI for two years = 788 total burden hour, or an average of 1 burden hour per year).

per year, with each response requiring one burden hour, for a total annual burden of $(788 \times 1 = 788)$ 788 hours.

d. Rule 904-SDRs (Collection #4)--Operating Hours of Registered SDRs

Rule 904 requires a registered SDR to operate continuously, subject to two exceptions. First, under Rule 904(a), a registered SDR may establish normal closing hours during periods when, in its estimation, the U.S. market and major foreign markets are inactive. Second, under Rule 904(b), a registered SDR may declare, on an ad hoc basis, special closing hours to perform system maintenance that cannot wait until normal closing hours. Rule 904(c) specifies requirements for handling and disseminating reported data during a registered SDR's normal and special closing hours. Pursuant to Rule 904(d), immediately upon system re-opening, the registered SDR is required to publicly disseminate any transaction data required to be reported under Rule 901(c) that it received and held in queue. Pursuant to Rule 904(e), if a registered SDR cannot hold in queue transaction data to be reported, immediately upon re-opening the SDR is required to send a message to all participants that it has resumed normal operations. The Commission continues to estimate that 3 entities will be subject to this burden. The Commission previously estimated that the requirements to notify participants and the public of closing hours and system availability will impose an aggregate ongoing annual burden of 108 burden hours, which corresponds to 36 burden hours per year per each of the 3 SDR respondents. The Commission continues to maintain the hourly breakdown of labor from its prior submission: 36 burden hours \times 3 SDRs = 108 hours. The Commission estimates 12 responses per respondent per year, resulting in a burden of 3 hours per response.

In summary, the Commission estimates that there will be 3 respondents, making 12 response per year, for a total of 36 total responses per year, with each response requiring approximately 3 burden hours, for a total annual burden of $(3 \times 36 = 108)$ 108 hours.

This collection is a third-party disclosure type of collection.

e. Error Correction – Rule 905

Rule 905 establishes procedures for correcting errors in reported and disseminated security-based-swap information. Rule 905 requires any counterparty to a security-based swap that discovers an error in previously reported information to take action to ensure that corrected information is provided to the registered SDR to which the initial transaction was reported. The rule also requires a registered SDR to verify any error reports that it receives and to correct and, if necessary, publicly disseminate a corrected transaction report.

i. Rule 905-Reporting Sides--(Collection #5)

Under Rule 905(a)(2), where a reporting side for a security-based-swap transaction discovers an error in the information reported with respect to a security-based swap, or receives notification from its counterparty of an error, the reporting side must promptly submit to the entity to which the security-based swap was originally reported an amended report pertaining to the original transaction. The amended report must be submitted to the registered SDR in a manner consistent with the policies and procedures of the registered SDR required pursuant to

Rule 907(a)(3). The Commission believes that compliance with this rule will require support and maintenance of error-reporting functions. The Commission believes that designing and building appropriate reporting system functionality to comply with the error-reporting rule will represent an incremental “add-on” to the cost to build a reporting system. The Commission estimates that the incremental burden will be equal to 5% of the one-time and annual costs associated with designing and building a reporting system pursuant to Rule 901 plus 10% of the corresponding one-time and annual costs associated with developing the overall compliance program required under Rule 901. The Commission estimates that Rule 905(a) will impose a one-time initial (first-year) aggregate burden of approximately 5,906 hours (approximately 1,968.33 per year when annualized over three years), which is approximately 50 burden hours per reporting side (approximately 16.67 hours per reporting side when annualized over three years),⁵⁸ and an ongoing aggregate annual burden of approximately 2,767 hours, which is approximately 23.5 burden hours per reporting side.⁵⁹ The Commission estimates that each of the estimated 118 reporting sides will, on average, have to submit only one error correction report per day (for a total of 365 error correction reports per reporting side, resulting in 43,070 total responses per year and an average daily burden of approximately 0.110046 hours). As a result, the Commission estimates the burden per respondent per year, (which includes the one-time burden equally allocated over three years) to be approximately 40.17 hours (16.67 + 23.5).⁶⁰ The aggregate burden per year is thus approximately 4,740 hours (118 x 40.17).

*In summary, the Commission estimates that there will be 118 respondents, each making one response per day, for a total of (118 x 365 = 43,070) 43,070 total responses per year, with each response requiring 0.110046 burden hours, for a total annual burden of approximately **4,740 hours** (43,070 x 0.110046 = 4,739.7 rounded to 4,740).*

⁵⁸ See Regulation SBSR Adopting Release, 80 FR at 14682. This figure is calculated as follows: [(((172 burden hours for one-time development of reporting system) x (0.05)) + ((33 burden hours annual maintenance of reporting system) x (0.05)) + ((180 burden hours one-time compliance program development) x (0.1)) + ((218 burden hours annual support of compliance program) x (0.1))) x (118 reporting sides)] = 5,905.9 burden hours, which is 50 burden hours per reporting side. The burden hours for annual maintenance of the reporting system has been updated to reflect new information on the number of reportable events.

⁵⁹ See Regulation SBSR Adopting Release, 80 FR at 14682. This figure is calculated as follows: [(((33 burden hours annual maintenance of reporting system) x (0.05)) + ((218 burden hours annual support of compliance program) x (0.1))) x (118 reporting sides)] = 2,767.1 burden hours, which is 23.45 burden hours per reporting side. The burden hours for annual maintenance of the reporting system has been updated to reflect new information on the number of reportable events.

⁶⁰ This figure is based on the following: [(50.0 hours/3 years) + (23.5 hours)]. The Commission further estimated that each reporting side respondent will submit 365 error corrections reports each year for a per-response burden of approximately 0.110046 hours [40.17 hours / 365 responses]. This equates to a total burden of approximately 4,740 hours [40.17 hours x 118 reporting sides].

This collection is a third-party disclosure type of collection.

ii. Rule 905-New Respondents (Collection #21)--Reporting Sides – Additional Respondents

As is discussed above, Rule 901 assigns the duty to report security-based swaps, other than clearing transactions, when neither side of the security-based swap includes a registered security-based swap dealer or registered major security-based swap participant and when one (or both) side(s) of the security-based swap is not a U.S. person. The Commission estimates that 20 respondents will incur the duty to report under this provision of Regulation SBSR. The Commission estimates that these 20 respondents will incur, as a result of Rule 905(a), a total initial (first-year) burden of approximately 968 hours, which is approximately 48.4 burden hours (approximately 16.13 hours per year when annualized over three years) per new respondent,⁶¹ and a total ongoing burden of approximately 436 hours per year, which is approximately 21.8 burden hours per year per new respondent.⁶² The Commission estimates that each reporting side will, on average, have to submit only one error correction report per day (for a total of 365 error correction reports per reporting side, resulting in 7,300 total responses per year). As a result, the Commission estimates the burden per respondent (which includes the one-time burden equally allocated over three years) to be approximately 37.93 hours per year, or 0.10393 hours per response.⁶³ The aggregate burden is thus approximately 759 hours per year ($322.67 + 436 = 758.67$ hours rounded up to 759). The Commission believes that the actual submission of amended transaction reports required under Rule 905(a)(2) will not result in a material burden because this will be done electronically through the reporting system that the new respondents are required to develop and maintain to comply with existing Rule 901. The overall burdens associated with such a reporting system are addressed in our analysis of Rule 901.

*In summary, the Commission estimates that there will be 20 respondents, each making one response per day, for a total of $(20 \times 365 = 7,300)$ 7,300 total responses per year, with each response requiring 0.10393 burden hours, for a total annual burden of approximately $(7,300 \times 0.10393 = 759.689$ rounded to 759) **759 hours**.*

⁶¹ This figure is calculated as follows: $[(((172 \text{ burden hours for one-time development of reporting system}) \times (0.05)) + ((.11 \text{ burden hours annual maintenance of reporting system}) \times (0.05)) + ((180 \text{ burden hours one-time compliance program development}) \times (0.1)) + ((218 \text{ burden hours annual support of compliance program}) \times (0.1))) \times (20 \text{ respondents})] = 968 \text{ burden hours, which is } 48.4 \text{ burden hours per new respondent.}$

⁶² This figure is calculated as follows: $[(((.11 \text{ burden hours annual maintenance of reporting system}) \times (0.05)) + ((218 \text{ burden hours annual support of compliance program}) \times (0.1))) \times (20 \text{ respondents})] = 436 \text{ burden hours, which is } 21.8 \text{ burden hours per new respondent.}$

⁶³ This figure is based on the following: $[(48.4 \text{ hours}/3 \text{ years}) + (21.8 \text{ hours})]$. The Commission further estimated that each reporting side respondent will submit 365 error corrections reports each year for a per-response burden of 0.10393 hours $[37.93 \text{ hours}/365 \text{ responses}]$. This equates to a total burden of approximately 759 hours $[37.93 \text{ hours} \times 20 \text{ reporting sides}]$.

This collection is a third-party disclosure type of collection.

iii. Rule 905-Participants (Collection #6)--Non-Reporting Sides

Under Rule 905(a)(1), where a side that was not the reporting side for a security-based-swap transaction discovers an error in the information reported with respect to such security-based swap, the counterparty must promptly notify the reporting side of the error. The Commission estimates that as many as 13,434 entities will be subject to this burden. The Commission estimates that the requirement to notify reporting sides will impose an aggregate ongoing annual burden of 2,451,705 hours, which corresponds to 182.5 burden hours per non-reporting-side participant.⁶⁴ This figure is based on the Commission's estimate of (1) 13,434 participants; (2) 1 error report per day per participant (for a total of 365 error correction reports per reporting side, resulting in 4,903,410 total responses per year); and (3) an annual burden per respondent/per error report of 0.5 hours). The burdens of Rule 905 on reporting sides and other participants will be reduced to the extent that complete and accurate information is reported to registered SDRs in the first instance pursuant to Rule 901.

In summary, the Commission estimates that there will be 13,434 respondents, each making one response per day, for a total of (13,434 x 365 = 4,903,410) 4,903,410 total responses per year, with each response requiring 0.5 burden hours, for a total annual burden of approximately (4,903,410 x 0.5 = 2,451,705) 2,451,705 hours.

This collection is a third-party disclosure type of collection.

iv. Rule 905-SDRs (Collection #7)--Registered SDRs

Rule 905(b) sets forth the duties of a registered SDR relating to corrections. If the registered SDR either discovers an error in a transaction on its system or receives notice of an error from a reporting side, Rule 905(b)(1) requires the registered SDR to verify the accuracy of the terms of the security-based swap and, following such verification, promptly correct the erroneous information contained in its system. Rule 905(b)(2) further requires that, if such erroneous information relates to a security-based swap that the registered SDR previously disseminated and does not fall into any of the categories of information enumerated in Rule 901(c), the registered SDR must publicly disseminate a corrected transaction report of the security-based swap promptly following verification of the trade by the counterparties to the security-based swap, with an indication that the report relates to a previously disseminated transaction.

As discussed above, the Commission continues to estimate that 3 entities will register as SDRs and will thus be subject to this burden. The Commission is also maintaining the hourly

⁶⁴ See Regulation SBSR Adopting Release, 80 FR at 14682. This figure is based on the following: [(1 error report per non-reporting-side participant per day) x (365 days/year) x (Compliance Clerk at 0.5 hours/report) x (13,434 participants)] = 2,451,705 burden hours, which corresponds to 182.5 burden hours per participant. The annual burden per respondent/per error report is 0.5 hours.

breakdown of labor as well as the per-SDR burden from its prior submission. The Commission continues to estimate that to develop and publicly provide the necessary protocols will impose an initial one-time burden of approximately 2,190 burden hours, which corresponds to 730 burden hours (approximately 243.33 when annualized over three years) per SDR respondent.⁶⁵ The Commission estimates that the ongoing annual burden on registered SDRs under Rule 905 would be 1,460 burden hours per year for each registered SDR, which, when added to the initial burden of 243.33 hours, results in 1,703.33 burden hours annually per SDR respondent or approximately 5,110 burden hours.⁶⁶ The Commission estimates that the protocols will have to be updated once each year, resulting in one response per respondent per year, which (including the one-time burden equally allocated over three years) results in a burden of 1,703.33 hours per response and an aggregate burden of approximately 5,110 per year.⁶⁷

*In summary, the Commission estimates that there will be 3 respondents, each making one response per year, for a total of 3 total responses per year), with each response requiring 1,703.33 burden hours, for a total annual burden of approximately (3 x 1,703.33 = 5,109.99 rounded to 5,110) **5,110 hours.***

This collection is a third-party disclosure type of collection.

v. Rule 905-Platforms (Collection #17)

Rule 905 applies to all participants of registered SDRs, including platforms. The Commission estimates that there will be approximately 8 platforms that incur a duty to report security-based-swap transactions pursuant to Rule 901 and may thus have a duty to correct errors under Rule 905. Under Rule 905(a), the person having the duty to report a security-based swap, whether a counterparty or a platform, will be required to correct previously reported erroneous information with respect to that security-based swap. The Commission estimates that Rule 905(a) will impose an initial (first-year) aggregate burden of 411.25 hours (approximately 137.08 per year when annualized over three years), which is 51.4 burden hours (approximately 17.13 hours per year when annualized over three years) per platform,⁶⁸ and an ongoing aggregate

⁶⁵ This figure is based on the following: $((730 \text{ burden hours to develop protocols}) \times 3 \text{ SDRs}) = 2,190 \text{ burden hours}$ $730 \text{ burden hours} / 3 \text{ years} = 243.33 \text{ burden hours per SDR respondent per year}$.

⁶⁶ This figure is based on the following: $[(1,460 \text{ burden hours annual support}) \times (3 \text{ registered SDRs})] = 4,380 \text{ burden hours}$, which corresponds to 1,460 burden hours per registered SDR. $1,460 \text{ annual burden hours plus } 243.33 \text{ (initial burden annualized over three years)} = 1,703.33 \text{ annual burden hours per SDR or approximately } 5,110 \text{ total annual burden hours for all SDR respondents}$.

⁶⁷ This figure is based on the following: $[(730 \text{ hours} / 3 \text{ years}) + (1,460 \text{ hours})] / (1 \text{ response per year}) = 1703.33 \text{ hours}$.

⁶⁸ This figure is calculated as follows: $[(172 \text{ burden hours for one-time development of reporting system}) \times (0.05)] + [(60 \text{ burden hours annual maintenance of reporting system}) \times (0.05)] + [(180 \text{ burden hours one-time compliance program development}) \times (0.1)] +$

annualized burden of 198.4 hours, which is 24.8 burden hours per platform.⁶⁹ The per response burden is 41.93333 burden hours, for an aggregate burden of approximately 335 hours per year, based on one response per each of 8 respondents (8 responses total) per year.

*In summary, the Commission estimates that there will be 8 respondents, each making one response per year, for a total of 8 total responses per year), with each response requiring 41.93333 burden hours, for a total annual burden of approximately (8 x 41.93333 = 335.4666 rounded to 335) **335 hours**.*

This collection is a third-party disclosure type of collection.

vi. Rule 905-Clearing Agencies (Collection #23)--Registered Clearing Agencies

Rule 905 also applies to registered clearing agencies and, because registered clearing agencies will be responsible for a large number of reportable events, they will likely be required to report more error corrections. As a result, the burdens imposed by Rule 905(a) on registered clearing agencies will be greater than the burden on platforms. For registered clearing agencies, the Commission estimates that Rule 905(a) will impose a total initial (first-year) burden of approximately 206.8 hours (approximately 68.93 hours per year when annualized over three years), which is approximately 103.4 burden hours (approximately 34.47 hours per year when annualized over three years) per year per each of the 2 registered clearing agencies,⁷⁰ and an ongoing total annual burden of 153.6 hours, which is approximately 76.8 burden hours per year per registered clearing agency.⁷¹ The Commission estimates that each registered clearing agency will, on average, only have to report one error correction report per day (for a total of 365 error correction reports per reporting side, resulting in 730 total responses per year);. As a result, the Commission estimates the aggregate burden per respondent per year (including the one-time

$((218 \text{ burden hours annual support of compliance program}) \times (0.1)) \times (8 \text{ platforms}) = 411.2 \text{ burden hours, which is } 51.4 \text{ burden hours per platform.}$

⁶⁹ This figure is calculated as follows: $[(((60 \text{ burden hours annual maintenance of reporting system}) \times (0.05)) + ((218 \text{ burden hours annual support of compliance program}) \times (0.1))) \times (8 \text{ platforms})] = 198.4 \text{ burden hours, which is } 24.8 \text{ burden hours per platform.}$

⁷⁰ This figure is calculated as follows: $[(((172 \text{ burden hours for one-time development of reporting system}) \times (0.05)) + ((1100 \text{ burden hours annual maintenance of reporting system}) \times (0.05)) + ((180 \text{ burden hours one-time compliance program development}) \times (0.1)) + ((218 \text{ burden hours annual support of compliance program}) \times (0.1))) \times (2 \text{ registered clearing agencies})] = 206.8 \text{ burden hours, which is } 103.4 \text{ burden hours per registered clearing agency.}$

⁷¹ This figure is calculated as follows: $[(((1100 \text{ burden hours annual maintenance of reporting system}) \times (0.05)) + ((218 \text{ burden hours annual support of compliance program}) \times (0.1))) \times (2 \text{ registered clearing agencies})] = 153.6 \text{ burden hours, which is } 76.8 \text{ burden hours per registered clearing agency.}$

burden equally allocated over three years) to be 111.27 hours.⁷² The aggregate burden for all respondents is thus approximately 223 hours per year based on a per response burden of 0.30484 burden hours.

*In summary, the Commission estimates that there will be 2 respondents, each making one response per day, for a total of (2 x 365 = 730) 730 total responses per year, with each response requiring 0.30484 burden hours, for a total annual burden of approximately (730 x 0.30484 = 222.5332 rounded to 223) **223 hours**.*

This collection is a third-party disclosure type of collection.⁷³

f. Other Duties – Rule 906

i. Rules 906(a) and (b) – Participants (Collections #9 and #10)

Rule 906(a) requires a participant that receives a daily report from a registered SDR to provide the missing identifier codes to the registered SDR within 24 hours. The Commission previously estimated that as many as 15,082 participants will be subject to this burden. Since the prior submission, however, the Commission has reviewed more recent data pertaining to transactions in the security-based swap market and based on that data, the Commission now estimates that 13,434 participants will be subject to this burden. Although the Commission is revising its estimates to account for a revised number of participants, it is maintaining the annual burden per participant from its prior submission. The Commission previously estimated that each participant would be subject to an annual burden of 28.1 hours to provide missing UIC information. The Commission continues to believe that this estimate is reasonable. The Commission further estimates that each participant will provide mission UIC information only once per day for a total of 365 responses per year (or 4,903,410 total responses for all participants per year) and a burden per response of 0.0769861 hours.⁷⁴ As a result, the Commission believes that there will be a total burden of approximately 377,495 hours per year for all participants.⁷⁵ This collection is a third-party disclosure type of collection.

⁷² This figure is based on the following: $[103.4 \text{ hours}/3 \text{ years}) + (76.8 \text{ hours})]$. The Commission further estimated that each reporting side respondent will submit 365 error corrections reports each year for a per-response burden of 0.30484 hours $[111.2667 \text{ hours}/365 \text{ responses}]$. This equates to a total burden of approximately 223 hours $[111.2667 \text{ hours} \times 2 \text{ registered clearing agencies}]$.

⁷³ We have assumed that all burden hours associated with this collection will be attributable to a third-party disclosure type, rather than a reporting type, of collection.

⁷⁴ The Commission does not believe that participants will be required to respond every day, but is estimating an average daily burden of 0.0769861 hours.

⁷⁵ The Commission estimates that the total burden for all participants will be approximately 377,495 calculated as follows: $(28.1 \text{ burden hours per participant} \times 13,434 \text{ participants}) = 377,495 \text{ hours per year}$ or 28.1 hours for each participant.

*In summary, the Commission estimates that there will be 13,434 respondents, making 1 response per day (for a total of 365 responses per respondent per year) for a total of 4,903,410 responses per year, with each response requiring 0.0769861 hours, for a total annual burden of approximately **377,495 hours** ($13,434 \times 365 \times 0.0769861 = 377,494.41$ hours rounded to 377,495).*

Rule 906(b) requires each participant of a registered SDR to provide to the registered SDR an initial parent/affiliate report and subsequent reports, as needed. The Commission previously estimated that there would be as many as 9,049 participants, that each participant will connect to two registered SDRs on average, and that each participant will submit two reports each year.⁷⁶ Since the prior submission, however, the Commission has reviewed more recent data pertaining to transactions in the security-based swap market and based on that data, the Commission now estimates that there will be as many as 10,000 participants, that each participant will connect to two registered SDRs on average, and that each participant will submit two reports each year.⁷⁷ As a result, the Commission now estimates that the total ongoing annual burden associated with Rule 906(b) will be approximately 20,000 burden hours per year, which corresponds to 2 burden hours per participant.⁷⁸ The Commission estimates 2 responses per participant respondent per year for a total of 20,000 responses per year, resulting in a burden of 1 hour per response. This collection is a third-party disclosure type of collection.

*In summary, the Commission estimates that there will be 10,000 respondents, making 2 Responses per year, for a total of 20,000 total responses per year, with each response requiring 1 burden hour, for a total annual burden of ($10,000 \times 2 \times 1 = 20,000$) **20,000 hours**.*

ii. Rule 906(c) – Registered Security-Based Swap Dealers and Registered Major Security-Based Swap Participants (Collection #11)

Rule 906(c) requires each participant that is a registered security-based swap dealer or registered major security-based swap participant to establish, maintain, and enforce written policies and procedures (updated at least annually) that are reasonably designed to ensure compliance with any security-based-swap transaction reporting obligations in a manner

⁷⁶ The Commission previously estimated that, during the first year, each participant will submit an initial report and one update report and, in subsequent years, will submit two update reports. The Commission continues to believe that this estimate is reasonable.

⁷⁷ The Commission previously estimated that, during the first year, each participant will submit an initial report and one update report and, in subsequent years, will submit two update reports. The Commission continues to believe that this estimate is reasonable.

⁷⁸ See Regulation SBSR Adopting Release, 80 FR at 14684. The Commission previously estimated the following: [(Compliance Clerk at 0.5 hours per report) x (2 reports/year/SDR connection) x (2 SDR connections/participant) x (9,049 participants)] = 18,098 burden hours, which corresponds to 2 burden hours per participant. The Commission is now revising its estimate to account for a revised number of reporting sides, but is maintaining the hourly breakdown of labor and time per submission estimate from its prior submission: 2 burden hours x 10,000 participants = 20,000 hours.

consistent with Regulation SBSR. The Commission estimates that 54 registered security-based swap dealers and registered major security-based swap participants will be subject to this burden. The Commission estimates that the one-time, initial burden for covered participants to adopt written policies and procedures as required under Rule 906(c) will be approximately 11,664 burden hours (3,888 hours per year when annualized over three years), which corresponds to approximately 216 burden hours per covered participant (approximately 72 hours per year when annualized over three years). Further, the Commission estimates the total ongoing annual burden of maintaining such policies and procedures, including a full review at least annually, as required by Rule 906(c), will be approximately 6,480 burden hours per year, which corresponds to approximately 120 burden hours per year for each covered participant. The Commission estimates 1 response per respondent per year, which (including the one-time burden equally allocated over three years) results in an aggregate annual burden of approximately 192 hours per response and approximately 10,368 hours (192 x 54) for all respondents.⁷⁹ This collection is a recordkeeping type of collection.

In summary, the Commission estimates that there will be 54 respondents, making one response per year, for a total of 54 total responses per year, with each response requiring approximately 192 burden hours, for a total annual burden of (54 x 192 = 10,368) 10,368 hours.

iii. 906(c) – Registered Broker-Dealer Participants (Collection #22)

Rule 906(c) applies to registered broker-dealers that are likely to become participants solely as a result of being required to report one or more security-based swaps to satisfy an obligation under Rule 901(a)(2)(ii)(E)(4). The Commission estimates that there will be 20 registered broker-dealers. The amendments to Rule 906(c) will require each registered broker-dealer that is likely to become a participant solely as a result of making a report to satisfy an obligation under Rule 901(a)(2)(ii)(E)(4) to establish, maintain, and enforce written policies and procedures that are reasonably designed to ensure compliance with applicable security-based-swap transaction reporting obligations. Each such registered broker-dealer will be required to review and update such policies and procedures at least annually. The Commission estimates that the one-time, initial burden for each such registered broker-dealer to adopt written policies and procedures will be similar to the Rule 906(c) burdens discussed in the Regulation SBSR Adopting Release, and will be approximately 216 hours (approximately 72 hours per year when annualized over three years) per registered broker-dealer and approximately 4,320 hours for all such broker-dealers (approximately 1,440 per year when annualized over three years).⁸⁰ The Commission estimates the burden of maintaining such policies and procedures, including a full

⁷⁹ These figures are based on the following: $[(216 \text{ hours}/3 \text{ years}) + (120 \text{ hours})] / (1 \text{ response per year}) = 192 \text{ hours}$. $192 \text{ hours} \times 54 = 10,368 \text{ hours}$.

⁸⁰ See Regulation SBSR Amendments Adopting Release. These figures are based on the following: $[(\text{Sr. Programmer at } 40 \text{ hours}) + (\text{Compliance Manager at } 40 \text{ hours}) + (\text{Compliance Attorney at } 40 \text{ hours}) + (\text{Compliance Clerk at } 40 \text{ hours}) + (\text{Sr. Systems Analyst at } 32 \text{ hours}) + (\text{Director of Compliance at } 24 \text{ hours})] = 216 \text{ burden hours per registered broker-dealer that is likely to become a participant solely as a result of making a report to satisfy an obligation under Rule } 901(a)(2)(ii)(E)(4)$. $216 \text{ hours} \times 20 = 4,320$.

review at least annually (equaling one annual response) will be approximately 120 burden hours for each registered broker-dealer that is likely to become an SDR participant and approximately 2,400 hours for all such broker-dealers.⁸¹ Accordingly, the Commission estimates that the aggregate annual burden associated with the amendments to Rule 906(c) will be approximately 3,840 hours (1,440 + 2,400), or 192 burden hours per respondent per year.⁸² This collection is a recordkeeping type of collection.

*In summary, the Commission estimates that there will be 20 respondents, making one response per year, for a total of 20 total responses per year, with each response requiring approximately 192 burden hours, for a total annual burden of (20 x 192 = 3,840) **3,840 hours**.*

iv. Rule 906 – SDRs (Collection #8)

Rule 906(a) establishes procedures designed to ensure that a registered SDR obtains applicable UICs for both counterparties to a security-based swap. Rule 906(a) requires a registered SDR, once a day, to send a report to each of its participants identifying, for each security-based swap to which that participant is a counterparty, the security-based swap(s) for which the registered SDR lacks participant ID and (if applicable) broker ID, trading desk ID, and trader ID. The Commission estimates that 3 entities (i.e., 3 SDRs) will be subject to this burden.⁸³ The Commission estimates that there will be a one-time, initial burden of approximately 336 hours (approximately 112 hours per year when annualized over three years) for all 3 registered SDRs to create a report template and develop the necessary systems and processes to produce a daily report required by Rule 906(a), which corresponds to approximately 112 burden hours (approximately 37.33 hours per year when annualized over three years) per SDR respondent. Further, the Commission estimates that there will be a total ongoing annual burden of approximately 924 burden hours for the registered SDRs to generate and issue the daily reports, and to enter into their systems the UICs supplied by participants in response to the daily reports, which corresponds to 308 burden hours per SDR respondent. The aggregate annual burden is thus approximately 1,036 hours per year (112 + 924). The Commission believes that each participant will receive one missing information report each day and that each SDR will be required to send approximately 5,500,000 reports annually, for a total of 16,500,000 annual

⁸¹ This figure is based on the following: (120 burden hours) x (20 registered broker-dealers that are likely to become a participant solely as a result of making a report to satisfy an obligation under Rule 901(a)(2)(ii)(E)(4))] = 2,400 burden hours. See Regulation SBSR Amendments Adopting Release.

⁸² This figure is based on the following: (72 + 120 burden hours) x (20 registered broker-dealers that are likely to become a participant solely as a result of making a report to satisfy an obligation under Rule 901(a)(2)(ii)(E)(4))] = 3,840 burden hours.

⁸³ As discussed, the Commission is revising its estimated number of SDR respondents from 10 to 3.

reports by all SDRs.⁸⁴ The Commission estimates that each daily report will result in a burden of 0.00006278 hours.⁸⁵ This collection is a third-party disclosure type of collection.

*In summary, the Commission estimates that there will be 3 respondents, making approximately 5,500,000 responses per year, for a total of approximately 16,500,000 total responses per year, with each response requiring approximately 0.00006278 burden hours, for a total annual burden of $(16,500,000 \times 0.00006278 = 1,036)$ **1,036 hours**.*

v. Rule 906(c) – Registered Clearing Agencies and Platforms (Collection #19)

The amendments to Rule 906(c) require each registered clearing agency or platform to adopt written policies and procedures. The Commission estimates that the one-time, initial burden for each registered clearing agency or platform to adopt written policies and procedures will be similar to the Rule 906(c) burdens for other covered participants.⁸⁶ The Commission estimates that Rule 906(c) will impose an initial burden of approximately 216 hours on each of the 10 registered clearing agencies and platforms for a total initial one time burden of approximately 2,160 hours on all participants.⁸⁷ This equates to 720 hours per year when annualized over three years. In addition, the Commission estimates that the ongoing burden of maintaining such policies and procedures, including a full review at least annually (equaling one response per year), will be approximately 120 burden hours for each covered participant for a total ongoing burden of approximately 1,200 hours per year for all participants.⁸⁸ The aggregate

⁸⁴ The Commission estimates: [(1 missing information report per participant) x (365 days/year) x (15,082 participants)] = approximately 5,500,000 reports per year per SDR for a total of 16,500,000 total reports.

⁸⁵ This figure is based on the following: [((112 hours/3 years) + (308 hours)) / (5,500,000 responses per year per SDR)] = 0.00006278 hours. The Commission stated its belief that the process of sending out daily reports will be automated.

⁸⁶ See Regulation SBSR Amendments Adopting Release.

⁸⁷ See *id.* These figures are based on the following: [(Sr. Programmer at 40 hours) + (Compliance Manager at 40 hours) + (Compliance Attorney at 40 hours) + (Compliance Clerk at 40 hours) + (Sr. Systems Analyst at 32 hours) + (Director of Compliance at 24 hours)] = 216 burden hours per registered clearing agency or platform. This figure is based on the estimated number of hours to develop a set of written policies and procedures, program systems, implement internal controls and oversight, train relevant employees, and perform necessary testing. $216 \times 10 = 2,160$. The Commission previously estimated 13 respondents but based on new data is revising its estimate to 10.

⁸⁸ See *id.* These figures are based on the following: [(Sr. Programmer at 8 hours) + (Compliance Manager at 24 hours) + (Compliance Attorney at 24 hours) + (Compliance Clerk at 24 hours) + (Sr. Systems Analyst at 16 hours) + (Director of Compliance at 24 hours)] = 120 burden hours per registered clearing agency or platform. This figure includes an estimate of hours related to reviewing existing policies and procedures,

burden is thus approximately 1,920 hours per year (720 + 1,200), or 192 hours per respondent. This collection is a recordkeeping type of collection.

*In summary, the Commission estimates that there will be 10 respondents, making one response per year, for a total of 10 total responses per year, with each response requiring approximately 192 burden hours, for a total annual burden of (10 x 192 = 1,920) **1,920 hours**.*

g. Rule 907 – SDRs (Collection #12)

Rule 907 requires each registered SDR to establish and maintain policies and procedures addressing various aspects of Regulation SBSR compliance. Rule 907(a) generally requires a registered SDR to establish and maintain written policies and procedures that detail how it will receive and publicly disseminate security-based-swap transaction information. Rule 907(a)(4), for example, requires policies and procedures for assigning condition flags to the appropriate transaction reports. Rule 907(c) requires a registered SDR to make its policies and procedures available on its website. Rule 907(d) requires a registered SDR to review, and update as necessary, the policies and procedures that it is required to have by Regulation SBSR at least annually. Rule 907(e) requires a registered SDR to have the capacity to provide to the Commission, upon request, information or reports related to the timeliness, accuracy, and completeness of data reported to it pursuant to Regulation SBSR and the registered SDR's policies and procedures established thereunder.

As discussed, the Commission continues to estimate that 3 entities will register as SDRs and thus be subject to this burden. The Commission is also maintaining the per-SDR burden from its prior submission. The Commission estimates that the one-time, initial burden for a registered SDR to adopt written policies and procedures as required under Rule 907 will be approximately 16,500 hours for a total of approximately 49,500 hours for all registered SDRs. This equates to approximately 16,500 per year (approximately 5,500 per registered SDR) when annualized over three years. In addition, the Commission estimates the annual ongoing burden of maintaining such policies and procedures, including a full review at least annually, making available its policies and procedures on the registered SDR's website, and information or reports on non-compliance, as required under Rule 907(e), will be approximately 33,000 hours for each registered SDR for a total of approximately 99,000 for all SDRs (33,000 x 3). The Commission therefore estimates that the aggregate burden is approximately 115,500 hours per year (16,500 hours + 99,000 hours).

The Commission estimates one response per respondent per year, which, including the one-time burden equally allocated over three years, results in a burden of 38,500 hours per response.⁸⁹ This collection is a recordkeeping type of collection.

making necessary updates, conducting ongoing training, maintaining internal controls systems, and performing necessary testing. 120 hours x 10 = 1,200.

⁸⁹ This figure is based on the following: $(((16,500 \text{ hours}/3 \text{ years}) + (33,000 \text{ hours})) / (1 \text{ response per year})) = 38,500 \text{ hours}$.

*In summary, the Commission estimates that there will be 3 respondents, making one response per year, for a total of 3 total responses per year, with each response requiring approximately 38,500 burden hours, for a total annual burden of (3 x 38,500 = 115,500) **115,500 hours.***

h. Rule 908-Requesting Entities (Collection #15)

Rule 908(c) sets forth the requirements surrounding requests for “substituted compliance,” under which regulatory duties attaching to cross-border security-based-swap transactions—in this case, regulatory reporting and public dissemination—could be satisfied by complying with the rules of a foreign jurisdiction rather than the parallel rules applicable in the United States. Rule 908(c)(2)(ii) applies to any person that requests a substituted compliance determination with respect to a particular foreign jurisdiction for regulatory reporting and public dissemination of security-based swaps. In connection with each request, the requesting party must provide the Commission with any supporting documentation that the entity believes is necessary for the Commission to make a determination, including information demonstrating that the requirements applied in the foreign jurisdiction are comparable to the Commission’s and describing the methods used by relevant foreign financial regulatory authorities to monitor compliance with those requirements.

The Commission estimated that the total paperwork burden associated with anticipated requests for substituted compliance determinations with respect to regulatory reporting and public dissemination will be approximately 1,040 hours.⁹⁰ This estimate includes all collection burdens associated with the request, including burdens associated with analyzing whether the regulatory requirements of the foreign jurisdiction impose a comparable system for the regulatory reporting and public dissemination of security-based swaps. Furthermore, this estimate assumes that each request will be prepared *de novo*, without any benefit of prior work on related subjects. The Commission notes, however, that as such requests are developed with respect to certain jurisdictions, the cost of preparing such requests with respect to other foreign jurisdictions could decrease.

Because only a small number of jurisdictions have substantial OTC derivatives markets and are implementing OTC derivatives reforms, the Commission estimates that it will receive approximately 9 requests in the first year for substituted compliance determinations with respect to regulatory reporting and public dissemination pursuant to Rule 908(c)(2)(ii) of Regulation SBSR. Assuming 9 requests in the first year, the Commission estimates an aggregated burden for the first year will be 720 hours.⁹¹ The Commission estimates that it will receive 2 requests for substituted compliance determinations pursuant to Rule 908(c)(2)(ii) in each subsequent year.

⁹⁰ The Commission estimates that the paperwork burden associated with making a substituted compliance request pursuant to Rule 908(c)(2)(ii) of Regulation SBSR will be approximately 80 hours of in-house counsel time.

⁹¹ The Commission estimates that the paperwork burden associated with making 10 substituted compliance requests pursuant to Rule 908(c)(2)(ii) of Regulation SBSR will be up to approximately 800 hours (80 hours of in-house counsel time) x (9 respondents).

Assuming the same approximate time, the aggregate burden for each year following the first year will be up to 160 hours of the requester's time.⁹² Because the Commission anticipates that entities will request substituted compliance beyond the initial implementation of Regulation SBSR, the Commission believes that it is appropriate to characterize these burdens as annual recurring burdens. As a result, the Commission believes that the average annual burden of Rule 908(c) will be approximately 347 hours.⁹³

*In summary, the Commission estimates that there will be 13 respondents, each making one response per year, for a total of 13 total responses per year, with each response requiring 26.67 burden hours, for a total annual burden of approximately (13 x 26.67 = 346.71 hours rounded to 347) **347 hours**.*

This collection is a reporting type of collection.

i. Rule 909 – Registration of SDRs as Securities Information Processors

Rule 909 requires a registered SDR to also register with the Commission as a SIP on Form SDR. As a result of the consolidation of SDR and SIP registration on a single form, the Commission continues to believe that Rule 909 does not constitute a separate “collection of information” within the meaning of the PRA.⁹⁴ Any burdens and costs pertaining to the completion of Form SDR have been considered in connection with the Regulation SDR Adopting Release.

13. Estimate of Total Annual Cost Burden

The total annual dollar cost for Regulation SBSR for all respondents is approximately \$51,162,188, calculated as described below.

All dollar costs in this section 13 (except the new UPI costs in collections 1, 7, and 20) are based on Commission estimates from 2019, which the Commission believes still represent a reasonable estimate of the dollar cost. Therefore, the only modification to those costs is an upward uniform adjustment of 26% to account for inflation from 2019 to 2025, which represents an approximately 9.5% increase from the 2022 costs provided in the prior submission.⁹⁵ All

⁹² The Commission estimates that the paperwork burden associated with making substituted compliance requests pursuant to Rule 908(c)(2)(ii) of Regulation SBSR will be up to approximately 160 hours (80 hours of in-house counsel time) x (2 respondents).

⁹³ The Commission estimates that the average annual paperwork burden associated with making 13 substituted compliance requests, during the first three years following implementation, will be approximately 347 hours ((80 hours of in-house counsel time) x (13 respondents) / 3 years).

⁹⁴ See SDR Adopting Release, 80 FR at 14458–64.

⁹⁵ The Commission utilized the inflation calculator constructed by the U.S. Bureau of Labor Statistics, accessible at https://www.bls.gov/data/inflation_calculator.htm. The amount of inflation from July 2019 to July 2022 per the calculator was approximately 26%.

estimates concerning the number of respondents are identical to the estimates for the corresponding rule discussed in section 12 of this supporting statement. The details of the cost burden is summarized in this table and discussed in detail in the narratives below.

Summary of Dollar Cost Burdens					
Title of Collection^{96, 97}	Number of Respondents (A)	Responses per Year for Each Respondent (B)	Total Number of Responses per Year (C) (C)=(A)x(B)	Dollar Cost per Response (D)	Total Annual Dollar Cost for the Collection (C)x(D)
Rule 901-Reporting Sides (#1)	118	1	118	\$282,534	\$33,339,012
Rule 902-SDRs (#3)	3	1	3	\$2,352,000	\$7,056,000
Rule 905-SDRs (#7)	3	1	3	\$32,049	\$96,147
Rule 903(a)-Participants without LEIs (#13)	788	1	788	\$123.06	\$96,971
Rule 903(a)-Participants with LEIs (#14)	12,646	1	12,646	\$114.66	\$1,449,990
Rule 908(c)-Requesting Entities (#15)	13	1	13	\$33,600	\$436,800

⁹⁶ The narratives below are not organized in the same order as the title of collection column in this table. For ease of cross referencing, each collection title was assigned a number, e.g., “Rule 901-Reporting Sides” is collection “#1.”

⁹⁷ Collections with zero dollar cost burdens are not listed in this table.

Summary of Dollar Cost Burdens					
Title of Collection^{96, 97}	Number of Respondents (A)	Responses per Year for Each Respondent (B)	Total Number of Responses per Year (C) (C)=(A)x(B)	Dollar Cost per Response (D)	Total Annual Dollar Cost for the Collection (C)x(D)
Rule 901-Platforms (#16)	8	1	8	\$253,260	\$2,026,080
Rule 901-Clearing Agencies (#18)	2	1	2	\$505,260	\$1,010,520
Rule 901-Reporting Sides-New Respondents (#20)	20	1	20	\$282,534	\$5,650,680
Total Annual Dollar Cost for All Respondents for All Collections				\$ 51,162,200	

a. Rule 901 – Reporting Obligations

i. Reporting Sides (Collection #1)

The Commission estimates that reporting sides may incur annual costs to capture and maintain relevant security-based-swap transaction information to comply with the reporting requirements of Rule 901. The Commission estimates that 118 entities will be subject to this cost burden. Reporting sides will need to establish and maintain connectivity to a registered SDR to facilitate the reporting required by Rule 901. The Commission estimates that the annual cost to establish connectivity to a registered SDR will be a dollar cost burden of approximately \$29,736,000, which corresponds to a dollar cost burden of \$252,000 for each reporting side (i.e., respondent).⁹⁸ In addition, the Commission estimates that the aggregate annual dollar cost burden

⁹⁸ This estimate is based on discussions of Commission staff with various market participants, as well as the Commission’s experience regarding connectivity between

to save relevant security-based-swap information and documents will be \$148,680, which will correspond to \$1,260 for each reporting side.⁹⁹ Further, the Commission estimates that the aggregate dollar cost charged to reporting sides by DSB¹⁰⁰ for obtaining new or searching for existing UPIs to comply with Rule 901(c)(1) at approximately \$3,454,320, which will correspond to an average of \$29,274 for each reporting side.¹⁰¹ The Commission estimates that, in total, the dollar cost burden for reporting sides to comply with the reporting obligations of Rule 901 will be \$33,339,000 annually, or \$282,534 per reporting side per year.

*We estimate 1 response per respondent per year, resulting in a dollar cost burden of \$282,534 per response multiplied by 118 respondents for a total annual dollar cost burden of **\$33,339,012**.*

This collection is a third-party disclosure type of collection.

ii. Rule 901-Reporting Sides –New Respondents (Collection #20)

The Commission estimates that new respondents may incur annual costs to capture and maintain relevant security-based-swap transaction information to comply with the reporting requirements of Rule 901. The Commission believes that 20 entities will be subject to this cost burden. These new respondents will need to establish and maintain connectivity to a registered SDR to facilitate the reporting required by Rule 901. The Commission estimates that the annual cost to establish connectivity to a registered SDR will be a dollar cost burden of approximately

securities market participants for data reporting purposes. The Commission derived the total estimated dollar cost burden from the following: [(\$126,000 hardware- and software-related expenses, including necessary back-up and redundancy, per SDR connection) x (2 SDR connections per reporting side) x (118 reporting sides)] = \$29,736,000.

⁹⁹ This estimate is based on discussions of Commission staff with various market participants and is calculated as follows: [(\$315/gigabyte of storage capacity) x (4 gigabytes of storage) x (118 reporting sides)] = \$148,680. The Commission stated its belief that storage costs associated with saving relevant security-based swap information and documents will not vary significantly between the first year and subsequent years.

¹⁰⁰ DSB posts a schedule of annual fees for the assignment of new and searches for existing UPIs (available at <https://cosp.anna-dsb.com/home#upi-service-plans>). This estimate is based on a review of the number of new UPIs assigned

¹⁰¹ This estimate is based on a review of the number of new UPIs observed in security-based swap transaction reports from October 2024 through September 2025, a review of the volume of transaction reports by reporting sides during the same period, and an assessment of which DSB fee a reporting side would incur based on their level of activity. DSB maintains a fee schedule with a range of user fees based on the volume of new UPI assignments and searches for existing UPIs requested by a DSB user. This fee schedule includes three tiers, with a “power” user costing €82,176 per year, a “standard” user costing €27,392 per year, and an “infrequent” user costing €1,250 per year. Euros were translated to U.S. dollars at a rate of \$1.17 per €1.00.

\$5,040,000, which corresponds to a dollar cost burden of \$252,000 for each new respondent.¹⁰² In addition, the Commission estimates that the aggregate annual dollar cost burden to save relevant security-based-swap information and documents will be \$25,200, which corresponds to \$1,260 for each new reporting side.¹⁰³ Further, the Commission estimates that the aggregate dollar cost associated with obtaining new or searching for existing UPIs to comply with Rule 901(c)(1) at approximately \$585,480, which is based on the estimated \$29,274 average cost to comply with Rule 901(c)(1) for each reporting side multiplied by 20 new respondents. The Commission estimates that, in total, the dollar cost burden for these new reporting sides to comply with the reporting obligations of Rule 901 will be \$5,650,680 annually, or \$282,534 per new reporting side per year.

*We estimate 1 response per respondent per year, resulting in a dollar cost burden of \$282,534 per response multiplied by 20 respondents for a total annual dollar cost burden of **\$5,650,680**.*

This collection is a third-party disclosure type of collection.

iii. Rule 901-Platforms (Collection #16)

The Commission estimates that platforms may incur annual costs to capture and maintain relevant security-based-swap transaction information to comply with the reporting requirements of Rule 901 similar to reporting sides. The Commission estimates that 8 platforms will be subject to this cost burden. These platforms will need to establish and maintain connectivity to a registered SDR to facilitate the reporting required by Rule 901. The Commission estimates that the annual cost to establish connectivity to a registered SDR will be a dollar cost burden of approximately \$2,016,000, which corresponds to a dollar cost burden of \$252,000 for each new respondent.¹⁰⁴ In addition, the Commission estimates that the aggregate annual dollar cost burden

¹⁰² This estimate is based on discussions of Commission staff with various market participants, as well as the Commission's experience regarding connectivity between securities market participants for data reporting purposes. The Commission derived the total estimated dollar cost burden from the following: [(\$126,000 hardware- and software-related expenses, including necessary back-up and redundancy, per SDR connection) x (2 SDR connections per reporting side) x (20 new reporting sides)] = \$5,040,000.

¹⁰³ This estimate is based on discussions of Commission staff with various market participants and is calculated as follows: [(\$315/gigabyte of storage capacity) x (4 gigabytes of storage) x (20 new reporting sides)] = \$25,200. The Commission stated its belief that storage costs associated with saving relevant security-based swap information and documents will not vary significantly between the first year and subsequent years.

¹⁰⁴ This estimate is based on discussions of Commission staff with various market participants, as well as the Commission's experience regarding connectivity between securities market participants for data reporting purposes. The Commission derived the total estimated dollar cost burden from the following: [(\$126,000 hardware- and

to save relevant security-based-swap information and documents will be \$10,080, which corresponds to \$1,260 for each platform.¹⁰⁵ Further, the Commission estimates that, in total, the dollar cost burden for these new reporting sides to comply with the reporting obligations of Rule 901 will be \$2,026,080,311,500 annually, or \$253,260 per platform per year.

*We estimate 1 response per each of the 8 respondents per year, resulting in a dollar cost burden of \$253,260 per response for a total annual dollar cost burden of **\$2,026,080** (8 respondents x 1 response per year x \$253,260 per response). This collection is a third-party disclosure type of collection.*

iv. Rule 901-Clearing Agencies (Collection #18)

The Commission estimates that clearing agencies may incur annual costs to capture and maintain relevant security-based-swap transaction information to comply with the reporting requirements of Rule 901 similar to reporting sides. The Commission estimates that 2 clearing agencies will be subject to this cost burden. These clearing agencies will need to establish and maintain connectivity to a registered SDR to facilitate the reporting required by Rule 901. The Commission estimates that the annual cost to establish connectivity to a registered SDR will be a dollar cost burden of approximately \$1,008,000, which corresponds to a dollar cost burden of \$504,000 for each new respondent.¹⁰⁶ In addition, the Commission estimates that the aggregate annual dollar cost burden to save relevant security-based-swap information and documents will be \$2,520, which corresponds to \$1,260 for each clearing agency.¹⁰⁷

software-related expenses, including necessary back-up and redundancy, per SDR connection) x (2 SDR connections per platform) x (8 platforms)] = \$2,016,000.

¹⁰⁵ This estimate is based on discussions of Commission staff with various market participants and is calculated as follows: [(\$315/gigabyte of storage capacity) x (4 gigabytes of storage) x (8 platforms)] = \$10,080. The Commission previously stated its belief that storage costs associated with saving relevant security-based swap information and documents will not vary significantly between the first year and subsequent years.

¹⁰⁶ This estimate is based on discussions of Commission staff with various market participants, as well as the Commission's experience regarding connectivity between securities market participants for data-reporting purposes. The Commission derived the total estimated dollar cost burden from the following: [(\$126,000 hardware- and software-related expenses, including necessary back-up and redundancy, per SDR connection) x (4 SDR connections per registered clearing agency) x (2 registered clearing agencies platforms)] = \$1,008,000.

¹⁰⁷ This estimate is based on discussions of Commission staff with various market participants and is calculated as follows: [(\$315/gigabyte of storage capacity) x (4 gigabytes of storage) x (2 registered clearing agencies)] = \$2,520. The Commission stated its belief that storage costs associated with saving relevant security-based swap information and documents will not vary significantly between the first year and subsequent years.

Further, the Commission estimates that, in total, the dollar cost burden for these clearing agencies to comply with the reporting obligations of Rule 901 will be **\$1,010,520** annually, or \$505,260 per each of the 2 respondents (i.e., clearing agencies) per year. We estimate 1 response per respondent per year, resulting in a dollar cost burden of \$505,260 per response. This collection is a third-party disclosure type of collection.

b. Rule 902-SDRs (Collection #3)—Public Dissemination of Transaction Reports

The Commission believes that a registered SDR will be able to integrate the capability to publicly disseminate security-based-swap transaction reports required under Rule 902 as part of its overall system development for transaction data. Based on discussions with industry participants, the Commission estimates that, to implement and comply with the public dissemination requirement of Rule 902, each registered SDR will incur a dollar cost burden equal to an additional 20% of the first-year and ongoing burdens of \$10,000,000 discussed in the SDR Registration Proposing Release.¹⁰⁸ Therefore, 20% of \$10,000,000, adjusted upward for 26% inflation as noted above is \$2,520,000 (10,000 x .2 x 1.26). Therefore, the Commission estimates that each registered SDR will incur \$2,520,000 in initial one-time information technology costs. The Commission estimates that the total one-time initial cost for all SDR respondents to comply with Rule 902 will be \$7,560,000 (which equates to \$2,520,000 per year when annualized over three years) or \$2,520,000 per registered SDR (which equates to \$840,000 per entity per year when annualized over three years). The Commission further estimated that each registered SDR will incur \$6,573,913 in ongoing information technology costs. The Commission believes that the total ongoing annual cost to comply with Rule 902 will be approximately \$4,536,000, or \$1,512,000 per registered SDR per year.¹⁰⁹ \$840,000 plus \$1,512,000 equals \$2,352,000 per response.

Thus, the aggregate annual cost for all respondents is \$2,352,000 multiplied by 3 respondents (i.e., SDRs) multiplied by 1 response per respondent each year for a total of **\$7,056,000** per year. This collection is a third-party disclosure type of collection.

c. Rules 903(a) and (b) – Participants with and without LEIs (Collections #13 and #14)

As is discussed above, the Commission estimates that, for purposes of the PRA, there may be as many as 788 participant respondents that will be required to obtain a GLEIS LEI as a result of Rule 903(a) and the Commission's recognition of the GLEIS—which issues legal entity identifiers—as an internationally recognized standards-setting body that meets the standards of

¹⁰⁸ See SDR Registration Proposing Release, 75 FR 77348-50. See also SDR Adopting Release, 80 FR at 14523–24. This estimate was based on discussions with industry members and market participants, including entities that may register as SDRs under Title VII, and includes time necessary to design and program a registered SDR's system to calculate and disseminate initial and subsequent trade reports.

¹⁰⁹ The Commission derived the total estimated ongoing dollar cost burden from the following: [(\$7,560,000 in information technology costs) x (0.2) x (3 registered SDRs)] = \$4,536,000.

Rule 903. In addition to the hourly burden associated with obtaining and renewing the LEI, the Commission estimates that the cost of registering a new LEI with a local operation unit of the GLEIS is approximately \$139.86, with an additional cost of \$114.66 per year (after the first year) for maintaining an LEI.¹¹⁰ As a result, the Commission estimates that the three-year cost of obtaining and maintaining an LEI will be \$369.18 per participant, or \$123.06 per year, for a total cost of approximately \$96,971 (\$96,971.28 rounded to \$96,971) for all participants who do not already have GLEIS LEIs.¹¹¹ The Commission notes, however, that for those 12,646 participants that have already obtained an LEI, the annual maintenance cost will be \$114.66 per participant for a total cost of approximately \$1,449,990 per year (\$1,449,990.30 per year rounded to \$1,449,990). These collections are third-party disclosure type of collections.

*In summary, the Commission estimates that there will be 12,646 respondents that currently have an LEI and will have an annual maintenance cost of \$114.66 per respondent for a total cost of approximately **\$1,449,990** per year. The Commission also estimates that there will be 788 respondents that currently do not have an LEI and will have an average annual cost of \$123.06 (which includes both the initial cost of obtaining an LEI and the annual maintenance cost for two years averaged over three years) resulting in a total cost of **\$96,971** for all respondents that currently do not have an LEI.*

d. Rule 905-SDRs (Collection #7) – Registered SDRs

As previously discussed, since the prior submission UPIs have become available for reporting security-based swap transactions and Rule 901(c)(1) requires a reporting side to include a product ID, if one is available, on a security-based swap transaction report. As part of an SDR's duties under Rule 905(b) to verify the accuracy of the terms of the security-based swap and, following such verification, promptly correct the erroneous information contained in its system, the Commission estimates that each SDR would maintain a subscription to the UPI reference data library maintained by DSB that catalogs the attributes of each product having a UPI code. DSB offers a "search only API" service that provides programmatic access to the UPI library at an annual cost of €27,392, or \$32,049 translated to U.S. dollars at a rate of \$1.17 per €1.00.¹¹² Accordingly, the Commission estimates that three SDRs maintaining programmatic access to UPIs would total \$96,147.

¹¹⁰ See "GMEI Utility: Frequently Asked Questions" (available at <https://www.gmeiutility.org/frequentlyAskedQuestions.jsp>, detailing registration and maintenance costs for LEIs issued by GMEI, an endorsed pre-LOU of the interim GLEIS, last visited July 18, 2019.)

¹¹¹ The Commission derived this estimate as follows: [$\$139.86/\text{initial registration cost per participant} + (\$114.66/\text{annual maintenance cost per participant} \times 2 \text{ (accounting for years 2 and 3)}) = \$369.18 \text{ (three year cost per participant)} / 3 \text{ or } \$123.06/\text{year/participant}$]. The resulting total cost for all 788 participants will be approximately \$96,971.28 ($\$123.06 \times 788 \text{ participants who do not already have GLEIS LEIs}$).

¹¹² See *supra* note 100.

*In summary, the Commission estimates that there will be three respondents maintaining programmatic access to the UPI library at an annual cost of \$32,049 per respondent, for a total cost of approximately **\$96,147**.*

e. Substituted Compliance – Rule 908 (Collection #15)

The Commission estimates that the total paperwork burden associated with submitting all anticipated requests for substituted compliance determinations with respect to regulatory reporting and public dissemination will be approximately \$1,310,400 for 13 requests.¹¹³

Because only a small number of jurisdictions have substantial OTC derivatives markets and are implementing OTC derivatives reforms, the Commission estimates that it will receive approximately 9 requests in the first year for substituted compliance determinations with respect to regulatory reporting and public dissemination pursuant to Rule 908(c)(2)(ii) of Regulation SBSR. Assuming 9 requests in the first year, the Commission staff estimates an aggregated burden for the first year will be \$907,200 for the services of outside professionals.¹¹⁴ The Commission estimates that it will receive 2 requests for substituted compliance determinations pursuant to Rule 908(c)(2)(ii) in each subsequent year. Assuming the same approximate time and costs, the aggregate burden for each year following the first year will be \$201,600 for the services of outside professionals.¹¹⁵ Because the Commission anticipates that entities will request substituted compliance beyond the initial implementation of Regulation SBSR, the Commission believes that it is appropriate to characterize these burdens as annual recurring burdens. However, the Commission also believes that these burdens will largely occur in the first year of implementation, and lists them as such on the table at the end of this supporting statement.

*As a result, the Commission believes that the average annual dollar cost of Rule 908(c) will be approximately **\$436,800**.*¹¹⁶

¹¹³ The Commission estimates that the paperwork burden associated with making a substituted compliance request pursuant to Rule 908(c)(2)(ii) of Regulation SBSR will be approximately \$100,800 for the services of outside professionals (based on (200 hours of outside counsel time) x (\$504/hour)).

¹¹⁴ The Commission estimates that the paperwork burden associated with making a substituted compliance request pursuant to Rule 908(c)(2)(ii) of Regulation SBSR will be \$907,200 for the services of outside professionals (based on (200 hours of outside counsel time) x (\$504) x (9 respondents)).

¹¹⁵ The Commission staff estimated that the paperwork burden associated with making a substituted compliance request pursuant to Rule 908(c)(2)(ii) of Regulation SBSR will be \$201,600 for the services of outside professionals (based on (200 hours of outside counsel time) x (\$504) x (2 respondents)).

¹¹⁶ The Commission estimates that the average annual dollar cost associated with making 13 substituted compliance requests, during the first three years following implementation, will be approximately \$436,800 (((\$100,800 for services of outside professionals) x (13 respondents) / 3 years = \$436,800)).

14. Estimate of Cost to the Federal Government

The SEC is in the process of revising its methodologies to estimate annualized costs to the Federal government for all its relevant collections of information. The SEC anticipates that future extensions of this collection of information will reflect the revised methodologies.

15. Explanation of Changes in Burden

As discussed in more detail in Section 12 and summarized in the table below, based on data from the past three years and the Commission’s experience with Regulation SBSR, the Commission adjusted its estimates in regards to the number of respondents for certain provisions of SBSR. Specifically, the Commission adjusted the number of clearing agencies, participants (with and without LEIs), reporting sides, security-based swap dealers and major security-based swap participants, platforms, and participants. These adjustments have in the aggregate resulted in a decrease in the total annual hour burden from 3,539,483 hours to 3,173,444 hours. Most revisions to number of respondents was downward, consequently reducing the aggregate hours burden..

Summary of Changes in Burden Hours				
Name of Information Collection	Annual Industry Burden	Annual Industry Burden Previously Approved	Change in Burden	Reason for Change
Rule 901-Reporting Sides (#1)	110,920	125,960	(15,040)	Respondents decreased from 134 to 118.
Rule 901-SDRs (#2)	576	576	0	No change.
Rule 902-SDRs (#3)	23,520	23,520	0	No change.
Rule 904-SDRs (#4)	108	108	0	No change.
Rule 905-Reporting Sides (#5)	4,740	5,382	(642)	Respondents decreased from 134 to 118.
Rule 905-Participants (#6)	2,451,705	2,752,465	(300,760)	Respondents decreased from 15,082 to 13,434.
Rule 905-SDR (#7)	5,110	5,110	0	No change.

Summary of Changes in Burden Hours				
Name of Information Collection	Annual Industry Burden	Annual Industry Burden Previously Approved	Change in Burden	Reason for Change
Rule 906-SDR (#8)	1,036	1,036	0	No change.
Rule 906(a)-Participants (#9)	377,495	423,803	(46,308)	Respondents decreased from 15,082 to 13,434.
Rule 906(b)-Participants (#10)	20,000	18,098	1,902	Respondents increased from 9,049 to 10,000.
Rule 906(c)-Security-Based Swap Dealers and Major Security-Based Swap Participants (#11)	10,368	9,216	1,152	Respondents increased from 48 to 54.
Rule 907-SDR (#12)	115,500	115,500	0	No change.
Rule 903(a)-Participants without LEIs (#13)	788	2,573	(1,785)	Respondents decreased from 2,573 to 788.
Rule 903(a)-Participants with LEIs (#14)	12,646	12,509	137	Respondents increased from 12,509 to 12,646.
Rule 908(c)-Requesting Entities (#15)	347	347	0	No change.
Rule 901-Platforms (#16)	7,736	9,670	(1,934)	Respondents decreased from 10 to 8.
Rule 905-Platforms (#17)	335	419	(84)	Respondents decreased from 10 to 8.

Summary of Changes in Burden Hours				
Name of Information Collection	Annual Industry Burden	Annual Industry Burden Previously Approved	Change in Burden	Reason for Change
Rule 901- Clearing Agencies (#18)	3,979	5,969	(1,990)	Respondents decreased from 3 to 2.
Rule 906(c)- Registered Clearing Agencies and Platforms (#19)	1,920	2,496	(576)	Respondents decreased from 13 to 10.
Rule 901- Reporting Sides- New Respondents (#20)	19,793	19,793	0	No change.
Rule 905- Reporting Sides- New Respondents (#21)	759	759	0	No change.
Rule 906(c)- Registered Broker-Dealer Participants (#22)	3,840	3,840	0	No change.
Rule 905- Clearing Agencies (#23)	223	334	(111)	Respondents decreased from 3 to 2.
TOTAL CHANGE			(366,039)	

As discussed in more detail in Section 13 and summarized in the table below, the Commission uniformly revised its cost estimates upward by 26% to account for inflation from 2019 to 2026. This represented an approximately 9.5% increase from the cost estimates

provided in the 2022 submission. There was also a new cost for UPIs which was not present in 2022. However, as mentioned in the preceding paragraph, most adjustments to the estimated number of respondents was downward. The net effect of increasing the cost estimates (including the addition of a new cost for UPIs) and reducing the number of respondents was a modest increase in the aggregate total annual cost burden from \$47,728,783 to \$51,162,188.

Summary of Changes in Dollar Cost Burden				
Name of Information Collection	Annual Industry Burden in Dollars	Annual Industry Burden Previously Approved in Dollars	Change in Burden in Dollars	Reason for Change
Rule 901-Reporting Sides (#1)	\$33,339,000	\$30,974,100	(\$2,364,900)	Inflation of 9.5% and new UPI cost countered by respondents decreasing from 134 to 118.
Rule 902-SDRs (#3)	\$7,056,000	\$6,440,000	\$616,000	Inflation of 9.5%.
Rule 905-SDRs (#7)	\$96,147	\$0	\$96,147	New UPI cost.
Rule 903(a)-Participants without LEIs (#13)	\$96,971	\$288,999	(\$192,028)	Inflation of 9.5% countered by respondents decreasing from 2,573 to 788.
Rule 903(a)-Participants with LEIs (#14)	\$1,449,990	\$1,309,067	\$140,923	Inflation of 9.5% in addition to respondents increasing from 12,509 to 12,646.

Summary of Changes in Dollar Cost Burden				
Name of Information Collection	Annual Industry Burden in Dollars	Annual Industry Burden Previously Approved in Dollars	Change in Burden in Dollars	Reason for Change
Rule 908(c)- Requesting Entities (#15)	\$436,800	\$398,667	\$38,133	Inflation of 9.5%
Rule 901- Platforms (#16)	\$2,026,080	\$2,311,500	(\$285,420)	Inflation of 9.5% countered by respondents decreasing from 10 to 8.
Rule 901- Clearing Agencies (#18)	\$1,010,520	\$1,383,450	(\$372,930)	Inflation of 9.5% countered by respondents decreasing from 3 to 2.
Rule 901- Reporting Sides-New Respondents (#20)	\$5,650,680	\$4,623,000	\$1,027,680	Inflation of 9.5% and new UPI cost.
TOTAL CHANGE			\$3,433,405	

16. Information Collection Planned for Statistical Purposes

Not applicable.

17. Approval to Omit OMB Expiration Date

The Commission is not seeking approval to omit the expiration date.

18. Exceptions to Certification Statement

Not applicable.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

This collection does not involve statistical methods.