would be 0.75 hours. Assuming that all 285 funds that enter into new subadvisory contracts each year make the modification to their contract required by the rule, we estimate that the rule's contract modification requirement will result in 214 burden hours annually.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid control number.

Written comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's estimates of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication by August 1, 2022.

Please direct your written comments to David Bottom, Director/Chief Information Officer, Securities and Exchange Commission, C/O John Pezzullo, 100 F Street NE, Washington, DC 20549; or send an email to: *PRA_Mailbox@sec.gov.*

Dated: May 25, 2022.

J. Matthew DeLesDernier,

Assistant Secretary.

[FR Doc. 2022–11662 Filed 5–31–22; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–94983; File No. SR–ICC–2022–004]

Self-Regulatory Organizations; ICE Clear Credit LLC; Order Approving Proposed Rule Change Relating to the ICC Recovery Plan and the ICC Wind-Down Plan

May 25, 2022.

I. Introduction

On April 1, 2022, CE Clear Credit LCC (''ICC'') filed with the Securities and Exchange Commission (''Commission''), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the ''Act''),[1] and Rule 19b–4 thereunder,[2] a proposed rule change to amend the ICC Recovery Plan and the ICC Wind-Down Plan (collectively, the ''Plans''). The proposed rule change was published for comment in the **Federal Register** on April 14, 2022.[3] The Commission did not receive comments regarding the proposed rule change. For the reasons discussed below, the Commission is approving the proposed rule change.

II. Description of the Proposed Rule Change

A. Background

As a ''covered clearing agency,''[4] ICC is required to, among other things, ''establish, implement, maintain and enforce written policies and procedures reasonably designed to . . . maintain a sound risk management framework for comprehensively managing legal, credit, liquidity, operational, general business, investment, custody, and other risks that arise in or are borne by the covered clearing agency, which . . . includes plans for the recovery and orderly wind-down of the covered clearing agency necessitated by credit losses, liquidity shortfalls, losses from general business risk, or any other losses.''[5] The Commission has previously clarified that it believes that such recovery and wind-down plans are ''rules'' within the meaning of Exchange Act Section 19(b) and Rule 19b–4 thereunder because such plans would constitute changes to a stated policy, practice, or interpretation of a covered clearing agency.[6] Accordingly, a covered clearing agency, such as ICC, is required to file its plans for recovery and orderly wind-down with the Commission.[7] Recovery and Wind-Down Plans have been in place at ICC for a number of years and approved by the Commission on May 10, 2021 for the first time since becoming a ''covered clearing agency'' under the definition in Rule 17Ad–22(a)(5).[8]

B. Recovery Plan

The proposed rule change would make general updates to ensure that the information in the Recovery Plan is current and relates to changes that impacted ICC in the past year.[9] The Recovery Plan would be updated to specify that the information provided is current as of December 31, 2021, unless otherwise stated.

The proposed rule change would make the following updates related to ICC's ownership and operations:

- In Section II.A, add one additional entity to the list of companies owned by ICC's parent.
- In Section IV.A, adds iTraxx Index Swaptions as an example of the Index Swaptions products for which ICC provides clearing services.
- In Section IV.D, updates numbers for ICC's revenues, volumes, and expenses and includes those for Index Swaptions.
- In Section VI.A, updates locations of facilities and personnel headcount and functions.
- In Section X, updates the projected recovery and wind-down costs and regulatory capital.
- In Section XI, updates ICC's and ICE Group's financial statements.
- In Section XIII, updates the percentages held by financial services providers of clearing participant cash and collateral.

The proposed rule change would also revise Section IV.C.1 to reflect (i) the change of the Board size from eleven to nine managers, consistent with the

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] Self-Regulatory Organizations; ICE Clear Credit LLC; Notice of Filing of Proposed Rule Change Relating to the ICC Recovery Plan and the ICC Wind-Down Plan, Exchange Act Release No. 94650 (Apr. 8, 2022); 87 FR 22276 (Apr. 14, 2022) (File No. SR–ICC–2022–004) (''Notice'').

[4] The term ''covered clearing agency'' is defined in Rule 17Ad–22(a)(5), 17 CFR 240.17Ad–22(a)(5). ICC became subject to the requirements in Rule 17Ad–22(e) with the amendment to the definition of the term ''covered clearing agency.'' *See* Definition of ''Covered Clearing Agency,'' Exchange Act Release No. 88616 (Apr. 9, 2020), 85 FR 28853 (May 14, 2020) (File No. S7–23–16).

[5] 17 CFR 240.17Ad–22(e)(3)(ii).

[6] Standards for Covered Clearing Agencies, Exchange Act Release No. 78961 (Sep. 28, 2016), 81 FR 70786, 70809 (Oct. 13, 2016) (File No. S7–03–14).

[7] ICC became a ''covered clearing agency'' following a change in the definition of the term in Rule 17Ad–22(a)(5). The previous definition of ''covered clearing agency'' in Rule 17Ad–22(a)(5) stated that ''covered clearing agency'' means a designated clearing agency or a clearing agency involved in activities with a more complex risk profile for which the Commodity Futures Trading Commission is not the Supervisory Agency as defined in Section 803(8) of the Payment, Clearing and Settlement Supervision Act of 2010 (12 U.S.C. 5461 *et seq.*). Under this definition, ICC was not a covered clearing agency. Under the revised definition, ''covered clearing agency'' means a registered clearing agency that provides the services of a central counterparty or central securities depository. Under the revised definition, ICC is a covered clearing agency. *See* Definition of ''Covered Clearing Agency'', Exchange Act Release No. 88616 (Apr. 9, 2020), 85 FR 28853, 28854–55 (May 14, 2020) (File No. S7–23–16).

[8] Self-Regulatory Organizations; ICE Clear Credit LLC; Order Approving Proposed Rule Change Relating to the ICC Recovery Plan and the ICC Wind-Down Plan, Exchange Act Release No. 91806 (May 10, 2021), 86 FR 26561 (May 14, 2021) (File No. SR–ICC–2021–005).

[9] The descriptions of the Recovery and Wind-Down Plans are substantially excerpted from the Notice. Moreover, capitalized terms not otherwise defined herein have the meanings assigned to them in ICC Rules (''Rules'') or the Plans.

adoption of the Sixth Amended and Restated Operating Agreement of ICC in 2021, (ii) the reduction of the number of independent and non-independent managers by one, (iii) the revision of manager titles, and (iv) the removal of two specific managers.

The proposed rule change would also change Section IV.C.3 to update the description of the responsibilities and membership composition of the Participant Review Committee (''PRC'') and Credit Review Subcommittee of the PRC (''CRS''), which are internal committees that assist in fulfilling counterparty review responsibilities, consistent with changes to their charters in 2021. The proposed rule change would also make corresponding changes in Section VI.B.1 to describe the advisory role of the CRS in making recommendations to the PRC and the required role of the PRC in approving FSPs.

The proposed rule change would also amend Section IV.E.4 to state that ICC monitors the FSPs daily, intraday, and monthly, consistent with the processes described in the ICC Counterparty Monitoring Procedures.

ICC would revise Section VII.B to remove discussion of a metric no longer used to measure ICC's performance, and to update the date of a referenced policy.

Under the proposed rule change, Section VII.C would specify that ICC will make required disclosures pursuant to applicable regulations once the Recovery Plan is initiated, and would include updated regulatory contacts. In Section VIII.B.2, the proposed changes would add minor language clarifications in describing the purpose of its Liquidity Risk Management Framework. In Section VIII.B.3, the proposed changes would make updates regarding the insurance coverage maintained at the ICE Group level, which may be used as a recovery tool in a non-clearing participant default scenario.

Under the proposed rule change, Section VIII.B.3 would reflect updated balance sheet information that demonstrates the ability of ICC's parent to make cash infusions to ICC as a recovery tool. Relatedly, the proposed rule change would amend the procedures for seeking such additional capital, including the individual within the ICE Group with whom such discussions would begin. The proposed changes would also identify the role of this individual within the ICE Group and update the description of the composition of certain ICE Group boards. Additionally, the proposed rule change would include updated financial information relevant to the efficacy of several other recovery tools that may be utilized in a non-clearing participant default scenario.

ICC also proposed minor edits for clarity and consistency. Specifically, Section IX would be amended to clarify that the Recovery Plan is made available to regulators in accordance with relevant regulations, and to incorporate a reference to the ICC Default Management Procedures for details on ICC's default management testing. Section XIV would include an updated index of exhibits referring to the current versions of policies and procedures, consistent with updated footnote references. Finally, the proposed rule change would make minor typographical fixes in the Recovery Plan as well as conforming changes in in the Wind-Down Plan, including updates to entity names, and grammatical and formatting changes.

C. Wind-Down Plan

The proposed rule changes to the Wind-Down Plan are, in large part, substantially similar to the proposed changes to the Recovery Plan, including general updates, clarifying edits, and amendments to make the information in the Wind-Down Plan current and reflect changes that have impacted ICC in the past year, including changes to the composition of the Board.

Similar to the Recovery Plan, the document would be amended throughout to specify that the information provided is current as of December 31, 2021, unless otherwise stated. Under the proposed rule change, The Wind-Down Plan would also reflect the addition of one entity to the list of companies owned by ICC's parent, as well as updates to facilities and personnel information, the financial resources available to support wind-down, and the percentages of cash and collateral held by FSPs in Appendix C.

Further, as with the Recovery Plan, the proposed changes to the Wind-Down Plan would update the description of the composition of the Board to reflect changes from 2021, including changes to the Board size from eleven to nine managers and revisions to manager titles. The proposed changes also describe procedures for seeking certain required consultations or approvals identified in the Wind-Down Plan, including the individual within the ICE Group with whom such discussions would begin. The proposed changes would identify the role of this individual within the ICE Group and include information on the composition of a relevant ICE Group board. The proposed changes would also specify that ICC will make required disclosures pursuant to applicable regulations once the decision to wind-down is made, and update ICC's regulatory contacts.

Finally, Section X would be amended to note that the Wind-Down Plan is made available to regulators in accordance with relevant regulations and to state broadly that the testing of the Wind-Down Plan considers various options. In Section XII, the proposed rule change would update the index of exhibits to reflect the current versions of policies and procedures.

III. Discussion and Commission Findings

Section 19(b)(2)(C) of the Act directs the Commission to approve a proposed rule change of a self-regulatory organization if it finds that such proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to such organization.[10] For the reasons given below, the Commission finds that the proposed rule change is consistent with Section 17A(b)(3)(F) of the Act [11] and Rule 17Ad–22(e)(2)(v),[12] and (e)(3)(ii).[13]

A. Consistency With Section 17A(b)(3)(F) of the Act

Section 17A(b)(3)(F) of the Act requires, among other things, that the rules of ICC be designed to promote the prompt and accurate clearance and settlement of securities transactions and, to the extent applicable, derivative agreements, contracts, and transactions, as well as to assure the safeguarding of securities and funds which are in the custody or control of ICC or for which it is responsible, and, in general, to protect investors and the public interest.[14]

As noted above, the proposed rule changes relate mainly to updating the Recovery and Wind-Down Plans with current information about ICC's facilities, finances, operations, and Board. The Commission believes that by providing updated numbers for ICC's revenues, volumes, and expenses, including projected recovery and wind-down costs and regulatory capital, the proposed changes will enhance ICC's ability to monitor its finances and compare its regulatory capital to its estimated recovery and wind-down costs. This in turn will help ensure ICC has the financial resources to promptly and accurately clear and settle

[10] 15 U.S.C. 78s(b)(2)(C).

[11] 15 U.S.C. 78q–1(b)(3)(F).

[12] 17 CFR 240.17Ad–22(e)(2) (v).

[13] 17 CFR 240.17Ad–22(e)(3)(ii).

[14] 15 U.S.C. 78q–1(b)(3)(F).

transactions during recovery and, if necessary, conduct an orderly wind-down.

Further, the Commission believes that adding iTraxx Index Swaptions to the list of Index Swaptions products for which ICC provides clearing services, adding the additional entity to the list of ICC parent-owned companies, and providing an updated exhibit index will generally support those utilizing the Plans by providing users of the Plans a current overview of ICC's full operations, including all of its businesses and cleared products.

As noted above, the proposed rule change would also update description of the Board size and its composition as well as the responsibilities and membership composition of the PRC and CRS. The Commission believes that these proposed changes would strengthen the Plans by ensuring that they delineate responsible individuals and their duties, which will support efficient operation of ICC, including during recovery or wind-down by ensuring they reflect the Sixth Amended and Restated Operating Agreement of ICC and amended committee charters.

The proposed rule changes would also state that ICC monitors the FSPs daily, intraday, and monthly, consistent with the processes described in the ICC Counterparty Monitoring Procedures and update a metric used to measure ICC's performance. The Commission believes that these changes would enhance ICC's ability to manage its financial resources by ensuring they reflect current ICC's Counterparty Monitoring Procedures, which in turn will enable ICC to promptly and accurately clear and settle securities transactions.

The Commission believes that the proposed changes to specify that ICC will make required disclosures pursuant to applicable regulations once the Plans are initiated, update regulatory contacts, and to state that the Plans are made available to regulators in accordance with relevant regulations enhance ICC's procedures for keeping regulatory authorities informed thereby promoting the protection of investors and the public interest.

As noted above, the proposed rule change would also amend the procedures for seeking additional capital from ICC's parent by including the current individual within the ICE Group with whom such discussions would begin. The proposed changes would also include procedures for seeking certain required consultations or approvals identified in the Wind-Down Plan, including the individual within the ICE Group with whom such discussions would begin. The proposed changes would identify the role of this individual within the ICE Group. The Commission believes that these proposed changes would strengthen the plans by ensuring those utilizing them have all of the information necessary to carryout recovery or an orderly wind-down, which in turn would ensure ICC can promptly and accurately clear and settle trades and safeguard of securities and funds which are in its custody or control at these times.

For the reasons stated above, the Commission believes that the proposed rule change is consistent with Section 17A(b)(3)(F) of the Act.[15]

B. Consistency With Rules 17Ad–22(e)(2)(v)

Rules 17Ad–22(e)(2)(v) requires that ICC establish, implement, maintain, and enforce written policies and procedures reasonably designed to, as applicable, provide for governance arrangements that specify clear and direct lines of responsibility.[16]

The Commission believes that the proposed rule changes help contribute to establishing, implementing, maintaining, and enforcing written policies and procedures reasonably designed to provide for governance arrangements that specify lines of control and responsibility because they update the number of board members, board composition, titles, and roles of committees.

The Commission also believes that the proposed changes provide clear and direct lines of authority because they identify the individual within the ICE Group with whom discussions for seeking additional capital in recovery from ICC's parent would begin as well as the procedures for seeking certain required consultations or approvals identified in the Wind-Down Plan, including the individual within the ICE Group with whom such discussions would begin. Further, the Commission believes that proposed changes to certain titles of managers and the removal of former managers promotes governance arrangements that specify lines of control and responsibility by including current information about individuals and their roles.

Therefore, the Commission finds that the proposed rule change is consistent with Rule 17Ad–22(e)(2)(v).[17]

D. Consistency With Rule 17Ad–22(e)(3)(ii)

Rule 17Ad–22(e)(3)(ii) requires ICC to establish, implement, maintain, and enforce written policies and procedures reasonably designed to maintain a sound risk management framework for comprehensively managing legal, credit, liquidity, operational, general business, investment, custody, and other risks that arise in or are borne by ICC, which includes plans for the recovery and orderly wind-down of ICC necessitated by credit losses, liquidity shortfalls, losses from general business risk, or any other losses.[18]

The Commission believes that the proposed changes described above that would add current financial, personnel, and board information support ICC's maintenance of plans for the recovery and orderly wind-down of ICC with updated accurate information. For instance, the Commission believes that current financial information provides relevant information to those using the Plans to understand the resources available for recovery or an orderly wind-down. Further, the Commission believes that current information about the Board, updated procedures for seeking additional capital from the ICE Group, and updated procedures for seeking required consultations or approvals in a wind-down scenario support the utilization of the recovery and wind-down plans with accurate references to personnel and procedures.

Therefore, the Commission finds that the proposed rule change is consistent with Rule 17Ad–22(e)(3)(ii).[19]

IV. Conclusion

On the basis of the foregoing, the Commission finds that the proposed rule change is consistent with the requirements of the Act, and in particular, with the requirements of Section 17A(b)(3)(F) of the Act[20] and Rules 17Ad–22(e)(2)(v) and (e)(3)(ii) thereunder.[21]

It is therefore ordered pursuant to Section 19(b)(2) of the Act[22] that the proposed rule change (SR–ICC–2022–004) be, and hereby is, approved.[23]

[15] 15 U.S.C. 78q–1(b)(3)(F).

[16] 17 CFR 240.17Ad–22(e)(2)(v).

[17] 17 CFR 240.17Ad–22(e)(2)(v).

[18] 17 CFR 240.17Ad–22(e)(3)(ii).

[19] 17 CFR 240.17Ad–22(e)(3)(ii).

[20] 15 U.S.C. 78q–1(b)(3)(F).

[21] 17 CFR 240.17Ad–22(e)(2)(v) and (e)(3)(ii).

[22] 15 U.S.C. 78s(b)(2).

[23] In approving the proposed rule change, the Commission considered the proposal's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

[24] 17 CFR 200.30–3(a)(12).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[24]

J. Matthew DeLesDernier,

Assistant Secretary.

[FR Doc. 2022–11677 Filed 5–31–22; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–94984; File No. 4–698]

Joint Industry Plan; Notice of Filing of Amendment to the National Market System Plan Governing the Consolidated Audit Trail

May 25, 2022.

I. Introduction

On May 13, 2022, the Operating Committee for Consolidated Audit Trail, LLC (''CAT LLC''), on behalf of the following parties to the National Market System Plan Governing the Consolidated Audit Trail (the ''CAT NMS Plan'' or ''Plan''): [1] BOX Exchange LLC; Cboe BYX Exchange, Inc., Cboe BZX Exchange, Inc., Cboe EDGA Exchange, Inc., Cboe EDGX Exchange, Inc., Cboe C2 Exchange, Inc., Cboe Exchange, Inc., Financial Industry Regulatory Authority, Inc., Investors Exchange LLC, Long-Term Stock Exchange, Inc., MEMX, LLC, Miami International Securities Exchange LLC, MIAX Emerald, LLC, MIAX PEARL, LLC, Nasdaq BX, Inc., Nasdaq GEMX, LLC, Nasdaq ISE, LLC, Nasdaq MRX, LLC, Nasdaq PHLX LLC, The NASDAQ Stock Market LLC, New York Stock Exchange LLC, NYSE American LLC, NYSE Arca, Inc., NYSE Chicago, Inc., and NYSE National, Inc. (collectively, the ''Participants,'' ''self-regulatory organizations,'' or ''SROs'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') pursuant to Section 11A(a)(3) of the Securities Exchange Act of 1934 (''Exchange Act''),[2] and Rule 608 thereunder,[3] a proposed amendment to the CAT NMS Plan to implement a revised funding model (''Executed Share Model'') for the consolidated audit trail (''CAT'') and to establish a fee schedule for Participant CAT fees in accordance with the Executed Share Model.[4]

[1] The CAT NMS Plan is a national market system plan approved by the Commission pursuant to Section 11A of the Exchange Act and the rules and regulations thereunder. *See* Securities Exchange Act Release No. 79318 (November 15, 2016), 81 FR 84696 (November 23, 2016).

[2] 15 U.S.C 78k–1(a)(3).

[3] 17 CFR 242.608.

[4] *See* Letter from Michael Simon, CAT NMS Plan Operating Committee Chair, to Vanessa Countryman, Secretary, Commission, dated May 13, 2022 (''Transmittal Letter'').

Exhibit A, attached hereto, contains proposed revisions to Articles I and XI of the CAT NMS Plan as well as proposed Appendix B to the Plan containing the fee schedule setting forth the CAT fees to be paid by the Participants. In addition, the Operating Committee provided an example of how the Executed Share Model would operate for illustrative purposes only, as attached hereto as *Exhibit B.* The example is provided in two charts that, according to the Participants, set forth illustrative CAT fees for each Participant, Industry Member that is the clearing member for the seller in the transaction, and Industry Member that is the clearing member for the buyer in the transaction. The Commission is publishing this notice to solicit comments from interested persons on the amendment.[5]

II. Description of the Plan

Set forth in this Section II is the statement of the purpose and summary of the amendment, along with information required by Rule 608(a) under the Exchange Act,[6] substantially as prepared and submitted by the Participants to the Commission.[7]

A. Description of the Amendments to the CAT NMS Plan

The Operating Committee proposes to replace the funding model set forth in Article XI of the CAT NMS Plan (the ''Original Funding Model'') with the Executed Share Model. The Original Funding Model involves a bifurcated approach, where costs associated with building and operating the CAT would be borne by (1) Industry Members (other than alternative trading systems (''ATSs'') that execute transactions in Eligible Securities (''Execution Venue ATSs'')) through fixed tiered fees based on message traffic for Eligible Securities, and (2) Participants and Industry Members that are Execution Venue ATSs for Eligible Securities through fixed tiered fees based on market share. The Operating Committee proposes to amend the CAT NMS Plan to adopt the Executed Share Model. The Executed Share Model would impose fees on CAT Reporters based on the executed equivalent share volume of transactions in Eligible Securities rather than based on market share and message traffic. The Operating Committee also proposes to adopt a fee schedule to establish the CAT fees applicable to Participants based on the Executed Share Model. The Participants separately intend to file rule filings under Section 19(b) to establish the CAT fees applicable to Industry Members based on the Executed Share Model set forth in the CAT NMS Plan.

1. Description of the Executed Share Model

The Operating Committee proposes to amend the CAT NMS Plan to describe the Executed Share Model. Under the Executed Share Model, the Operating Committee would establish a fee structure in which the fees charged to Participants and Industry Members are based on the executed equivalent share volume of transactions in Eligible Securities using CAT Data.[8]

For each transaction in Eligible Securities based on CAT Data, the Industry Member that is the clearing member for the seller in the transaction (''Clearing Broker for the Seller'' or ''CBS''), the Industry Member that is the clearing member for the buyer in the transaction (''Clearing Broker for the Buyer'' or ''CBB''), and the applicable Participant for the transaction each would pay a fee calculated by multiplying the number of executed equivalent shares in the transaction and the applicable Fee Rate (as defined below) and dividing the product by three. The applicable Participant for the transaction would be the national securities exchange on which the transaction was executed, or FINRA for each transaction executed otherwise than on an exchange. Accordingly, for each transaction, the Clearing Broker for the Buyer would pay one-third of the fee obligation, the Clearing Broker for the Seller would pay one-third of the fee obligation, and the relevant Participant for the transaction would pay the remaining one-third of the fee obligation.

Both Participants and Industry Members would be required to pay CAT fees with regard to CAT costs not previously paid by the Participants (''Prospective CAT Costs''). These are the ongoing budgeted costs for the CAT after the CAT fees become operative. The Fee Rate for the CAT fees related to Prospective CAT Costs would be calculated by dividing the budgeted CAT costs for the relevant period (as determined by the Operating Committee) by the projected total executed equivalent share volume of all

[5] 17 CFR 242.608.

[6] *See* 17 CFR 242.608(a).

[7] *See* Transmittal Letter, *supra* note 4. Unless otherwise defined herein, capitalized terms used herein are defined as set forth in the CAT NMS Plan.

[8] The use of CAT Data in the Executed Share Model is discussed in more detail in Section A.5.k below.