

amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange.

All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly.

All submissions should refer to File Number SR-NYSEAMER-2023-19 and should be submitted on or before April 17, 2023.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁵

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2023-06192 Filed 3-24-23; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[SEC File No. 270-630, OMB Control No. 3235-0689]

Proposed Collection; Comment Request; Extension: Rule 203A-2(d)

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE, Washington, DC 20549-2736

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) the Securities and Exchange Commission (the "Commission") is soliciting comments on the collections of information summarized below. The Commission plans to submit this existing collection of information to the Office of Management and Budget ("OMB") for extension and approval.

The title of the collection of information is: "Exemption for Certain

Multi-State Investment Advisers (Rule 203A-2(d))." Its currently approved OMB control number is 3235-0689. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Pursuant to section 203A of the Investment Advisers Act of 1940 (the "Act") (15 U.S.C. 80b-3a), an investment adviser that is regulated or required to be regulated as an investment adviser in the state in which it maintains its principal office and place of business is prohibited from registering with the Commission unless that adviser has at least \$25 million in assets under management or advises a Commission-registered investment company. Section 203A also prohibits from Commission registration an adviser that: (i) has assets under management between \$25 million and \$100 million; (ii) is required to be registered as an investment adviser with the state in which it maintains its principal office and place of business; and (iii) if registered, would be subject to examination as an adviser by that state (a "mid-sized adviser"). A mid-sized adviser that otherwise would be prohibited may register with the Commission if it would be required to register with 15 or more states. Similarly, Rule 203A-2(d) under the Act (17 CFR 275.203a-2(d)) provides that the prohibition on registration with the Commission does not apply to an investment adviser that is required to register in 15 or more states. An investment adviser relying on this exemption also must: (i) include a representation on Schedule D of Form ADV that the investment adviser has concluded that it must register as an investment adviser with the required number of states; (ii) undertake to withdraw from registration with the Commission if the adviser indicates on an annual updating amendment to Form ADV that it would be required by the laws of fewer than 15 states to register as an investment adviser with the state; and (iii) maintain in an easily accessible place a record of the states in which the investment adviser has determined it would, but for the exemption, be required to register for a period of not less than five years from the filing of a Form ADV relying on the rule.

Respondents to this collection of information are investment advisers required to register in 15 or more states absent the exemption that rely on rule 203A-2(d) to register with the Commission. The information collected under rule 203A-2(d) permits the Commission's examination staff to

determine an adviser's eligibility for registration with the Commission under this exemptive rule and is also necessary for the Commission staff to use in its examination and oversight program. This collection of information is codified at 17 CFR 275.203a-2(d) and is mandatory to qualify for and maintain Commission registration eligibility under rule 203A-2(d). Responses to the recordkeeping requirements under rule 203A-2(d) in the context of the Commission's examination and oversight program are generally kept confidential.

The estimated number of investment advisers subject to the collection of information requirements under the rule is 110. These advisers will incur an average one-time initial burden of approximately 8 hours, and an average ongoing burden of approximately 8 hours per year, to keep records sufficient to demonstrate that they meet the 15-state threshold. These estimates are based on an estimate that each year an investment adviser will spend approximately 0.5 hours creating a record of its determination whether it must register as an investment adviser with each of the 15 states required to rely on the exemption, and approximately 0.5 hours to maintain these records. Accordingly, we estimate that rule 203A-2(d) results in an annual aggregate burden of collection for SEC-registered investment advisers of a total of 880 hours. Estimates of average burden hours are made solely for the purposes of the Paperwork Reduction Act, and are not derived from a comprehensive or even a representative survey or study of the costs of Commission rules and forms.

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 estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted by May 26, 2023.

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

Please direct your written comments to: David Bottom, Acting Director/Chief

¹⁵ 17 CFR 200.30-3(a)(12).

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: March 21, 2023.

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2023-06224 Filed 3-24-23; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-97181; File No. SR-FINRA-2023-003]

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend FINRA Rules To Address Duplicative Requirements

March 21, 2023.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on March 10, 2023, the Financial Industry Regulatory Authority, Inc. (“FINRA”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by FINRA. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

FINRA is proposing, in light of member obligations relating to the Consolidated Audit Trail (“CAT”), to amend FINRA Rule 4590 (Synchronization of Member Business Clocks), amend FINRA Rule 6250 (Quote and Order Access Requirements), eliminate FINRA Rule 6431 (Recording of Quotation Information), and amend FINRA Rule 6439 (Requirements for Member Inter-Dealer Quotation Systems).

The text of the proposed rule change is available on FINRA’s website at <http://www.finra.org>, at the principal office of FINRA and at the Commission’s Public Reference Room.

II. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, FINRA included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. FINRA has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The National Market System Plan governing the Consolidated Audit Trail (the “CAT NMS Plan”)³ is intended to create, implement, and maintain a consolidated audit trail that will capture in a single consolidated data source customer and order event information for orders in NMS securities⁴ and OTC equity securities,⁵ across all markets, from the time of order inception through routing, cancellation, modification, or execution.⁶ FINRA is filing the proposed rule change to amend FINRA rules in light of the CAT NMS Plan to eliminate duplicative requirements or otherwise clarify regulatory obligations. Specifically, FINRA is proposing amendments to: (1) clarify overlapping clock synchronization requirements for members; (2) delete duplicative requirements relating to order and quote recording and reporting requirements in connection with the alternative display facility (“ADF”); (3) delete duplicative requirements relating to the reporting of quotation information for OTC equity securities; and (4) delete duplicative requirements relating to the submission of order-level quotation information for OTC equity securities.⁷

³ FINRA and the national securities exchanges filed the CAT NMS Plan with the Commission pursuant to Section 11A of the Exchange Act and Rule 608 of Regulation NMS thereunder, and it was approved by the SEC on November 15, 2016. See Securities Exchange Act Release No. 79318 (November 15, 2016), 81 FR 84696 (November 23, 2016) (“CAT Approval Order”).

⁴ See Rule 600(b)(54) of Regulation NMS.

⁵ See FINRA Rule 6420(f).

⁶ See e.g., Securities Exchange Act Release No. 67457 (July 18, 2012), 77 FR 45722 (August 1, 2012).

⁷ The proposed rule change would also update cross-references in FINRA Rules 6220, 6275 and 6279, including updating citations to Rule 600(b) of Regulation NMS.

Synchronization of Member Business Clocks

FINRA Rule 4590 requires members to synchronize their business clocks, including computer system clocks and mechanical time stamping devices, that are used for purposes of recording the date and time of any event that must be recorded pursuant to the FINRA By-Laws or other FINRA rules. Rule 4590 further requires that business clocks, including computer system clocks and manual time stamp machines, be synchronized to within a one second tolerance of the National Institute of Standards (NIST) atomic clock, except that computer system clocks that are used to record events in NMS securities, including standardized options, and OTC equity securities, must be synchronized to within a 50-millisecond tolerance of the NIST clock. FINRA adopted Rule 4590 before the CAT NMS Plan was approved and before FINRA adopted Rule 6820.

FINRA Rule 6820 (Clock Synchronization)⁸ addresses clock synchronization obligations pursuant to the CAT NMS Plan and prescribes the requirements for industry members in synchronizing their business clocks. FINRA is therefore proposing amendments to clarify that Rule 4590 applies only where Rule 6820 does not. Therefore, Rule 6820, rather than Rule 4590, would apply to business clocks used to record events for NMS securities and OTC equity securities, but Rule 4590 would apply to business clocks that record events in debt securities. This proposed rule change is intended solely to eliminate overlapping rule requirements and promote clarity.

Alternative Display Facility Quote and Order Access Requirements

FINRA Rule 6250 provides quoting and order access requirements for members that utilize FINRA’s ADF to display quotes in an ADF-eligible security.⁹ Pursuant to Rule 6250, ADF Trading Centers¹⁰ must record and report to FINRA on a daily basis specified order information. Among other things, paragraph (b) of Rule 6250 requires an ADF Trading Center to record and report orders originated,

⁸ Rule 6820 falls under the CAT Compliance Rule Series.

⁹ FINRA Rule 6220(a)(2) defines an “ADF-eligible security” as an NMS stock as defined by SEC Regulation NMS.

¹⁰ FINRA Rule 6220(a)(4) defines an “ADF trading center” as a registered reporting ADF market maker, or a registered reporting ADF electronic communications network that is a “trading center,” as defined by SEC Regulation NMS, and that is certified, pursuant to Rule 6250, to display its quotations or orders through the ADF.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.