

uspsngdveis.com/. Interested parties may mail or deliver written comments, containing the name and address of the commenter, to: Mr. Davon Collins, Environmental Counsel, United States Postal Service, 475 L'Enfant Plaza SW, Office 6606, Washington, DC 20260–6201, or at NEPA@usps.gov. Note that comments sent by mail may be subject to delay due to Federal security screening. Faxed comments are not accepted. All submitted comments and attachments are part of the public record and subject to disclosure. Do not enclose any material in your comments that you consider confidential or inappropriate for public disclosure.

References

1. U.S. Postal Service, Notice of Availability of Record of Decision, Next Generation Delivery Vehicles Acquisitions (87 FR 14588; Mar. 15, 2022).
2. U.S. Postal Service, Notice of Intent to Prepare a Supplement to the Next Generation Delivery Vehicles Acquisitions Final Environmental Impact Statement (87 FR 35581; June 10, 2022).
3. U.S. Postal Service, Notice to Postpone Public Hearing and Extend Public Comment Period for Supplement to the Next Generation Delivery Vehicles Acquisitions Final Environmental Impact Statement (87 FR 43561; July 21, 2022).

Sarah Sullivan,

Attorney, Ethics & Legal Compliance.

[FR Doc. 2023–13941 Filed 6–29–23; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[SEC File No. 270–508, OMB Control No. 3235–0565]

Submission for OMB Review; Comment Request; Extension: Rule 482

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.*) (“Paperwork Reduction Act”), the Securities and Exchange Commission (“Commission”) has submitted to the Office of Management and Budget (“OMB”) a request for extension of the previously approved collection of information discussed below.

Like most issuers of securities, when an investment company (“fund”) ¹ offers

its shares to the public, its promotional efforts become subject to the advertising restrictions of the Securities Act of 1933 (15 U.S.C. 77) (the “Securities Act”). In recognition of the particular problems faced by funds that continually offer securities and wish to advertise their securities, the Commission has previously adopted advertising safe harbor rules. The most important of these is rule 482 (17 CFR 230.482) under the Securities Act, which, under certain circumstances, permits funds to advertise investment performance data, as well as other information. Rule 482 advertisements are deemed to be “prospectuses” under Section 10(b) of the Securities Act (15 U.S.C. 77j(b)).

Rule 482 contains certain requirements regarding the disclosure that funds are required to provide in qualifying advertisements. These requirements are intended to encourage the provision to investors of information that is balanced and informative, particularly in the area of investment performance. For example, a fund is required to include disclosure advising investors to consider the fund’s investment objectives, risks, charges and expenses, and other information described in the fund’s prospectus, and highlighting the availability of the fund’s prospectus. In addition, rule 482 advertisements that include performance data of open-end funds or insurance company separate accounts offering variable annuity contracts are required to include certain standardized performance information, information about any sales loads or other nonrecurring fees, and a legend warning that past performance does not guarantee future results. Such funds including performance information in rule 482 advertisements are also required to make available to investors month-end performance figures via website disclosure or by a toll-free telephone number, and to disclose the availability of the month-end performance data in the advertisement. The rule also sets forth requirements regarding the prominence of certain disclosures, requirements regarding advertisements that make tax representations, requirements regarding advertisements used prior to the effectiveness of the fund’s registration statement, requirements regarding the timeliness of performance data. In addition, rule 482(b) describes the information that is required to be included in an advertisement, including a cautionary statement under rule

482(b)(4) disclosing the particular risks associated with investing in a money market fund.

On October 26, 2022, the Commission adopted rule and form amendments that modernize the requirements for annual and semi-annual shareholder reports provided by open-end management investment companies.² The Commission also adopted amendments to the advertising rules for registered investment companies and business development companies to promote more transparent and balanced statements about investment costs. The advertising rule amendments require that investment company advertisements providing fee and expense figures include: (1) the maximum amount of any sales load or any other nonrecurring fee; and (2) the total annual expenses without any fee waiver or expense reimbursement arrangement. Under the amendments to rule 482, investment company fee and expense presentations in advertisements must include timely and prominent information about a fund’s maximum sales load (or any other nonrecurring fee) and gross total annual expenses, based on the methods of computation that the company’s Investment Company Act or Securities Act registration statement form prescribes for a prospectus.

Rule 482 advertisements must be filed with the Commission or, in the alternative, with the Financial Industry Regulatory Authority (“FINRA”).³ This information collection differs from many other federal information collections that are primarily for the use and benefit of the collecting agency.

Rule 482 contains requirements that are intended to encourage the provision to investors of information that is balanced and informative, particularly in the area of investment performance. The Commission is concerned that in the absence of such provisions fund investors may be misled by deceptive rule 482 advertisements and may rely on less-than-adequate information when determining in which funds they should invest money. As a result, the

² Tailored Shareholder Reports for Mutual Funds and Exchange-Traded Funds; Fee Information in Investment Company Advertisements, Investment Company Act Release No. 34731 (Oct. 26, 2022), 87 FR 72758 (Nov. 25, 2022) (the “Adopting Release”).

³ See note to rule 482(h) under the Securities Act, which states that “these advertisements, unless filed with [FINRA], are required to be filed in accordance with the requirements of § 230.497.” See also rule 24b–3 under the Investment Company Act (17 CFR 270.24b–3), which provides that any sales material, including rule 482 advertisements, shall be deemed filed with the Commission for purposes of Section 24(b) of the Investment Company Act upon filing with FINRA.

¹ “Investment company” refers to both investment companies registered under the

Investment Company Act of 1940 (“Investment Company Act”) (15 U.S.C. 80a–1 *et seq.*) and business development companies.

Commission believes it is beneficial for funds to provide investors with balanced information in fund advertisements in order to allow

investors to make better-informed decisions.

The table below summarizes our estimates associated with the

amendments to rule 482 that the Adopting Release addresses:

RULE 482 PRA ESTIMATES

	Internal initial hour burdens	Internal annual burden ¹	Wage rate ²	Internal time costs
FINAL ESTIMATES FOR RULE 482				
New general requirements re: fee and expense figure disclosure.	9 hours	6 hours ³	\$381 (blended rate for compliance attorney and senior programmer).	\$2,286.
Number of responses to rule 482 that include fee/expense figure disclosure.		× 36,492 ⁴ responses		× 36,492 responses.
Total burden of new requirements for fee and expense disclosure.	.....	218,952 hours .....	.....	\$83,420,712.
New requirements for disclosure of fee waivers/expense reimbursement arrangements.	6 hours	4 hours ⁵	\$381 (blended rate for compliance attorney and senior programmer).	\$1,524.
Number of responses to rule 482 that disclose fee waivers/expense reimbursement arrangements.		× 36,492 responses		× 36,492 responses.
Total burden of annual requirements for disclosure of fee waivers/expense reimbursement arrangements.	.....	145,968 hours .....	.....	\$55,613,808.
Total annual burden .....	.....	364,920 hours .....	.....	\$139,034,520.
TOTAL FINAL ESTIMATED BURDENS INCLUDING AMENDMENTS				
Current burden estimates .....	.....	212,927 hours .....	.....	\$74,098,735.
Revised burden estimate .....	.....	577,847 hours .....	.....	\$213,133,255.

Notes:

1. Includes initial burden estimates annualized over a 3-year period.

2. These PRA estimates assume that the same types of professionals would be involved in preparing advertisements (reflecting the proposed and final amendments to rule 482) that we believe otherwise would be involved in preparing a fund's advertisements. The Commission's estimates of the relevant wage rates are based on salary information for the securities industry compiled by the Securities Industry and Financial Markets Association's *Office Salaries in the Securities Industry 2013*. The estimated figures are modified by firm size, employee benefits, overhead, and adjusted to account for the effects of inflation. See Securities Industry and Financial Markets Association, Report on Management & Professional Earnings in the Securities Industry 2013.

3. This estimate assumed that, after the initial 9 hours that an entity would spend on the proposed fee and expense disclosure, which we annualize over a 3-year period, the entity would incur 3 additional burden hours associated with ongoing compliance with these requirements per year. The estimate of 6 hours is based on the following calculation: ((9 initial hours/3) + 3 hours of additional ongoing burden hours) = 6 hours.

4. The Commission estimates that there was a total of 41,953 responses to rule 482 that either were filed with FINRA or with the Commission in 2021. Of those, the Commission estimates that 1,124 were responses from closed-end funds and BDCs, and that 2,816 were responses from variable insurance contracts. The number of responses filed with the SEC is based on the average number of responses filed with the Commission from 2019–2021. The Commission assumes that, moving forward, closed-end funds and BDCs will choose to use free writing prospectuses under rule 433, and also that variable insurance contracts will not be subject to the amendments to rule 482. Therefore, we exclude closed-end funds, BDCs, and variable insurance contracts from the total responses to rule 482 for purposes of this estimate. For purposes of estimating the burden of the final rules amendments, we estimate that 38,013 responses to rule 482 are filed annually. We estimate that approximately 96% of these rule 482 responses provide fee and expense figures in qualifying advertisements and would, therefore, be required to comply with the final rule amendments regarding such information (for example, ensuring that the fee and expense figures are presented in accordance with the prominence and timeliness requirements in the amendments to rule 482).

5. This estimate assumed that, after the initial 6 hours that an entity would spend on the proposed fee waiver and expense reimbursement requirements, which we annualized over a 3-year period, the entity would incur 2 additional burden hours associated with ongoing compliance with these requirements per year. The estimate of 4 hours is based on the following calculation ((6 initial hours/3) + 2 hours of additional ongoing burden hours) = 4 hours.

The table above summarizes our PRA initial and ongoing annual burden estimates associated with rule 482, as amended. In the aggregate, we estimate the total annual burden to comply with amended rule 482 to be 577,847 hours, at an average time cost of \$213,133,255.

The information provided under rule 482 will not be kept confidential. The

provision of information under rule 482 is necessary to obtain the benefits of the safe harbor offered by the rule.

The estimate of average burden hours is made solely for the purposes of the Paperwork Reduction Act and is not derived from a comprehensive or even a representative survey or study of the costs of Commission rules and forms.

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.

The public may view background documentation for this information collection at the following website: www.reginfo.gov. Find this particular

information collection by selecting “Currently under 30-day Review—Open for Public Comments” or by using the search function. Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice by July 31, 2023 to (i) *MBX.OMB.OIRA.SEC_desk_officer@omb.eop.gov* and (ii) David Bottom, Director/Chief Information Officer, Securities and Exchange Commission, c/o John Pezzullo, 100 F Street NE, Washington, DC 20549, or by sending an email to: *PRA_Mailbox@sec.gov*.

Dated: June 27, 2023.

Vanessa A. Countryman,
Secretary.

[FR Doc. 2023–13952 Filed 6–29–23; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–97798; File No. SR–FINRA–2023–009]

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend FINRA’s Trading Activity Fee

June 26, 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 June 23, 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, II, and III below, which Items have been prepared by FINRA. FINRA has designated the proposed rule change as “establishing or changing a due, fee or other charge” under Section 19(b)(3)(A)(ii) of the Act³ and Rule 19b–4(f)(2) thereunder,⁴ which renders the proposal effective upon receipt of this filing by the Commission. 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 to amend Section 1(f) of Schedule A to the FINRA By-Laws to exempt from the Trading Activity Fee (“TAF”) any transaction by

a proprietary trading firm that occurs on an exchange of which the proprietary trading firm is a member.

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

As a general matter, the most significant sources of FINRA’s funding are three core regulatory fees: the Gross Income Assessment; the TAF; and the Personnel Assessment.⁵ These regulatory fees are used to substantially fund FINRA’s regulatory activities, including examinations, financial monitoring, and FINRA’s policymaking, rulemaking, and enforcement activities.⁶ As discussed in FINRA’s prior *Regulatory Notices*, FINRA is proposing an exemption from one of FINRA’s regulatory fees—the TAF—for transactions by “proprietary trading firms,” which FINRA understands would include firms currently operating in compliance with existing SEA Rule 15b9–1 and that would be required to become FINRA members in light of the SEC’s proposed amendments to SEA Rule 15b9–1, as further discussed below.⁷ In this regard, FINRA proposes to define “proprietary trading firm” as a member that (i) trades exclusively its

own capital; (ii) does not have “customers,” which shall include any person, other than a broker or dealer, with whom the member engages, or within the past six months has engaged, in securities activities; and (iii) conducts all trading through the firm’s accounts by traders that are owners of, employees of, or contractors to the firm, or employees of an affiliate of the firm.

Under the Exchange Act, a registered broker-dealer must become a member of a national securities association (currently, FINRA is the sole national securities association) unless the broker-dealer effects transactions in securities solely on a national securities exchange of which it is a member.⁸ SEA Rule 15b9–1 provides an exemption to the requirement that a broker-dealer become a member of a national securities association if the broker-dealer (i) is a member of a national securities exchange, (ii) carries no customer accounts, and (iii) has annual gross income derived from purchases and sales of securities otherwise than on a national securities exchange of which it is a member in an amount no greater than \$1,000 (the \$1,000 limitation is known as the “*de minimis* allowance”).⁹ The \$1,000 gross income limitation does not apply to income derived from transactions for the dealer’s own account with or through another registered broker or dealer. Thus, for example, income derived from over-the-counter trades through an alternative trading system does not count toward the \$1,000 threshold. On July 29, 2022, the SEC proposed amendments to SEA Rule 15b9–1 to narrow the exemption from association membership.¹⁰

As discussed in the Proposing Release, the securities markets have evolved dramatically since the adoption of SEA Rule 15b9–1 and, today, the *de minimis* allowance is relied upon by proprietary trading firms that, in some cases, engage in substantial cross-exchange and off-exchange trading activity, yet they are not subject to FINRA oversight.¹¹ The SEC therefore proposed to eliminate the *de minimis* allowance and instead provide that a broker-dealer may effect transactions otherwise than on a national securities exchange of which it is a member in

⁵ See FINRA By-Laws, Schedule A, Section 1.

⁶ See Securities Exchange Act Release No. 90176 (October 14, 2020), 85 FR 66592 (October 20, 2020) (Notice of Filing and Immediate Effectiveness of File No. SR–FINRA–2020–032).

⁷ FINRA believes that proprietary trading firms currently operating in compliance with existing SEA Rule 15b9–1 that would join FINRA due to the SEC’s proposed amendments to SEA Rule 15b9–1 would meet the proposed definition of “proprietary trading firm” and would qualify for the proposed exemption (assuming no changes to their business models that would alter their eligibility), as well as current FINRA members that meet the proposed definition. See also *infra* notes 37 and 39.

⁸ 15 U.S.C. 78o(b)(8).

⁹ 17 CFR 240.15b9–1.

¹⁰ See Securities Exchange Act Release No. 95388 (July 29, 2022), 87 FR 49930 (August 12, 2022) (“Proposing Release”). The SEC previously proposed to amend SEA Rule 15b9–1 in 2015. See Securities Exchange Act Release No. 74581 (March 25, 2015), 80 FR 18036 (April 2, 2015) (File No. S7–05–15) (“2015 Proposal”).

¹¹ See Proposing Release, *supra* note 10, 87 FR 49930, 49931.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ 15 U.S.C. 78s(b)(3)(A)(ii).

⁴ 17 CFR 240.19b–4(f)(2).