

between the hours of 9:30 a.m. (Eastern time) and 4:00 p.m. (Eastern time).<sup>16</sup>

#### Pilot Report

The Exchange states that it intends to submit a rule change proposing permanency of the Pilot Program to the Commission and would include data regarding XND options that expire on Tuesdays or Thursdays as it does for current Weekly Expirations on any broad-based index option either by providing additional data in such proposal or in an annual report regarding XND options that expire on each trading day of the week, as proposed.<sup>17</sup> The Exchange would also continue to provide the Commission with ongoing data regarding XND options that expire on Tuesdays or Thursdays unless and until the Pilot Program is made permanent or discontinued.<sup>18</sup>

As provided in the Pilot Program Approval Order,<sup>19</sup> the annual report will contain an analysis of volume, open interest and trading patterns. In addition, for series that exceed certain minimum open interest parameters, the annual report will provide analysis of index price volatility and, if needed, share trading activity.<sup>20</sup> Additionally, the Exchange will provide the Commission with any additional data or analyses the Commission requests because it deems such data or analyses necessary to determine whether the Pilot Program, including XND options with Tuesday and Thursday expirations as proposed, is consistent with the Act.<sup>21</sup> As it does for current Pilot Program products, the Exchange will make public on its website all data and analyses in connection with XND options with Tuesday and Thursday expirations it submits to the Commission under the Pilot Program.<sup>22</sup> Going forward, the Exchange will include the same areas of analysis for XND options with Tuesday and Thursday expirations. The Exchange also proposes to include the following market quality data, over sample periods determined by the Exchange and the Commission, for XND options (XND and standard NDX options) as part of the annual reports going forward: (1) time-weighted relative quoted spreads; (2) relative effective spreads;

and (3) time-weighted bid and offer sizes.<sup>23</sup>

#### III. Discussion and Commission Findings

After careful review, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange and, in particular, with section 6(b) of the Act.<sup>24</sup> In particular, the Commission finds that the proposed rule change is consistent with section 6(b)(5) of the Act,<sup>25</sup> which requires, among other things, that a national securities exchange have rules designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest.

As the Commission noted in its recent order approving the listing and trading of P.M.-settled options on the S&P 500 Index that expire on Tuesday or Thursday, the Commission has had concerns about the potential adverse effects and impact of P.M. settlement upon market volatility and the operation of fair and orderly markets on the underlying cash markets at or near the close of trading, including for cash-settled derivatives contracts based on a broad-based index.<sup>26</sup> The potential impact today remains unclear, given the significant changes in the closing procedures of the primary markets in recent decades. The Commission is mindful of the historical experience with the impact of P.M. settlement of cash-settled index derivatives on the underlying cash markets, but recognizes that these risks may be mitigated today by the enhanced closing procedures that are now in use at the primary equity markets.

The Exchange's proposal to add Tuesday and Thursday XND expirations to the existing Pilot Program would offer additional investment options to investors and may be useful for their

investment or hedging objectives while providing the Commission with data to monitor the effects of Tuesday and Thursday XND expirations and the impact of P.M. settlement on the markets. To assist the Commission in assessing any potential impact of Tuesday and Thursday XND expirations on the options markets as well as the underlying cash equities markets, the Exchange will be required to submit data to the Commission in connection with the Pilot Program.<sup>27</sup> Further, including the proposed Tuesday and Thursday XND expirations in the Pilot Program, together with the data and analysis that the Exchange will provide to the Commission, will allow the Exchange and the Commission to monitor for and assess any potential for adverse market effects of allowing Tuesday and Thursday XND expirations, including on the underlying component stocks. In particular, the data collected from the Pilot Program will help inform the Commission's consideration of whether the Pilot Program, as amended to include Tuesday and Thursday XND expirations, should be modified, discontinued, extended, or permanently approved. Furthermore, the Exchange's ongoing analysis of the Pilot Program should help it monitor any potential risks from large P.M.-settled positions and take appropriate action if warranted.

For the foregoing reasons, the Commission finds that the proposed rule change is consistent with the Act.

#### IV. Conclusion

*It is therefore ordered*, pursuant to section 19(b)(2) of the Act,<sup>28</sup> that the proposed rule change (SR-Phlx-2022-38), be, and hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>29</sup>

**Sherry R. Haywood,**  
Assistant Secretary.

[FR Doc. 2022-26441 Filed 12-5-22; 8:45 am]

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#### SECURITIES AND EXCHANGE COMMISSION

[SEC File No. 270-629, OMB Control No. 3235-0718]

#### Proposed Collection; Comment Request; Extension: Regulation SBSR

*Upon Written Request, Copies Available From: Securities and Exchange*

<sup>27</sup> See Notice, *supra* note 3, at 64120-64121.

<sup>28</sup> 15 U.S.C. 78s(b)(2).

<sup>29</sup> 17 CFR 200.30-3(a)(12).

<sup>16</sup> See *id.*; see also, Options 4A, Section 12(b)(5)(D).

<sup>17</sup> See Notice, *supra* note 3, at 64120.

<sup>18</sup> See *id.*

<sup>19</sup> See *supra* note 5.

<sup>20</sup> See Notice, *supra* note 3, at 64120.

<sup>21</sup> See *id.*

<sup>22</sup> See Notice, *supra* note 3, at 64120-64121.

<sup>23</sup> See Notice, *supra* note 3, at 64121.

<sup>24</sup> 15 U.S.C. 78f(b). In approving this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

<sup>25</sup> 15 U.S.C. 78f(b)(5).

<sup>26</sup> See Securities Exchange Act Release No. 94682 (April 12, 2022), 87 FR 22993 (April 18, 2022) (CBOE-2022-005).

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 ("PRA") (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission ("Commission") is soliciting comments on the existing collection of information provided for in Rules 901, 902, 903(a), 904, 905, 906, 907, and 908 of Regulation SBSR (17 CFR 242.901, 902, 903(a), 904, 905, 906, 907, and 908), under the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*). The Commission plans to submit this existing collection of information to the Office of Management and Budget ("OMB") for extension and approval.

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 such reporting and public dissemination is to occur.

The Commission estimates that a total of approximately 30,348 entities will be impacted by Regulation SBSR, including registered SDRs, registered security-based swap dealers, registered major securities-based swap participants, registered clearing agencies, platforms, and reporting sides and other market participants. The Commission estimates that the total annual hour burden for Regulation SBSR, for all respondents, is approximately 3,539,483 hours per year. In addition, the Commission estimates that the total annual cost burden for Regulation SBSR for all respondents is approximately \$47,728,783 per year. A detailed break-down of the burdens applicable to each type of entity is provided in the supporting statement.

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 by February 6, 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, 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](mailto:PRA_Mailbox@sec.gov).

Dated: November 30, 2022.

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2022-26425 Filed 12-5-22; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[SEC File No. 270-448, OMB Control No. 3235-0507]

### Proposed Collection; Comment Request; Extension: Rule 19b-5 and Form PILOT

*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 ("PRA") (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission ("SEC") is soliciting comments on the existing collection of information provided for in Rule 19b-5 (17 CFR 240.19b-5) and Form PILOT (17 CFR 249.821) under the Securities Exchange Act of 1934 ("Exchange Act") (15 U.S.C. 78a *et seq.*). The SEC plans to submit this existing collection of information to the Office of Management and Budget ("OMB") for extension and approval.

Rule 19b-5 provides a temporary exemption from the rule-filing

requirements of section 19(b) of the Exchange Act (15 U.S.C. 78s(b)) to self-regulatory organizations ("SROs") wishing to establish and operate pilot trading systems. Rule 19b-5 permits an SRO to develop a pilot trading system and to begin operation of such system shortly after submitting an initial report on Form PILOT to the SEC. During operation of any such pilot trading system, the SRO must submit quarterly reports of the system's operation to the SEC, as well as timely amendments describing any material changes to the system. Within two years of operating such pilot trading system under the exemption afforded by Rule 19b-5, the SRO must submit a rule filing pursuant to Section 19(b)(2) of the Exchange Act (15 U.S.C. 78s(b)(2)) to obtain permanent approval of the pilot trading system from the SEC.

The collection of information is designed to allow the SEC to maintain an accurate record of all new pilot trading systems operated by SROs and to determine whether an SRO has properly availed itself of the exemption afforded by Rule 19b-5, is operating a pilot trading system in compliance with the Exchange Act, and is carrying out its statutory oversight obligations under the Exchange Act.

The respondents to the collection of information are national securities exchanges and national securities associations.

There are 24 SROs which could avail themselves of the exemption under Rule 19b-5 and the use of Form PILOT. The SEC estimates that approximately one of these SROs each year will file on Form PILOT one initial report (*i.e.*, 1 report total, for an estimated annual burden of 24 hours total), four quarterly reports (*i.e.*, 4 reports total, for an estimated annual burden of 12 hours total (3 hours per report)), and two amendments (*i.e.*, 2 reports total, for an estimated annual burden of 6 hours total (3 hours per report)). Thus, the estimated annual time burden resulting from Form PILOT is 42 hours for the estimated sole SRO respondent. The SEC estimates that the aggregate annual internal cost of compliance for the sole SRO respondent is approximately \$12,880 (42 hours at an average of \$306.67 per hour). In addition, the SEC estimates that the sole SRO respondent will incur, in the aggregate, printing, supplies, copying, and postage expenses of \$2,287 per year for filing initial reports, \$1,142 per year for filing quarterly reports, and \$571 per year for filing notices of material systems changes, for a total annual cost burden of \$4,000.

Written comments are invited on (a) whether the proposed collection of