

threats, assaults, and overall workplace environment issues. The purpose is to create a national application and central repository for all four workplace environment processes identified above. The application will enable the Postal Service headquarters Equal Employment Opportunity and Workplace Environment Improvement Departments to standardize documentation, case management, operating procedures, and outcome measures.

## II. Rationale for Changes to USPS Privacy Act Systems of Records

Establishing a user friendly tracking system for these four processes will reasonably assure that workplace harassment policies and protocols are standardized, instituted, and utilized to resolve complaints in a timely manner and to formulate action plans and appropriate analysis of the outcomes. The application will allow the Postal Service to better achieve the organization's goal to provide a workplace environment that is safe and free of workplace harassment, discrimination, threats, and assaults.

Short-term goals are to create a system that allows immediate access to workplace environment data and individual cases at a district, area, and headquarter level. It will centralize and standardize the processes regarding documentation, protocols, and risk abatement plans.

Long-term goals are to decrease Postal Service liability, decrease the frequency and severity of complaints, threats, and assaults and to track the timelines of Postal Service responses. Additionally, the data will enable the Postal Service to identify trends to improve the workplace environment processes and develop proactive, preventative measures.

## III. Description of Changes to Systems of Records

The Postal Service is modifying one system of records listed below. Pursuant to 5 U.S.C. 552a (e)(11), interested persons are invited to submit written data, views, or arguments on this proposal. A report of the proposed modifications has been sent to Congress and to the Office of Management and Budget for their evaluation. The Postal Service does not expect this amended notice to have any adverse effect on individual privacy rights. The affected system is as follows:

### USPS 100.900

#### SYSTEM NAME:

Employee Inquiry, Complaint, and Investigative Records

Accordingly, for the reasons stated, the Postal Service proposes changes in the existing system of records as follows:

### USPS 100.900

#### SYSTEM NAME:

Employee Inquiry, Complaint, and Investigative Records

#### CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM

[CHANGE TO READ]

USPS employees and non-employees who contact USPS with an inquiry or complaint, and employees and non-employees who are subjects of management inquiries or investigations of workplace issues.

#### CATEGORIES OF RECORDS IN THE SYSTEM:

[CHANGE TO READ]

1. *Employee information:* Name, gender, Social Security Number, Employee Identification Number, postal assignment information, veteran status, contact information, finance number(s), duty location, and pay location.

2. *Non-employee information:* Name, gender, and contact information.

[RENUMBER REMAINING TEXT]

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#### PURPOSE:

[CHANGE TO READ]

1. To enable review and response to inquiries and complaints concerning employees and non-employees.

\* \* \* \* \*

#### RETRIEVABILITY:

[CHANGE TO READ]

By employee and non-employee name, subject category, facility, finance number, district, area, nationally, or case number.

#### SYSTEM MANAGER(S) AND ADDRESS:

\* \* \* \* \*

[ADD NEW TEXT]

Vice President, Labor Relations, United States Postal Service, 475 L'Enfant Plaza SW., Washington, DC 20260.

\* \* \* \* \*

#### NOTIFICATION PROCEDURE:

[CHANGE TO READ]

Employees wanting to know if information about them is maintained in this system of records must address inquiries to the facility head where currently or last employed. Headquarters employees must submit inquiries to Corporate Personnel Management, 475 L'Enfant Plaza SW., Washington, DC 20260. Non-employees wanting to know if information about them is maintained in this system of

records must address inquiries to the District Manager, Human Resources that governs the facility where the inquiry, complaint, or investigative records are stored. Inquiries must include full name, address, and other identifying information. In addition, employees must include Social Security Number or Employee Identification Number, name and address of facility where last employed, and dates of USPS employment. Likewise employees may also be required to furnish where the inquiry, complaint, or investigation occurred.

#### RECORD SOURCE CATEGORIES:

[CHANGE TO READ]

Employees, non-employees, supervisors, managers, and witnesses.

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Stanley F. Mires,

Attorney, Legal Policy & Legislative Advice.

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## SECURITIES AND EXCHANGE COMMISSION

### Submission for OMB Review; Comment Request

*Upon Written Request Copies Available From:* Securities and Exchange Commission, Office of Investor Education and Advocacy, Washington, DC 20549-0213.

#### Extension:

Rule 2a-7, OMB Control No. 3235-0268, SEC File No. 270-258.

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") has submitted to the Office of Management and Budget a request for extension of the previously approved collection of information discussed below.

Rule 2a-7 (17 CFR 270.2a-7) under the Investment Company Act of 1940 (15 U.S.C. 80a) (the "Act") governs money market funds. Money market funds are open-end management investment companies that differ from other open-end management investment companies in that they seek to maintain a stable price per share, usually \$1.00. The rule exempts money market funds from the valuation requirements of the Act, and, subject to certain risk-limiting conditions, permits money market funds to use the "amortized cost method" of asset valuation or the "penny-rounding method" of share pricing.

Rule 2a-7 also imposes certain recordkeeping and reporting obligations

on money market funds. The board of directors of a money market fund, in supervising the fund's operations, must establish written procedures designed to stabilize the fund's net asset value ("NAV"). The board must also adopt guidelines and procedures relating to certain responsibilities it delegates to the fund's investment adviser. These procedures and guidelines typically address various aspects of the fund's operations. The fund must maintain and preserve for six years a written copy of both these procedures and guidelines. The fund also must maintain and preserve for six years a written record of the board's considerations and actions taken in connection with the discharge of its responsibilities, to be included in the board's minutes. In addition, the fund must maintain and preserve for three years written records of certain credit risk analyses, evaluations with respect to securities subject to demand features or guarantees, and determinations with respect to adjustable rate securities and asset backed securities. If the board takes action with respect to defaulted securities, events of insolvency, or deviations in share price, the fund must file with the Commission an exhibit to Form N-SAR describing the nature and circumstances of the action. If any portfolio security fails to meet certain eligibility standards under the rule, the fund also must identify those securities in an exhibit to Form N-SAR. After certain events of default or insolvency relating to a portfolio security, the fund must notify the Commission of the event and the actions the fund intends to take in response to the situation.

The 2010 amendments to rule 2a-7 also added new collection of information requirements. First, money market fund boards must adopt written procedures that provide for periodic testing (and reporting to the board) of the fund's ability to maintain a stable NAV per share based on certain hypothetical events. Second, funds must post monthly portfolio information on their Web sites. Third, funds must maintain records of creditworthiness evaluations on counterparties to repurchase agreements that the fund intends to "look through" for purposes of rule 2a-7's diversification limitations. Finally, money market funds must promptly notify the Commission of the purchase of any money market fund's portfolio security by an affiliated person in reliance on rule 17a-9 under the Act and explain the reasons for such purchase.

The recordkeeping requirements in rule 2a-7 are designed to enable Commission staff in its examinations of

money market funds to determine compliance with the rule, as well as to ensure that money market funds have established procedures for collecting the information necessary to make adequate credit reviews of securities in their portfolios. The reporting requirements of rule 2a-7 are intended to assist Commission staff in overseeing money market funds and reduce the likelihood that a fund is unable to maintain a stable NAV.

Commission staff estimates that there are 664 money market funds (136 fund complexes), all of which are subject to rule 2a-7. Commission staff further estimates that there will be approximately 10 new money market funds established each year. Commission staff estimates that rule 2a-7 contains the following collection of information requirements:

- Record of credit risk analyses, and determinations regarding adjustable rate securities, asset backed securities, securities subject to a demand feature or guarantee, and counterparties to repurchase agreements. Commission staff estimates a total annual hour burden for 664 funds to be 451,520 hours.
- Establishment of written procedures designed to stabilize NAV and guidelines and procedures for board delegation of authority. Commission staff estimates a total annual hour burden for 10 new money market funds to be 155 hours.
- Board review of procedures and guidelines of any investment adviser or officers to whom the fund's board has delegated responsibility under rule 2a-7 and amendment of such procedures and guidelines. Commission staff estimates a total annual hour burden for 166 funds to be 830 hours.
- Written record of board determinations and actions related to failure of a security to meet certain eligibility standards or an event of default or insolvency and notice to the Commission of an event of default or insolvency. Commission staff estimates a total annual hour burden for 20 funds to be 30 hours.
- Establishment of written procedures to test periodically the ability of the fund to maintain a stable NAV per share based on certain hypothetical events ("stress testing"). Commission staff estimates a total annual hour burden for 10 new money market funds to be 220 hours.

• Review, revise, and approve written procedures to stress test a fund's portfolio. Commission staff estimates a total annual hour burden for 136 fund complexes to be 1,632 hours.

• Reports to fund boards on the results of stress testing. Commission staff estimates a total annual hour burden for 136 fund complexes to be 6,800 hours.

• Monthly posting of money market fund portfolio information on a fund's Web site. Commission staff estimates a total annual hour burden for 664 funds and 10 new money market funds to be 56,016 hours.

• Notice to the Commission of the purchase of a money market fund's portfolio security by certain affiliated persons in reliance on rule 17a-9. Commission staff estimates a total annual hour burden for 25 fund complexes to be 25 hours.

Thus, the Commission estimates the total annual burden of the rule's information collection requirements is 517,228 hours.<sup>1</sup>

The estimated total annual burden is being increased from 395,779 hours to 517,228 hours. This net increase is attributable to a combination of factors, including a decrease in the number of money market funds and fund complexes, and updated information from money market funds regarding hourly burdens, including revised staff estimates of the burden hours required to comply with rule 2a-7 as a result of new information received from surveyed fund representatives.

These estimates of burden hours are made solely for the purposes of the Paperwork Reduction Act. The estimates are not derived from a comprehensive or even a representative survey or study of Commission rules.

Commission staff estimates that in addition to the costs described above, money market funds will incur costs to preserve records, as required under rule 2a-7. These costs will vary significantly for individual funds, depending on the amount of assets under fund management and whether the fund preserves its records in a storage facility in hard copy or has developed and maintains a computer system to create and preserve compliance records. Commission staff estimates that the amount an individual fund may spend ranges from \$100 per year to \$300,000. Based on a cost of \$0.0051295 per dollar of assets under management for small funds, \$0.0005041 per dollar assets under management for medium funds, and \$0.0000009 per dollar of assets under management for large funds, the staff estimates compliance with the record storage requirements of rule 2a-

<sup>1</sup> This estimate is based on the following calculation: 451,520 hours + 155 hours + 830 hours + 30 hours + 220 hours + 1,632 hours + 6,800 hours + 56,016 hours + 25 hours = 517,228 hours.

7 costs the fund industry approximately \$57.3 million per year. Based on responses from individuals in the money market fund industry, the staff estimates that some of the largest fund complexes have created computer programs for maintaining and preserving compliance records for rule 2a-7. Based on a cost of \$0.0000132 per dollar of assets under management for large funds, the staff estimates that total annualized capital/startup costs range from \$0 for small funds to \$35.6 million for all large funds. Commission staff further estimates that, even absent the requirements of rule 2a-7, money market funds would spend at least half of the amount for capital costs (\$17.8 million) and for record preservation (\$28.65 million) to establish and maintain these records and the systems for preserving them as a part of sound business practices to ensure diversification and minimal credit risk in a portfolio for a fund that seeks to maintain a stable price per share.

The collection of information under Rule 2a-7 is mandatory. The information provided by the rule is not kept confidential. 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.

Please direct general comments regarding the above information to the following persons: (i) Desk Officer for the Securities and Exchange Commission, Office of Management and Budget, Room 10102, New Executive Office Building, Washington, DC 20503 or send an email to Shagufta Ahmed at [Shagufta\\_Ahmed@omb.eop.gov](mailto:Shagufta_Ahmed@omb.eop.gov); and (ii) Thomas Bayer, Director/CIO, Securities and Exchange Commission, c/o Remi Pavlik-Simon, 6432 General Green Way, Alexandria, VA 22312; or send an email to: [PRA\\_Mailbox@sec.gov](mailto:PRA_Mailbox@sec.gov). Comments must be submitted to OMB within 30 days of this notice.

Dated: January 8, 2013.

**Kevin M. O'Neill,**  
Deputy Secretary.

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## SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235-0658, SEC File No. 270-603]

### Proposed Collection; Comment Request

*Upon Written Request Copies Available*  
From: Securities and Exchange Commission, Office of Investor

Education and Advocacy,  
Washington, DC 20549-0213.

#### Extension:

Rule 22e-3.

Notice is hereby given that, under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission (the "Commission") has submitted to the Office of Management and Budget a request for extension of the previously approved collection of information discussed below.

Section 22(e) of the Investment Company Act [15 U.S.C. 80a-22(e)] ("Act") generally prohibits funds, including money market funds, from suspending the right of redemption, and from postponing the payment or satisfaction upon redemption of any redeemable security for more than seven days. The provision was designed to prevent funds and their investment advisers from interfering with the redemption rights of shareholders for improper purposes, such as the preservation of management fees. Although section 22(e) permits funds to postpone the date of payment or satisfaction upon redemption for up to seven days, it does not permit funds to suspend the right of redemption for any amount of time, absent certain specified circumstances or a Commission order.

Rule 22e-3 under the Act [17 CFR 270.22e-3] exempts money market funds from section 22(e) to permit them to suspend redemptions in order to facilitate an orderly liquidation of the fund. Specifically, rule 22e-3 permits a money market fund to suspend redemptions and postpone the payment of proceeds pending board-approved liquidation proceedings if: (i) the fund's board of directors, including a majority of disinterested directors, determines pursuant to § 270.2a-7(c)(8)(ii)(C) that the extent of the deviation between the fund's amortized cost price per share and its current net asset value per share calculated using available market quotations (or an appropriate substitute that reflects current market conditions) may result in material dilution or other unfair results to investors or existing shareholders; (ii) the fund's board of directors, including a majority of disinterested directors, irrevocably approves the liquidation of the fund; and (iii) the fund, prior to suspending redemptions, notifies the Commission of its decision to liquidate and suspend redemptions. Rule 22e-3 also provides an exemption from section 22(e) for registered investment companies that own shares of a money market fund pursuant to section 12(d)(1)(E) of the Act ("conduit funds"), if the underlying

money market fund has suspended redemptions pursuant to the rule. A conduit fund that suspends redemptions in reliance on the exemption provided by rule 22e-3 is required to provide prompt notice of the suspension of redemptions to the Commission. Notices required by the rule must be provided by electronic mail, directed to the attention of the Director of the Division of Investment Management or the Director's designee.<sup>1</sup> Compliance with the notification requirement is mandatory for money market funds and conduit funds that rely on rule 22e-3 to suspend redemptions and postpone payment of proceeds pending a liquidation, and are not kept confidential.

Commission staff estimates that, on average, one money market fund would break the buck and liquidate every six years.<sup>2</sup> In addition, Commission staff estimate that there are an average of two conduit funds that may be invested in a money market fund that breaks the buck.<sup>3</sup> Commission staff further estimate that a money market fund or conduit fund would spend approximately one hour of an in-house attorney's time to prepare and submit the notice required by the rule. Given these estimates, the total annual burden of the notification requirement of rule 22e-3 for all money market funds and conduit funds would be approximately 30 minutes,<sup>4</sup> at a cost of \$189.<sup>5</sup> 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.

<sup>1</sup> See rule 22e-3(a)(3).

<sup>2</sup> This estimate is based upon the Commission's experience with the frequency with which money market funds have historically required sponsor support. Although the vast majority of money market fund sponsors have supported their money market funds in times of market distress, for purposes of this estimate Commission staff conservatively estimates that one or more sponsors may not provide support.

<sup>3</sup> These estimates are based on a review of filings with the Commission.

<sup>4</sup> This estimate is based on the following calculations: (1 hour ÷ 6 years) = 10 minutes per year for each fund and conduit fund that is required to provide notice under the rule. 10 minutes per year × 3 (combined number of affected funds and conduit funds) = 30 minutes.

<sup>5</sup> This estimate is based on the following calculation: \$378/hour × 30 minutes = \$189. The estimated hourly wages used in this PRA analysis were derived from reports prepared by the Securities Industry and Financial Markets Association, modified to account for an 1800-hour work year and multiplied by 5.35 to account for bonuses, firm size, employee benefits and overhead. See Securities Industry and Financial Markets Association, *Management & Professional Earnings in the Securities Industry 2011*.