

estimates that 2,127,147 are new clients and 25,852,313 are continuing clients.⁵ The staff estimates that each year the investment advisory program sponsors' staff engage in 1.5 hours per new client and 1 hour per continuing client to prepare, conduct and/or review interviews regarding the client's financial situation and investment objectives as required by the rule.⁶ Furthermore, the staff estimates that each year the investment advisory program sponsors' staff spends 1 hour per client each year to prepare and mail quarterly client account statements, including notices to update information.⁷ Based on the estimates above, the Commission estimates that the total annual burden of the rule's paperwork requirements is 57,022,493 hours.⁸

The estimate of average burden hours is made solely for the purposes of the Paperwork Reduction Act. The estimate 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 the background documentation for this information collection at the following website, www.reginfo.gov. Comments should be directed to: (i) Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10102, New Executive Office Building, Washington, DC 20503, or by sending an email to: Lindsay.M.Abate@omb.eop.gov; and (ii) David Bottom, c/o John R. Pezzullo, Director/Chief Information Officer,

indicated in Form ADV Item 5I(2)(b) and (c), and the number of individual clients of advisers that identify as internet advisers in Form ADV Item 2A(11). From analysis comparing reported individual client assets in Form ADV Item 5D(a)(3) and 5D(b)(3) to reported wrap portfolio manager assets in Form ADV Item 5I(2)(b) and (c), we discount the estimated number of individual clients of non-internet advisers providing portfolio management to wrap programs by 10%.

⁵ These estimates are based on the number of new clients expected due to average year-over-year growth in individual clients from Form ADV Item 5D(a)(1) and (b)(1) (about 8%) and an assumed rate of yearly client turnover of 10%.

⁶ These estimates are based upon consultation with investment advisers that operate investment advisory programs that rely on rule 3a-4.

⁷ The staff bases this estimate in part on the fact that, by business necessity, computer records already will be available that contain the information in the quarterly reports.

⁸ This estimate is based on the following calculation: (25,852,313 continuing clients × 1 hour) + (2,127,147 new clients × 1.5 hours) + (27,979,460 total clients × (0.25 hours × 4 statements)) = 57,022,493 hours.

Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549 or send an email to: PRA_Mailbox@sec.gov.

Comments must be submitted to OMB within 30 days of this notice to www.reginfo.gov/public/do/PRAMain. Find this particular information collection by selecting "Currently under 30-day Review—Open for Public Comments" or by using the search function.

Dated: January 21, 2022.

J. Matthew DeLesDernier,

Assistant Secretary.

[FR Doc. 2022-01555 Filed 1-26-22; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235-0627]

Rule 17g-4 30 Day Notice 2021—Submission for OMB Review; Comment Request

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

Extension:

Rule 17g-4

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) ("PRA"), the Securities and Exchange Commission ("Commission") has submitted to the Office of Management and Budget ("OMB") a request for approval of extension of the previously approved collection of information provided for in Rule 17g-4 (17 CFR 240.17g-4) under the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*) ("Exchange Act").

The Credit Rating Agency Reform Act of 2006 added a new section 15E, "Registration of Nationally Recognized Statistical Rating Organizations,"¹ to the Exchange Act. Pursuant to the authority granted under section 15E of the Exchange Act, the Commission adopted Rule 17g-4, which requires that a nationally recognized statistical rating organization ("NRSRO") establish, maintain, and enforce written policies and procedures to prevent the misuse of material nonpublic information, including policies and procedures reasonably designed to prevent: (a) The inappropriate dissemination of material nonpublic information obtained in connection with the performance of credit rating services; (b) a person within the NRSRO from trading on

material nonpublic information; and (c) the inappropriate dissemination of a pending credit rating action.²

There are 9 credit rating agencies registered with the Commission as NRSROs under section 15E of the Exchange Act, which have already established the policies and procedures required by Rule 17g-4. Based on staff experience, an NRSRO is estimated to spend an average of approximately 10 hours per year reviewing its policies and procedures regarding material nonpublic information and updating them (if necessary), resulting in an average industry-wide annual hour burden of approximately 90 hours.³

An agency may not conduct or sponsor a collection of information unless it displays a currently valid OMB control number. No person shall be subject to any penalty for failing to comply with a collection of information subject to the PRA that does not display a 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 to (i) www.reginfo.gov/public/do/PRAMain and (ii) David Bottom, Director/Chief Information Officer, Securities and Exchange Commission, c/o John R. Pezzullo, 100 F Street NE, Washington, DC 20549, or by sending an email to: PRA_Mailbox@sec.gov.

Dated: January 21, 2022.

J. Matthew DeLesDernier,

Assistant Secretary.

[FR Doc. 2022-01547 Filed 1-26-22; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[SEC File No. 270-489, OMB Control No. 3235-0541]

Submission for OMB Review; Comment Request

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of FOIA Services,

² See 17 CFR 240.17g-4; Release No. 34-55231 (Feb. 2, 2007), 72 FR 6378 (Feb. 9, 2007); Release No. 34-55857 (June 5, 2007), 72 FR 33564 (June 18, 2007).

³ 9 currently registered NRSROs × 10 hours = 90 hours.

¹ 15 U.S.C. 78o-7.

100 F Street NE, Washington, DC
20549-2736

Extension:

Rule 606 of Regulation NMS

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) (“PRA”), the Securities and Exchange Commission (“Commission”) has submitted to the office of Management and Budget (“OMB”) a request for approval of extension of the previously approved collection of information provided for in Rule 606 of Regulation NMS (“Rule 606”) (17 CFR 242.606) under the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*).

Rule 606 (formerly known as Rule 11Ac1-6) requires disclosure by broker-dealers of (1) pursuant to Rule 606(a)(1), a quarterly aggregated public report on the handling of orders in NMS stocks that are submitted on a held basis and orders in NMS securities that are option contracts with a market value less than \$50,000; (2) pursuant to Rule 606(b)(1), a report, upon request of a customer, on the routing of that customer’s orders in NMS stocks that are submitted on a held basis, orders in NMS stocks that are submitted on a not held basis and do not qualify for two de minimis exceptions, and orders in NMS securities that are option contracts, containing certain information on the broker-dealer’s routing of such orders for that customer for the prior six months; and (3) pursuant to Rule 606(b)(3), a report, upon request of a customer that places with the broker-dealer, directly or indirectly, NMS stock orders of any size that are submitted on a not held basis (subject to two de minimis exceptions), containing certain information on the broker-dealer’s handling of such orders for that customer for the prior six months.

The total annual time burden associated with Rule 606 is approximately 190,240 hours per year and the total annual cost burden associated with Rule 606 is approximately \$1,300,000 per year, calculated as described below.

The Commission estimates that out of the currently 3,585 broker-dealers that are subject to the collection of information obligations of Rule 606(a)(1), clearing brokers bear a substantial portion of the burden of complying with the reporting and recordkeeping requirements of Rule 606 on behalf of small to mid-sized introducing firms. There currently are approximately 186 clearing brokers. In addition, there are approximately 78 introducing brokers that receive funds or securities from their customers.

Because at least some of these firms also may have greater involvement in determining where customer orders are routed for execution, they have been included, along with clearing brokers, in estimating the total burden of Rule 606(a)(1).

The Commission staff estimates that each firm significantly involved in order routing practices incurs an average burden of 40 hours to prepare and disseminate the quarterly report required by Rule 606(a)(1), or a burden of 160 hours per year. With an estimated 264¹ broker-dealers significantly involved in order routing practices, the total industry-wide time burden per year to comply with the quarterly reporting requirement in Rule 606 is estimated to be 42,240 hours (160×264). Additionally, for each of the 264 broker-dealers subject to disclosure requirements of Rule 606(a)(1), the Commission estimates the annual burden under Rule 606(a)(1)(iv) to monitor payment for order flow and profit-sharing relationships and potential self-regulatory organization rule changes that could impact their order routing decisions and incorporate any new information into their reports to be 10 hours and the annual burden for each broker-dealer to describe and update any terms of payment for order flow arrangements and profit-sharing relationships with a Specified Venue that may influence their order routing decisions to be 15 hours, for a total annual time burden of approximately 6,600 hours (25×264). Therefore, the estimated total annual time burden to comply with Rule 606(a)(1) is 48,840 hours ($42,240 + 6,600$).

Clearing brokers generally bear the burden of responding to individual customer requests under Rule 606(b)(1) for order handling information. The Commission staff estimates that an average clearing broker incurs an annual burden of 400 hours ($2000 \text{ responses} \times 0.2 \text{ hours/response}$) to prepare, disseminate, and retain responses to customers required by Rule 606(b)(1). With an estimated 186 clearing brokers subject to Rule 606(b)(1), the total industry-wide time burden per year to comply with the customer response requirement in Rule 606(b)(1) is estimated to be 74,400 hours (186×400).

The Commission estimates that approximately 200 broker-dealers are involved in routing orders subject to the disclosure requirements of Rule 606(b)(3). The Commission believes that some such broker-dealers will respond

to requests for customer-specific reports in house, while others will engage a third-party service provider to do so. The Commission estimates that approximately 135 broker-dealers will respond in-house to individual customer requests for information on order handling under Rule 606(b)(3), and that for each, the individual annual time burden will be 400 hours ($200 \text{ responses} \times 2 \text{ hours/response}$), with a total annual time burden of 54,000 hours (400×135).

The Commission estimates that approximately 65 broker-dealers will engage a third party to respond to individual customer requests, and that for each, the individual annual time burden will be 200 hours ($200 \text{ responses} \times 1 \text{ hour/response}$), with a total annual time burden of 13,000 hours (200×65). The total annual cost burden associated with engaging such third parties is approximately \$1,300,000 ($65 \times 200 \text{ annual requests} \times \$100 \text{ per request to engage a third-party service provider}$). Therefore, the estimated total annual burden to comply with Rule 606(b)(3) is 67,000 hours ($54,000 + 13,000$) and \$1,300,000.

The total annual time burden associated with Rule 606 is thus approximately 190,240 hours per year ($48,840 + 74,400 + 67,000$) and the total annual cost burden associated with Rule 606 is approximately \$1,300,000 per year.

The collection of information obligations imposed by Rule 606 are mandatory. The responses will be available to the public and will not be kept confidential.

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.

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 to (i) www.reginfo.gov/public/do/PRAMain 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.

¹ 186 clearing brokers + 78 introducing brokers = 264.

Dated: January 24, 2022.

J. Matthew DeLesDernier,
Assistant Secretary.

[FR Doc. 2022-01615 Filed 1-26-22; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-94025; File No. SR-NYSEArca-2021-29]

Self-Regulatory Organizations; NYSE Arca, Inc.; Order Granting Approval of a Proposed Rule Change, as Modified by Amendment No. 1, To List and Trade Shares of ConvexityShares 1x SPIKES Futures ETF Under NYSE Arca Rule 8.200-E (Trust Issued Receipts)

January 21, 2022.

I. Introduction

On May 13, 2021, NYSE Arca, Inc. (“NYSE Arca” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² a proposed rule change to list and trade shares (“Shares”) of the ConvexityShares 1x SPIKES Futures ETF (“Fund”), a series of the ConvexityShares Trust (“Trust”), under NYSE Arca Rule 8.200-E, Commentary .02 (“Trust Issued Receipts”). The proposed rule change was published for comment in the *Federal Register* on May 26, 2021.³ On July 2, 2021, pursuant to Section 19(b)(2) of the Act,⁴ the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to approve or disapprove the proposed rule change.⁵ On July 26, 2021, the Exchange filed Amendment No. 1 to the proposed rule change, which replaced and superseded the proposed rule change as originally filed.⁶ On August 12, 2021, the Commission published notice of Amendment No. 1 and instituted proceedings under Section 19(b)(2)(B) of

the Act⁷ to determine whether to approve or disapprove the proposed rule change.⁸ On November 15, 2021, pursuant to Section 19(b)(2) of the Act,⁹ the Commission designated a longer period within which to issue an order approving or disapproving the proposed rule change.¹⁰

The Commission is approving the proposed rule change, as modified by Amendment No. 1.

II. Description of the Proposed Rule Change, as Modified by Amendment No. 1¹¹

The Exchange proposes to list and trade Shares of the Fund¹² under NYSE Arca Rule 8.200-E, Commentary .02 which governs the listing and trading of Trust Issued Receipts¹³ on the Exchange. The Fund will be managed and controlled by ConvexityShares, LLC (“Sponsor”), a commodity pool operator.¹⁴ Teucrium Trading, LLC, a commodity trading adviser registered with the Commodity Futures Trading Commission, will be the Sub-Adviser for the Fund (“Sub-Adviser”) and will manage the Fund’s commodity futures investment strategy.¹⁵ U.S. Bank will

⁷ 15 U.S.C. 78s(b)(2)(B).

⁸ See Securities Exchange Act Release No. 92650, 86 FR 46287 (August 18, 2021).

⁹ 15 U.S.C. 78s(b)(2).

¹⁰ See Securities Exchange Act Release No. 93574, 86 FR 64975 (November 19, 2021). The Commission designated January 21, 2022, as the date by which the Commission shall either approve or disapprove the proposed rule change.

¹¹ Additional information regarding the Fund, the Trust, and the Shares, including investment strategies, creation and redemption procedures, and portfolio holdings can be found in Amendment No. 1, *supra* note 6.

¹² The Fund has filed a registration statement on Form S-1 under the Securities Act of 1933, dated May 25, 2021 (“Registration Statement”). The Registration Statement for the Fund is not yet effective and the Exchange will not commence trading in Shares of the Fund until the Registration Statement becomes effective.

¹³ Commentary .02 to NYSE Arca Rule 8.200-E applies to Trust Issued Receipts that invest in “Financial Instruments.” The term “Financial Instruments,” as defined in Commentary .02(b)(4) to NYSE Arca Rule 8.200-E, means any combination of investments, including cash; securities; options on securities and indices; futures contracts; options on futures contracts; forward contracts; equity caps, collars, and floors; and swap agreements.

¹⁴ The Sponsor is not registered as a broker-dealer or affiliated with a broker-dealer. In the event (a) the Sponsor becomes registered as a broker-dealer or becomes newly affiliated with a broker-dealer, or (b) any new sponsor becomes registered as a broker-dealer or becomes newly affiliated with a broker-dealer, it will implement and maintain a fire wall with respect to its relevant personnel of the broker-dealer or broker-dealer affiliate, as applicable, regarding access to information concerning the composition and/or changes to the portfolio, and will be subject to procedures designed to prevent the use and dissemination of material non-public information regarding the portfolio.

¹⁵ The Sub-Adviser is not registered as a broker-dealer or affiliated with a broker-dealer. In the event

provide custody and fund accounting to the Trust and the Fund; U.S. Bancorp Fund Services will be the transfer agent for the Shares and administrator for the Fund; and Foreside will serve as the distributor for the Fund.

The Fund will seek investment results, before fees and expenses, that correspond to the performance of its benchmark index, the T3 SPIKE Front 2 Futures Index (“Index”), an investable index of SPIKES futures contracts.¹⁶ The Fund will seek to track the Index over time, not just for a single day. The Index is intended to reflect the returns that are potentially available through an unleveraged investment in a theoretical portfolio of first- and second-month futures contracts on the SPIKES Volatility Index (“SPIKES Index”).¹⁷

The Index is comprised solely of SPIKES futures contracts.¹⁸ The Index

(a) the Sub-Adviser becomes registered as a broker-dealer or becomes newly affiliated with a broker-dealer, or (b) any new Sub-Adviser becomes registered as a broker-dealer or becomes newly affiliated with a broker-dealer, it will implement and maintain a fire wall with respect to its relevant personnel of the broker-dealer or broker-dealer affiliate, as applicable, regarding access to information concerning the composition and/or changes to the portfolio, and will be subject to procedures designed to prevent the use and dissemination of material non-public information regarding the portfolio.

¹⁶ The Index is sponsored by Triple Three Partners Pty Ltd, which licenses the use of the Index to its affiliated company, T3i Pty Ltd (Triple Three Partners Pty Ltd and T3i Pty Ltd. are collectively referred to herein as “T3 Index” or “Index Sponsor”). The Index Sponsor is affiliated with the Sponsor. The Index Sponsor has implemented and will maintain a fire wall regarding access to information concerning the composition of and/or changes to the Index. In addition, the Index Sponsor has implemented and will maintain procedures that are designed to prevent the use and dissemination of material, non-public information regarding the Index. The Index Sponsor is not registered as an investment adviser or broker-dealer and is not affiliated with any broker-dealers. The Index is calculated and published by Solactive AG, which is not affiliated with T3 Index.

¹⁷ The Exchange states that the SPIKES Index is a non-investable index that measures the implied volatility of the SPDR S&P 500 ETF Trust (“SPY”) over 30 days in the future. SPY is a unit investment trust that holds a portfolio of common stocks that closely tracks the price performance and dividend yield of the S&P 500 Composite Price Index (“S&P 500”). The SPIKES Index does not represent the actual or the realized volatility of SPY. The SPIKES Index is calculated based on the prices of a constantly changing portfolio of SPY put and call options. The SPIKES Index is reflective of the premium paid by investors for certain options linked to the level of the S&P 500. The SPIKES Index is a theoretical calculation and cannot be traded on a spot basis. T3 Index is the owner, creator and licensor of the SPIKES Index. The SPIKES Index is calculated, maintained and published by Miami International Securities Exchange, LLC via the Options Price Reporting Authority.

¹⁸ According to the Exchange, SPIKES futures contracts were launched for trading by the Minneapolis Grain Exchange, LLC (“MGEX”) on

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 91952 (May 20, 2021), 86 FR 28410. The comment letter received on the proposed rule change is available on the Commission’s website at: <https://www.sec.gov/comments/sr-nysearca-2021-29/srnysearca202129.htm>.

⁴ 15 U.S.C. 78s(b)(2).

⁵ See Securities Exchange Act Release No. 92321, 86 FR 36173 (July 8, 2021).

⁶ Amendment No. 1 is available at: <https://www.sec.gov/comments/sr-nysearca-2021-29/srnysearca202129.htm>.