



8011-01p
SECURITIES AND EXCHANGE COMMISSION

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 9b-1

SEC File No. 270-429, OMB Control No. 3235-0480

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”) 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 9b-1 (17 CFR 240.9b-1), under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.).

Rule 9b-1 (17 CFR 240.9b-1) sets forth the categories of information required to be disclosed in an options disclosure document (“ODD”) and requires the options markets to file an ODD with the Commission 60 days prior to the date it is distributed to investors. In addition, Rule 9b-1 provides that the ODD must be amended if the information in the document becomes materially inaccurate or incomplete and that amendments must be filed with the Commission 30 days prior to the distribution to customers. Finally, Rule 9b-1 requires a broker-dealer to furnish to each customer an ODD and any amendments, prior to accepting an order to purchase or sell an option on behalf of that customer.

There are 15 options markets¹ that must comply with Rule 9b-1. These respondents work together to prepare a single ODD covering options traded on each market, as well as amendments to the ODD. These respondents file approximately 3 amendments per year. The staff calculates that the preparation and filing of amendments should take no more than eight hours per options market. Thus, the total time burden for options markets per year is 360 hours (15 options markets x 8 hours per amendment x 3 amendments). The estimated cost for an in-house attorney is \$412 per hour,² resulting in a total internal cost of compliance for these respondents of \$148,320 per year (360 hours at \$412 per hour).

In addition, approximately 1,144 broker-dealers³ must comply with Rule 9b-1. Each of these respondents will process an average of 3 new customers for options each week and, therefore, will have to furnish approximately 156 ODDs per year. The postal mailing or electronic delivery of the ODD takes respondents no more than 30 seconds to complete for an

¹ The fifteen options markets are as follows: The fifteen options markets are as follows: BOX Options Exchange LLC, Cboe BZX Exchange, Inc., Cboe C2 Exchange, Inc., Cboe EDGX Exchange, Inc., Cboe Exchange, Inc., Miami International Securities Exchange LLC, MIAX PEARL, LLC, Nasdaq BX, Inc., Nasdaq GEMX, LLC, Nasdaq ISE, LLC, Nasdaq MRX, LLC, Nasdaq PHLX LLC, the Nasdaq Options Market (NOM), NYSE Arca, Inc., and NYSE American LLC.

² SIFMA did its last annual survey in 2013 and will not resume the survey process. Accordingly, the \$412 figure is based on the 2013 figure (\$380) adjusted by the inflation rate calculated using the Bureau of Labor Statistics' CPI Inflation Calculator. The \$380 per hour figure for an Attorney is from SIFMA's Management & Professional Earnings in the Securities Industry 2013, modified by Commission staff to account for an 1800-hour work-year and multiplied by 5.35 to account for bonuses, firm size, employee benefits and overhead.

³ The estimate of 1,144 broker-dealers required to comply with Rule 9b-1 is derived from Item 12 of the Form BD (OMB Control No. 3235-0012). This estimate may be high as it includes broker-dealers that engage in only a proprietary business, and as a result are not required to deliver an ODD, as well as those broker-dealers subject to Rule 9b-1.

annual compliance burden for each of these respondents of 78 minutes or 1.3 hours. Thus, the total time burden per year for broker-dealers is 1,487 hours (1,144 broker-dealers x 1.3 hours). The estimated cost for a general clerk of a broker-dealer is \$62 per hour,⁴ resulting in a total internal cost of compliance for these respondents of \$92,194 per year (1,487 hours at \$62 per hour).

The total time burden for all respondents under this rule (both options markets and broker-dealers) is 1,847 hours per year (360 + 1,487), and the total internal cost of compliance is \$240,514 (\$148,320 + \$92,124).

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. 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 e-mail to: Shagufta_Ahmed@omb.eop.gov; and (ii) Pamela Dyson, Director/Chief Information Officer, Securities and Exchange Commission, c/o Remi Pavlik-Simon,

⁴ The \$62 figure is based on the 2013 figure (\$57) adjusted for inflation. *See supra* note 1. As noted above, SIFMA did its last annual survey in 2013 and will not resume the survey process. Accordingly, the \$62 figure is based on the 2013 figure (\$57) adjusted for inflation. The \$57 per hour figure for a General Clerk is from SIFMA's Office Salaries in the Securities Industry 2013, modified by Commission staff to account for an 1800-hour work-year and multiplied by 2.93 to account for bonuses, firm size, employee benefits and overhead. The staff believes that the ODD would be mailed or electronically

100 F Street, NE Washington, DC 20549, or by sending an e-mail to: PRA_Mailbox@sec.gov.

Comments must be submitted to OMB within 30 days of this notice.

Dated: March 14, 2018.

Eduardo A. Aleman,
Assistant Secretary.

[FR Doc. 2018-05522 Filed: 3/16/2018 8:45 am; Publication Date: 3/19/2018]

delivered to customers by a general clerk of the broker-dealer or some other equivalent position.