

align with the cost of delivering the proposed subaccount data feature, and such fees would be allocated equitably among the entities that subscribe for access to the subaccount data. Specifically, the costs to NSCC for providing the feature would include building the capability to separate the subaccount data from the FAR files sent by insurance carriers, segregating such data by asset manager, drafting and negotiating agreements with asset managers relating to receiving the data and drafting and negotiating agreements with service providers who are receiving and distributing subaccount data on behalf of asset managers. NSCC believes that the costs for adding and operating the feature on behalf of asset managers would be approximately equal to the fees anticipated to be received by NSCC from the asset managers for use of this feature. In addition, such fees would be charged only to those asset managers that choose to subscribe to the feature. Therefore, by establishing fees that align with the cost of delivery of this feature and allocating those fees equitably among the subscribing asset managers, the proposed rule change would provide for the equitable allocation of reasonable dues, fees and other charges among its participants consistent with the requirements of Section 17A(b)(3)(D) of the Act.<sup>11</sup>

*(B) Clearing Agency's Statement on Burden on Competition*

NSCC does not believe that the proposed rule change would have any adverse impact, or impose any burden, on competition because the proposed rule change would add an optional feature to NSCC's services that would provide access by asset managers to transaction-specific subaccount data that is included within the FAR files. As an optional feature available for subscription, the proposed rule change would not disproportionately impact any NSCC participants.

Moreover, because the proposed rule change would allow asset managers to receive transaction-specific subaccount data and use that information to better service the funds and assets within variable products, NSCC believes the proposed rule change would have a positive effect on competition among asset managers. The proposed feature would provide these firms with a method of receiving transaction-specific subaccount data similar to the information that such asset managers currently receive with respect to retail mutual funds. Receiving transaction-specific subaccount information with

respect to variable products would provide asset managers a better understanding of client requirements and allow asset managers to adjust their products so that they are better suited for clients of variable annuities and variable life insurance contracts. NSCC believes this would enhance competition among asset managers by enabling each to more quickly provide competing products meeting client requirements.

*(C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

NSCC has not received or solicited any written comments relating to this proposal. NSCC will notify the Commission of any written comments received by NSCC.

**III. Date of Effectiveness of the Proposed Rule Change, and Timing for Commission Action**

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)<sup>12</sup> of the Act and subparagraphs (f)(2)<sup>13</sup> and (f)(4)<sup>14</sup> of Rule 19b-4 thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

**IV. Solicitation of Comments**

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

*Electronic Comments*

- Use the Commission's internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-NSCC-2018-005 on the subject line.

*Paper Comments*

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549.

All submissions should refer to File Number SR-NSCC-2018-005. This file

number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of NSCC and on DTCC's website (<http://dtcc.com/legal/sec-rule-filings.aspx>). All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NSCC-2018-005 and should be submitted on or before August 30, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>15</sup>

**Eduardo A. Aleman,**  
*Assistant Secretary.*

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**BILLING CODE 8011-01-P**

**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:*

Form ADV-E, SEC File No. 270-318, OMB Control No. 3235-0361

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

<sup>11</sup> *Id.*

<sup>12</sup> 15 U.S.C 78s(b)(3)(A).

<sup>13</sup> 17 CFR 240.19b-4(f)(2).

<sup>14</sup> 17 CFR 240.19b-4(f)(4).

<sup>15</sup> 17 CFR 200.30-3(a)(12).

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

Form ADV-E (17 CFR 279.8) is the cover sheet for certificates of accounting filed pursuant to rule 206(4)-2 under the Investment Advisers Act of 1940 (17 CFR 275.206(4)-2). The rule further requires that the public accountant file with the Commission a Form ADV-E and accompanying statement within four business days of the resignation, dismissal, removal or other termination of its engagement.

The Commission has estimated that compliance with the requirement to complete Form ADV-E imposes a total burden of approximately 0.05 hours (3 minutes) per respondent. Based on current information from advisers registered with the Commission, the Commission staff estimates that 1,749 filings will be submitted with respect to surprise examinations and 38 filings will be submitted with respect to termination of accountants. Based on these estimates, the total estimated annual burden would be 89.35 hours ((1,749 filings × .05 hours) + (38 filings × .05 hours)).

The information provided on Form ADV-E is mandatory. Responses will not be kept confidential. 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 the background documentation for this information collection at the following website, [www.reginfo.gov](http://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: [Shagufta\\_Ahmed@omb.eop.gov](mailto:Shagufta_Ahmed@omb.eop.gov); and (ii) Pamela Dyson, Director/Chief Information Officer, Securities and Exchange Commission, c/o Candace Kenner, 100 F Street NE, Washington, DC 20549 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: August 3, 2018.

**Eduardo A. Aleman,**  
Assistant Secretary.

[FR Doc. 2018-16999 Filed 8-8-18; 8:45 am]

BILLING CODE 8011-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-83770; File No. SR-BX-2018-035]

### Self-Regulatory Organizations; Nasdaq BX, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend BX Options Rules at Chapter I, Section 1 To Define Certain Terms

August 3, 2018.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on July 23, 2018, Nasdaq BX, Inc. (“BX” or “Exchange”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. 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

The Exchange proposes to amend BX Options Rules at Chapter I, Section 1 to define certain terms.

The text of the proposed rule change is available on the Exchange’s website at <http://nasdaqbx.cchwallstreet.com/>, at the principal office of the Exchange, 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, the Exchange 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. The Exchange 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

BX rules currently do not define an “in-the-money” or “out-of-the-money” option. The Exchange proposes to

define these terms at Chapter I, Section 1 to bring greater transparency to BX rules. In addition, the Exchange notes that the terms, “in-the-money” and “out-of-the-money” are generally accepted terms in the options industry. These terms are utilized throughout the options industry. The Exchange desires for its Participants to have a clear understanding of how BXs System defines these terms.

The Exchange proposes to define an “in-of-the-money” option at Chapter I, Section 1(a)(68). The Exchange proposes that the term “in-the-money” shall mean the following: For call options, all strike prices below the offer in the underlying security on the primary listing market; for put options, all strike prices above the bid in the underlying security on the primary listing market. The Exchange proposes to define an “out-of-the-money” option at Chapter I, Section 1(a)(69). The Exchange proposes that the term “out-of-the-money” shall mean the following: For call options, all strike prices above the offer in the underlying security on the primary listing market; for put options, all strike prices below the bid in the underlying security on the primary listing market.

###### 2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>3</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>4</sup> in particular, in that it is designed to promote just and equitable principles of trade, 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. The Exchange’s proposal to define the terms “in-the-money” and “out-of-the-money” options is consistent with the Act and protects investors and the public interest by bringing greater transparency to the Rulebook. In addition, the Exchange notes that the terms, “in-the-money” and “out-of-the-money” are generally accepted terms in the options industry. These terms are utilized throughout the options industry. The Exchange desires for its Participants to have a clear understanding of how BX’s System defines these terms.

##### B. Self-Regulatory Organization’s Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> 15 U.S.C. 78f(b).

<sup>4</sup> 15 U.S.C. 78f(b)(5).