

instructions may be obtained without charge by contacting the NRC's Clearance Officer, David C. Cullison, Office of the Chief Information Officer, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; telephone: 301-415-2084; email: [Infocollects.Resource@nrc.gov](mailto:Infocollects.Resource@nrc.gov).

### B. Submitting Comments

Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to <https://www.reginfo.gov/public/do/PRAMain>. Find this particular information collection by selecting "Currently under Review—Open for Public Comments" or by using the search function.

The NRC cautions you not to include identifying or contact information in comment submissions that you do not want to be publicly disclosed in your comment submission. All comment submissions are posted at <https://www.regulations.gov/> and entered into ADAMS. Comment submissions are not routinely edited to remove identifying or contact information.

If you are requesting or aggregating comments from other persons for submission to the OMB, then you should inform those persons not to include identifying or contact information that they do not want to be publicly disclosed in their comment submission. Your request should state that comment submissions are not routinely edited to remove such information before making the comment submissions available to the public or entering the comment into ADAMS.

## II. Background

Under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the NRC recently submitted a request for renewal of an existing collection of information to OMB for review entitled, "Facility Security Clearance and Safeguarding of National Security Information and Restricted Data." The NRC hereby informs potential respondents that an agency may not conduct or sponsor, and that a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

The NRC published a **Federal Register** notice with a 60-day comment period on this information collection on August 23, 2021, 86 FR 47165.

1. *The title of the information collection:* Part 95 of title 10 of the *Code of Federal Regulations*, "Facility Security Clearance and Safeguarding of

National Security Information and Restricted Data."

2. *OMB approval number:* 3150-0047.

3. *Type of submission:* Extension.

4. *The form number, if applicable:* NRC Form 405F.

5. *How often the collection is required or requested:* When new facility clearance requests are received, existing facility clearances are terminated, when respondents make changes reportable under the rule, including a mandatory submission every 5 years.

6. *Who will be required or asked to respond:* NRC-regulated facilities and their contractors who require access to, and possession of NRC classified information.

7. *The estimated number of annual responses:* 172 (144 reporting + 28 Recordkeepers).

8. *The estimated number of annual respondents:* 28.

9. *The estimated number of hours needed annually to comply with the information collection requirement or request:* 664 (490 Reporting + 174 Recordkeeping).

10. *Abstract:* The NRC-regulated facilities and their contractors who are authorized to access and possess classified matter are required to provide information and maintain records to ensure an adequate level of protection is provided to NRC classified information and material.

Dated: November 4, 2021.

For the Nuclear Regulatory Commission.

**David C. Cullison,**

*NRC Clearance Officer, Office of the Chief Information Officer.*

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-93522; File No. SR-LCH SA-2021-003]

### Self-Regulatory Organizations; LCH SA; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Fees on Extension of Eligible Collateral

November 4, 2021.

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 October 22, 2021, Banque Centrale de Compensation, which conducts business under the name LCH SA ("LCH SA"), filed with the Securities and

Exchange Commission ("Commission") the proposed rule change ("Proposed Rule Change") described in Items I, II and III below, which Items have been prepared primarily by LCH SA. LCH SA filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act,<sup>3</sup> and Rule 19b-4(f)(2)<sup>4</sup> thereunder, so that the proposed rule change was effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the Proposed Rule Change from interested persons.

### I. Clearing Agency's Statement of the Terms of Substance of the Proposed Rule Change

(a) Banque Centrale de Compensation, which conducts business under the name LCH SA, is proposing to update the current fee grid to be applied by LCH SA for the new scope of eligible securities collateral to be extended to government bonds issued by the following states and denominated in their domestic currencies: Australia, Canada, Denmark, Japan, Norway, Sweden and Switzerland<sup>5</sup> (the "Proposed Rule Change").

The text of the Proposed Rule Change has been annexed [sic] hereto as Exhibit 5.

### II. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, LCH SA 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. LCH SA has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

#### A. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

##### 1. Purpose

LCH SA charges fees on collateral posted by its clearing members to cover the CCP margin requirements. The level of fees is defined based on a combination of various factors such as operational costs to manage a given type of collateral, ability to generate liquidity from a given type of collateral (and thus the associated impact on the CCP

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

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

<sup>5</sup> Self-Regulatory Organizations; LCH SA; Order Approving Proposed Rule Change Relating to Eligible Collateral and Liquidity Risk Management, Exchange Act Release No. 34-93176 (Sept. 29, 2021); 86 FR 55061 (Oct. 5, 2021). File No. SR-LCH SA-2021-002.

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

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

liquidity profile) and commercial considerations such as competitive landscape. The extension of eligible collateral addresses members' demand for more flexibility and consistency with industry standards and market practices. This extension was designed in coherence with the clearing services offered by LCH SA, the profile of the membership and the risk policies,

regulatory constraints and operational capacity LCH SA operates under. As per CDSClear current collateral fee grid (copied below), LCH SA already charges different fees depending on the type of securities, the way that such securities are deposited at the CCP as well as the type of activity these cover. For instance, for securities deposited under Full Title Transfer (FTT) by a clearing Member to meet the margin

liabilities of its House account (self-clearing activity), LCH SA charges an 11bps fee on the notional of government bond securities whereas the charge is 13bps for Agencies and Supranational securities.<sup>6</sup> Similarly, LCH SA charges a 10bps fee for both Government Bonds and Agencies/Supranational securities deposited under FTT by a clearing member covering its Clients' accounts activity.

	Securities	Denominated in	House			Client
			Triparty (bps)	FTT (bps)	Pledge (bps)	(bps)
Government Securities (as listed in Haircut Schedule).	France .....	EUR	9.5	11	15	10
	Germany .....	EUR	9.5	11	15	10
	Belgium .....	EUR	9.5	11	15	10
	Netherlands .....	EUR	9.5	11	15	10
	Italy .....	EUR	9.5	11	15	10
	Portugal .....	EUR	9.5	11	15	10
	Spain .....	EUR	9.5	11	15	10
	Austria .....	EUR	9.5	11	15	10
	Finland .....	EUR	9.5	11	15	10
	USA .....	USD	9.5	11	15	10
Supranationals & Agencies .....	UK .....	GBP	9.5	11	15	10
	EFSB .....	EUR	9.5	13	15	10
	ESM .....	EUR	9.5	13	15	10
	EIB .....	EUR	9.5	13	15	10
	EU .....	EUR	9.5	13	15	10
	IBRD .....	EUR	9.5	13	15	10
	KfW .....	EUR	9.5	13	15	10
	Rentenbank .....	EUR	9.5	13	15	10
	As listed in Haircut Schedule.	EUR	N/A	13	N/A	N/A

From November 1st, 2021, LCH SA is proposing to extend the scope of instruments eligible as collateral to the government bonds issued by the following countries and denominated in their domestic currencies: Australia, Canada, Denmark, Japan, Norway, Sweden and Switzerland.

As such, LCH SA needs to update its existing non-cash collateral fee grid for both House and Client clearing activities. As mentioned before, various factors are taken into consideration when defining the fee to be charged for a given security. For this initiative, LCH SA has considered a combination of elements such as the impossibility to use these securities as collateral with the European Central Bank (ECB) for liquidity management purposes, the relative appetite of the membership for this new collateral and the operational costs and constraints that the management of those securities create for the CCP (incl. their impact on LCH SA Liquidity Coverage Ratio).

As specified in the fee grid attached [sic] as Exhibit 5, the purpose of the Proposed Rule Change is to define the fee to be charged for the new scope of eligible collateral (13bps for House and 10 bps for Client clearing activities). The difference between the fee charged for House versus Client collateral is mainly driven by commercial reasons in consultation with CDSClear clearing members. Client clearing of CDS is reasonably recent in Europe. Given the limited scope of CDS instruments and categories of buy-side counterparties included in the scope of the European Clearing Obligation for CDS, LCH SA believes that expanding the list of eligible collateral as well as setting a more attractive collateral fee for Clients of the CDSClear service will incentivise further buy-side firms to clear a bigger share of their Credit Derivatives portfolio.

No amendments to the LCH SA CDS Clearing Rules are required for these changes to become effective.

2. Statutory Basis

Section 17A(b)(3)(D) of the Act requires that the rules of a clearing agency provide for the equitable allocation of reasonable dues, fees, and other charges.<sup>7</sup>

LCH SA believes that its clearing fee change proposal is consistent with the requirements of Section 17A of the Act<sup>8</sup> and the regulations thereunder applicable to it, and in particular provides for the equitable allocation of reasonable fees, dues, and other charges among clearing members and market participants by ensuring that clearing members and clients pay reasonable fees and dues for the services provided by LCH SA, within the meaning of Section 17A(b)(3)(D) of the Act.

As explained in our approved filing LCH SA-2021-002,<sup>9</sup> contrary to European government bonds, the new collateral scope is not eligible at the ECB to be used as collateral against cash in Euros, which in turn impacts how LCH SA monitors and manages its

<sup>6</sup> Self-Regulatory Organizations; LCH SA; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Amendments to LCH SA's Fee Grid for Non Cash Collateral, Exchange Act Release No. 34-87536 (Nov. 14, 2019); 84 FR 64125 (Nov. 20, 2019) (File No. SR-LCH SA-2019-010).

<sup>7</sup> 15 U.S.C. 78q-1(b)(3)(D).

<sup>8</sup> 15 U.S.C. 78q-1.

<sup>9</sup> Self-Regulatory Organizations; LCH SA; Order Approving Proposed Rule Change Relating to Eligible Collateral and Liquidity Risk Management,

Exchange Act Release No. 34-93176 (Sept. 29, 2021); 86 FR 55061 (Oct. 5, 2021). File No. SR-LCH SA-2021-002.

liquidity resources. It therefore represents additional operational costs that are amongst other things captured in the pricing difference. That is why, the proposed fee change balances appropriately commercial conditions and the impacts on the liquidity of the CCP induced by additional non-euro denominated securities.

The fee charged to clients of LCH SA CDSClear service is unchanged compared to existing securities as LCH SA wanted to preserve consistency in the pricing for clients of LCH SA CDSClear service.

Additionally, today, CDSClear members and their clients mainly post cash collateral currently and LCH SA does not foresee that the proposed fee changes will alter current market practice amongst CDSClear's members and clients or will have any material impact on CDSClear's revenues. Indeed, the initiative is simply widening the list of eligible collateral as well as setting the associated fee for the new securities. It does not make any change to the fees charged on the existing list of eligible collateral and as such won't impact at all any of the current clearing members. Any clearing member wishing to deposit newly added securities as collateral for LCH SA will be able to do so knowing in advance the associated fee. Any clearing member not wishing to use the new range of eligible collateral for whatever reason will remain perfectly free to do so as well.

For all the reasons stated above, LCH SA believes that the proposed fee rates are reasonable and have been set up at an appropriate level given the costs, expenses and revenues generated to LCH SA in providing these expanded collateral management services.

#### *B. Clearing Agency's Statement on Burden on Competition*

Section 17A(b)(3)(I) of the Act requires that the rules of a clearing agency not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.<sup>10</sup>

LCH SA does not believe that the proposed rule change would impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

LCH SA is offering the possibility for CDSClear members and clients to post a greater scope of instruments as eligible margin collateral. Additionally, the proposed fee change will apply equally to all CDSClear clearing members and is not expected to have any potential disparate outcomes on any of them.

Finally, the fee rate changes will not adversely affect the ability of such members or other market participants generally to engage in cleared transactions or to access LCH SA's clearing services.

Further, as explained above, LCH SA believes that the fee rates have been set up at an appropriate level given the costs and expenses to LCH SA in offering the relevant clearing services.

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

The foregoing proposed rule change has become effective upon filing pursuant to Section 19(b)(3)(A)<sup>11</sup> of the Act and Rule 19b-4(f)(2)<sup>12</sup> thereunder because it establishes a fee or other charge imposed by LCH SA on its Clearing Members. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such proposed 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:

- 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-LCH SA-2021-003 on the subject line.

#### *Paper Comments*

• Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090. All submissions should refer to File Number SR-LCH SA-2021-003. 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 such filings will also be available for inspection and copying at the principal office of LCH SA and on LCH SA's website at <https://www.lch.com/resources/rulebooks/proposed-rule-changes>. All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-LCH SA-2021-003 and should be submitted on or before December 1, 2021.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>13</sup>

**J. Matthew DeLesDernier,**  
*Assistant Secretary.*

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## **SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-93520; No. SR-NYSEArca-2021-94]

### **Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Modify the NYSE Arca Options Fee Schedule**

November 4, 2021.

Pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 (the "Act")<sup>2</sup> and Rule 19b-4 thereunder,<sup>3</sup> notice is hereby given that, on November 1, 2021, NYSE Arca, Inc. ("NYSE Arca" or the "Exchange") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to

<sup>13</sup> 17 CFR 200.30-3(a)(12).

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

<sup>2</sup> 15 U.S.C. 78a.

<sup>3</sup> 17 CFR 240.19b-4.

<sup>10</sup> 15 U.S.C. 78q-1(b)(3)(I).

<sup>11</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>12</sup> 17 CFR 240.19b-4(f)(2).