

Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-CboeBYX-2024-033. 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 (<https://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 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-CboeBYX-2024-033 and should be submitted on or before October 10, 2024.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁴

Vanessa A. Countryman,
Secretary.

[FR Doc. 2024-21286 Filed 9-18-24; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[SEC File No. 270-224, OMB Control No. 3235-0217]

Proposed Collection; Comment Request; Extension: Rule 17e-1

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

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) ("Paperwork Reduction Act"), the Securities and Exchange Commission (the "Commission") is soliciting comments on the collection of information summarized below. The Commission plans to submit this existing collection of information to the Office of Management and Budget ("OMB") for extension and approval.

Rule 17e-1 (17 CFR 270.17e-1) under the Investment Company Act of 1940 (15 U.S.C. 80a-1 *et seq.*) (the "Investment Company Act") deems a remuneration as "not exceeding the usual and customary broker's commission" for purposes of Section 17(e)(2)(A) of the Investment Company Act (15 U.S.C. 80a-17(e)(2)(A)) if, among other things, a registered investment company's ("fund's") board of directors, including a majority of the directors who are not interested persons of the fund, has adopted procedures reasonably designed to provide that the remuneration to an affiliated broker is reasonable and fair compared to that received by other brokers in connection with comparable transactions involving similar securities being purchased or sold on a securities exchange during a comparable period of time and the board makes and approves such changes as it deems necessary. In addition, each quarter, the board must determine that all transactions effected under the rule during the preceding quarter complied with the established procedures ("review requirement"). Rule 17e-1 also requires the fund to (i) maintain permanently in an easily accessible place a written copy of the procedures adopted by the board for complying with the requirements of the rule; and (ii) maintain for a period of six years, the first two in an easily accessible place, a written record of each transaction subject to the rule, setting forth the amount and source of the commission, fee, or other remuneration received; the identity of the broker; the terms of the transaction; and the materials used to determine that the transactions were effected in compliance with the procedures adopted by the board ("recordkeeping requirement"). The review and recordkeeping requirements of rule 17e-1 permit Commission staff to monitor the reasonableness and fairness of remuneration received by affiliated persons of the fund. Without the recordkeeping requirement, Commission inspectors would have difficulty ascertaining whether funds were complying with rule 17e-1.

Based upon an analysis of fund filings on Form N-CEN, approximately 1,614 funds report reliance on rule 17e-1.¹ Based on staff experience and conversations with fund representatives, we estimate that the burden of compliance with rule 17e-1 is approximately 50 hours per fund per year. This time is spent, for example, reviewing the applicable transactions and maintaining records. Accordingly, we calculate the total estimated annual internal burden of complying with the review and recordkeeping requirements of rule 17e-1 to be approximately 80,700 hours.² We further estimate that, of these:

- 60 percent (48,420 hours) are spent by senior accountants, at an estimated hourly wage of \$266,³ for a total of approximately \$12,879,720 per year;⁴
- 30 percent (24,210 hours) are spent by in-house attorneys at an estimated hourly wage of \$511, for a total of approximately \$12,371,310 per year;⁵ and
- 10 percent (8,070) are spent by the funds' board of directors at an hourly cost of \$4,770, for a total of approximately \$38,493,900 per year.⁶

Based on these estimated wage rates, the total cost to the industry of the hour burden for complying with the review and recordkeeping requirements of rule 17e-1 is approximately \$63,744,930.⁷ The Commission staff estimates that there is no cost burden associated with the information collection requirement of rule 17e-1 other than this cost.

Estimates of average burden hours are made solely for the purposes of the Paperwork Reduction Act and are not derived from a comprehensive or even

¹ Staff estimate is based on a three-year average of funds reporting reliance on rule 17e-1 covering calendar years 2022-2024.

² 1,614 funds × 50 hours per fund = 80,700 hours.

³ The Commission's estimates concerning the allocation of burden hours and the relevant wage rates are based on consultations with industry representatives and on salary information for the securities industry compiled by the Securities Industry and Financial Markets Association; the estimated wage figures are also based on published rates for senior accountants and in-house attorneys, modified to account for an 1800-hour work-year and multiplied by 5.35 to account for bonuses, firm size, employee benefits, and overhead, yielding effective hourly rates of \$266 and \$511, respectively; see Securities Industry and Financial Markets Association, Report on Management & Professional Earnings in the Securities Industry 2013.

⁴ 48,420 hours × \$266 per hour = \$12,879,720.

⁵ 24,210 hours × \$511 per hour = \$12,371,310.

⁶ 8,070 hours × \$4,770 per hour = \$38,493,900; the estimate for the cost of board time as a whole is derived from estimates made by the staff regarding typical board size and compensation that is based on information received from fund representatives and publicly available sources.

⁷ \$12,879,720 + \$12,371,310 + \$38,493,900 = \$63,744,930.

²⁴ 17 CFR 200.30-3(a)(12).

a representative survey or study of the costs of Commission rules and forms. The collection of information under rule 17e-1 is required to obtain the benefits of the rule. The information provided under rule 17e-1 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 unless it displays a currently valid OMB control number.

Written comments are invited on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted by November 18, 2024.

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.

Please direct your written comments to: Austin Gerig, Director/Chief Data Officer, Securities and Exchange Commission, c/o Oluwaseun Ajayi, 100 F Street NE, Washington, DC 20549 or send an email to: PRA_Mailbox@sec.gov.

Dated: September 16, 2024.

Vanessa A. Countryman,
Secretary.

[FR Doc. 2024-21427 Filed 9-18-24; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-101019; File No. SR-NYSEARCA-2024-72]

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

September 13, 2024.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (“Act”)² and Rule 19b-4 thereunder,³ notice is hereby given that, on August

30, 2024, 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 and II below, which Items have been prepared by the self-regulatory organization. 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 the NYSE Arca Options Fee Schedule (“Fee Schedule”) regarding certain transaction fees. The Exchange proposes to implement the fee change effective August 30, 2024.⁴ The proposed rule change is available on the Exchange's website at www.nyse.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 self-regulatory organization 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 those 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 parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of this filing is to amend the Fee Schedule to modify certain transaction fees. The Exchange proposes to implement the fee change effective August 30, 2024.

Currently, the Exchange assesses a fee for orders executed by taking liquidity from the disseminated market (“Take Liquidity Fee,” or “Take Fee”). For non-Customers and Professional Customers, the Exchange currently charges a per contract Take Fee of \$1.10 for executions in non-Penny issues (the “non-Penny Take Fee”).⁵ The Exchange

⁴ On August 1, 2024, the Exchange filed to amend the Fee Schedule (NYSEARCA-2024-63) and withdrew such filing on August 15, 2024 (SR-NYSEARCA-2024-68), which latter filing the Exchange withdrew on August 30, 2024.

⁵ For purposes of this fee filing, “non-Customers” include: Lead Market Makers, NYSE Arca Market

proposes to increase the non-Penny Take Fee for non-Customers to \$1.20 per contract,⁶ which is within the range of fees charged by competing option exchanges.⁷ The Exchange believes that, despite this proposed increase, its pricing structure will remain attractive because the Exchange will continue to offer discounts on non-Penny Take Fees to non-Customers that meet certain minimum monthly volume qualifications in average electronic executions per day.⁸

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,⁹ in general, and furthers the objectives of Sections 6(b)(4) and (5) of the Act,¹⁰ in particular, because it provides for the equitable allocation of reasonable dues, fees, and other charges among its members, issuers and other persons using its facilities and does not unfairly

Makers, and Firm and Broker Dealers. The Exchange notes that this definition of “non-Customers” does not include Professional Customers.

⁶ See proposed Fee Schedule, TRANSACTION FEE FOR ELECTRONIC EXECUTIONS—PER CONTRACT (increasing the non-Penny Take Fee for non-Customer from \$1.10 to \$1.20). The Exchange notes that Professional Customers are not impacted by this proposal and will continue to be assessed a non-Penny Take Fee of \$1.10. See *id.* Also not impacted by this proposal are the per contract Take Fees for executions in Penny issues (the “Penny Take Fee”), which Penny Take Fee will continue to be \$0.50 for both non-Customers and Professional Customers and \$0.49 for Customers. See *id.*

⁷ See, e.g., the Nasdaq Options Market LLC (“NOM”) Pricing Schedule at Options 7, Section 2(1), available at: <https://listingcenter.nasdaq.com/rulebook/nasdaq/rules/nasdaq-options-7> (assessing per contract Take Fees in non-Penny issues of \$1.25 for non-Customers and \$0.85 for both Professionals and Customers); and Nasdaq BX, Pricing Schedule at Options 7, Section 2(1), available at: <https://listingcenter.nasdaq.com/rulebook/bx/rules/bx-options-7> (assessing per contract Take Fees in non-Penny issues of \$1.25 for non-Customers, including Professionals, and \$0.85 [sic] for Customers).

⁸ The qualifying volume for Take Fee discounts applies to executions in all issues (Penny and non-Penny) of liquidity taking interest or a combination of liquidity taking and liquidity adding (*i.e.*, posted) interest on behalf of Professional Customers and Non-Customer execution. See, e.g., Fee Schedule, Take Fee Discount Qualification for Non-Penny Issues (providing a (\$0.02) per contract Take Fee discount to OTP Holders (including non-Customers and Professional Customers) that execute “[a]t least 0.65% of TCADV from Professional Customer and Non-Customer Liquidity Removing interest in all issues, plus at least 0.15% of TCADV from posted interest in all issues and all account types”; or “[a]t least 1.50% of TCADV from Professional Customer and Non-Customer Liquidity Removing interest in all issues”). The TCADV (or Total Industry Customer equity and ETF option average daily volume) includes OCC calculated Customer volume of all types, including Complex Order Transactions and QCC transactions, in equity and ETF options. See Fee Schedule, Endnote 8.

⁹ 15 U.S.C. 78f(b).

¹⁰ 15 U.S.C. 78f(b)(4) and (5).

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.