

## SECURITIES AND EXCHANGE COMMISSION

17 CFR Chapter II

[Release Nos. 33-9965, 34-76240, 39-2507, IC-31879, IA-4238; File No. S7-21-15]

### List of Rules to be Reviewed Pursuant to the Regulatory Flexibility Act

**AGENCY:** Securities and Exchange Commission.

**ACTION:** Publication of list of rules scheduled for review.

**SUMMARY:** The Securities and Exchange Commission is publishing a list of rules to be reviewed pursuant to Section 610 of the Regulatory Flexibility Act. The list is published to provide the public with notice that these rules are scheduled for review by the agency and to invite public comment on whether the rules should be continued without change, or should be amended or rescinded to minimize any significant economic impact of the rules upon a substantial number of such small entities.

**DATES:** Comments should be submitted by [insert date 30 days after publication in the Federal Register].

**ADDRESSES:** Comments may be submitted by any of the following methods:

*Electronic comments:*

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/other.shtml>); or
- Send an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number [S7-21-15] on the subject line; or
- Use the Federal eRulemaking Portal (<http://www.regulations.gov>). Follow the instructions for submitting comments.

*Paper comments:*

- Send paper comments to Brent Fields, Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to File No. S7-21-15. This file number should be included on the subject line if e-mail is used. To help us 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/other.shtml>). Comments also are 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. All comments received will be posted without change; we do not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly.

**FOR FURTHER INFORMATION CONTACT:** Anne Sullivan, Office of the General Counsel, 202-551-5019.

**SUPPLEMENTARY INFORMATION:** The Regulatory Flexibility Act ("RFA"), codified at 5 U.S.C. 600-611, requires an agency to review its rules that have a significant economic impact upon a substantial number of small entities within ten years of the publication of such rules as final rules. 5 U.S.C. 610(a). The purpose of the review is "to determine whether such rules should be continued without change, or should be amended or rescinded . . . to minimize any significant economic impact of the rules upon a substantial number of such small entities." 5 U.S.C. 610(a). The RFA sets forth specific considerations that must be addressed in the review of each rule:

- the continued need for the rule;
- the nature of complaints or comments received concerning the rule from the public;
- the complexity of the rule;

- the extent to which the rule overlaps, duplicates or conflicts with other federal rules, and, to the extent feasible, with state and local governmental rules; and
- the length of time since the rule has been evaluated or the degree to which technology, economic conditions, or other factors have changed in the area affected by the rule. 5 U.S.C. 610(c).

The Securities and Exchange Commission, as a matter of policy, reviews all final rules that it published for notice and comment to assess not only their continued compliance with the RFA, but also to assess generally their continued utility. When the Commission implemented the Act in 1980, it stated that it “intend[ed] to conduct a broader review [than that required by the RFA], with a view to identifying those rules in need of modification or even rescission.” Securities Act Release No. 6302 (Mar. 20, 1981), 46 FR 19251 (Mar. 30, 1981). The list below is therefore broader than that required by the RFA, and may include rules that do not have a significant economic impact on a substantial number of small entities. Where the Commission has previously made a determination of a rule's impact on small businesses, the determination is noted on the list.

The Commission particularly solicits public comment on whether the rules listed below affect small businesses in new or different ways than when they were first adopted. The rules and forms listed below are scheduled for review by staff of the Commission during the next 12 months. The list includes 21 rules adopted by the Commission in 2004.

Title: **Shareholder Reports and Quarterly Portfolio Disclosure of Registered Management Investment Companies**

Citation: 17 CFR 270.30b1-5; 17 CFR 270.30a-2; 17 CFR 270.30a-3;  
17 CFR 270.30d-1; 17 CFR 249.331; 17 CFR 249.332;  
17 CFR 239.14; 17 CFR 239.15A; 17 CFR 239.17; 17 CFR 274.11A;  
17 CFR 274.11a-1; 17 CFR 274.11b; 17 CFR 274.130;  
17 CFR 274.128; 17 CFR 210.6; and 17 CFR 210.12

Authority: 15 U.S.C. 77e, 77f, 77g, 77h, 77j, 77s(a), and 77z-3; 78j(b), 78l, 78m, 78o(d), 78w(a), and 78mm; 80a-6(c), 80a-8, 80a-24, 80a-24(a), 80a-29, 80a-30, and 80a-37

Description: The amendments require open-end management investment companies to disclose fund expenses borne by shareholders during the reporting period in reports to shareholders; permit a management investment company registered under the Investment Company Act to include a summary portfolio schedule in its reports to shareholders; exempt money market funds from including a portfolio schedule in reports to shareholders provided that the complete portfolio schedule is filed with the Commission on Form N-CSR and is provided to shareholders free of charge; require reports to shareholders by funds to include a tabular or graphic presentation of a fund's portfolio holdings by identifiable categories; require a fund to file its complete portfolio schedule as of the end of its first and third fiscal quarters with the Commission on new Form N-Q and certified by the fund's principal executive and financial officers; and require a mutual fund to include Management's Discussion of Fund Performance in its annual report to shareholders.

Prior Commission Determination Under 5 U.S.C. 601: A Final Regulatory Flexibility Analysis was prepared in accordance with 5 U.S.C. 604 in conjunction with the Commission's adoption of Release No. 33-8393 (Feb. 27, 2004). The Commission considered comments received on the proposing release and the Initial Regulatory Flexibility Analysis prepared in Release No. IC-25870 (Dec. 18, 2002) at that time.

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Title: **Adoption of Amendments to the Rules of Practice and Delegations of Authority of the Commission**

Citation: 17 CFR 200.30-7; 17 CFR 200.30-14; 17 CFR 201.100; 17 CFR 201.102; 17 CFR 111; 17 CFR 201.141; 17 CFR 201.150 -154; 17 CFR 201.201-202; 17 CFR 201.210; 17 CFR 201.230-233; 17 CFR 201.350-351; 17 CFR 201.360; 17 CFR 201.400; 17 CFR 201.411; 17 CFR 201.420; 17 CFR 201.430; 17 CFR 201.440-441; 17 CFR 201.450-451; 17

CFR 201.460; 17 CFR 201.460; 17 CFR 201.470; 17 CFR 201.601; 17 CFR 201.1100-1106; 17 CFR 240.19d-4

Authority: 15 U.S.C. 7202; 15 U.S.C. 77s, 78s, 77sss, 78w, 79t, . 80a-37 and 80a-39 and 80b-11

Description: The Commission adopted rules and rule amendments to implement provisions under the Sarbanes-Oxley Act of 2002 that provided for the creation of Fair Funds and for Commission review of disciplinary actions imposed by the Public Company Accounting Oversight Board. The Commission also adopted rules and rule amendments to clarify or modify a variety of aspects of administrative proceedings, including certain motions, petitions, and filings, service and form of filings, and procedures for the production or subpoena of documents.

Prior Commission Determination under 5 U.S.C. 610: The Commission determined in Rel. No. 34-49412 (March 12, 2004) that the revision related solely to agency organization, procedure, or practice, and that, therefore, the Administrative Procedure Act and the Regulatory Flexibility Act did not apply to the rule. The Commission received no comments on this determination

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Title: **Additional Form 8-K Disclosure Requirements and Acceleration of Filing Date**

Citation: 17 CFR 240.13a-11; 17 CFR 240.15d-11; 17 CFR 249.308

Authority: 15 U.S.C. 77g, 77l, 77s, 78j, 78l, 78m, 78o, and 78w

Description: The Commission adopted rules and amendments to (i) expand the number of events that are reportable on Form 8-K, adding eight new items to the form, and transferring two items from the periodic reports, (ii) expand disclosures under two existing Form 8-K items, (iii) reorganize Form 8-K items into topical categories, (iv) shorten the Form 8-K filing deadline for most items to four business days after the occurrence of an event triggering the disclosure requirements of the form, and (v) adopt a limited safe harbor from liability for failure to file certain of the required Form 8-K reports.

Prior Commission Determination under 5 U.S.C. 610: A Final Regulatory Flexibility Analysis was prepared in accordance with 5 U.S.C. 604 in conjunction with the adoption of Release No. 33-8400 (March 16, 2004). The Commission considered comments received on the proposing release and the Initial Regulatory Flexibility Analysis prepared in Release No. 33-8106 (June 17, 2002) at that time.

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**Title:** **Disclosure Regarding Market Timing and Selective Disclosure of Portfolio Holdings**

**Citation:** 17 CFR 239.15A; 17 CFR 239.17a; 17 CFR 239.17b; 17 CFR 239.17c; 17 CFR 274.11A; 17 CFR 274.11b; 17 CFR 274.11c; and 17 CFR 274.11d

**Authority:** 15 U.S.C. 77e, 77f, 77g, 77j, 77ss(a), 80a-3, 80a-22, 80a-24(a), 80a-29, and 80a-37

**Description:** The amendments require improved disclosure in fund prospectuses of a mutual fund's risks, policies, and procedures. In addition, the amendments clarify instructions to registration forms to require all mutual funds (other than money market funds) and insurance company managed separate accounts that offer variable annuities to explain in their prospectuses both the circumstances under which they will use fair value pricing and the effects of using fair value pricing. The amendments also require mutual funds and insurance company managed separate accounts that offer variable annuities to disclose their policies with respect to disclosure of portfolio holdings information.

**Prior Commission Determination Under 5 U.S.C. 601:** A Final Regulatory Flexibility Analysis was prepared in accordance with 5 U.S.C. 604 in conjunction with the Commission's adoption of Release No. 33-8408 (Apr. 19, 2004). The Commission considered comments received on the proposing release and the Initial Regulatory Flexibility Analysis prepared in Release No. IC-26287 (Dec. 11, 2003) at that time.

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**Title:** **Mandated Electronic Filing for Form ID**

**Citation:** 17 CFR 232.10; 17 CFR 239.63; 17 CFR 249.446, 17 CFR 259.602; 17 CFR 269.7; 17 CFR 274.402

**Authority:** 15 U.S.C. 77s, 77sss, 78c(b), 78m(a), 78w(a), 78ll(d), 79t, 80a-29 and 80a-37

**Description:** The Commission adopted rule and form amendments to mandate the electronic filing of Form ID on a new on-line system.

**Prior Commission Determination** A Final Regulatory Flexibility Analysis was prepared in accordance with 5 U.S.C. 604 in conjunction with the adoption of Release No. 33-8410 April 21, 2004). The Commission solicited comments concerning the proposing

Under 5 U.S.C. 601: release and the Initial Regulatory Flexibility Analysis prepared in Release No. 33-8399 (March 15, 2004) but received no comment letters on the analysis.

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Title: **Foreign Bank Exemption from the Insider Lending Prohibition of Exchange Act Section 13(k)**

Citation: 17 CFR 240.13k-1

Authority: 15 U.S.C. 77f, 77g, 77h, 77j, 77s, 78c, 78l, 78m, 78w, and 78mm

Description: The Commission adopted a rule that grants qualified foreign banks an exemption from the insider lending prohibition under Section 13(k) of the Securities Exchange Act of 1934.

Prior Commission Determination under 5 U.S.C. 610: Pursuant to Section 605(b) of the Regulatory Flexibility Act, the Commission certified that the rule would not have a significant economic impact on a substantial number of small entities. This certification was incorporated into the proposing release, Release No. 34-48481 (September 11, 2003). As stated in the adopting release, Release No. 34-49616 (April 26, 2004), the Commission received no comments concerning the impact on small entities or the Regulatory Flexibility Act Certification.

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Title: **Disclosure of Breakpoint Discounts by Mutual Funds**

Citation: 17 CFR 239.15A; 17 CFR 274.11A

Authority: 15 U.S.C. 77e, 77f, 77g, 77j, 77s(a), 80a-8, 80a-24(a), 80a-29 and 80a-37

Description: The form amendments require an open-end management investment company to provide enhanced disclosure regarding breakpoint discounts on front-end sales loads. Under the amendments, an open-end management investment company is required to describe in its prospectus any arrangements that result in breakpoints in sales loads and to provide a brief summary of shareholder eligibility requirements.

Prior Commission Determination Under 5 U.S.C. 601: A Final Regulatory Flexibility Analysis was prepared in accordance with 5 U.S.C. 604 in conjunction with the Commission's adoption of Release No. 33-8427 (June 7, 2004). The Commission considered comments received on the proposing release and the Initial Regulatory Flexibility Analysis prepared in Release No. 33-8347 (Dec. 17, 2003) at that time.

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Title: **Alternative Net Capital Requirements for Broker-Dealers That Are Part of Consolidated Supervised Entities**

Citation: 17 CFR 200.30-3, 17 CFR 240.15c3-1, 17 CFR 240.17a-4, 17 CFR 240.17a-5, 17 CFR 240.17a-11, 17 CFR 240.17h-1T, and 17 CFR 240.17h-2T.

Authority: 15 U.S.C. 78o(c), 78q(a), 78w, 78x(b) and 78mm.

Description: The Commission adopted rule amendments that established a voluntary, alternative method of computing deductions to net capital for certain broker-dealers. This alternative method permits a broker-dealer to use mathematical models to calculate net capital requirements for market and derivatives-related credit risk. A broker-dealer using the alternative method of computing net capital is subject to enhanced net capital, early warning, recordkeeping, reporting, and certain other requirements, and must implement and document an internal risk management system.

Prior Commission Determination Under 5 U.S.C. 610: Pursuant to section 605(b) of the Regulatory Flexibility Act, the Commission certified that the amendments would not have a significant economic impact on a substantial number of small entities. This certification was incorporated into the proposing release, Release No. 34-48690 (Oct. 24, 2003). As stated in the adopting release, Release No. 34-49830 (June 8, 2004), the Commission received no comments concerning the impact on small entities or the Regulatory Flexibility Act certification.

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Title: **Disclosure Regarding Approval of Investment Advisory Contracts by Directors of Investment Companies**

Citation: 17 CFR 239.14; 17 CFR 239.15A; 17 CFR 239.17a; 17 CFR 274.11A; 17 CFR 274.11a-1; 17 CFR 274.11b; 17 CFR 240.14a-101

Authority: 15 U.S.C. 77e, 77f, 77g, 77j, 77s(a), 78n, 78w(a)(1), 80a-8, 80a-15, 80a-20, 80a-24(a), 80a-29 and 80a-37

Description: The rule and form amendments require a registered management investment company to provide disclosure in its reports to shareholders regarding the material factors and the conclusions with respect to those factors that formed the basis for the board's approval of advisory contracts during the most recent fiscal half-year. The amendments are also designed



to encourage improved disclosure in proxy statements regarding the basis for the board's recommendation that shareholders approve an advisory contract.

Prior Commission Determination Under 5 U.S.C. 601: A Final Regulatory Flexibility Analysis was prepared in accordance with 5 U.S.C. 604 in conjunction with the Commission's adoption of Release No. 34-49928 (June 23, 2004). The Commission considered comments received on the proposing release and the Initial Regulatory Flexibility Analysis prepared in Release No. 34-49014 (Feb. 11, 2004) at that time.

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Title: **Collection Practices under Section 31 of the Exchange Act**

Citation: 17 CFR 200.30-3, 17 CFR 240.31

Authority: 15 U.S.C. 78f, 78o-3, 78q-1, 78s, 78w(a) and 78ee

Description: The rule established new procedures to govern the calculation, payment, and collection of fees and assessments on securities transactions owed by national securities exchanges and national securities associations to the Commission pursuant to Section 31 of the Securities Exchange Act of 1934. Under these new procedures, each exchange or association must provide the Commission with data on its securities transactions. The Commission calculates the amount of fees and assessments due based on the volume of these transactions and bills the exchange or association that amount.

Prior Commission Determination Under 5 U.S.C. 610: Pursuant to Section 605(b) of the Regulatory Flexibility Act, the Commission certified that Rule 31 and Form R31 would not have a significant economic impact on a substantial number of small businesses. This certification was set forth in the Proposing Release No. 34-49014 (January 20, 2004). As stated in the adopting release, Release No. 34-49928 (June 28, 2004), the Commission received no comments concerning the impact on small entities or the Regulatory Flexibility Act Certification.

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Title: **Investment Adviser Codes of Ethics**

Citation: 17 CFR 275.204A-1; 17 CFR 275.204-2; 17 CFR 279.1; 17 CFR 270.17j-1

Authority: 15 U.S.C. 77s(a), 77sss(a), 78a-37(a), 78w(a), 78bb(e)(2), 79w(a), 80a-

17(j), 80a-37(a), 80b-2(a)(17), 80b-3(c)(1), 80b-4, 80b-4(a), 80b-6(4) and 80b-11(a)

Description: The rule and rule amendments require registered advisers to adopt codes of ethics. The codes of ethics must set forth standards of conduct expected of advisory personnel and address conflicts that arise from personal trading by advisory personnel. Among other things, the rule and rule amendments require advisers' supervised persons to report their personal securities transactions, including transactions in any mutual fund managed by the adviser. The rule and rule amendments are designed to promote compliance with fiduciary standards by advisers and their personnel.

Prior Commission Determination Under 5 U.S.C. 601: A Final Regulatory Flexibility Analysis was prepared in accordance with 5 U.S.C. 604 in conjunction with the Commission's adoption of Release No. IA-2256 (July 2, 2004). The Commission considered comments received on the proposing release and the Initial Regulatory Flexibility Analysis prepared in Release No. IA-2209 (Jan. 20, 2004) at that time.

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Title: **Covered Securities Pursuant to Section 18 of the Securities Act of 1933**

Citation: 17 CFR 230.146

Authority: 15 U.S.C. 77r(b)(1)(B) and 77s(a)

Description: The Commission amended a rule under Section 18 of the Securities Act of 1933 to designate options listed on the International Securities Exchange, Inc. as covered securities. Covered securities under Section 18 of the Securities Act are exempt from state law registration requirements.

Prior Commission Determination Under 5 U.S.C. 601: Pursuant to Section 605(b) of the Regulatory Flexibility Act, the Commission certified that amending Rule 146(b) would not have a significant economic impact on a substantial number of small entities. The certification was incorporated in the proposing release, Release No. 33-8404 (March 22, 2004). As stated in the adopting release, Release No. 33- 8442 (July 14, 2004), the Commission received no comments concerning the impact on small entities or the Regulatory Flexibility Act Certification.

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Title: **Investment Company Governance**

Citation: 17 CFR 270.0-1(a); 17 CFR 270.10f-3; 17 CFR 270.12b-1(c); 17 CFR 270.15a-4(b)(2); 17 CFR 270.17a-7(f); 17 CFR 270.17a-8(a)(4); 17 CFR 270.17d-1(d)(7); 17 CFR 270.17e-1(c); 17 CFR 270.17g-1(j)(3); 17 CFR 270.18f-3(e); 17 CFR 270.23c-3(b)(8); 17 CFR 270.31a-2

Authority: 15 U.S.C., 80a-6(c), 80a-10(f), 80a-12(b), 80a-17(d), 80a-17(g), 80a-23(c), 80a-30(a), and 80a-37(a)

Description: A Federal appeals court vacated certain amendments adopted by the Commission to rules under the Investment Company Act. The amendments, first proposed on January 15, 2004, would have imposed two conditions on investment companies ("funds") relying on certain exemptive rules. First, fund boards would have to have been comprised of at least 75 percent independent directors. Second, the boards would have to have been chaired by an independent director. In June 2006 and December 2006, the Commission requested additional comment regarding the fund governance provisions.

Prior Commission Determination Under 5 U.S.C. 601: A Final Regulatory Flexibility Analysis was prepared in accordance with 5 U.S.C. 604 relating to the amendments to the exemptive rules and the Commission's rules on investment company governance in conjunction with the Commission's adoption of Release No. IC-26520 on July 27, 2004. Comments to the proposing release (Release No. IC-26323 (Jan. 24, 2004)) and any comments to the Initial Regulatory Flexibility Analysis were considered in connection with the Commission's adoption of Release No. IC-26520.

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Title: **Short Sales**

Citation: 17 CFR 242.200, 17 CFR 242.202T, 17 CFR 242.203

Authority: 15 U.S.C. 78b, 78c(b), 78i(h), 78j, 78k-1, 78o, 78q(a), 78q-1, 78w(a), and 78mm

Description: The Commission adopted new Regulation SHO, which defined ownership of securities, specified aggregation of long and short positions, and required broker-dealers to mark sales in all equity securities "long," "short," or "short exempt." Regulation SHO also included a temporary rule that established procedures for the Commission to suspend temporarily the operation of the "tick" test and any short sale price test of

any exchange or national securities association for specified securities. Regulation SHO also required short sellers in all equity securities to locate securities to borrow before selling, and also imposed additional delivery requirements on broker-dealers for securities in which a substantial number of failures to deliver had occurred. The Commission also adopted amendments that removed the shelf offering exception and issued interpretive guidance addressing sham transactions designed to evade Regulation M.

Prior Commission  
Determination  
Under  
5 U.S.C. 610:

A Final Regulatory Flexibility Analysis was prepared in accordance with 5 U.S.C. 604 in conjunction with the adoption of Release No. 34-50103 (July 28, 2004). The Commission solicited comment on the Initial Regulatory Flexibility Analysis prepared in the proposing release, Release No. 34-48709 (October 28, 2003), but received no comment on that analysis. The Commission did receive comments related to small business, and considered those comments in the adopting release.

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Title:

**Disclosure Regarding Portfolio Managers of Registered Management Investment Companies**

Citation:

17 CFR 239.14; 17 CFR 239.15A; 17 CFR 239.17a; 17 CFR 249.331; 17 CFR 270.30a-2; 17 CFR 274.11a-1; 17 CFR 274.11A; 17 CFR 274.11b; 17 CFR 274.128

Authority:

15 U.S.C. 77e, 77f, 77g, 77j, 77s(a), 78(j)(b), 78m, 78n, 78o(d), 78w(a), 78mm., 80a-8, 80a-24(a), , 80a-29, 80a-37, 80a-39

Description:

The forms and rule amendments improve the disclosure provided by registered investment companies regarding their portfolio managers. The amendments extend the existing requirement that a registered management investment company provide basic information in its prospectus regarding its portfolio managers to include the members of management teams. The amendments also require a registered management investment company to disclose additional information about its portfolio managers, including other accounts that they manage, compensation structure, and ownership of securities in the investment company.

Prior Commission  
Determination  
Under  
5 U.S.C. 601:

A Final Regulatory Flexibility Analysis was prepared in accordance with 5 U.S.C. 604 in conjunction with the Commission's adoption of Release No 33-8458 (Aug. 23, 2004). The Commission considered comments received on the proposing release and the Initial Regulatory Flexibility Analysis prepared in Release No. 33-8396 (Mar. 11, 2004) at that time.

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Title: **Rule 15c3-3 Reserve Requirements for Margin Related to Security Futures Products**

Citation: 17 CFR 200.30-3 and 17 CFR 240.15c3-3a

Authority: 15 U.S.C. 78o, 78q, 78w(a), and 78mm

Description: The Commission adopted amendments to the formula for determination of customer reserve requirements of broker-dealers under the Exchange Act to address issues related to customer margin for security futures products. The amendments permit a broker-dealer to include margin related to security futures products written, purchased, or sold in customer securities accounts and on deposit with a registered clearing agency or a derivatives clearing organization as a debit item in calculating its customer reserve requirement under specified conditions. The amendments were intended to help ensure that a broker-dealer is not required to fund its customer reserve requirements with proprietary assets.

Prior Commission Determination Under 5 U.S.C. 610: Pursuant to section 605(b) of the Regulatory Flexibility Act, the Commission certified that the amendments to Rule 15c3-3a would not have a significant impact on a substantial number of small entities. This certification was incorporated into the proposing release, Release No. 46492 (Sept. 12, 2002). As stated in the adopting release, Release No. 33-50295, the Commission received no comments concerning the impact on small entities or the Regulatory Flexibility Act certification.

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Title: **Prohibition on the Use of Brokerage Commissions to Finance Distribution**

Citation: 17 CFR 270.12b-1

Authority: 15 U.S.C. 80a-12(b) and 80a-37(a)

Description: The amendments amend the rule that governs the use of assets of open-end management investment companies (funds) to distribute their shares. The amended rule prohibits funds from paying for the distribution of their shares with brokerage commissions. The amendments are designed to end a practice that poses significant conflicts of interest and may be harmful to funds and fund shareholders.

Prior Commission A Final Regulatory Flexibility Analysis was prepared in accordance with 5

Determination Under 5 U.S.C. 601:

U.S.C. 604 in conjunction with the Commission's adoption of Release No. IC-26591 (September 2, 2004). The Commission considered comments received on the proposing release and the Initial Regulatory Flexibility Analysis prepared in Release No. IC-26356 (Feb.24, 2004) at that time.

\* \* \* \* \*

Title:

**Proposed Rule Changes of Self-Regulatory Organizations**

Citation:

17 CFR 240.11Aa3-2 and 17 CFR 240.19b-4

Authority:

15 U.S.C. 78c, 78f, 78k-1, 78o-3, 78o-4, 78q-1, 78s(b), 78w(a), 78mm

Description:

The Commission adopted rule amendments that require self-regulatory organizations (SROs) to file proposed rule changes electronically with the Commission, rather than in paper form. In addition, the Commission required SROs to post all proposed rule changes, as well as current and complete sets of their rules, on their Web sites. The Commission also required all participants in National Market System Plans (NMS Plans) to arrange for posting on a designated Web site a current and complete version of the NMS Plan.

Prior Commission Determination Under 5 U.S.C. 610:

Pursuant to Section 605(b) of the Regulatory Flexibility Act, the Commission certified that amending Rule 19b-4 and Form 19b-4 would not have a significant economic impact on a substantial number of small businesses. This certification was incorporated in the proposing release, Release No. 49505 (March 30, 2004). As stated in the adopting release, Release No. 34-50486 (Oct.4, 2004), the Commission received no comments concerning the impact on small entities or the Regulatory Flexibility Act certification.

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Title:

**Disposal of Consumer Report Information**

Citation:

17 CFR 248.1; 17 CFR 248.2; 17 CFR 248.30

Authority:

15 U.S.C. 6801(b), 15 U.S.C. 1681w, 15 U.S.C. 78q, 78w, 78mm, 80a-30(a), 80a-37, 80b-4 and 80b-11

Description:

The amendments to the rule under Regulation S-P require financial institutions to adopt policies and procedures to safeguard customer information. The amended rule implements the provision in section 216

of the Fair and Accurate Credit Transactions Act of 2003 requiring proper disposal of consumer report information and records. Section 216 directs the Commission and other federal agencies to adopt regulations requiring that any person who maintains or possesses consumer report information or any compilation of consumer report information derived from a consumer report for a business purpose must properly dispose of the information. The amendments also require the policies and procedures adopted under the safeguard rule to be in writing.

Prior Commission Determination Under 5 U.S.C. 601:

A Final Regulatory Flexibility Analysis was prepared in accordance with 5 U.S.C. 604 in conjunction with the Commission's adoption of Release No. 34-50781 (Dec. 2, 2004). The Commission considered comments received on the proposing release and the Initial Regulatory Flexibility Analysis prepared in Release No. 34-50361 (Sept. 14, 2004) at that time.

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Title: **Issuer Restrictions or Prohibitions on Ownership by Securities Intermediaries**

Citation: 17 CFR 240.17Ad-20

Authority: 15 U.S.C. 78q-1(a)(1), 78q-1(a)(2), 78q-1(d), and 78w(a)

Description: The Commission adopted a new rule to prohibit registered transfer agents from effecting any transfer of any equity security registered under Section 12 or any equity security that subjects an issuer to reporting under Section 15(d) of the Exchange Act if such security is subject to any restriction or prohibition on transfer to or from a securities intermediary, such as clearing agencies, banks, or broker-dealers.

Prior Commission Determination Under 5 U.S.C. 610:

A Final Regulatory Flexibility Analysis was prepared in accordance with 5 U.S.C. 604 in conjunction with the adoption of Release No. 34-50758A (December 7, 2004). The Commission solicited comment on the Initial Regulatory Flexibility Analysis prepared in the proposing release, Release No. 49809 (June 4, 2004), but received no comment on that analysis.

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Title: **Asset-Backed Securities**

Citation: 17 CFR 210.1-02, 17 CFR 210-2.01, 17 CFR 210.2-02, 17 CFR 210.2-07, 17 CFR 229.10, 17 CFR 229.202, 17 CFR 229.308, 17 CFR 229.401, 17 CFR 229.406, 17 CFR 229.501, 17 CFR 229.503, 17 CFR 229.512, 17 CFR

229.601, 17 CFR 229.701, 17 CFR 229.1100 through 1123, 17 CFR 230.411, 17 CFR 230.434, 17 CFR 230.139a, 17 CFR 230.167, 17 CFR 230.190, 17 CFR 230.191, 17 CFR 230.426, 17 CFR 232.311, 17 CFR 232.312, 17 CFR 239.11, 17 CFR 239.12, 17 CFR 239.13, 17 CFR 239.18, 17 CFR 239.31, 17 CFR 239.32, 17 CFR 239.33, 17 CFR 240.10A-3, 17 CFR 240.12b-2, 17 CFR 240.12b-15, 17 CFR 240.12b-25, 17 CFR 240.13a-10, 17 CFR 240.13a-11, 17 CFR 240.13a-13, 17 CFR 240.13a-14, 17 CFR 240.13a-15, 17 CFR 240.13a-16, 17 CFR 240.15c2-8, 17 CFR 240.15d-10, 17 CFR 240.15d-11, 17 CFR 240.15d-13, 17 CFR 240.15d-14, 17 CFR 240.15d-15, 17 CFR 240.15d-16, 17 CFR 240.3a12-12, 17 CFR 240.3b-19, 17 CFR 240.13a-17, 17 CFR 240.13a-18, 17 CFR 240.15d-17, 17 CFR 240.15d-18, 17 CFR 240.15d-22, 17 CFR 240.15d-23, 17 CFR 242.100, 17 CFR 245.101, 17 CFR 249.220f, 17 CFR 249.240f, 17 CFR 249.308, 17 CFR 249.310, 17 CFR 249.312, and 17 CFR 249.322.

Authority:

15 U.S.C. 77e, 77f, 77g, 77h, 77j, 77k, 77q(a), 77s, 77s(a), 77sss(a), 77z-2, 77z-3, 77aa(25), 77aa(26), 77ddd, 77eee, 77ggg, 77hhh, 77jjj, 77nnn, 77sss, 78(b), 78c, 78c(b), 78g(c)(2), 78i(a), 78j, 78j-1, 78k-1(c), 78l, 78m, 78n, 78o, 78o(b), 78o(c), 78o(d), 78q, 78q(a), 78q(b), 78q(h), 78u-5, 78(w), 78w(a), 78dd-1, 78ll, 78ll(d), 78mm, 79e, 79e(b), 79f, 79f, 79j, 79j(a), 79l, 79m, 79n, 79q, 79t, 79t(a), 80a-8, 80a-20, 80a-23, 80a-24, 80a-26, 80a-29, 80a-30, 80a-31, 80a-37, 80a-37(a), 80b-3, 80b-11, 7201 et seq., 7202, 7262, and 18 U.S.C. 1350.



Description:

The Commission adopted new and amended rules and forms to address comprehensively the registration, disclosure and reporting requirements for asset-backed securities under the Securities Act of 1933 and the Securities Exchange Act of 1934. The final rules and forms accomplish the following: update and clarify the Securities Act registration requirements for asset-backed securities offerings, including expanding the types of asset-backed securities that may be offered in delayed primary offerings on Form S-3; consolidate and codify existing interpretive positions that allow modified Exchange Act reporting that is more tailored and relevant to asset-backed securities; provide tailored disclosure guidance and requirements for Securities Act and Exchange Act filings involving asset-backed securities; and streamline and codify existing interpretive positions that permit the use of written communications in a registered offering of asset-backed securities in addition to the statutory registration statement prospectus.

Prior  
Commission  
Determination  
under  
5 U.S.C. 610:

Pursuant to Section 605(b) of the Regulatory Flexibility Act, the Commission certified that the new and amended rules and forms would not have a significant economic impact on a substantial number of small entities. This certification was incorporated into the proposing release, Release No. 33-8419 (May 3, 2004). As stated in the adopting release, Release No. 33-8518 (December 22, 2004) the Commission received no comments concerning the impact on small entities or the Regulatory Flexibility Act Certification.

By the Commission.

Dated: October 22, 2015

Brent J. Fields  
Secretary