SECURITIES AND EXCHANGE COMMISSION

17 CFR Parts 240 and 249

[Release No. 34-67286A; File No. S7-44-10]

RIN 3235-AK87

Process for Submissions for Review of Security-Based Swaps for Mandatory Clearing and Notice Filing Requirements for Clearing Agencies; Technical Amendments to Rule 19b-4 and Form 19b-4 Applicable to All Self-Regulatory Organizations; Correction

AGENCY: Securities and Exchange Commission.

ACTION: Final rule; correction; clarification.

SUMMARY: On July 13, 2012, the Securities and Exchange Commission ("Commission") published a document in the Federal Register (77 FR 41602), concerning, among other things, the process for submissions for review of security-based swaps for mandatory clearing and notice filing requirements for clearing agencies. The document contained typographical errors in the preamble and in the general authority for Part 240. The Commission is publishing corrections to the preamble and the general authority as well as a clarification concerning the Office of Management and Budget ("OMB") control number for Rule 3Ca-1 under the Securities Exchange Act of 1934 ("Exchange Act").

DATES: Effective on August 13, 2012.

FOR FURTHER INFORMATION CONTACT: Catherine Moore, Senior Special Counsel, Kenneth Riitho, Special Counsel or Andrew Bernstein, Special Counsel, at (202) 551-5710; Division of Trading and Markets, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-7010.

SUPPLEMENTARY INFORMATION:

Correction:

In the Federal Register of July 13, 2012, in FR Doc. 2012-16233, the following corrections are made :

1. On page, 41627 in the third line of the third column remove "3" and add in its place "10."

2. On page, 41631 in the 40th line of the third column remove "3" and add in its place "10."

3. On page, 41632 in the 32nd line of the first column remove "3" and add in its place "10."

4. On page, 41645 in the 23rd line of the third column remove "Security-Based Swap Submissions" after the phrase, "mandate to submit" and add in its place "Advance Notices."

5. On page, 41646 in the 57th line of the first column remove "14" after the phrase, "resulting in a total annual burden of" and add in its place "16."

PART 240 [CORRECTED]

6. On page 41647, in the 24th line from the bottom of the third column, the general authority citation for part 240 is corrected to read as follows:

Authority: 15 U.S.C. 77c, 77d, 77g, 77j, 77s, 77z–2, 77z–3, 77eee, 77ggg, 77nnn, 77sss, 77ttt, 78c, 78c-3, 78d, 78e, 78f, 78g, 78i, 78j, 78j–1, 78k, 78k–1, 78l, 78m, 78n, 78n-1, 78o, 78o-4, 78p, 78q, 78s, 78u–5, 78w, 78x, 78ll, 78mm, 80a–20, 80a–23, 80a–29, 80a–37, 80b–3, 80b–4, 80b–11, and 7201 et seq.; 18 U.S.C. 1350, 12 U.S.C. 5221(e)(3), and Sec. 939A, Pub. L. 111-203, 124 Stat. 1376, (2010), unless otherwise noted.

＊ ＊ ＊ ＊ ＊

Clarification:

On page 41627, in the 14th line from the bottom of the first column, it states: "Finally, the Commission has submitted a new collection of information titled 'Rule 3Ca–1 Stay of Clearing

Requirement and Review by the Commission under the Securities Exchange Act of 1934' to

OMB for review in accordance with 44 U.S.C. 3507 and 5 CFR 1320.11. OMB has not yet

assigned a control number to the new collection of information." The Commission has submitted

the collection of information under Rule 3Ca-1 as part of the collection of information in "Rule

19b-4 Filings with Respect to Proposed Rule Changes by Self-Regulatory Organizations" (OMB

Control No. 3235-0045), so a new control number for the information collection request under

Rule 3Ca-1 will not be assigned. We provide below a clarification of why the information

collection request under Rule 3Ca-1 was submitted under OMB Control No. 3235-0045:

Section 3C of the Exchange Act, as added by Section 763(a) of the Dodd-Frank Act

("Exchange Act Section 3C") requires each clearing agency that plans to accept a security-based

swap (or any group, category, type or class of security-based swaps) for clearing to submit such

security-based swap to the Commission (referred to herein as a "Security-Based Swap

Submission") for a determination by the Commission of whether the security-based swap (or any

group, category, type or class of security-based swaps) referenced in the submission is required

to be cleared.[1] The amendments to Rule 19b-4 and Form 19b-4 will require, among other things,

that clearing agencies file Security-Based Swap Submissions and any related information

electronically with the Commission on Form 19b-4 using the existing Electronic Form 19b-4

Filing System.[2]

---

[1]   See 15 U.S.C. 78c-3(b)(2)(A) (as added by Section 763(a) of the Dodd-Frank Act).

[2]   See Process for Submissions for Review of Security-Based Swaps for Mandatory
Clearing and Notice Filing Requirements for Clearing Agencies; Technical Amendments
to Rule 19b-4 and Form 19b-4 Applicable to All Self-Regulatory Organizations,
Securities Exchange Act Release No. 67286 (June 28, 2012), 77 FR 41602 (July 13,
2012) ("Adopting Release").

Exchange Act Section 3C also provides that after making a mandatory clearing determination, the Commission, on application of a counterparty to a security–based swap (or group, category, type, or class of security-based swaps), or on its own initiative, may stay the clearing requirement.[3] The Commission adopted new Rule 3Ca-1 to establish the procedure by which the Commission may stay the requirement that a security-based swap is subject to mandatory clearing while the clearing of the security-based swap is reviewed.[4] The collection of information required by new Rule 3Ca-1 will be used by the Commission to determine whether to grant the stay of the clearing requirement sought by a counterparty and to review whether the clearing requirement will continue to apply to the security-based swap (or group, category, type, or class of security-based swaps) referenced in the application for a stay.[5]

After reviewing the collection of information requirements for the amendments to Rule 19b-4 and Form 19b-4 and for new Rule 3Ca-1, the Commission believes that the procedures for reviewing Security-Based Swaps Submissions and applications for a stay from a mandatory clearing requirement are so closely connected that the collection of information should be included in a single submission to OMB. Specifically, the number of applications for a stay from a mandatory clearing requirement will, at least in part, be dependent on the number of mandatory clearing determinations the Commission makes pursuant to a Security-Based Swap Submission filed pursuant to Rule 19b-4 and on Form 19b-4.[6] In estimating the collection of information requirement related to new Rule 3Ca-1, the Commission drew a comparison between the amount of time it would take for a clearing agency to prepare a Security-Based Swap Submission and the

---

[3]   See 15 U.S.C. 78c-3(c)(1) (as added by Section 763(a) of the Dodd-Frank Act).

[4]   See Adopting Release, 77 FR 41618.

[5]   See Adopting Release, 77 FR 41628.

[6]   See Adopting Release, 77 FR 41634.

amount of time it would take a counterparty to prepare an application of a stay of a clearing requirement, given that each filing would likely address similar issues related to the clearing of the particular security-based swap.[7] In addition, the Commission believes that an application for a stay will take less time to prepare than a new submission, due to the fact that some of the information addressed in the application for a stay will have already been provided with the Security-Based Swap Submission when it was published for notice and comment.[8] Accordingly, the Commission believes that the collection of information that is required in connection with a request for a stay under new Rule 3Ca-1 is interrelated to the collection of information under Rule 19b-4 and Form 19b-4 and should not be treated as a separate collection of information. For that reason, the Commission has submitted the collection of information under Rule 3Ca-1 as part of the collection of information in "Rule 19b-4 Filings with Respect to Proposed Rule Changes by Self-Regulatory Organizations" (OMB Control No. 3235-0045).

                                                Elizabeth M. Murphy
                                                Secretary

July 19, 2012

---

[7]   Id.

[8]   Id.