

that are a subset of the consolidated data stream. First, the consolidated data is widely available in real-time at \$1 per month for non-professional users. Second, consolidated data is also available at no cost with a 15- or 20-minute delay. Because consolidated data contains marketwide information, it effectively places a cap on the fees assessed for proprietary data (such as last sale data) that is simply a subset of the consolidated data. The mere availability of low-cost or free consolidated data provides a powerful form of pricing discipline for proprietary data products that contain data elements that are a subset of the consolidated data, by highlighting the optional nature of proprietary products.

The competitive nature of the market for products such as NLS Plus is borne out by the performance of the market. In May 2008, the internet portal Yahoo! began offering its Web site viewers real-time last sale data (as well as best quote data) provided by BATS. In response, in June 2008, NASDAQ launched NLS, which was initially subject to an "enterprise cap" of \$100,000 for customers receiving only one of the NLS products, and \$150,000 for customers receiving both products. The majority of NASDAQ's sales were at the capped level. In early 2009, BATS expanded its offering of free data to include depth-of-book data. Also in early 2009, NYSE Arca announced the launch of a competitive last sale product with an enterprise price of \$30,000 per month. In response, NASDAQ combined the enterprise cap for the NLS products and reduced the cap to \$50,000 (*i.e.*, a reduction of \$100,000 per month). Although each of these products offers only a specific subset of data available from the SIPs, NASDAQ believes that the products are viewed as substitutes for each other and for core last-sale data, rather than as products that must be obtained in tandem. For example, while Yahoo! and Google now both disseminate NASDAQ's product, several other major content providers, including MSN and Morningstar, use the BATS product. Moreover, further evidence of competition can be observed in the recently-developed BATS One Feed and BQT feed.<sup>33</sup>

In this environment, a super-competitive increase in the fees charged for either transactions or data has the potential to impair revenues from both products. "No one disputes that competition for order flow is 'fierce'." *NetCoalition I* at 539. The existence of fierce competition for order flow implies a high degree of price sensitivity

on the part of BDs with order flow, since they may readily reduce costs by directing orders toward the lowest-cost trading venues. A BD that shifted its order flow from one platform to another in response to order execution price differentials would both reduce the value of that platform's market data and reduce its own need to consume data from the disfavored platform. If a platform increases its market data fees, the change will affect the overall cost of doing business with the platform, and affected BDs will assess whether they can lower their trading costs by directing orders elsewhere and thereby lessening the need for the more expensive data. Similarly, increases in the cost of NLS Plus would impair the willingness of distributors to take a product for which there are numerous alternatives, impacting NLS Plus data revenues, the value of NLS Plus as a tool for attracting order flow, and ultimately, the volume of orders routed to NASDAQ and the value of its other data products.

*C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

No written comments were either solicited or received.

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

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Exchange consents, the Commission shall: (a) By order approve or disapprove such proposed rule change, or (b) institute proceedings to determine whether the proposed rule change should be disapproved.

**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-NASDAQ-2015-055 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-NASDAQ-2015-055. 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 Web site (<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 Web site 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 the Exchange. 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-NASDAQ-2015-055 and should be submitted on or before June 11, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>34</sup>

**Robert W. Errett,**  
*Deputy Secretary.*

[FR Doc. 2015-12280 Filed 5-20-15; 8:45 am]

**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:*

<sup>34</sup> 17 CFR 200.30-3(a)(12).

<sup>33</sup> See *supra* note 7.

Rule 17g-5, SEC File No. 270-581, OMB Control No. 3235-0649.

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 ("PRA") (44 U.S.C. 3501 *et seq.*) the Securities and Exchange Commission ("Commission") has submitted to the Office of Management and Budget ("OMB") a request for approval of extension of the previously approved collection of information provided for in Rule 17g-5 (17 CFR 240.17g-5) under the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*) ("Exchange Act").

The Credit Rating Agency Reform Act of 2006 (Pub. L. 109-291) ("Rating Agency Act"), enacted on September 29, 2006, defines the term "nationally recognized statistical rating organization," or "NRSRO" and provides authority for the Commission to implement registration, recordkeeping, financial reporting, and oversight rules with respect to registered credit rating agencies. The Rating Agency Act added a new Section 15E, "Registration of Nationally Recognized Statistical Rating Organizations" (15 U.S.C. 78o-7) to the Exchange Act. Exchange Act Section 15E(h)(2) provides the Commission with authority to prohibit, or require the management and disclosure of, any potential conflict of interest relating to the issuance of credit ratings by an NRSRO (15 U.S.C. 78o-7(h)(2)).

The Commission adopted, and subsequently amended, Rule 17g-5 pursuant, in part, to Section 15E(h)(2) of the Exchange Act.<sup>1</sup> Rule 17g-5 requires the disclosure of and establishment of procedures to manage certain NRSRO conflicts of interest, prohibits certain other NRSRO conflicts of interest, and contains requirements regarding the disclosure of information in the case of the conflict of interest of an NRSRO issuing or maintaining a credit rating on an asset-backed security that was paid for by the issuer, sponsor, or underwriter of the security.

On August 27, 2014, the Commission adopted amendments to Rule 17g-5.<sup>2</sup> The amendments modified the

collection of information included in Rule 17g-5 in three ways. First, the Commission added paragraph (a)(3)(iii)(E) to Rule 17g-5 to require an NRSRO to obtain a representation from the issuer, sponsor, or underwriter of an asset-backed security that the issuer, sponsor, or underwriter will post on the Web site referred to in paragraph (a)(3)(iii) of Rule 17g-5 ("Rule 17g-5 Web site"), promptly after receipt, any executed Form ABS Due Diligence-15E delivered by a person employed to provide third-party due diligence services with respect to the security or money market instrument.

Second, the Commission added paragraph (c)(8) to Rule 17g-5 to prohibit an NRSRO from issuing or maintaining a credit rating where a person within the NRSRO who participates in determining or monitoring the credit rating, or developing or approving procedures or methodologies used for determining the credit rating, including qualitative and quantitative models, also: (1) Participates in sales or marketing of a product or service of the NRSRO or a product or service of an affiliate of the NRSRO; or (2) is influenced by sales or marketing considerations.

Third, the Commission added paragraph (f) to Rule 17g-5, which provides that upon written application by an NRSRO the Commission may exempt, either unconditionally or on specified terms and conditions, the NRSRO from paragraph (c)(8) of Rule 17g-5 if the Commission finds that due to the small size of the NRSRO it is not appropriate to require the separation of the production of credit ratings from sales and marketing activities and the exemption is in the public interest.

The collection of information obligation imposed by Rule 17g-5 is mandatory for credit rating agencies that are applying to register or are registered with the Commission as NRSROs. Registration with the Commission as an NRSRO is voluntary.

Paragraph (a)(3) of Rule 17g-5 requires disclosures by NRSROs on a transaction by transaction basis. The Commission estimates that the total number of structured finance ratings issued by all NRSROs in a given year is approximately 2,436 and that it would take 1 hour per transaction to make the information publicly available. The Commission therefore estimates that the corresponding annual disclosure burden for NRSROs is approximately 2,436 hours industry-wide.

Paragraph (a)(3) of Rule 17g-5 also requires arrangers to disclose certain information. The Commission previously estimated that there are

approximately 200 arrangers subject to the rule. The Commission estimates that it would take approximately 300 hours to develop a system, as well as the policies and procedures, for the disclosures required by Rule 17g-5. In the Adopting Release, the Commission estimated that there are approximately 336 issuers, sponsors, or underwriters of asset-backed securities. Therefore, the one-time burden for the additional 136 respondents is approximately 40,800 hours. The Commission therefore estimates that, over a three-year period, the total industry-wide one-time burden would be approximately 13,600 hours per year when annualized over three years.

Paragraph (a)(3) of Rule 17g-5 also requires disclosures by arrangers on a transaction by transaction basis. The Commission estimates that 336 arrangers would arrange approximately 20 new transactions per year and that it would take 1 hour per transaction to make the information publicly available, resulting in a total annual disclosure burden of approximately 6,720 hours.

Paragraph (a)(3) of Rule 17g-5 also requires disclosure of information by arrangers on an ongoing basis that is used by an NRSRO to undertake credit rating surveillance on the structured finance product. The Commission estimates this disclosure would be required for approximately 125 transactions a month, and it would take each respondent approximately 0.5 hours per transaction to disclose the information. Therefore, the Commission estimates that it would take each respondent approximately 750 hours on an annual basis to disclose such information, for a total aggregate annual disclosure burden of 252,000 hours.

Paragraph (e) of Rule 17g-5 requires NRSROs to submit an annual certification to the Commission. The Commission estimates that it would take each NRSRO approximately 2 hours to complete the certification, resulting in a total industry-wide annual reporting burden for 10 NRSROs of 20 hours.

New paragraph (a)(3)(iii)(E) of Rule 17g-5 may require NRSROs to redraft the agreement templates they use with respect to obtaining representations from issuers, sponsors, or underwriters as required under Rule 17g-5. The Commission estimates that an NRSRO will spend approximately two hours on a one-time basis to redraft these templates with respect to each issuer, sponsor, or underwriter, for a total industry-wide one-time disclosure burden of approximately 6,720 hours. The Commission therefore estimates that the total one-time disclosure burden to redraft the templates would

<sup>1</sup> See *Oversight of Credit Rating Agencies Registered as Nationally Recognized Statistical Rating Organizations*, Exchange Act Release No. 55857 (June 5, 2007), 72 FR 33564, 33595-33599 (June 18, 2007); *Amendments to Rules for Nationally Recognized Statistical Rating Organizations*, Exchange Act Release No. 59342 (Feb. 2, 2009) 74 FR 6456, 6465-6469 (Feb. 9, 2009); and *Amendments to Rules for Nationally Recognized Statistical Rating Organizations*, Exchange Act Release No. 61050 (Nov. 23, 2009), 74 FR 63832, 63842-63850 (Dec. 4, 2009).

<sup>2</sup> See *Nationally Recognized Statistical Rating Organizations*, Exchange Act Release No. 72936 (August 27, 2014), 79 FR 55078, 55107-55194 (Sept. 15, 2014) ("Adopting Release").

be approximately 2,240 hours per year when annualized over three years.

New paragraph (a)(3)(iii)(E) of Rule 17g-5 also requires issuers, sponsors, and underwriters to post on the Rule 17g-5 Web sites any executed Form ABS Due Diligence-15E delivered by a person employed to provide third-party due diligence services. The Commission estimates that issuers, sponsors, and underwriters will need to post approximately 715 Forms ABS Due Diligence-15E on Rule 17g-5 Web sites per year (in addition to the information that is already posted to the Web sites). The Commission estimates that it will take the issuer, sponsor, or underwriter approximately ten minutes to upload each form and post it to the Web site, for a total industry-wide annual disclosure burden of approximately 119 hours.

As a consequence of the new absolute prohibition in paragraph (c)(8) of Rule 17g-5, the Commission believes that an NRSRO will need to update the written policies and procedures to address and manage conflicts of interest the NRSRO must establish, maintain, and enforce under Section 15E(h) of the Exchange Act and Rule 17g-5. The Commission estimates that updating the conflicts of interest policies and procedures would take an NRSRO an average of approximately 100 hours, for an industry-wide one-time reporting burden of approximately 1,000 hours. In addition, Exhibit 7 to Form NRSRO requires an NRSRO to provide a copy of the written policies and procedures in the exhibit. Paragraph (e) of Rule 17g-1 requires an NRSRO to promptly file with the Commission an update of its registration on Form NRSRO when information on the form is materially inaccurate. The update of registration must be filed electronically on the Commission's EDGAR system. The Commission estimates that it would take an NRSRO an average of approximately twenty-five hours on a one-time basis to prepare and file the update of registration to account for the update of the NRSRO's written policies and procedures to address and manage conflicts of interest, for an industry-wide one-time reporting burden of approximately 250 hours. The Commission therefore estimates that the total one-time reporting burden to update the conflicts of interest policies and procedures and to prepare and file an update of registration to account for the update of the NRSRO's written policies and procedures would be 1,250 hours, or approximately 417 hours per year when annualized over three years.

Finally, paragraph (f) of Rule 17g-5 permits an NRSRO to apply for an

exemption from the prohibited conflict under paragraph (c)(8) of Rule 17g-5. The Commission estimated that an NRSRO would likely spend an average of approximately 150 hours to draft and submit the application to the Commission. If all 10 NRSROs apply for an exemption, this would result in a one-time industry-wide reporting burden of 1,500 hours, or approximately 500 hours per year when annualized over 3 years.

Accordingly, the total estimated burden associated with Rule 17g-5 is 50,270 hours on a one-time basis (40,800 + 6,720 + 1,250 + 1,500 = 50,270) and 261,295 hours on an annual basis (2,436 + 6,720 + 252,000 + 20 + 119 = 261,295).

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.

The public may view background documentation for this information collection at the following Web site: [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 Remi Pavlik-Simon, 100 F Street NE., Washington, DC 20549, or by sending 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: May 15, 2015.

**Robert W. Errett,**  
Deputy Secretary.

[FR Doc. 2015-12285 Filed 5-20-15; 8:45 am]

**BILLING CODE 8011-01-P**

## SMALL BUSINESS ADMINISTRATION

### [Disaster Declaration #14317 and #14318]

#### West Virginia Disaster #WV-00038

**AGENCY:** U.S. Small Business Administration.

**ACTION:** Notice.

**SUMMARY:** This is a Notice of the Presidential declaration of a major disaster for Public Assistance Only for the State of West Virginia (FEMA-4219-DR), dated 05/14/2015.

*Incident:* Sever Storms, Flooding, Landslides, and Mudslides.

*Incident Period:* 04/03/2015 through 04/05/2015.

*Effective Date:* 05/14/2015.

*Physical Loan Application Deadline Date:* 07/13/2015.

*Economic Injury (EIDL) Loan Application Deadline Date:* 02/15/2016.

**ADDRESSES:** Submit completed loan applications to: U.S. Small Business, Administration Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

**FOR FURTHER INFORMATION CONTACT:** A. Escobar, Office of Disaster Assistance, U.S. Small Business Administration, 409 3rd Street SW., Suite 6050, Washington, DC 20416.

**SUPPLEMENTARY INFORMATION:** Notice is hereby given that as a result of the President's major disaster declaration on 05/14/2015, Private Non-Profit organizations that provide essential services of governmental nature may file disaster loan applications at the address listed above or other locally announced locations.

The following areas have been determined to be adversely affected by the disaster:

*Primary Counties:* Boone; Cabell; Lincoln; Logan; Mingo; Wayne.

The Interest Rates are:

	Percent
<i>For Physical Damage:</i>	
Non-Profit Organizations With Credit Available Elsewhere ...	2.625
Non-Profit Organizations Without Credit Available Elsewhere .....	2.625
<i>For Economic Injury:</i>	
Non-Profit Organizations Without Credit Available Elsewhere .....	2.625

The number assigned to this disaster for physical damage is 14317B and for economic injury is 14318B.

(Catalog of Federal Domestic Assistance Numbers 59002 and 59008).

**James E. Rivera,**  
Associate Administrator for Disaster Assistance.

[FR Doc. 2015-12372 Filed 5-20-15; 8:45 am]

**BILLING CODE 8025-01-P**

## SMALL BUSINESS ADMINISTRATION

### Administrator's Line of Succession Designation, No. 1-A, Revision 35

This document replaces and supersedes "Line of Succession Designation No. 1-A, Revision 34."

Line of Succession Designation No. 1-A, Revision 35: Effective immediately,