8011-01p
SECURITIES AND EXCHANGE COMMISSION
[SEC File No. 270-195; OMB Control No. 3235-0198]

Proposed Collection; 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: Rule 15c2-5


Rule 15c2-5 prohibits a broker-dealer from arranging or extending certain loans to persons in connection with the offer or sale of securities unless, before any element of the transaction is entered into, the broker-dealer: (1) delivers to the person a written statement containing the exact nature and extent of the person’s obligations under the loan arrangement; the risks and disadvantages of the loan arrangement; and all commissions, discounts, and other remuneration received and to be received in connection with the transaction by the broker-dealer or certain related persons (unless the person receives certain materials from the lender or broker-dealer which contain the required information); and (2) obtains from the person information on the person’s financial situation and needs, reasonably determines that the transaction is suitable
for the person, and retains on file and makes available to the person on request a written
statement setting forth the broker-dealer’s basis for determining that the transaction was suitable.
The collection of information required by Rule 15c2-5 is necessary to execute the Commission's
mandate under the Exchange Act to prevent fraudulent, manipulative, and deceptive acts and
practices by broker-dealers.

The Commission estimates that there are approximately 50 respondents that require an
aggregate total of 600 hours to comply with Rule 15c2-5. Each of these approximately 50
registered broker-dealers makes an estimated six annual responses, for an aggregate total of 300
responses per year. Each response takes approximately two hours to complete. Thus, the total
compliance burden per year is 600 burden hours. The approximate internal compliance cost per
hour is $63.00 for clerical labor, resulting in a total internal compliance cost of $37,800. These
reflect internal labor costs; there are no external labor, capital, or start-up costs.

Written comments are invited on: (a) whether the proposed collection of information is
necessary for the proper performance of the functions of the agency, including whether the
information will have practical utility; (b) the accuracy of the agency'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

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1 50 respondents x 6 responses per year x 2 hours per response = 600 hours per year.
2 50 respondents x 6 responses per year = 300 responses per year.
3 300 responses per year x 2 hours per response = 600 hours per year.
4 Cost per hour for a clerk is from SIFMA’s Office Salaries in the Securities Industry 2013, modified by Commission staff to account for an 1800-hour work-year, multiplied by 2.93 to account for bonuses, firm size, employee benefits and overhead, and adjusted by a factor of 1.0965 to account for inflation.
5 600 hours per year x $63.00 per hour = $37,800 per year.
information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

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: David Bottom, Director/Chief Information Officer, Securities and Exchange Commission, c/o Cynthia Roscoe, 100 F Street, NE, Washington, DC 20549, or send an e-mail to: PRA_Mailbox@sec.gov.


J. Matthew DeLesDernier, 
Assistant Secretary.

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