

Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-NYSEArca-2010-57 on the subject line.

Paper Comments

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549-1090.

All submissions should refer to File Number *SR-NYSEArca-2010-57*. This file number should be included on the subject line if e-mail 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 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. 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-NYSEArca-2010-57 and should be submitted on or before July 14, 2010.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁸

Florence E. Harmon,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-62350; File No. SR-NYSEArca-2010-49]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing of Proposed Rule Change and Amendment No. 1 Thereto Regarding Listing and Trading of the WisdomTree Emerging Markets Local Debt Fund

June 22, 2010.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act")¹ and Rule 19b-4 thereunder,² notice is hereby given that, on June 10, 2010, NYSE Arca, Inc. (the "Exchange" or "NYSE Arca") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. On June 18, 2010, the Exchange filed Amendment No. 1 to the proposed rule change. The Commission is publishing this notice to solicit comments on the proposed rule change, as amended, from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to list and trade the shares of the following fund of the WisdomTree Trust (the "Trust") under NYSE Arca Equities Rule 8.600 ("Managed Fund Shares"): WisdomTree Emerging Markets Local Debt Fund (the "Fund"). The shares of the Fund are collectively referred to herein as the "Shares." The text of the proposed rule change is available at the Exchange, the Commission's Public Reference Room, and <http://www.nyse.com>.

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 Exchange proposes to list and trade the Shares of the WisdomTree Emerging Markets Local Debt Fund under NYSE Arca Equities Rule 8.600, which governs the listing and trading of Managed Fund Shares on the Exchange.³ The Fund will be an actively managed exchange-traded fund. The Shares will be offered by the Trust, which was established as a Delaware statutory trust on December 15, 2005. The Trust is registered with the Commission as an investment company and the Fund has filed a registration statement on Form N-1A ("Registration Statement") with the Commission.⁴

Description of the Shares and the Fund

WisdomTree Asset Management, Inc. ("WisdomTree Asset Management") is the investment adviser ("Adviser") to the Fund.⁵ WisdomTree Asset Management is not affiliated with any broker-dealer. Mellon Capital Management Corporation ("MCM") serves as sub-adviser for the Fund ("Sub-Adviser"). The Bank of New York Mellon is the administrator, custodian and transfer agent for the Trust. ALPS Distributors, Inc. serves as the distributor for the Trust.⁶

³ The Commission approved NYSE Arca Equities Rule 8.600 and the listing and trading of certain funds of the PowerShares Actively Managed Funds Trust on the Exchange pursuant to Rule 8.600 in Securities Exchange Act Release No. 57619 (April 4, 2008), 73 FR 19544 (April 10, 2008) (SR-NYSEArca-2008-25). The Commission also previously approved listing and trading on the Exchange of a number of actively managed funds under Rule 8.600. *See, e.g.*, Securities Exchange Act Release Nos. 57801 (May 8, 2008), 73 FR 27878 (May 14, 2008) (SR-NYSEArca-2008-31) (order approving Exchange listing and trading of twelve actively-managed funds of the WisdomTree Trust); 58564 (September 17, 2008), 73 FR 55194 (September 24, 2008) (SR-NYSEArca-2008-86) (order approving Exchange listing and trading of WisdomTree Dreyfus Emerging Markets Fund).

⁴ *See* Post-Effective Amendment No. 32 to Registration Statement on Form N-1A for the Trust, dated March 19, 2010 (File Nos. 333-132380 and 811-21864), as amended June 8, 2010. The descriptions of the Fund and the Shares contained herein are based on information in the Registration Statement.

⁵ WisdomTree Investments, Inc. ("WisdomTree Investments") is the parent company of WisdomTree Asset Management.

⁶ The Commission has issued an order granting certain exemptive relief to the Trust under the Investment Company Act of 1940 (15 U.S.C. 80a-1) ("1940 Act"). *See* Investment Company Act Release No. 28171 (October 27, 2008) (File No. 812-13458). In compliance with Commentary .05 to NYSE Arca Equities Rule 8.600, which applies to Managed Fund Shares based on an international or global portfolio, the Trust's application for exemptive relief under the 1940 Act states that the

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

¹⁸ 17 CFR 200.30-3(a)(12).

Commentary .06 to Rule 8.600 provides that, if the investment adviser to the Investment Company issuing Managed Fund Shares is affiliated with a broker-dealer, such investment adviser shall erect a “fire wall” between the investment adviser and the broker-dealer with respect to access to information concerning the composition and/or changes to such Investment Company portfolio.⁷ In addition, Commentary .06 further requires that personnel who make decisions on the open-end fund’s portfolio composition must be subject to procedures designed to prevent the use and dissemination of material nonpublic information regarding the open-end fund’s portfolio. Commentary .06 to Rule 8.600 is similar to Commentary .03(a)(i) and (iii) to NYSE Arca Equities Rule 5.2(j)(3); however, Commentary .06 in connection with the establishment of a “fire wall” between the investment adviser and the broker-dealer reflects the applicable open-end fund’s portfolio, not an underlying benchmark index, as is the case with index-based funds. MCM is affiliated with multiple broker-dealers and has implemented a “fire wall” with respect to such broker-dealers regarding access to information concerning the composition and/or changes to the Fund’s portfolio.⁸ In addition, MCM

Fund will comply with the Federal securities laws in accepting securities for deposits and satisfying redemptions with redemption securities, including that the securities accepted for deposits and the securities used to satisfy redemption requests are sold in transactions that would be exempt from registration under the Securities Act of 1933 (15 U.S.C. 77a).

⁷ An investment adviser to an open-end fund is required to be registered under the Investment Advisers Act of 1940 (the “Advisers Act”). As a result, the Adviser and Sub-Adviser are subject to the provisions of Rule 204A–1 under the Advisers Act relating to codes of ethics. This Rule requires investment advisers to adopt a code of ethics that reflects the fiduciary nature of the relationship to clients as well as compliance with other applicable securities laws. Accordingly, procedures designed to prevent the communication and misuse of non-public information by an investment adviser must be consistent with Rule 204A–1 under the Advisers Act.

⁸ The Exchange represents that the Adviser and Sub-Adviser, and their related personnel, are subject to Investment Advisers Act Rule 204A–1. This Rule specifically requires the adoption of a code of ethics by an investment adviser to include, at a minimum: (i) Standards of business conduct that reflect the firm’s/personnel fiduciary obligations; (ii) provisions requiring supervised persons to comply with applicable Federal securities laws; (iii) provisions that require all access persons to report, and the firm to review, their personal securities transactions and holdings periodically as specifically set forth in Rule 204A–1; (iv) provisions requiring supervised persons to report any violations of the code of ethics promptly to the chief compliance officer (“CCO”) or, provided the CCO also receives reports of all violations, to other persons designated in the code of ethics; and (v) provisions requiring the investment adviser to provide each of the supervised persons with a copy

personnel who make decisions regarding the Fund’s portfolio are subject to procedures designed to prevent the use and dissemination of material nonpublic information regarding the Fund’s portfolio.

WisdomTree Emerging Markets Local Debt Fund

According to the Registration Statement, the Fund seeks to provide investors with a high level of total return consisting of both income and capital appreciation. The Fund is an actively managed exchange-traded fund (“ETF”) and is designed to provide exposure to a broad range of emerging market countries and issuers through investment in local currency debt instruments. A “local currency” debt instrument is a bond, note or other debt obligation denominated in a currency other than the U.S. dollar.

The Fund is designed to provide exposure to a broad range of emerging market countries.⁹ The Fund intends to invest in issuers in Asia, Latin America, Eastern Europe, Africa and the Middle East. Likely country exposures include Brazil, Chile, Colombia, Hungary,

of the code of ethics with an acknowledgement by said supervised persons. In addition, Rule 206(4)–7 under the Advisers Act makes it unlawful for an investment adviser to provide investment advice to clients unless such investment adviser has (i) adopted and implemented written policies and procedures reasonably designed to prevent violation, by the investment adviser and its supervised persons, of the Advisers Act and the Commission rules adopted thereunder; (ii) implemented, at a minimum, an annual review regarding the adequacy of the policies and procedures established pursuant to subparagraph (i) above and the effectiveness of their implementation; and (iii) designated an individual (who is a supervised person) responsible for administering the policies and procedures adopted under subparagraph (i) above.

⁹ According to the Registration Statement, while there is no universally accepted definition of what constitutes an “emerging market,” in general, emerging market countries are characterized by developing commercial and financial infrastructure with significant potential for economic growth and increased capital market participation by foreign investors. The Adviser and Sub-Adviser look at a variety of commonly-used factors when determining whether a country is an “emerging” market. In general, the Adviser and Sub-Adviser consider a country to be an emerging market if:

(1) It is either (a) classified by the World Bank in the lower middle or upper middle income designation for one of the past 3 years (*i.e.*, per capita gross national product of less than U.S. \$9,385), or (b) classified by the World Bank as high income in each of the last three years, but with a currency that has been primarily traded on a non-delivered basis by offshore investors (*e.g.*, Korea and Taiwan); and

(2) The country’s debt market is considered relatively accessible by foreign investors in terms of capital flow and settlement considerations; and

(3) The country has issued the equivalent of \$5 billion in local currency sovereign debt. The criteria used to evaluate whether a country is an “emerging market” will change from time to time based on economic and other events.

Indonesia, Israel, Malaysia, Mexico, Peru, Poland, Russia, South Africa, South Korea, Thailand and Turkey. The Fund intends to invest at least 70% of its net assets in debt instruments denominated in a currency other than the U.S. dollar issued by emerging market governments, government agencies, corporations and supranational issuers (“Debt Instruments”). “Supranational issuers” include international organizations such as the European Investment Bank, International Bank for Reconstruction and Development, International Finance Corporation, or other regional development banks.¹⁰ The Fund expects to invest up to 20% of its net assets in emerging market corporate bonds. The Fund will invest only in corporate bonds that the Adviser or Sub-Adviser deems to be sufficiently liquid. Generally a corporate bond must have \$200 million or more par amount outstanding and significant par value traded to be considered as an eligible investment.¹¹ The Fund is designed to

¹⁰ The category of “emerging market bonds” includes both U.S. dollar-denominated debt and non-U.S. or “local” currency debt. The market for local currency debt is larger and more actively traded than the market for dollar-denominated debt. According to the Emerging Markets Traders Association, the total dollar amount of emerging market debt instruments traded in 2009 was \$4.445 trillion. Turnover in local currency debt instruments in 2009 was \$2.870 trillion and accounted for approximately 65% of the total turnover in emerging market bonds. (Source: Emerging Markets Traders Association Press Release, March 8, 2010. Additional information relating to emerging market corporate bonds is available at: <http://www.emta.org>.) As of September 30, 2009, the total market capitalization of emerging market local currency sovereign debt in the J.P. Morgan Government Bonds Index—Emerging Markets (“GBI-EM”) was \$625 billion. The GBI-EM is a widely followed index of regularly traded, liquid, fixed-rate domestic currency government bonds. As of the same date, the market capitalization of emerging market dollar-denominated bonds in the J.P. Morgan Emerging Markets Bond Index (“EMBI”) was \$326 billion. The EMBI is a widely followed index of U.S. dollar denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities. (Source: J.P. Morgan as of September 30, 2009). The Adviser represents that sovereign debt of many emerging market countries is issued in large par size and tends to be very liquid. Locally-denominated debt issued by supra-national entities is also actively traded. Intra-day, executable price quotations on such instruments are available from major broker-dealer firms. Intra-day price information is available through subscription services, such as Bloomberg and Thomson Reuters, which can be accessed by Authorized Participants and other investors.

¹¹ The Adviser represents that the size and liquidity of the market for emerging market bonds, and in particular corporate bonds, generally has been increasing in recent years. The aggregate dollar amount of emerging market corporate bonds traded in 2009 was \$514 billion, representing a 32% increase over the \$380 billion traded in 2008. Turnover in emerging market corporate debt

Continued

provide exposure to a broad range of emerging market countries and issuers. Economic and other conditions in specific countries may, from time to time, lead to a decrease in the average par amount outstanding of bond issuances. Therefore, although the Fund does not intend to do so, the Fund may invest up to 5% of its net assets in corporate bonds with less than \$200 million par amount outstanding if (i) the Adviser or Sub-Adviser deems such security to be sufficiently liquid based on its analysis of the market for such security (based on, for example, broker-dealer quotations or its analysis of the trading history of the security or the trading history of other securities issued by the issuer), (ii) such investment is consistent with the Fund's goal of providing exposure to a broad range of countries and issuers, and (iii) such investment is deemed by the Adviser or Sub-Adviser to be in the best interest of the Fund.

According to the Registration Statement, the Fund typically will maintain aggregate portfolio duration of between 2 and 7 years. Aggregate portfolio duration is a measure of the portfolio's sensitivity to changes in the level of interest rates. The Fund's actual portfolio duration may be longer or shorter depending upon market conditions.

The universe of emerging markets local currency debt currently includes securities that are rated "investment grade" as well as "non-investment grade" securities. The Fund is designed to provide a broad-based, representative exposure to emerging market debt and therefore will invest in both investment grade and non-investment grade securities in a manner designed to provide this exposure. The Fund currently expects that it will have 75% or more of its assets invested in investment grade securities, and no more than 25% of its assets invested in non-investment grade securities. Because the Fund is designed to provide exposure to a broad range of emerging market countries and issuers, and because the debt ratings of such countries and issuers will change from

time to time, the exact percentage of the Fund's investments in investment grade and non-investment grade debt will change from time to time in response to economic events and changes to the credit ratings of such government and corporate issuers. Within the non-investment grade category some issuers and instruments are considered to be of lower credit quality and at higher risk of default. In order to limit its exposure to these more speculative credits, the Fund will not invest more than 15% of its assets in securities rated B or below by Moody's, or equivalently rated by S&P or Fitch. The Fund does not intend to invest in unrated securities. However, it may do so to a limited extent, such as where a rated security becomes unrated, if such security is determined by the Adviser and Sub-Adviser to be of comparable quality. In determining whether a security is of "comparable quality," the Adviser and Sub-Adviser will consider, for example, whether the issuer of the security has issued other rated securities.

All money market securities acquired by the Fund will be rated investment grade or, if unrated, deemed to be of equivalent quality. The Fund does not intend to invest in any unrated money market securities.

The Fund will not concentrate 25% or more of the value of its total assets (taken at market value at the time of each investment) in any one industry, as that term is used in the 1940 Act (except that this restriction does not apply to obligations issued by the U.S. government, or any non-U.S. government, or their respective agencies and instrumentalities or government-sponsored enterprises).

The Fund intends to qualify each year as a regulated investment company (a "RIC") under Subchapter M of the Internal Revenue Code of 1986, as amended. The Fund will invest its assets, and otherwise conduct its operations, in a manner that is intended to satisfy the qualifying income, diversification and distribution requirements necessary to establish and maintain RIC qualification under Subchapter M.

In addition to satisfying the above referenced RIC diversification requirements, no portfolio security held by the Fund (other than U.S. government securities and non-U.S. government securities) will represent more than 30% of the weight of the Fund and the five highest weighted portfolio securities of the Fund (other than U.S. government securities and/or non-U.S. government securities) will not in the aggregate account for more than 65% of the weight of the Fund. For

these purposes, the Fund may treat repurchase agreements collateralized by U.S. government securities or non-U.S. government securities as U.S. or non-U.S. government securities, as applicable.

The Fund will invest, under normal circumstances, at least 80% of the value of its net assets in investments that are tied economically to the particular country or geographic region suggested by the Fund's name (*i.e.*, emerging markets).

With respect to its limited investments in instruments other than Debt Instruments, the Fund may purchase short-term obligations issued or guaranteed by the U.S. Treasury or the agencies or instrumentalities of the U.S. government; may invest in short-term securities issued or guaranteed by non-U.S. governments, agencies and instrumentalities; may invest in deposits and other obligations of U.S. and non-U.S. banks and financial institutions; may invest in deposits and obligations of banks and financial institutions including certificates of deposit, time deposits, and bankers' acceptances.

The Fund also may invest in corporate debt obligations with less than 397 calendar days remaining to maturity, and may purchase floating rate and adjustable rate obligations, such as demand notes, bonds, and commercial paper. The Fund may pursue its investment objective by investing some of its assets in other WisdomTree Funds based on foreign currencies, as described in the Registration Statement.

The Fund may use derivative instruments as part of its investment strategies. The examples of derivative instruments include forward currency contracts, non-deliverable forward currency contracts, currency and interest rate swaps, currency options, futures contracts, options on futures contracts and swap agreements. The Fund's use of derivative instruments will be underpinned by investments in short term, high-quality U.S. money market securities. The Fund expects that no more than 30% of the value of the Fund's net assets will be invested in derivative instruments. Such investments will be consistent with the Fund's investment objective and will not be used to enhance leverage.

With respect to certain kinds of derivative transactions entered into by the Fund that involve obligations to make future payments to third parties, including, but not limited to, futures, forward contracts, swap contracts, the purchase of securities on a when-issued or delayed delivery basis, or reverse repurchase agreements, under

accounted for 12% of the overall volume of emerging market debt of \$4.445 trillion in 2009, an increase over the 9% share in 2008. (Source: Emerging Markets Traders Association Press Release, March 8, 2010.) Additional information relating to emerging market corporate bonds is available at: <http://www.emta.org>. Emerging market corporate bond issuance in 2010 was \$68 billion (through March). Local currency issuance made up 72% of the total \$68 billion. (Source: *Emerging Markets Bonds Come of Age*, Corporate Financing Week, March 2010 (<http://www.corporatefinancingweek.com/file/87470/emerging-market-bond-markets-come-of-age.html>)).

applicable Federal securities laws, rules, and interpretations thereof, the Fund must “set aside” liquid assets, or engage in other measures to “cover” open positions with respect to such transactions.

The Fund may engage in foreign currency transactions, and may invest directly in foreign currencies in the form of bank and financial institution deposits, certificates of deposit, and bankers acceptances denominated in a specified non-U.S. currency. The Fund may enter into forward currency contracts in order to “lock in” the exchange rate between the currency it will deliver and the currency it will receive for the duration of the contract.

The Fund may enter into swap agreements, including interest rate swaps and currency swaps, and may buy or sell put and call options on foreign currencies either on exchanges or in the over-the-counter market. The Fund may enter into repurchase agreements with counterparties that are deemed to present acceptable credit risks, and may enter into reverse repurchase agreements, which involve the sale of securities held by the Fund subject to its agreement to repurchase the securities at an agreed upon date or upon demand and at a price reflecting a market rate of interest.

The Fund may invest in the securities of other investment companies (including money market funds and ETFs). The Fund may invest up to an aggregate amount of 10% of its net assets in illiquid securities. Illiquid securities include securities subject to contractual or other restrictions on resale and other instruments that lack readily available markets.

The Fund will not invest in non-U.S. equity securities.

The Shares

The Fund issues and redeems Shares on a continuous basis at net asset value (“NAV”) ¹² only in large blocks of Shares (“Creation Units”) in transactions with authorized participants. Currently, Creation Units generally consist of 100,000 Shares, though this may change from time to time. Creation Units are not expected to consist of less than 50,000 Shares. The Fund generally issues and redeems Creation Units in exchange for a portfolio of money market securities

¹² The NAV of the Fund’s Shares generally is calculated once daily Monday through Friday as of the close of regular trading on the New York Stock Exchange, generally 4 p.m. Eastern time (the “NAV Calculation Time”). NAV per Share is calculated by dividing the Fund’s net assets by the number of Fund Shares outstanding. For more information regarding the valuation of Fund investments in calculating the Fund’s NAV, see the Registration Statement.

closely approximating the holdings of the Fund or a designated basket of non-U.S. currency and/or an amount of U.S. cash. Once created, Shares of the Fund trade on the secondary market in amounts less than a Creation Unit.

Additional information regarding the Shares and the Fund, including investment strategies, risks, creation and redemption procedures, fees, portfolio holdings disclosure policies, distributions and taxes is included in the Registration Statement.

Availability of Information

The Fund’s Web site (<http://www.wisdomtree.com>), which will be publicly available prior to the public offering of Shares, will include a form of the Prospectus for the Fund that may be downloaded. The Web site will include additional quantitative information updated on a daily basis, including, for the Fund: (1) The prior business day’s reported NAV, mid-point of the bid/ask spread at the time of calculation of such NAV (the “Bid/Ask Price”),¹³ and a calculation of the premium and discount of the Bid/Ask Price against the NAV; and (2) data in chart format displaying the frequency distribution of discounts and premiums of the daily Bid/Ask Price against the NAV, within appropriate ranges, for each of the four previous calendar quarters. On each business day, before commencement of trading in Shares in the Core Trading Session ¹⁴ on the Exchange, the Trust will disclose on its Web site the identities and quantities of the portfolio of securities and other assets (the “Disclosed Portfolio”) held by the Fund that will form the basis for the Fund’s calculation of NAV at the end of the business day.¹⁵ The Disclosed Portfolio will include, as applicable, the names, quantity, percentage weighting and market value of securities, and other assets held by the Fund and the characteristics of such assets. The Web

¹³ The Bid/Ask Price of the Fund is determined using the midpoint of the highest bid and the lowest offer on the Exchange as of the time of calculation of such Fund’s NAV. The records relating to Bid/Ask Prices will be retained by the Fund and its service providers.

¹⁴ The Core Trading Session is 9:30 a.m. to 4 p.m. Eastern time.

¹⁵ Under accounting procedures followed by the Fund, trades made on the prior business day (“T”) will be booked and reflected in NAV on the current business day (“T+1”). Notwithstanding the foregoing, portfolio trades that are executed prior to the opening of the Exchange on any business day may be booked and reflected in NAV on such business day. Accordingly, the Fund will be able to disclose at the beginning of the business day the portfolio that will form the basis for the NAV calculation at the end of the business day.

site and information will be publicly available at no charge.

In addition, for the Fund, an estimated value, defined in Rule 8.600 as the “Portfolio Indicative Value,” that reflects an estimated intraday value of the Fund’s portfolio, will be disseminated. The Portfolio Indicative Value will be based upon the current value for the components of the Disclosed Portfolio and will be updated and disseminated by one or more major market data vendors at least every 15 seconds during the Core Trading Session on the Exchange. In addition, during hours when the markets for securities in the Fund’s portfolio are closed, the Portfolio Indicative Value will be updated at least every 15 seconds during the Core Trading Session to reflect currency exchange fluctuations.

The dissemination of the Portfolio Indicative Value, together with the Disclosed Portfolio, will allow investors to determine the value of the underlying portfolio of the Fund on a daily basis and to provide a close estimate of that value throughout the trading day.

Information regarding market price and volume of the Shares is and will be continually available on a real-time basis throughout the day on brokers’ computer screens and other electronic services. The previous day’s closing price and trading volume information will be published daily in the financial section of newspapers. Quotation and last sale information for the Shares will be available via the Consolidated Tape Association high-speed line.

Initial and Continued Listing

The Shares will be subject to Rule 8.600(d), which sets forth the initial and continued listing criteria applicable to Managed Fund Shares. The Exchange represents that, for initial and/or continued listing, the Shares must be in compliance with Rule 10A-3 under the Exchange Act,¹⁶ as provided by NYSE Arca Equities Rule 5.3. A minimum of 100,000 Shares will be outstanding at the commencement of trading on the Exchange. The Exchange will obtain a representation from the issuer of the Shares that the net asset value and the Disclosed Portfolio will be made available to all market participants at the same time.

Trading Halts

With respect to trading halts, the Exchange may consider all relevant factors in exercising its discretion to halt or suspend trading in the Shares of the Fund. Shares of the Fund will be

¹⁶ See 17 CFR 240.10A-3.

halted if the “circuit breaker” parameters in NYSE Arca Equities Rule 7.12 are reached. Trading may be halted because of market conditions or for reasons that, in the view of the Exchange, make trading in the Shares inadvisable. These may include: (1) The extent to which trading is not occurring in the securities comprising the Disclosed Portfolio and/or the financial instruments of the Fund; or (2) whether other unusual conditions or circumstances detrimental to the maintenance of a fair and orderly market are present. Trading in the Shares will be subject to Rule 8.600(d)(2)(D), which sets forth circumstances under which Shares of the Fund may be halted.

Trading Rules

The Exchange deems the Shares to be equity securities, thus rendering trading in the Shares subject to the Exchange’s existing rules governing the trading of equity securities. Shares will trade on the NYSE Arca Marketplace from 4 a.m. to 8 p.m. Eastern time in accordance with NYSE Arca Equities Rule 7.34 (Opening, Core, and Late Trading Sessions). The Exchange has appropriate rules to facilitate transactions in the Shares during all trading sessions.

Surveillance

The Exchange intends to utilize its existing surveillance procedures applicable to derivative products (which includes Managed Fund Shares) to monitor trading in the Shares. The Exchange represents that these procedures are adequate to properly monitor Exchange trading of the Shares in all trading sessions and to deter and detect violations of Exchange rules and applicable Federal securities laws.

The Exchange’s current trading surveillance focuses on detecting securities trading outside their normal patterns. When such situations are detected, surveillance analysis follows and investigations are opened, where appropriate, to review the behavior of all relevant parties for all relevant trading violations.

The Exchange may obtain information via the Intermarket Surveillance Group (“ISG”) from other exchanges who are members of the ISG.¹⁷

In addition, the Exchange also has a general policy prohibiting the distribution of material, non-public information by its employees.

¹⁷ For a list of the current members of ISG, see <http://www.isgportal.org>. The Exchange notes that not all of the components of the Disclosed Portfolio for the Fund may trade on exchanges that are members of the ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement.

Information Bulletin

Prior to the commencement of trading, the Exchange will inform its ETP Holders in an Information Bulletin (“Bulletin”) of the special characteristics and risks associated with trading the Shares. Specifically, the Bulletin will discuss the following: (1) The procedures for purchases and redemptions of Shares in Creation Unit aggregations (and that Shares are not individually redeemable); (2) NYSE Arca Equities Rule 9.2(a), which imposes a duty of due diligence on its ETP Holders to learn the essential facts relating to every customer prior to trading the Shares; (3) the risks involved in trading the Shares during the Opening and Late Trading Sessions when an updated Portfolio Indicative Value will not be calculated or publicly disseminated; (4) how information regarding the Portfolio Indicative Value is disseminated; (5) the requirement that ETP Holders deliver a prospectus to investors purchasing newly issued Shares prior to or concurrently with the confirmation of a transaction; and (6) trading information.

In addition, the Bulletin will reference that the Fund is subject to various fees and expenses described in the Registration Statement. The Bulletin will discuss any exemptive, no-action, and interpretive relief granted by the Commission from any rules under the Exchange Act. The Bulletin will also disclose that the NAV for the Shares will be calculated after 4:00 p.m. Eastern time each trading day.

2. Statutory Basis

The basis under the Exchange Act for this proposed rule change is the requirement under Section 6(b)(5)¹⁸ that an exchange have rules that are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to, and perfect the mechanism of a free and open market and, in general, to protect investors and the public interest. The Exchange believes that the proposed rule change will facilitate the listing and trading of additional types of exchange-traded products that will enhance competition among market participants, to the benefit of investors and the marketplace. In addition, the listing and trading criteria set forth in Rule 8.600 are intended to protect investors and the public interest.

¹⁸ 15 U.S.C. 78f(b)(5).

B. Self-Regulatory Organization’s Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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

No written comments were solicited or received with respect to the proposed rule change.

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

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) By order approve the 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 e-mail to rule-comments@sec.gov. Please include File Number SR–NYSEArca–2010–49 on the subject line.

Paper Comments

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–NYSEArca–2010–49. This file number should be included on the subject line if e-mail 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 a.m. and 3 p.m. Copies of such 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-NYSEArca-2010-49 and should be submitted on or before July 20, 2010.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁹

Florence E. Harmon,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-62353; File No. SR-NYSEArca-2010-53]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by NYSE Arca, Inc. Adopting NYSE Arca Equities Rule 0 To Provide That Certain References in Exchange Rules Should Be Understood to Also Include FINRA, as Applicable

June 22, 2010.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (the "Act")² and Rule 19b-4 thereunder,³ notice is hereby given that, on June 14, 2010, NYSE Arca, Inc. (the "Exchange" or "NYSE Arca") 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 adopt NYSE Arca Equities Rule 0 to provide that certain references in Exchange rules should be understood to also include FINRA, as applicable. The text of the proposed rule change is available at the Exchange, the Commission's Web site at <http://www.sec.gov>, the Commission's Public Reference Room, and <http://www.nyse.com>.

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 proposed rule change is to establish Rule 0 to provide that certain references in Exchange rules should be understood to also include FINRA, as applicable. Specifically, proposed Rule 0 sets forth that the Exchange and FINRA are parties to a Regulatory Services Agreement ("RSA") pursuant to which FINRA has agreed to perform certain of the Exchange's member regulatory functions on behalf of the Exchange⁴ and that Exchange rules that refer to NYSE Regulation, Inc., NYSE Regulation staff or departments, Exchange staff, and Exchange departments should be understood as also referring to FINRA staff and FINRA departments acting on behalf of the Exchange pursuant to the RSA, as applicable. The proposed amendment further provides that notwithstanding that the Exchange has entered into an RSA with FINRA to perform certain of the Exchange's member regulatory

functions, the Exchange shall retain ultimate legal responsibility for, and control of, such functions.

Background

NYSE Group, NYSE Regulation, Inc. ("NYSE Regulation"), NYSE Arca, New York Stock Exchange LLC ("NYSE"), and NYSE Amex LLC ("NYSE Amex") (collectively, the "NYSE Group Exchanges") anticipate entering into an RSA and an allocation plan pursuant to Section 17(d)(1) of the Securities Exchange Act of 1934 and Rule 17d-2 thereunder that together, when effective, will result in consolidating with FINRA essentially all member regulatory functions that are currently performed by NYSE Regulation on behalf of the Exchange and the other NYSE Group Exchanges.⁵ The evolution and increasing fragmentation of the securities markets has heightened the need for effective cross-market, cross-product oversight, and the Exchange believes that as a centralized regulatory utility, FINRA is well positioned to perform such consolidated regulatory services. Among other things, FINRA will conduct examinations and surveillance of member and member firm conduct under Exchange rules, investigate and enforce violations of Exchange rules, and conduct disciplinary proceedings arising out of such enforcement actions. NYSE Regulation currently performs the Exchange's regulatory functions pursuant to a regulatory services agreement.⁶

Proposed Rule

In connection with the FINRA Consolidation, the Exchange proposes to establish NYSE Arca Equities Rule 0. As proposed, Rule 0 sets forth that (i) the Exchange and FINRA are parties to an RSA pursuant to which FINRA has agreed to perform certain of the Exchange's member regulatory functions on behalf of the Exchange; and (ii) Exchange rules that refer to NYSE Regulation, Inc., NYSE Regulation staff or departments, Exchange staff, and Exchange departments should be understood as also referring to FINRA staff and FINRA departments acting on behalf of the Exchange pursuant to the RSA, as applicable. Additionally, proposed Rule 0 would set forth that

⁵ NYSE Regulation will continue to have ultimate authority (as between itself and FINRA) regarding the proper interpretation of the rules of the NYSE Group Exchanges. NYSE Regulation will also continue to be responsible for listing regulation at the NYSE Exchanges.

⁶ NYSE Regulation currently performs the regulatory functions of NYSE Arca and NYSE Amex pursuant to RSAs and of NYSE pursuant to delegated authority.

¹⁹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

⁴ The Exchange and FINRA are also party to an allocation plan pursuant to Section 17(d)(1) of the Securities Exchange Act of 1934 and Rule 17d-2 thereunder.