default of a member on NSCC's Watch List with family-issued securities under normal market conditions. As such, the Commission believes that the proposal is consistent with Rule 17Ad–22(b)(1).

Consistency with Rule 17Ad–22(b)(2). Rule 17Ad–22(b)(2) [23] under the Exchange Act requires a CCP, such as NSCC, to ''establish, implement, maintain and enforce written policies and procedures reasonably designed to . . . [u]se margin requirements to limit its credit exposures to participants under normal market conditions and use risk-based models and parameters to set margin requirements . . . .'' By enhancing the margin methodology applied to family-issued securities of NSCC's members that are on its Watch List, the proposal will better account for and cover NSCC's credit exposure to less creditworthy members. In addition, by taking into account specific wrong-way risk arising from family-issued securities submitted to NSCC, the proposal is consistent with using risk based models and parameters to set margin requirements. As such, the Commission believes that the proposal is consistent with Rule 17Ad–22(b)(2).

III. Conclusion

It is therefore noticed, pursuant to Section 806(e)(1)(I) of the Payment, Clearing and Settlement Supervision Act,[24] that the Commission *does not object* to Advance Notice and that NSCC is *authorized* to implement the proposal.

By the Commission.

Robert W. Errett,

Deputy Secretary.

[FR Doc. 2015–25700 Filed 10–8–15; 8:45 am]

BILLING CODE 8011–01–P

[23] 17 CFR 240.17Ad–22(b)(2).

[24] 12 U.S.C. 5465(e)(1)(I).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–76081; File No. 265–29]

Equity Market Structure Advisory Committee

AGENCY: Securities and Exchange Commission.

ACTION: Notice of meeting.

SUMMARY: The Securities and Exchange Commission Equity Market Structure Advisory Committee is providing notice that it will hold a public meeting on Tuesday, October 27, 2015, in Multi-Purpose Room LL–006 at the Commission's headquarters, 100 F Street NE., Washington, DC The meeting will begin at 9:30 a.m. (EDT) and will be open to the public, except for a period of approximately 60 minutes when the Committee will meet in an administrative work session during lunch. The public portions of the meeting will be webcast on the Commission's Web site at *www.sec.gov*. Persons needing special accommodations to take part because of a disability should notify the contact person listed below. The public is invited to submit written statements to the Committee. The meeting will focus on Rule 610 of SEC Regulation NMS and the regulatory structure of trading venues.

DATES: The public meeting will be held on Tuesday, October 27, 2015. Written statements should be received on or before October 22, 2015.

ADDRESSES: The meeting will be held at the Commission's headquarters, 100 F Street NE., Washington, DC. Written statements may be submitted by any of the following methods:

Electronic Statements

- Use the Commission's Internet submission form (*http://www.sec.gov/rules/other.shtml*); or
- Send an email message to *rule-comments@sec.gov*. Please include File Number 265–29 on the subject line; or

Paper Statements

- Send paper statements in triplicate to Brent J. Fields, Federal Advisory Committee Management Officer, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File No. 265–29. This file number should be included on the subject line if email is used. To help us process and review your statement more efficiently, please use only one method. The Commission will post all statements on the Commission's Internet Web site at SEC Web site at (*http://www.sec.gov/comments/265–29/265–29.shtml*).

Statements also will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Room 1580, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. All statements 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: Arisa Tinaves Kettig, Special Counsel, at (202) 551–5676, Division of Trading and Markets, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–7010.

SUPPLEMENTARY INFORMATION: In accordance with Section 10(a) of the Federal Advisory Committee Act, 5 U.S.C.–App. 1, and the regulations thereunder, Stephen Luparello, Designated Federal Officer of the Committee, has ordered publication of this notice.

Dated: October 6, 2015.

Brent J. Fields,

Committee Management Officer.

[FR Doc. 2015–25759 Filed 10–8–15; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–76078: File No. SR–FINRA–2015–020]

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Order Approving a Proposed Rule Change, as Amended by Amendment No. 1, To Expand FINRA's Alternative Trading System Transparency Initiative by Publishing OTC Equity Volume Executed Outside ATSs

October 5, 2015.

I. Introduction

On June 23, 2015, the Financial Industry Regulatory Authority, Inc. (''FINRA'') filed with the Securities and Exchange Commission (''Commission''), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'') [1] and Rule 19b–4 thereunder,[2] a proposed rule change to amend Rule 6110, Trading Otherwise than on an Exchange and 6610 regarding the OTC Reporting Facility to expand FINRA's alternative trading system (''ATS'') transparency initiative. The changes would provide for publication of the remaining equity volume executed over-the-counter (''OTC'') by FINRA members, including activity in non-ATS electronic trading systems and internalized trades. The proposed rule change was published for comment in the **Federal Register** on July 9, 2015.[3] The Commission received two comments on the proposal.[4] FINRA

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 75356 (July 2, 2015), 80 FR 39463 (''Notice''). The Notice contains a detailed description of the proposal.

[4] *See* letter from Kerry Baker Relf, Head of Content Acquisition and Rights Management, Thomson Reuters to Brent J. Fields, Secretary, Commission, dated July 20, 2015, (''Thomson Reuters Letter'') and letter from Theodore R. Lazo, Managing Director and Associate General Counsel,

responded to the comments and amended the proposed rule change on September 22, 2015.[5] This order approves the proposed rule change, as amended.

II. Description of the Proposed Rule Change

Under FINRA rules, each member operating an ATS must report its weekly volume, by security, to FINRA.[6] FINRA makes the reported volume and trade count information for equity securities publicly available on its Web site. FINRA is proposing to amend Rules 6110 and 6610 to make public the remaining OTC equity (''non-ATS'') volume by member firm and security, which FINRA will publish.[7] FINRA believes the proposed rule change will make the OTC market more transparent and will enable the public to better understand firms' off-exchange equity trading activity as investors will be able to review the proposed non-ATS volume together with the current ATS volume reports, which effectively encompass all equity volume effected OTC.

FINRA will derive a firm's non-ATS volume information from OTC trades reported to its equity trade reporting facilities.[8] FINRA will base a firm's non-ATS volume on trades reported for dissemination purposes (''tape reports'') on which the firm is identified as the member with the trade reporting obligation.[9]

FINRA will publish on its Web site weekly volume information (number of trades and shares) by firm and security, with the exceptions noted below, on a two-week or four-week delayed basis—the same time frames specified for ATS volume publication.[10] Specifically, volume information would be published on a two-week delayed basis for NMS stocks in Tier 1 under the NMS Plan to Address Extraordinary Market Volatility [11] and on a four-week delayed basis for all other NMS stocks and OTC Equity Securities.[12] FINRA also will publish aggregate volume totals across all NMS stocks and aggregate volume totals across all OTC Equity Securities for each calendar month, on a one-month delayed basis.[13]

FINRA will publish non-ATS volume information at the firm level rather than on an MPID-by-MPID basis [14] because outside the ATS context, not all firms have a separate MPID for each unique trading center at the firm. Thus, publishing volume information at the MPID level might not provide meaningful or consistent information to the marketplace. For members that use more than one MPID for their non-ATS trading, FINRA will aggregate and publish the non-ATS trading volume for all non-ATS MPIDs belonging to the firm under a single ''parent'' identifier or firm name.[15]

FINRA does not believe that publishing volume information for each firm that executed only a small number of trades or shares in any given period would provide meaningful information to the marketplace. Accordingly, FINRA will combine volume from all members that do not meet a specified minimum threshold and publish the volume information for those members on an aggregated basis. For example, if five firms each execute 10 trades in the reporting period in a security, their 50 trades would be aggregated and published as a single line item; the firms and their volume information would not be identified separately. For a firm with more than one non-ATS MPID, the total volume across all of its non-ATS MPIDs would be combined to determine whether the *de minimis* threshold has been met.[16]

FINRA is proposing to establish a *de minimis* threshold of fewer than on average 200 non-ATS transactions per day executed by the firm across all securities (for displaying aggregate volume across all securities by firm) or in a specific security (for displaying volume in a particular security by firm) during the one-week reporting period.[17] Based on its review of a one-week period in June 2014, FINRA states that absent this threshold, approximately 300 individual firms would have had volume attributed by name, versus only 62 firms if the threshold had been applied.[18] Moreover, those 62 firms would account for 98.99 percent of all trading volume.[19] Thus, if a firm averages fewer than 200 non-ATS transactions per day across all securities during the reporting period, FINRA would aggregate the firm's volume with that of similarly situated firms when displaying aggregate volume across all securities by firm. Additionally, because the published volume data would also be organized by security, if a firm averaged fewer than 200 non-ATS transactions per day in a given security during the reporting period, FINRA would aggregate the firm's volume in that security with that of similarly situated firms, even if the firm averages more than 200 non-ATS transactions per day across all securities during the reporting period. Thus, FINRA would publish all of the OTC volume, but volume for members meeting the *de minimis* threshold would not be attributed by name.[20] FINRA will not charge a fee for the data published pursuant to the proposed rule change; it will be publicly available on FINRA's Web site in a downloadable format.[21]

III. Discussion and Findings

After carefully considering the proposed rule change, the comments submitted, and FINRA's response to the comments, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder

Securities Industry and Financial Markets Association, to Brent J. Fields, Secretary, Commission, dated July 30, 2015, (''SIFMA Letter'').

[5] *See* letter from Lisa C. Horrigan, Associate General Counsel, FINRA, to Robert W. Errett, Deputy Secretary, Commission, (''FINRA Response Letter'').

[6] Notice, *supra* note 3, at 39464. *See also* FINRA Rule 4552.

[7] Notice, *supra* note 3, at 39464.

[8] *Id.* at 39464. There are four equity trade reporting facilities: The Alternative Display Facility, the two Trade Reporting Facilities (''TRFs''), and the OTC Reporting Facility. Members report OTC transactions in NMS stocks to the ADF and the TRFs. Members report transactions in ''OTC Equity Securities,'' as well as transactions in Restricted Equity Securities, effected pursuant to Rule 144A, under the Securities Act of 1933, to the OTC Reporting Facility. *Id.* at 39464 n.5.

[9] *Id.* at 39464. A firm's published trading volume information would exclude trades for which the firm is the reported contra-party and trades that are reported for regulatory or clearing purposes only (''non-tape reports''). *Id.*

[10] *Id.* at 39464.

[11] Tier 1 NMS stocks include those NMS stocks in the S&P 500 Index or the Russell 1000 Index and certain ETPs. *See id.* at 39464 n.8. FINRA will make changes to the Tier 1 NMS stocks in accordance with the Indices. *Id.*

[12] Non-ATS volume data will be displayed in the same format in which ATS volume data is displayed today, *i.e.,* aggregate volume for each firm across all NMS stocks (Tier 1 and all other NMS stocks) and OTC equity securities; aggregate volume for each security across all firms; and volume for each security by each firm (except with respect to the *de minimis* volume discussed below). *See id.* at 39464 n.9.

[13] *Id.* at 39464.

[14] Under FINRA rules for ATS reporting, members must use an MPID for reporting order and trade information. *Id.* An ''MPID'' is a unique market participant identifier.

[15] *Id.* at 39464. FINRA is able to identify all MPIDs belonging to a given firm based on currently available information, and as such, members will not have a new reporting obligation as a result of this proposal. *Id.* at 39464 n.11. FINRA also notes that a firm's ATS volume will continue to be published separately under the unique MPID(s) for each ATS operated by the firm. *Id.* at 39464.

[16] *Id.*

[17] *Id.* FINRA states that it based this proposed threshold on the level of trading activity used by the Commission to identify ''small market makers'' for purposes of exemptive relief from Rule 605 of Regulation NMS. *Id.* FINRA also proposes a technical change to the proposed rule text to clarify that the *de minimis* threshold will be applied for purposes of the monthly non-ATS volume information. *See* FINRA Response Letter at 3–4, 7.

[18] *Id.*

[19] *Id.* at 39464–65.

[20] *Id.*

[21] *Id.*

applicable to a national securities association.[22] In particular, the Commission finds that the proposed rule change is consistent with Section 15A(b)(6) of the Act,[23] which requires, among other things, that FINRA rules be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest, because the proposed rule change will make the OTC market more transparent by providing trade and quotation information on non-ATS trading.

The Commission received two comment letters expressing general support for the proposal.[24] The Thomson Reuters Letter supports the proposal, noting that there is interest both on the buy-side and the sell-side in ATS data and additional OTC data.[25] The SIFMA Letter supports the proposal but makes certain suggestions.[26]

The Commission believes that the stated objectives of the proposal—to expand transparency by publishing the remaining equity volume executed OTC by FINRA members, including non-ATS electronic trading systems and internalized trades—further the purposes of the Act. By enhancing transparency concerning non-ATS OTC equity volume information, the proposal is designed to help prevent fraudulent and manipulative acts and practices and to protect investors and the public interest. Publishing this weekly volume data, organized by firm and by security, would increase the amount of information that is publicly available concerning OTC equity trading occurring off of ATSs. As commenters noted, such added transparency would facilitate better understanding of OTC trading. Further, the proposal would not impose any additional reporting requirements on firms because FINRA would derive the non-ATS volume data from OTC trades reported to FINRA's equity trade reporting facilities. Thus, costs to member firms as a result of the proposal—if any—would be minimal.

SIFMA suggested that a four-week (rather than two-week) publication timeframe for Tier 1 NMS stocks based on a concern that a two-week timeframe may result in unintended information leakage.[27] In this regard, SIFMA suggested that, in cases where the firm is an active market maker or is trading a large position on behalf of a customer—especially in less liquid stocks—the two-week publication time frame and weekly aggregation disclosure could allow reverse engineering of trading.[28]

In response, FINRA states that it considered the potential for information leakage in developing its proposal and believes it has taken adequate steps to mitigate that potential by, among other things, proposing to publish non-ATS volume information on the same delayed basis that is used for ATS volume data, as well as at the firm—rather than MPID—level and not further segregating volume information by trading capacity or trading desk.[29] FINRA also states that there would be nothing in the published non-ATS volume data to indicate whether the executing firm was acting for its own proprietary account or as agent or riskless principal on behalf of a customer or another broker-dealer.[30] FINRA further notes that the published non-ATS volume data would identify only the executing party and not the contra party to the trade.[31] Thus, FINRA does not believe that users of the published non-ATS volume data would reasonably be able to determine with any certainty the identity of the actual parties to the transaction or the capacity in which the executing firm is acting.[32]

FINRA also notes that generally the more liquid NMS stocks are in Tier 1 and that only volume information relating to non-ATS transactions in Tier 1 NMS stocks would be published on a two-week delay, while the non-ATS volume in remaining NMS stocks, as well as OTC equity securities, would be published on a four-week delay. FINRA believes it has taken appropriate steps to address firms' concerns regarding information leakage by delaying publication of the information and limiting the granularity of the published information to firm and security.[33] FINRA also notes that this approach is similar to the approach it uses for ATS volume information, and that firms have not complained to FINRA about information leakage.[34] Thus, FINRA believes that under the proposed rule change, the potential for information leakage with respect to less liquid stocks already is mitigated.[35] However, FINRA states that it will consider whether modifications are appropriate following implementation of the proposed rule change.[36]

FINRA also believes that aggregation of trading volumes on a monthly, rather than weekly, basis would lessen the value and utility of the published information.[37] FINRA believes that, weekly publication of non-ATS volume, together with the weekly ATS data, would enable the public to understand a firm's trading volume off exchanges. FINRA also states that it anticipates that the public would use the published ATS and non-ATS volume information to better understand issues such as the impact of ATS and non-ATS trading volumes on price efficiency or order routing behavior. FINRA believes that the publication of weekly data would enable the public to study those trends at a relatively higher frequency and thus make more reliable conclusions about historical trends. FINRA also believes that, given the speed and frequency of information arrival in financial markets, monthly data might mask the deviations in short-term routing trends and render the published data less useful.[38]

The timeframe for making the non-ATS trade data publicly available—on a two-week delayed basis for Tier 1 NMS stocks and a four-week delayed basis for all other NMS stocks and OTC Equity Securities—is designed to balance the desire to inform the public about non-ATS trading activity with the desire to protect the trading strategies of member firms. Although SIFMA advocated for a four-week delay in publishing data on Tier 1 NMS stocks,[39] the Commission believes that that FINRA has adequately considered the risk of information leakage in developing the proposal and

[22] In approving this proposed rule change, the Commission has considered the proposed rule change's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[23] 15 U.S.C. 78*o*–3(b)(6).

[24] *See supra* note 4.

[25] *Id.* The Thomson Reuters Letter also states that it anticipates enhancing the granularity and timeliness of its market share analytics product as a result of the proposal.

[26] *See* SIFMA Letter, *supra* note 4. The SIFMA letter also states that FINRA should eliminate the current requirement for ATSs to report volume information to FINRA because it now has access through its own systems to all ATS volume information without the need for a separate reporting requirement. *See* SIFMA Letter, *supra* note 4, at 3. FINRA stated that this will be addressed in a separate proposed rule change. *See* Notice, *supra* note 3, at 39467.

[27] *See* SIFMA Letter, *supra* note 4, at 3.

[28] *Id.*

[29] Notice, *supra* note 3, at 39467. FINRA also notes that firms have not come to it with any complaints regarding information leakage since it began publishing ATS volume information. *Id.* at 39465. In addition, FINRA notes that SIFMA did not provide any specifics regarding how the information leakage might be manifested in the published non-ATS volume data or how likely it is to actually occur.

[30] FINRA Response Letter, supra note 5, at 4.

[31] *Id.* at 5.

[32] *Id.* at 4–5.

[33] *See* Notice, supra note 3, at 39465.

[34] *Id.*

[35] FINRA Response Letter, supra note 5, at 5.

[36] *See* Notice, supra note 3, at 39465.

[37] FINRA Response Letter, supra note 5, at 5. FINRA also noted that the other commenter and commenters on the related Regulatory Notice support the publication of weekly data. *Id.* at 6–7.

[38] *Id.* at 7.

[39] *See* SIFMA Letter, supra note 4, at 3.

has taken adequate steps to mitigate that risk.

The Commission also believes that the proposal to publish non-ATS trade data by firm, rather than by MPID, is appropriate. The Commission notes FINRA's representation that not all firms have separate MPIDs for unique trading centers at firms (outside the ATS context) and that publishing non-ATS volume data at the MPID level may not provide meaningful or consistent information to the marketplace. Therefore, the Commission further believes that for members using more than one MPID for their non-ATS trading, FINRA's proposal to aggregate and publish non-ATS volume data for non-ATS MPIDs belonging to a firm under a single parent identifier or firm name is appropriate.

Lastly, the Commission believes that the proposal to aggregate volume for all members that do not meet a *de minimis* threshold of fewer than on average 200 non-ATS transactions per day executed by the firm across all securities (for displaying aggregate volume across all securities by firm) or in a specific security (for displaying volume in a particular security by firm) during the one-week reporting period is appropriate. The Commission notes that FINRA's review of a one-week period found that, absent this threshold, approximately 300 individual firms would have had volume attributed by name, versus only 62 firms if the threshold had been applied, and that those 62 firms would account for 98.99 percent of all trading volume, representing a significant improvement in the transparency of this segment of the market.

IV. Conclusion

It is therefore ordered pursuant to Section 19(b)(2) of the Act [40] that the proposed rule change (SR–FINRA–2015–020), as amended, be and hereby is approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[41]

Robert W. Errett,

Deputy Secretary.

[FR Doc. 2015–25703 Filed 10–8–15; 8:45 am]

BILLING CODE 8011–01–P

[40] 15 U.S.C. 78s(b)(2).

[41] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–76076; File No. SR–NASDAQ–2015–075]

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Order Granting Approval of Proposed Rule Change, as Modified by Amendment Nos. 1 and 2 Thereto, Relating to the Listing and Trading of Shares of the First Trust SSI Strategic Convertible Securities ETF of First Trust Exchange-Traded Fund IV

October 5, 2015.

I. Introduction

On July 2, 2015, The NASDAQ Stock Market LLC (''Nasdaq'' or ''Exchange'') filed with the Securities and Exchange Commission (''Commission''), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'' or ''Exchange Act'') [1] and Rule 19b–4 thereunder,[2] a proposed rule change to list and trade shares (''Shares'') of the First Trust SSI Strategic Convertible Securities ETF of First Trust Exchange-Traded Fund IV (''Fund'') under Nasdaq Rule 5735 (''Managed Fund Shares''). The proposed rule change was published for comment in the **Federal Register** on July 20, 2015.[3] On September 2, 2015, pursuant to Section 19(b)(2) of the Act,[4] the Commission designated a longer period within which to either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.[5] On September 21, 2015, the Exchange filed Amendment No. 1 to the proposed rule change,[6] and on September 28, 2015, the Exchange filed Amendment No. 2 to the proposed rule change.[7] The Commission received no comments on the proposal. This order grants approval of the proposed rule change, as modified by Amendment Nos. 1 and 2 thereto.

II. Description of the Proposal

The Fund will be an actively-managed exchange-traded fund. The Shares will be offered by the First Trust Exchange-Traded Fund IV (''Trust''), which is registered with the Commission as an investment company and has filed a registration statement on Form N–1A with the Commission.[8] First Trust Advisors L.P. will be the investment adviser (''Adviser'') to the Fund. SSI Investment Management Inc. will serve as investment sub-adviser (''Sub-Adviser'') to the Fund and provide day-to-day portfolio management. First Trust Portfolios L.P. (''Distributor'') will be the principal underwriter and distributor of the Fund's Shares. Brown Brothers Harriman & Co. will act as the administrator, accounting agent, custodian, and transfer agent to the Fund.

The Exchange has made the following representations and statements in describing the Fund and its investment strategy, including the Fund's portfolio holdings and investment restrictions.[9]

A. The Exchange's Description of the Fund's Principal Investment Policies

According to the Exchange, the investment objective of the Fund will be to seek total return. To achieve its objective, the Fund will invest, under normal market conditions,[10] at least

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 75447 (July 14, 2015), 80 FR 42847 (''Notice'').

[4] 15 U.S.C. 78s(b)(2).

[5] *See* Securities Exchange Act Release No. 75817, 80 FR 54351 (Sept. 9, 2015). The Commission determined that it was appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider the proposed rule change and the comments received. Accordingly, the Commission designated October 16, 2015 as the date by which it should approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

[6] In Amendment No. 1 to the proposed rule change, the Exchange amended and replaced the filing, SR–NASDAQ–2015–075, in its entirety.

[7] In Amendment No. 2 to the proposed rule change, as modified by Amendment No. 1 thereto, the Exchange clarified the description of the daily disclosure of the Fund's portfolio by deleting references to ''commodity.'' Amendment Nos. 1 and 2 to the proposed rule change are also available on the Commission's Web site at: *http://www.sec.gov/comments/sr-nasdaq-2015-075/nasdaq2015075.shtml.*

[8] *See* Post-Effective Amendment No. 120 to Registration Statement on Form N–1A for the Trust, dated June 25, 2015 (File Nos. 333–174332 and 811–22559) (''Registration Statement''). The Exchange notes that the Commission has issued an order, upon which the Trust may rely, granting certain exemptive relief under the Investment Company Act of 1940 (''1940 Act''). *See* Investment Company Act Release No. 30029 (Apr. 10, 2012) (File No. 812–13795) (''Exemptive Relief''). In addition, the Exchange notes that the Commission has issued no-action relief, upon which the Trust may rely, regarding the Fund's ability to invest in options contracts, futures contracts, and swap agreements notwithstanding certain representations in the application for the Exemptive Relief. *See* Commission No-Action Letter from the Office of Exemptive Applications/Office of Investment Company Regulation entitled, ''Derivatives Use by Actively-Managed ETFs'' (Dec. 6, 2012).

[9] The Commission notes that additional information regarding the Fund and the Shares, including investment strategies, risks, creation and redemption procedures, fees, Fund holdings disclosure policies, distributions, and taxes can be found in the Notice and the Registration Statement, as applicable. *See* Notice and Registration Statement, *supra* notes 3 and 8, respectively.

[10] The term ''under normal market conditions'' as used herein includes, but is not limited to, the

Continued