

change recognizes common price submission practices whereby end-of-day submissions from multiple affiliated entities often reflect the institution's overall view on the value of the relevant instrument.<sup>23</sup> Accordingly, the Commission finds that the proposed amendment regarding firm trade notional limits is designed to promote the prompt and accurate clearance and settlement of securities transactions, derivatives agreements, contracts, and transactions consistent with the requirements of Section 17A(b)(3)(F), and also finds that the proposed rule change provides for the equitable allocation of reasonable fees, dues and other charges among its participants, consistent with Section 17A(b)(3)(D) of the Act.

Regarding the changes to the EOD Price Discovery Policy that provide for validation of models supporting the end-of-day price discovery process and for review of the EOD Price Discovery Policy by the Board, the Commission believes that the proposed changes are consistent with Section 17A(b)(3)(F) of the Act, Rule 17Ad-22(e)(3)(i), and Rule 17Ad-22(e)(6)(vii). By requiring an independent validation of models used to support the EOD Price Discovery Policy, ICE Clear Europe will be better able to ensure that the end-of-day pricing models are appropriately designed and provide reliable results in the end-of-day pricing process.

Additionally, with the requirement that the EOD Price Discovery Policy be reviewed at least annually by the CDS Risk Committee, and ICE Clear Europe Board and separately requiring that material changes be approved by ICE Clear Europe's Board, with the advice of both the CDS and Board Risk Committees, the proposed rule changes will provide for more substantial involvement in the ongoing management of, and review of changes to, the end-of-day pricing processes by those responsible for ICE Clear Europe's risk governance. Thus, the Commission believes that the proposed rule change will result in more consistent oversight and improvement of the EOD Price Discovery Policy and the underlying models and processes related thereto. The Commission therefore finds that the proposed rule change is designed to promote the prompt and accurate clearance and settlement of securities transactions, derivatives agreements, contracts, and transactions, consistent with the requirements of Section 17A(b)(3)(F), and also is consistent with the requirements of Rule 17Ad-22(e)(3)(i) regarding periodic review and

annual approval by the Board, and the requirements of Rule 17Ad-22(e)(6)(vii) regarding model validation of models related to the covered clearing agency's margin system.

The Commission also finds that the proposed changes to ICE Clear Europe's Price Submission Disciplinary Framework are consistent with the requirements of the Act. Specifically, the proposed changes would amend and formalize the process in which Clearing Members are sanctioned for failure to comply with the price submission process. Specifically, the proposed rule change will set forth the process under which ICE Clear Europe will provide notice to Clearing Members of its allegation(s) of their failures to meet the price submission requirements, methods in which the Clearing Members can respond or object, and the sanctions that will be imposed for failures to meet the price submission requirements. The Commission finds that the formalization of this process in ICE Clear Europe's Price Submission Disciplinary Framework is consistent with the requirement of Section 17A(b)(3)(G) of the Act that the rules of a clearing agency provide that its participants shall be appropriately disciplined for violations of any provision of the clearing agency's rules by sanction; and that Clearing Members will be duly informed regarding such discipline, consistent with Section 17A(b)(5)(A) of the Act.

#### IV. Conclusion

*It is therefore ordered* pursuant to Section 19(b)(2) of the Act that the proposed rule change (SR-ICEEU-2017-006) be, and hereby is, approved.<sup>24</sup>

For the Commission by the Division of Trading and Markets, pursuant to delegated authority.<sup>25</sup>

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

[FR Doc. 2017-13897 Filed 6-30-17; 8:45 am]

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#### SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 32712; 812-14783]

#### Nationwide Fund Advisors, et al.

June 27, 2017.

**AGENCY:** Securities and Exchange Commission ("Commission").

<sup>24</sup> In approving the proposed rule change, the Commission considered the proposal's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

<sup>25</sup> 17 CFR 200.30-3(a)(12).

#### **ACTION:** Notice.

Notice of an application for an order under section 6(c) of the Investment Company Act of 1940 ("Act") for an exemption from sections 2(a)(32), 5(a)(1), 22(d) and 22(e) of the Act and rule 22c-1 under the Act, under sections 6(c) and 17(b) of the Act for an exemption from sections 17(a)(1) and (a)(2) of the Act, and under section 12(d)(1)(j) of the Act for an exemption from sections 12(d)(1)(A) and (B) of the Act.

**APPLICANTS:** Nationwide Fund Advisors (the "Adviser"), ETF Series Solutions (the "Trust"), and Quasar Distributors, LLC (the "Distributor").

**SUMMARY OF APPLICATION:** Applicants request an order ("Order") that permits: (a) Actively managed series of certain open-end management investment companies to issue shares ("Shares") redeemable in large aggregations only ("Creation Units"); (b) secondary market transactions in Shares to occur at the next-determined net asset value plus or minus a market-determined premium or discount that may vary during the trading day; (c) certain series to pay redemption proceeds, under certain circumstances, more than seven days from the tender of Shares for redemption; (d) certain affiliated persons of the series to deposit securities into, and receive securities from, the series in connection with the purchase and redemption of Creation Units; (e) certain registered management investment companies and unit investment trusts outside of the same group of investment companies as the series to acquire Shares; and (f) certain series to create and redeem Shares in kind in a master-feeder structure. The Order would incorporate by reference terms and conditions of a previous order granting the same relief sought by applicants, as that order may be amended from time to time ("Reference Order").<sup>1</sup>

**FILING DATE:** The application was filed on June 7, 2017.

**HEARING OR NOTIFICATION OF HEARING:** An order granting the requested relief will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Commission's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on July 24, 2017, and should be accompanied by proof of service on applicants, in the form of an

<sup>1</sup> Eaton Vance Management, *et al.*, Investment Company Act Rel. Nos. 31333 (Nov. 6, 2014) (notice) and 31361 (Dec. 2, 2014) (order).

<sup>23</sup> Notice, 82 FR at 22359.

affidavit or, for lawyers, a certificate of service. Pursuant to rule 0–5 under the Act, hearing requests should state the nature of the writer's interest, any facts bearing upon the desirability of a hearing on the matter, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the Commission's Secretary.

**ADDRESSES:** The Commission: Brent J. Fields, Secretary, U.S. Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

Applicants: Nationwide Fund Advisors, 10 West Nationwide Blvd., Columbus, Ohio 43215; ETF Series Solutions, 615 East Michigan Street, 4th Floor, Milwaukee, Wisconsin 53202; Quasar Distributors, LLC, 777 East Wisconsin Avenue, 6th Floor, Milwaukee, Wisconsin 53202.

**FOR FURTHER INFORMATION CONTACT:** Courtney S. Thornton, Senior Counsel, at (202) 551–6812, or Robert H. Shapiro, Branch Chief, at (202) 551–6821 (Division of Investment Management, Chief Counsel's Office).

**SUPPLEMENTARY INFORMATION:** The following is a summary of the application. The complete application may be obtained via the Commission's Web site by searching for the file number, or for an applicant using the Company name box, at <http://www.sec.gov/search/search.htm> or by calling (202) 551–8090.

### Applicants

1. The Trust is registered as an open-end management investment company under the Act and is a statutory trust organized under the laws of Delaware. Applicants seek relief with respect to one Fund (as defined below, and that Fund, the "Initial Fund"). The portfolio positions of each Fund will consist of securities and other assets selected and managed by its Adviser or Subadviser (as defined below) to pursue the Fund's investment objective.

2. The Adviser, a Delaware business trust, will be the investment adviser to the Initial Fund. An Adviser (as defined below) will serve as investment adviser to each Fund. The Adviser is, and any other Adviser will be, registered as an investment adviser under the Investment Advisers Act of 1940 ("Advisers Act"). The Adviser may retain one or more subadvisers (each a "Subadviser") to manage the portfolios of the Funds. Any Subadviser will be registered, or not subject to registration, under the Advisers Act.

3. The Distributor is a Delaware limited liability company and a broker-dealer registered under the Securities

Exchange Act of 1934 and will act as the principal underwriter of Shares of the Funds. Applicants request that the requested relief apply to any distributor of Shares, whether affiliated or unaffiliated with the Adviser (included in the term "Distributor"). Any Distributor will comply with the terms and conditions of the Order.

### Requested Exemptive Relief

4. Applicants seek the requested Order under section 6(c) of the Act for an exemption from sections 2(a)(32), 5(a)(1), 22(d) and 22(e) of the Act and rule 22c–1 under the Act, under sections 6(c) and 17(b) of the Act for an exemption from sections 17(a)(1) and 17(a)(2) of the Act, and under section 12(d)(1)(J) of the Act for an exemption from sections 12(d)(1)(A) and (B) of the Act. The requested Order would permit applicants to offer exchange-traded managed funds. Because the relief requested is the same as the relief granted by the Commission under the Reference Order and because the Adviser has entered into, or anticipates entering into, a licensing agreement with Eaton Vance Management, or an affiliate thereof in order to offer exchange-traded managed funds,<sup>2</sup> the Order would incorporate by reference the terms and conditions of the Reference Order.

5. Applicants request that the Order apply to the Initial Fund and to any other existing or future open-end management investment company or series thereof that: (a) Is advised by the Adviser or any entity controlling, controlled by, or under common control with the Adviser (any such entity included in the term "Adviser"); and (b) operates as an exchange-traded managed fund as described in the Reference Order; and (c) complies with the terms and conditions of the Order and of the Reference Order, which is incorporated by reference herein (each such company or series and Initial Fund, a "Fund").<sup>3</sup>

6. Section 6(c) of the Act provides that the Commission may exempt any person, security or transaction, or any class of persons, securities or transactions, from any provisions of the Act, if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the

<sup>2</sup> Eaton Vance Management has obtained patents with respect to certain aspects of the Funds' method of operation as exchange-traded managed funds.

<sup>3</sup> All entities that currently intend to rely on the Order are named as applicants. Any other entity that relies on the Order in the future will comply with the terms and conditions of the Order and of the Reference Order, which is incorporated by reference herein.

purposes fairly intended by the policy and provisions of the Act. Section 17(b) of the Act authorizes the Commission to exempt a proposed transaction from section 17(a) of the Act if evidence establishes that the terms of the transaction, including the consideration to be paid or received, are reasonable and fair and do not involve overreaching on the part of any person concerned, and the proposed transaction is consistent with the policies of the registered investment company and the general purposes of the Act. Section 12(d)(1)(J) of the Act provides that the Commission may exempt any person, security, or transaction, or any class or classes of persons, securities or transactions, from any provision of section 12(d)(1) if the exemption is consistent with the public interest and the protection of investors.

7. Applicants submit that for the reasons stated in the Reference Order: (1) With respect to the relief requested pursuant to section 6(c) of the Act, the relief is appropriate, in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act; (2) with respect to the relief request pursuant to section 17(b) of the Act, the proposed transactions are reasonable and fair and do not involve overreaching on the part of any person concerned, are consistent with the policies of each registered investment company concerned and consistent with the general purposes of the Act; and (3) with respect to the relief requested pursuant to section 12(d)(1)(J) of the Act, the relief is consistent with the public interest and the protection of investors.

By the Division of Investment Management, pursuant to delegated authority.

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

[FR Doc. 2017–13904 Filed 6–30–17; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–81028; File No. SR–ICC–2017–007]

### Self-Regulatory Organizations; ICE Clear Credit LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to ICC's Cash Investment Yield Schedule

June 27, 2017

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934