

discovery, while lower-rated securities are more volatile, with valuations that are more difficult to discern in times of market stress.³¹

Further, the Adviser and Subadviser represent that analysis of both data from the Trade Reporting and Compliance Engine of the Financial Industry Regulatory Authority and collateralized mortgage-backed securities (“CMBS”)/CLO spreads over time show how markets have behaved in past periods of volatility.³² The Exchange states that: (1) During the period from January 2012 through September 2019, CLO spread widening occurred during periods of broader market volatility; (2) there was a relatively high volume of CLOs trading in the secondary market, especially in the senior-most tranches; and (3) the spread moves were most pronounced in the junior tranches, while AAA CLOs did not experience a large spread move.³³

III. Discussion and Commission Findings

After careful review, the Commission finds that the Exchange’s proposal to continue listing and trading the Shares is consistent with the Act and the rules and regulations thereunder applicable to a national securities exchange.³⁴ In particular, the Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act,³⁵ which requires, among other things, that the Exchange’s rules be designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest.

The Exchange proposes to modify the Fund’s current limit on Private ABS/MBS to allow up to 40% of the Fund’s portfolio to be composed of what had previously been defined as Private ABS/MBS. The Commission notes that it has previously approved listing rules which permit other series of Managed Fund Shares to hold private asset backed and mortgage-backed securities in excess of the levels permitted under Commentary .01(b)(5).³⁶ The Commission also notes

that it recently approved modifications to the listing rule of another issue of Managed Fund Shares, which included permitting that fund to hold up to 50% of its total assets in private asset-backed and mortgage-backed securities.³⁷

The Exchange also proposes to allow up to 50% of the Fund’s portfolio to be composed of fixed income securities which would not satisfy the criteria in Commentary .01(b)(4), in that: (1) Under the First Prior Order, the Fund may invest up to 10% of its total assets in fixed income securities that do not satisfy the criteria of Commentary .01(b)(4); and (2) the Fund’s investments in Private ABS/MBS (which may constitute up to 20% of the portfolio) and CDOs (which also may constitute up to 20% of the portfolio) would not be required to satisfy the Commentary .01(b)(4) criteria. The Commission notes that it has previously approved the listing of other series of Managed Fund Shares with similar investment objectives and strategies without imposing requirements that a certain percentage of such funds’ securities meet one of the criteria set forth in Commentary .01(b)(4).³⁸

For the foregoing reasons, the Commission finds that the proposed rule change, as modified by Amendment No. 1, is consistent with Section 6(b)(5) of the Act and the rules and regulations thereunder applicable to a national securities exchange.

IV. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act, that the proposed rule change (SR–NYSEArca–2019–14), as modified by Amendment No. 1, be, and it hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³⁹

Jill M. Peterson,
Assistant Secretary.

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2018–25) (approving the continued listing and trading of shares of the Natixis Loomis Sayles Short Duration Income ETF).

³⁷ See Securities Exchange Act Release No. 87410 (October 28, 2019), 84 FR 58750 (November 1, 2019) (SR–NYSEArca–2019–33).

³⁸ See, e.g., Securities Exchange Act Release No. 67894 (September 20, 2012), 77 FR 59227 (September 26, 2012) (SR–BATS–2012–033) (order approving the listing and trading of shares of the iShares Short Maturity Bond Fund); Securities Exchange Act Release No. 70342 (September 6, 2013), 78 FR 56256 (September 12, 2013) (SR–NYSEArca–2013–71) (order approving the listing and trading of shares of the SPDR SSGA Ultra Short Term Bond ETF, SPDR SSGA Conservative Ultra Short Term Bond ETF, and SPDR SSGA Aggressive Ultra Short Term Bond ETF).

³⁹ 17 CFR 200.30–3(a)(12).

SMALL BUSINESS ADMINISTRATION

Surrender of License of Small Business Investment Company

Pursuant to the authority granted to the United States Small Business Administration under the Small Business Investment Act of 1958, as amended, under Section 309 of the Act and Section 107.1900 of the Small Business Administration Rules and Regulations (13 CFR 107.1900) to function as a small business investment company under the Small Business Investment Company License No. 04/04–0293 issued to CapitalSouth Partners Fund II, L.P., said license is hereby declared null and void.

United States Small Business Administration
Dated: November 20, 2019.

A. Joseph Shepard,

Associate Administrator for Investment and Innovation.

[FR Doc. 2019–25637 Filed 11–25–19; 8:45 am]

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SMALL BUSINESS ADMINISTRATION

[Disaster Declaration #16206 and #16207; Mississippi Disaster Number MS–00113]

Administrative Declaration of a Disaster for the State of Mississippi

AGENCY: U.S. Small Business Administration.

ACTION: Notice.

SUMMARY: This is a notice of an Administrative declaration of a disaster for the State of Mississippi dated 11/19/2019.

Incident: Flash Flooding.

Incident Period: 05/08/2019 through 05/09/2019.

DATES: Issued on 11/19/2019.

Physical Loan Application Deadline Date: 01/21/2020.

Economic Injury (EIDL) Loan Application Deadline Date: 08/19/2020.

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

FOR FURTHER INFORMATION CONTACT: A. Escobar, Office of Disaster Assistance, U.S. Small Business Administration, 409 3rd Street SW, Suite 6050, Washington, DC 20416, (202) 205–6734.

SUPPLEMENTARY INFORMATION: Notice is hereby given that as a result of the Administrator’s disaster declaration, applications for disaster loans may be filed at the address listed above or other locally announced locations.

³¹ See *id.* at 4.

³² See *id.*

³³ See *id.*

³⁴ In approving this proposed rule change, the Commission has considered the proposed rule’s impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

³⁵ 15 U.S.C. 78f(b)(5).

³⁶ See, e.g., Securities Exchange Act Release Nos. 84047 (September 6, 2018), 83 FR 46200 (September 12, 2018) (SR–Nasdaq–2017–128) (approving the listing and trading of shares of the Western Asset Total Return ETF); and 84826 (December 14, 2018), 83 FR 65386 (December 20, 2018) (SR–NYSEArca–