

significant overnight market-wide volatility. The Exchange further believes that this proposed rule change would reduce the potential number of securities that would open at a price that may not represent the current value of the security due to unfilled marketable auction interest, while still preserving investor protections by preventing significantly dislocated openings. This proposed rule change would therefore promote the fair and orderly operation of Exchange-facilitated Core Open Auctions by allowing such securities to open at a price that is consistent with the buy and sell interest in the security, which would also allow more buy and sell interest to participate in such Auction.

The Exchange notes that this proposed change is not novel and is based on how NYSE Arca and NYSE American determine the Auction Reference Price for their respective electronic Core Open Auctions. Accordingly, this proposed change would align how Auction Reference Prices are determined for electronic Exchange-facilitated Auctions across NYSE, NYSE Arca, and NYSE American.

#### *B. Self-Regulatory Organization's Statement on Burden on Competition*

The Exchange does not believe that the proposed rule change would impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is not designed to address any competitive issues but rather would make permanent the Exchange's temporary Commentaries .01-.03 to Rule 7.35C, which have been in effect for a temporary period while the Trading Floor is temporarily closed due to COVID-19. This proposed rule change is designed to provide the Exchange with additional tools for when it facilitates an Auction, including by allowing for an Exchange-facilitated Trading Halt Auction following a MWCB Halt so that a security can be reopened before leading into the close, providing the DMMs with additional functionality to allow them to maintain price continuity with reasonable depth in their assigned securities following an Exchange-facilitated Auction, and aligning the Auction Reference Price for an Exchange-facilitated Core Open Auction with the Auction Reference Price used for NYSE Arca and NYSE American electronic Core Open Auctions. More specifically, the proposed rule change does not implicate any intramarket competition concerns because the only market participants on the Exchange with the obligation to

facilitate Auctions are DMMs, and all DMMs would be subject to this rule change. The proposed rule change does not implicate any intermarket competition concerns because it relates to how the Exchange would facilitate Auctions in Exchange-listed securities.

#### *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 45 days of the date of publication of this notice in the **Federal Register**, or such longer period up to 90 days (i) as the Commission may designate 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 or disapprove 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 email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-NYSE-2020-89 on the subject line.

##### *Paper Comments*

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090. All submissions should refer to File Number SR-NYSE-2020-89. This file number should be included on the subject line if email 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 website (<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 website 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 10:00 a.m. and 3:00 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. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NYSE-2020-89, and should be submitted on or before December 3, 2020.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>26</sup>

**J. Matthew DeLesDernier**,  
Assistant Secretary.

[FR Doc. 2020-24986 Filed 11-10-20; 8:45 am]

**BILLING CODE 8011-01-P**

## **SECURITIES AND EXCHANGE COMMISSION**

**[Investment Advisers Act Release No. 5624/803-00252]**

### **Arena Holdings Management LLC**

November 5, 2020.

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

**ACTION:** Notice.

Notice of application for an exemptive order under Section 202(a)(11)(H) of the Investment Advisers Act of 1940 ("Advisers Act").

*Applicant:* Arena Holdings Management LLC (the "Applicant").

*Relevant Advisers Act Sections:* Exemption requested under Section 202(a)(11)(H) of the Advisers Act from Section 202(a)(11) of the Advisers Act.

*Summary of Application:* The Applicant requests that the Commission issue an order declaring it to be a person not within the intent of Section 202(a)(11) of the Advisers Act, which defines the term "investment adviser."

<sup>26</sup> 17 CFR 200.30-3(a)(12).

**Filing Dates:** The application was filed on November 13, 2019 and amended on August 4, 2020.

**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 emailing the Commission's Secretary at *Secretarys-Office@sec.gov* and serving Applicant with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on November 30, 2020, and should be accompanied by proof of service on Applicant, in the form of an 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 emailing the Commission's Secretary at *Secretarys-Office@sec.gov*.

**ADDRESSES:** The Commission: *Secretarys-Office@sec.gov*. Applicant: Arena Holdings Management LLC, *jbergman@brickpatel.com*.

**FOR FURTHER INFORMATION CONTACT:** Asaf Barouk, Attorney-Adviser, at 202–551–4029 or Parisa Haghshenas, Branch Chief, at (202) 551–6825 (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 website either at <http://www.sec.gov/rules/ia/releases.shtml> or by calling (202) 551–8090.

### Applicant's Representations

1. The Applicant is a multi-generational, single-family office that provides or intends to provide services to the family and descendants of Roopa Dewan. The Applicant is wholly owned by Family Clients and is exclusively controlled (directly and indirectly) by one or more Family Members and/or Family Entities in compliance with Rule 202(a)(11)(G)–1 (the "Family Office Rule"). For purposes of the application, the term "Dewan Family" means the lineal descendants of Roopa Dewan, their spouses or spousal equivalents, and all other persons and entities that qualify as "Family Clients" as defined in paragraph (d)(4) of the Family Office Rule. Unless otherwise indicated, capitalized terms herein have the same meaning as defined in the Family Office Rule.

2. The Applicant provides both advisory and non-advisory services (collectively, the "Services") to members of the Dewan Family. Any Service provided by the Applicant that relates to investment advice about securities or may otherwise be construed as advisory in nature is considered an "Advisory Service."

3. The Applicant represents that: (i) Each of the persons served by the Applicant is a Family Client (*i.e.*, the Applicant has no investment advisory clients other than Family Clients as required by paragraph (b)(1) of the Family Office Rule); (ii) the Applicant is owned and controlled in a manner that complies in all respects with paragraph (b)(2) of the Family Office Rule; and (iii) the Applicant does not hold itself out to the public as an investment adviser as required by paragraph (b)(3) of the Family Office Rule. At the time of this Application, Applicant provides Advisory Services solely to Family Clients, including primarily to pooled investment vehicles that are wholly owned, directly or indirectly, by one or more natural persons that are Family Clients and operated for the sole benefit of those clients.

4. In addition to the Family Clients, the Applicant desires to provide Services (including Advisory Services) to the siblings of a spouse of a lineal descendant of Roopa Dewan (which descendant is the founder and Chief Executive Officer of Applicant) and their spouses and descendants (the "Additional Family Clients").

5. The Additional Family Clients do not have an ownership interest in the Applicant. The Applicant represents that the assets beneficially owned by Family Members and/or Family Entities (excluding the Additional Family Clients) would make up at least 95% of the total assets for which the Applicant provides Advisory Services.

6. The Applicant represents that the Additional Family Clients have important familial ties to and are an integral part of the Dewan Family. The Applicant maintains that including the Additional Family Clients into the definition of "family" for this purpose simply recognizes and memorializes the familial ties and intra-familial relationships that already exist, and have existed for at least 25 years and that the inclusion of the Additional Family Clients as members of the Dewan Family for which the Applicant may provide Services would be consistent with the existing familial relationship among the family members.

### The Applicant's Legal Analysis

1. Section 202(a)(11) of the Advisers Act defines the term "investment adviser" to mean "any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities . . ."

2. The Applicant falls within the definition of an investment adviser under Section 202(a)(11). The Family Office Rule provides an exclusion from the definition of investment adviser for which the Applicant is currently eligible but would no longer qualify if the Applicant provides Services to the Additional Family Clients. Because the Applicant has regulatory assets under management of more than \$100 million, it is not prohibited from registering with the Commission under Section 203A(a) of the Advisers Act. In sum, absent relief, if the Applicant opted to render Services to the Additional Family Clients, the Applicant would be required to register under Section 203(a) of the Advisers Act, notwithstanding that (i) the Applicant does not hold itself out to the public as an investment adviser and does not market non-public offerings to persons or entities that are not Family Clients, (ii) the Applicant is wholly owned by Family Clients and controlled by Feroz Dewan who is a member of the Dewan Family, in accordance with paragraph (b)(2) of the Family Office Rule; and (iii) the Applicant is a "family office" for the Dewan Family and will not offer its Advisory Services to anyone other than Family Clients and the Additional Family Clients.

3. The Applicant submits that its proposed relationship with the Additional Family Clients does not change the nature of the office into that of a commercial advisory firm. In addition, the Applicant notes that if the siblings of Mrs. Dewan were the siblings of a lineal descendant, rather than the siblings of a spouse of a lineal descendant, there would be no question that each of them would be a Family Member, and their retirement assets would similarly fall within the definition of Family Client. The Applicant states that in requesting the order, the Applicant is not attempting to expand its operations or engage in any level of commercial activity to which the Advisers Act is designed to apply. There would only be two natural persons and their spouses and

descendants who are not Family Members to whom the Applicant would provide Advisory Services if relief were granted. The Applicant estimates that if the Additional Family Clients' assets were managed by the Applicant, the assets owned by the Additional Family Clients would represent less than five percent (5%) of the Applicant's assets under management. From the perspective of the Dewan Family, allowing the Applicant to provide Services to the Additional Family Clients is consistent with the existing familial relationship among family members.

4. The Applicant also submits that there is no public interest in requiring the Applicant to be registered under the Advisers Act. The Applicant states that the office is a private organization that was formed to be the "family office" for the Dewan Family and that the office does not have any public clients. The Applicant maintains that the office's Advisory Services are exclusively tailored to the needs of the Extended Dewan Family. The Applicant argues that the provision of Advisory Services to the Additional Family Clients, does not create any public interest that would require the office to be registered under the Advisers Act that is different in any manner than the considerations that apply to a "family office" that complies in all respects with the Family Office Rule.

5. The Applicant argues that although the Family Office Rule largely codified the exemptive orders that the Commission had previously issued before the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Commission recognized in proposing the rule that the exact representations, conditions, or terms contained in every exemptive order could not be captured in a rule of general applicability. The Commission noted that family offices would remain free to seek a Commission exemptive order to advise an individual or entity that did not meet the proposed family client definition, and that certain issues would be more appropriately addressed through an exemptive order process where the Commission can consider the specific facts and circumstances, than through a rule of general applicability.

6. The Applicant maintains that, based on its circumstances—desiring to provide Advisory Services to certain Additional Family Clients who are relatives that have been considered and treated as family members for twenty-five (25) years and whose status as clients of the office would not change the nature of the office's operations to that of a commercial advisory

business—an exemptive order is appropriate based on the Applicant's specific facts and circumstances.

7. For the foregoing reasons, the Applicant requests an order declaring it to be a person not within the intent of Section 202(a)(11) of the Advisers Act. The Applicant submits that the order is necessary and appropriate, in the public interest, consistent with the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the Advisers Act.

#### The Applicant's Conditions

1. The Applicant will offer and provide Advisory Services only to Family Clients and to the Additional Family Clients, who generally will be deemed to be, and be treated as if they were, Family Clients; provided, however, that the Additional Family Clients will be deemed to be, and treated as if they were, Family Members for purposes of paragraph (b)(1) and for purposes of paragraph (d)(4)(vi) of the Family Office Rule.

2. The Applicant will at all times be wholly owned by Family Clients and exclusively controlled (directly or indirectly) by one or more Family Members and/or Family Entities (excluding the Additional Family Clients' Family Entities) as defined in paragraph (d)(5) of the Family Office Rule.

3. At all times the assets beneficially owned by Family Members and/or Family Entities (excluding the Additional Family Clients' Family Entities), will account for at least 95% of the assets for which the Applicant provides Advisory Services.

4. The Applicant will comply with all the terms for exclusion from the definition of investment adviser under the Advisers Act set forth in the Family Office Rule except for the limited exception requested by this Application.

For the Commission, by the Division of Investment Management, under delegated authority.

**J. Matthew DeLesDernier,**

*Assistant Secretary.*

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**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-90368; File No. SR-DTC-2020-801]

### Self-Regulatory Organizations; The Depository Trust Company; Notice of No Objection To Advance Notice To Amend Rule 4

November 6, 2020.

On September 9, 2020, The Depository Trust Company ("DTC") filed with the Securities and Exchange Commission ("Commission") advance notice SR-DTC-2020-801 ("Advance Notice") pursuant to Section 806(e)(1) of Title VIII of the Dodd-Frank Wall Street Reform and Consumer Protection Act, entitled Payment, Clearing and Settlement Supervision Act of 2010 ("Clearing Supervision Act")<sup>1</sup> and Rule 19b-4(n)(1)(i)<sup>2</sup> under the Securities Exchange Act of 1934 ("Exchange Act")<sup>3</sup> to amend Rule 4 of the Rules, By-Laws and Organization Certificate of DTC (the "Rules"). The Advance Notice was published for comment in the **Federal Register** on October 20, 2020,<sup>4</sup> and the Commission has not received comments regarding the changes proposed in the Advance Notice. This publication serves as notice of no objection to the Advance Notice.

#### I. The Advance Notice

##### A. Background

DTC is the central securities depository ("CSD") for substantially all corporate and municipal debt and equity securities available for trading in the United States.<sup>5</sup> As a covered clearing agency that provides CSD services,<sup>6</sup> DTC provides a central

<sup>1</sup> 12 U.S.C. 5465(e)(1).

<sup>2</sup> 17 CFR 240.19b-4(n)(1)(i).

<sup>3</sup> 15 U.S.C. 78a *et seq.*

<sup>4</sup> Securities Exchange Act Release No. 90169 (October 14, 2020), 85 FR 66666 (October 20, 2020) (SR-DTC-2020-801) ("Notice of Filing").

<sup>5</sup> Each capitalized term not otherwise defined herein has its respective meaning as set forth in DTC's rules, including, but not limited to, the Rules, By-Laws and Organization Certificate of DTC (the "Rules") and the DTC Settlement Service Guide (the "Settlement Guide"), available at <http://www.dtcc.com/legal/rules-and-procedures.aspx>. The Settlement Guide is a Procedure of DTC filed with the Commission that, among other things, operationalizes and supplements the DTC Rules that relate to settlement.

<sup>6</sup> A covered clearing agency is defined as a registered clearing agency that provides the services of a central counterparty ("CCP") or CSD. *See* 17 CFR 240.17Ad-22(a)(5). CSD services means services of a clearing agency that is a securities depository as described in Section 3(a)(23)(A) of the Exchange Act. *See* 17 CFR 240.17Ad-22(a)(3). Specifically, the definition of a clearing agency includes, in part, "any person, such as a securities depository that (i) acts as a custodian of securities