

*Filing Dates:* The application was filed on September 13, 2021, and amended on December 3, 2021.

*Applicant's Address:* [legalnotices@stoneridgeam.com](mailto:legalnotices@stoneridgeam.com).

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

**J. Matthew DeLesDernier,**

*Assistant Secretary.*

[FR Doc. 2022-00064 Filed 1-6-22; 8:45 am]

**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-93891; File No. SR-NASDAQ-2021-054]

### Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Designation of a Longer Period for Commission Action on Proceedings To Determine Whether To Approve or Disapprove a Proposed Rule Change To Modify Listing Rule IM-5101-2 To Permit an Acquisition Company To Contribute a Portion of Its Deposit Account to Another Entity in a Spin-Off or Similar Corporate Transaction

January 3, 2022.

On June 24, 2021, The Nasdaq Stock Market LLC ("Exchange") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> a proposed rule change to modify Listing Rule IM-5101-2 to permit an acquisition company to contribute a portion of the amount held in its deposit account to a deposit account of a new acquisition company in a spin-off or similar corporate transaction. The proposed rule change was published for comment in the *Federal Register* on July 13, 2021.<sup>3</sup>

On August 25, 2021, pursuant to Section 19(b)(2) of the Act,<sup>4</sup> the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.<sup>5</sup> On September 30, 2021, the Commission instituted proceedings under Section 19(b)(2)(B) of

the Act<sup>6</sup> to determine whether to approve or disapprove the proposed rule change.<sup>7</sup>

Section 19(b)(2) of the Act<sup>8</sup> provides that, after initiating proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing of the proposed rule change. The Commission may extend the period for issuing an order approving or disapproving the proposed rule change, however, by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The proposed rule change was published for comment in the *Federal Register* on July 13, 2021.<sup>9</sup> The 180th day after publication of the proposed rule change is January 9, 2022. The Commission is extending the time period for approving or disapproving the proposed rule change for an additional 60 days.

The Commission finds that it is appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change so that it has sufficient time to consider the proposed rule change and comments received. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,<sup>10</sup> designates March 10, 2022, as the date by which the Commission shall either approve or disapprove the proposed rule change (File Number SR-NASDAQ-2021-054).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>11</sup>

**J. Matthew DeLesDernier,**

*Assistant Secretary.*

[FR Doc. 2022-00058 Filed 1-6-22; 8:45 am]

**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 34461; 812-15192, 812-15192-01]

### Apollo Credit Management, LLC and Apollo Debt Solutions BDC

January 3, 2022.

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

**ACTION:** Notice.

Notice of an application under Section 6(c) of the Investment Company Act of 1940 (the "Act") for an exemption from Sections 18(a)(2), 18(c), 18(i) and Section 61(a) of the Act.

**SUMMARY OF APPLICATION:** Applicants request an order to permit certain closed-end management investment companies that have elected to be regulated as business development companies ("BDCs") to issue multiple classes of shares with varying sales loads and asset-based service and/or distribution fees.

**APPLICANTS:** Apollo Credit Management, LLC (the "Current Investment Adviser") and Apollo Debt Solutions BDC ("ADSB").

**FILING DATES:** The application was filed on January 7, 2021, and amended on July 23, 2021, November 5, 2021, and December 22, 2021.

**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](mailto:Secretarys-Office@sec.gov) and serving applicants with a copy of the request by email. Hearing requests should be received by the Commission by 5:30 p.m. on January 28, 2022, and should be accompanied by proof of service on the applicants, in the form of an affidavit or, for lawyers, a certificate of service. Pursuant to rule 0-5 under the 1940 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](mailto:Secretarys-Office@sec.gov).

**ADDRESSES:** The Commission: [Secretarys-Office@sec.gov](mailto:Secretarys-Office@sec.gov). Applicants: Joseph D. Glatt, Apollo Credit Management, LLC, [JGlatt@apollo.com](mailto:JGlatt@apollo.com).

**FOR FURTHER INFORMATION CONTACT:** Stephan N. Packs, Senior Counsel, at (202) 551-6853, or Terri G. Jordan, 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 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.

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> See Securities Exchange Act Release No. 92344 (July 7, 2021), 86 FR 36841. Comments received on the proposal are available on the Commission's website at: <https://www.sec.gov/comments/sr-nasdaq-2021-054/srnasdaq2021054.htm>.

<sup>4</sup> 15 U.S.C. 78s(b)(2).

<sup>5</sup> See Securities Exchange Act Release No. 92751, 86 FR 48780 (Aug. 31, 2021).

<sup>6</sup> 15 U.S.C. 78s(b)(2)(B).

<sup>7</sup> See Securities Exchange Act Release No. 93219, 86 FR 55664 (Oct. 6, 2021).

<sup>8</sup> 15 U.S.C. 78s(b)(2).

<sup>9</sup> See *supra* note 3.

<sup>10</sup> 15 U.S.C. 78s(b)(2).

<sup>11</sup> 17 CFR 200.30-3(a)(57).

## Applicants' Representations

1. ADSB is a newly organized Delaware statutory trust that is an externally-managed, non-diversified closed-end management investment company that has elected to be regulated as a BDC under the Act.<sup>1</sup> ADSB's investment objectives are to generate current income and, to a lesser extent, long-term capital appreciation by seeking to invest primarily in certain directly originated assets, including debt securities, made to or issued by large private U.S. borrowers.

2. The Current Investment Adviser is registered as an investment adviser under the Investment Advisers Act of 1940 and serves as investment adviser to ADSB.

3. Applicants seek an order to permit ASBD and other Funds (defined below) to offer investors multiple classes of shares, interests or units of beneficial interest, as the case may be ("Shares") with varying sales loads and asset-based service and/or distribution fees.

4. Applicants request that the order also apply to any continuously offered registered closed-end management investment company that elects to be regulated as a BDC that has been previously organized or that may be organized in the future for which the Current Investment Adviser or any entity controlling, controlled by, or under common control with the Current Investment Adviser, or any successor in interest to any such entity,<sup>2</sup> acts as investment adviser and which operates as an interval fund pursuant to Rule 23c-3 under the Act and/or periodically offers to repurchase its Shares pursuant to Rule 13e-4 under the Securities Exchange Act of 1934 ("Exchange Act") and Section 23(c)(2) of the Act (each, a "Future Fund" and together with ADSB, the "Funds").<sup>3</sup>

5. As a BDC, each Fund will be organized as a closed-end investment company, but will offer its Shares continuously, similar to an open-end management investment company. Shares of the Funds will not be offered or traded in a secondary market and will not be listed on any securities exchange

and do not trade on an over-the-counter system.<sup>4</sup>

6. Each Fund is seeking the ability to offer multiple classes of Shares that may charge differing front-end sales loads, contingent deferred sales charges ("CDSCs"), an early withdrawal charge ("Repurchase Fee"), and/or annual asset-based service and/or distribution fees. Each class of Shares will comply with the provisions of Rule 2310 of the Financial Industry Regulatory Authority, Inc. ("FINRA") Manual ("FINRA Rule 2310").<sup>5</sup>

7. Any Share of a Fund that is subject to asset-based service or distribution fees shall convert to a class with no asset-based service or distribution fees upon such Share reaching the applicable sales charge cap determined in accordance with FINRA Rule 2310. Further, if a class of Shares were to be listed on an exchange in the future, all other then-existing classes of Shares of the listing Fund will be converted into the listed class, without the imposition of any sales load, fee or other charge.

8. In order to provide a limited degree of liquidity to shareholders, Applicants state that each Fund may from time to time offer to repurchase Shares in accordance with Rule 13e-4 under the Exchange Act and Section 23(c)(2) of the Act. Applicants state further that repurchases of each Fund's Shares will be made at such times, in such amounts and on such terms as may be determined by the applicable Fund's board of trustees or directors in its sole discretion.

9. Each Fund will disclose in its prospectus the fees, expenses and other characteristics of each class of Shares offered for sale by the prospectus, as is required for open-end, multiple-class funds under Form N-1A. As if it were an open-end management investment company, each Fund will disclose fund expenses in shareholder reports,<sup>6</sup> and disclose in its prospectus any arrangements that result in breakpoints in, or elimination of, sales loads.<sup>7</sup> Each Fund will also comply with any requirements the Commission or FINRA may adopt regarding disclosure at the

point of sale and in transaction confirmations about the costs and conflicts of interest arising out of the distribution of open-end management investment company shares, and regarding prospectus disclosure of sales loads and revenue sharing arrangements as if those requirements applied to the Fund.<sup>8</sup> Each Fund will contractually require that any distributor of a Fund's Shares comply with such requirements in connection with the distribution of such Fund's shares.

10. Distribution fees will be paid pursuant to a plan of distribution adopted by each Fund in compliance with Rules 12b-1 and 17d-3 under the Act, as if those rules applied to closed-end funds electing to be regulated as BDCs, with respect to a class (a "Distribution Plan").

11. Each Fund will allocate all expenses incurred by it among the various classes of Shares based on the respective net assets of the Fund attributable to each such class, except that the net asset value and expenses of each class will reflect the expenses associated with the Distribution Plan of that class (if any), shareholder servicing fees attributable to a particular class (including transfer agency fees, if any) and any other incremental expenses of that class. Expenses of the Fund allocated to a particular class of the Fund's Shares will be borne on a pro rata basis by each outstanding Share of that class. Applicants state that each Fund will comply with the provisions of Rule 18f-3 under the Act as if it were an open-end management investment company.

12. Any Fund that imposes a CDSC will comply with the provisions of Rule 6c-10 (except to the extent a Fund will comply with FINRA Rule 2310 rather than FINRA Rule 2341, as such rule may be amended ("FINRA Rule 2341")), as if that rule applied to BDCs. With respect to any waiver of, scheduled variation in, or elimination of the CDSC, a Fund will comply with the requirements of Rule 22d-1 under the Act as if the Fund were an open-end management investment company. Each Fund also will disclose CDSCs in accordance with the requirements of Form N-1A concerning CDSCs as if the Fund were an open-end management investment company.

13. Funds may impose a Repurchase Fee at a rate no greater than 2% of the shareholder's repurchase proceeds if the

<sup>1</sup> Section 2(a)(48) of the Act defines a BDC to be any closed-end investment company that operates for the purpose of making investments in securities described in Sections 55(a)(1) through 55(a)(3) of the Act and makes available significant managerial assistance with respect to the issuers of such securities.

<sup>2</sup> For purposes of the requested order, "successor" is limited to any entity that results from a reorganization into another jurisdiction or a change in the type of a business organization.

<sup>3</sup> Any Fund relying on this relief in the future will do so in compliance with the terms and conditions of the application.

<sup>4</sup> Applicants are not requesting relief with respect to any Fund listed on a securities exchange. Any Fund which relies on the relief requested herein will cease relying on such relief upon the listing of any class of its Shares on a securities exchange.

<sup>5</sup> Any reference to FINRA Rule 2310 includes any successor or replacement rule that may be adopted by FINRA.

<sup>6</sup> See Shareholder Reports and Quarterly Portfolio Disclosure of Registered Management Investment Companies, Investment Co. Act Rel. No. 26372 (Feb. 27, 2004) (adopting release).

<sup>7</sup> See Disclosure of Breakpoint Discounts by Mutual Funds, Investment Co. Act Rel. No. 26464 (June 7, 2004) (adopting release).

<sup>8</sup> See Confirmation Requirements and Point of Sale Disclosure Requirements for Transactions in Certain Mutual Funds and Other Securities, and Other Confirmation Requirement Amendments, and Amendments to the Registration Form for Mutual Funds, Investment Co. Act Rel. No. 26341 (Jan. 29, 2004) (proposing release).

interval between the date of purchase of the Shares and the valuation date with respect to the repurchase of such Shares is less than a specified period. Any Repurchase Fee will apply equally to all shareholders of the applicable Fund, regardless of class, consistent with Section 18 of the Act and Rule 18f-3 under the Act. To the extent a Fund determines to waive, impose scheduled variations of, or eliminate any Repurchase Fees, it will do so consistently with the requirements of Rule 22d-1 under the Act as if the Repurchase Fee were a CDSC and as if the Fund were an open-end investment company and the Fund's waiver of, scheduled variation in, or elimination of, the Repurchase Fee will apply uniformly to all shareholders of the Fund.

### Applicants' Legal Analysis

#### *Multiple Classes of Shares*

1. Section 18(a)(2) of the Act provides that a closed-end investment company may not issue or sell a senior security that is a stock unless certain requirements are met. Applicants state that the creation of multiple classes of shares of the Funds may violate Section 18(a)(2), which is made applicable to BDCs through Section 61(a) of the Act, because the Funds may not meet such requirements with respect to a class of shares that may be a senior security.

2. Section 18(c) of the Act provides, in relevant part, that a closed-end investment company may not issue or sell any senior security if, immediately thereafter, the company has outstanding more than one class of senior security. Applicants state that the creation of multiple classes of Shares of the Funds may be prohibited by Section 18(c), which is made applicable to BDCs through Section 61(a) of the Act, as a class may have priority over another class as to payment of dividends because shareholders of different classes would pay different fees and expenses.

3. Section 18(i) of the Act provides that each share of stock issued by a registered management investment company will be a voting stock and have equal voting rights with every other outstanding voting stock. Applicants state that multiple classes of shares of the Funds may violate Section 18(i) of the Act, which is made applicable to BDCs through Section 61(a) of the Act, because each class would be entitled to exclusive voting rights with respect to matters solely related to that class.

4. Section 6(c) 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 the Act, or from any rule or regulation under the Act, if and to the extent such exemption is necessary or 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. Applicants request an exemption under Section 6(c) from Sections 18(a)(2), 18(c) and 18(i) (which are made applicable to BDCs by Section 61(a) of the Act) to permit the Funds to issue multiple classes of Shares.

5. Applicants submit that the proposed allocation of expenses relating to distribution and voting rights among multiple classes is equitable and will not discriminate against any group or class of shareholders. Applicants submit that the proposed arrangements would permit a Fund to facilitate the distribution of its Shares and provide investors with a broader choice of fee options. Applicants assert that the proposed BDC multiple class structure does not raise the concerns underlying Section 18 of the Act to any greater degree than open-end management investment companies' multiple class structures that are permitted by Rule 18f-3 under the Act.

### Applicants' Condition

Applicants agree that any order granting the requested relief will be subject to the following condition:

1. Each Fund will comply with the provisions of Rules 6c-10 (except to the extent a Fund will comply with FINRA Rule 2310 rather than FINRA Rule 2341), 12b-1, 17d-3, 18f-3, 22d-1, and, where applicable, 11a-3 under the 1940 Act, as amended from time to time, or any successor rules thereto, as if those rules applied to BDCs. In addition, each Fund will comply with FINRA Rule 2310, as amended from time to time, or any successor rule thereto, and will make available to any distributor of a Fund's shares all of the information necessary to permit the distributor to prepare client account statements in compliance with FINRA Rule 2231.

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

**J. Matthew DeLesDernier,**

*Assistant Secretary.*

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## SURFACE TRANSPORTATION BOARD

[Docket No. FD 36573]

### Western Nevada Railroad, LLC—Lease and Operation Exemption—Line in Churchill County, Nev.

Western Nevada Railroad, LLC (WNRR), a noncarrier, has filed a verified notice of exemption under 49 CFR 1150.31 to enter into an agreement to lease and operate 4,100 feet of existing track at the Fernley Business Park (FBP) at or near Fernley/Darwin, Churchill County, Nev. (the Line).

WNRR states that the Line connects to a rail line owned by Union Pacific Railroad Company (UP), over which BNSF Railway Company (BNSF) also has service rights. According to WNRR, the Line is currently private industry track that is served by UP and BNSF with switching service provided by a third-party contract switching operator, Western Nevada Transload, LLC (WNT). WNRR states that it will enter into a lease and operating agreement for the Line with Fernley Business Park, LLC, the owner of FBP. WNRR states that it will also obtain the right to construct additional industrial tracks in FBP to attract additional customers and rail business, and that WNT will continue to provide contract switching service on the Line until the buildout is complete and additional rail-served industries locate at FBP.

WNRR states that no interchange commitments are being imposed on its operations by the lease and operating agreement. WNRR certifies that its projected revenues as a result of the transaction will not exceed those that would qualify it as a Class III carrier and will not exceed \$5 million.

The transaction may be consummated on or after January 21, 2022, the effective date of the exemption (30 days after the verified notice was filed).

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Petitions for stay must be filed no later than January 14, 2022 (at least seven days before the exemption becomes effective).

All pleadings, referring to Docket No. FD 36573, should be filed with the Surface Transportation Board via e-filing on the Board's website. In addition, a copy of each pleading must be served on WNRR's representative, Eric M. Hocky, Clark Hill PLC, Two Commerce Square, 2001 Market Street, Suite 2620, Philadelphia, PA 19103.