

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-75461; File No. SR-NYSEArca-2015-44]

### Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing of Amendment Nos. 1, 2, and 3 and Order Approving on an Accelerated Basis a Proposed Rule Change, as Modified by Amendment Nos. 1, 2, and 3, To List and Trade Shares of the SPDR® SSgA Flexible Allocation ETF Under NYSE Arca Equities Rule 8.600

July 15, 2015.

#### I. Introduction

On May 15, 2015, NYSE Arca, Inc. (the “Exchange” or “NYSE Arca”) filed with the Securities and Exchange Commission (the “Commission”), pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act” or “Exchange Act”) <sup>1</sup> and Rule 19b-4 thereunder, <sup>2</sup> a proposed rule change to list and trade shares (“Shares”) of the SPDR® SSgA Flexible Allocation ETF (“Fund”) under NYSE Arca Equities Rule 8.600. The proposed rule change was published for comment in the **Federal Register** on June 4, 2015.<sup>3</sup> On June 30, 2015, the Exchange filed Amendment No. 1 to the proposal.<sup>4</sup> On

July 10, 2015, the Exchange filed Amendment No. 2 to the proposal.<sup>5</sup> The Exchange also filed Amendment No. 3 to the proposal on July 13, 2015.<sup>6</sup> The Commission received no comments on the proposal. The Commission is publishing this notice to solicit comments on Amendment Nos. 1, 2, and 3 from interested persons, and is approving the proposed rule change, as modified by Amendment Nos. 1, 2, and 3, on an accelerated basis.

#### II. The Exchange’s Description of the Proposal <sup>7</sup>

NYSE Arca proposes to list and trade shares of the Fund under NYSE Arca Equities Rule 8.600, which governs the listing and trading of Managed Fund Shares.<sup>8</sup> The Shares will be offered by SSgA Active ETF Trust (“Trust”), which is organized as a Massachusetts business trust and is registered with the Commission as an open-end management investment company.<sup>9</sup>

and issue Shares only in “Creation Units,” aggregations of 50,000 Shares. See Amendment No. 1, at 17. All the amendments to the proposed rule change are available at: <http://www.sec.gov/comments/sr-nysearca-2015-44/nysearca201544.shtml>.

<sup>5</sup> In Amendment No. 2, the Exchange clarifies that: (1) not more than 10% of the net assets of the Fund will consist of equity securities that trade in markets that are not members of the ISG or are not parties to a CSSA with the Exchange; (2) the Fund will not invest in leveraged or inverse leveraged exchange-traded funds (“ETFs”) or leveraged or inverse leveraged exchange-traded notes (“ETNs”); and (3) over-the-counter-traded derivative assets, excluding forward foreign currency contracts, normally will be valued on the basis of quotes obtained from a third-party broker-dealer who makes markets in such securities or on the basis of quotes obtained from a third-party pricing service.

<sup>6</sup> Amendment No. 3 clarifies that equity securities held as “Non-Principal Investments” are separate from the ETPs categorized as “Principal Investments.”

<sup>7</sup> Additional information regarding, among other things, the Shares, the Fund, its investment objective, its investments, its investment strategies, its investment methodology, its investment restrictions, its fees, its creation and redemption procedures, availability of information, trading rules and halts, and surveillance procedures can be found in Amendment No. 1 and in the Registration Statement. See Amendment No. 1, *supra* note 4, and Registration Statement, *infra* note 9, respectively.

<sup>8</sup> A Managed Fund Share is a security that represents an interest in an investment company registered under the Investment Company Act of 1940 (15 U.S.C. 80a-1) (“1940 Act”) organized as an open-end investment company or similar entity that invests in a portfolio of securities selected by its investment adviser consistent with its investment objectives and policies.

<sup>9</sup> The Trust is registered under the 1940 Act. On December 18, 2013, the Trust filed with the Commission an amendment to its registration statement on Form N-1A under the Securities Act of 1933 (15 U.S.C. 77a) (“Securities Act”), and under the 1940 Act relating to the Fund (File Nos. 333-173276 and 811-22542) (“Registration Statement”). In addition, the Commission has issued an order granting certain exemptive relief to the Trust under the 1940 Act. See Investment

SSgA Funds Management, Inc. will serve as the investment adviser to the Fund (“Adviser”).<sup>10</sup> State Street Global Markets, LLC will be the principal underwriter and distributor of the Fund’s Shares. State Street Bank and Trust Company will serve as administrator, custodian and transfer agent for the Fund (“Custodian”).

The Adviser is not a registered broker-dealer but is affiliated with a broker-dealer and has implemented a “fire wall” with respect to such broker-dealer regarding access to information concerning the composition and/or changes to the Fund’s portfolio.<sup>11</sup>

#### A. Principal Investments of the Fund

The Fund will seek to provide long-term total return. In seeking long-term total return, the Adviser will target a return that exceeds one-month London Interbank Offered Rate (“LIBOR”) by at least 4% every year over a five-year investment timeframe. According to the Exchange, the Fund will be actively managed and will not seek to replicate the performance of a specified index.

Company Act Release No. 29524 (December 13, 2010) (File No. 812-13487).

<sup>10</sup> An investment adviser to an open-end fund is required to be registered under the Investment Advisers Act of 1940 (the “Advisers Act”). As a result, the Adviser and its related personnel are subject to the provisions of Rule 204A-1 under the Advisers Act relating to codes of ethics. This Rule requires investment advisers to adopt a code of ethics that reflects the fiduciary nature of the relationship to clients as well as compliance with other applicable securities laws. Accordingly, procedures designed to prevent the communication and misuse of non-public information by an investment adviser must be consistent with Rule 204A-1 under the Advisers Act. In addition, Rule 206(4)-7 under the Advisers Act makes it unlawful for an investment adviser to provide investment advice to clients unless such investment adviser has (i) adopted and implemented written policies and procedures reasonably designed to prevent violation, by the investment adviser and its supervised persons, of the Advisers Act and the Commission rules adopted thereunder; (ii) implemented, at a minimum, an annual review regarding the adequacy of the policies and procedures established pursuant to subparagraph (i) above and the effectiveness of their implementation; and (iii) designated an individual (who is a supervised person) responsible for administering the policies and procedures adopted under subparagraph (i) above.

<sup>11</sup> See Amendment No. 1, *supra* note 4, at 5. In the event (a) the Adviser or any sub-adviser becomes registered as a broker-dealer or becomes newly affiliated with a broker-dealer, or (b) any new adviser or sub-adviser is a registered broker-dealer or becomes affiliated with a broker-dealer, it will implement a fire wall with respect to its relevant personnel or broker-dealer affiliate regarding access to information concerning the composition and/or changes to the portfolio, and will be subject to procedures designed to prevent the use and dissemination of material non-public information regarding such portfolio. See *id.* at 5-6.

<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. 75071 (May 29, 2015), 80 FR 31934.

<sup>4</sup> Amendment No. 1 replaces SR-NYSEArca-2015-44 as originally filed and supersedes such filing in its entirety. In Amendment No. 1, the Exchange clarifies that: (1) under normal circumstances, the SSgA Flexible Allocation Portfolio (“Portfolio”) will invest at least 80% of its net assets in exchange-traded products (“ETPs”), futures contracts based on the Chicago Board Options Exchange Volatility Index (“VIX Futures”), and equity options; (2) up to 20% of the Portfolio’s net assets may be invested in the various investments described as “Non-Principal Investments;” (3) the Portfolio may invest in equities, including exchange-listed or over-the-counter common stock and preferred securities of domestic and foreign corporations, as Non-Principal Investments; (4) the restricted securities that may be held as Non-Principal Investments may be either fixed income or equity securities; (5) the derivatives that the Portfolio invests in may be based on equity or fixed income securities and/or equity or fixed income indices, currencies, and interest rates; (6) not more than 10% of the options that the Portfolio invests in will trade in markets that are not members of the Intermarket Surveillance Group (“ISG”) or are not parties to a comprehensive surveillance sharing agreement (“CSSA”) with the Exchange; and (7) to the extent the SSgA Active ETF Trust effects the creation or redemption of Shares in cash, such transactions will be effected in materially the same manner for all authorized participants. Amendment No. 1 also removes from the proposal a description of the circumstances in which the SSgA Active ETF Trust reserves the right to permit or require the substitution of the cash to replace any of the components of the portfolio of securities designated as consideration for the purchase of a “Creation Unit.” The Fund will offer

Under normal circumstances,<sup>12</sup> the Fund will invest substantially all of its assets in the Portfolio, a separate series of the SSgA Master Trust with an identical investment objective as the Fund. As a result, the Fund will invest indirectly in all of the securities and assets owned by the Portfolio.<sup>13</sup> The investment practices of the Portfolio are the same in all material respects to those of the Fund.

The Adviser will seek to gain exposure to a wide range of asset classes, including real estate; equity and fixed income securities, including high yield debt securities; commodities; instruments that seek to track movements in volatility indices; and cash and cash equivalents or money market instruments. Under normal circumstances, the Portfolio will invest at least 80% of its net assets in ETPs,<sup>14</sup> VIX Futures, and equity options (including options on ETPs).

#### B. Non-Principal Investments

While under normal circumstances, the Adviser will invest at least 80% of the Portfolio's net assets as described in the Principal Investments section, above, the Adviser may invest up to 20% of the Portfolio's net assets in other securities and financial instruments, as described below.

The Portfolio may hold in the following types of assets:

<sup>12</sup> The term "under normal circumstances" includes, but is not limited to, the absence of extreme volatility or trading halts in the equity markets or the financial markets generally; operational issues causing dissemination of inaccurate market information; or force majeure type events such as systems failure, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labor disruption or any similar intervening circumstance. See *id.* at 6, n.8.

<sup>13</sup> According to the Exchange, the Fund is intended to be managed in a "master-feeder" structure, under which the Fund will invest substantially all of its assets in a corresponding Portfolio (*i.e.* a "master fund"), which is a separate 1940 Act-registered mutual fund that has an identical investment objective. As a result, the Fund (*i.e.*, the "feeder fund") will have an indirect interest in all of the securities and other assets owned by the Portfolio. Because of this indirect interest, the Fund's investment returns should be the same as those of the Portfolio, adjusted for the expenses of the Fund. In extraordinary instances, the Fund reserves the right to make direct investments in securities. The Adviser will manage the investments of the Portfolio. Under the master-feeder arrangement, and pursuant to the investment advisory agreement between the Adviser and the Trust, investment advisory fees charged at the Portfolio level will be deducted from the advisory fees charged at the Fund level. In extraordinary instances, the Fund reserves the right to make direct investments in securities to meet its investment objectives directly. See *id.* at 6, n.9.

<sup>14</sup> ETPs include ETFs registered under the 1940 Act, exchange-traded commodity trusts and exchange-traded notes. The Portfolio may also invest in ETPs that are qualified publicly traded partnerships ("QPTPs").

- Equities securities other than ETPs mentioned above,<sup>15</sup> including exchange-listed or over-the-counter ("OTC") common stock and preferred securities of domestic and foreign corporations; real estate investment trusts; and the securities of other investment companies.

- Fixed income securities, including U.S. government and U.S. government agency securities; repurchase agreements and reverse repurchase agreements; bonds, including sovereign debt and U.S. registered, dollar-denominated bonds of foreign corporations, governments, agencies and supra-national entities; convertible securities; short term instruments, including money market instruments; inflation-protected public obligations, commonly known as "TIPS," of the U.S. Treasury, as well as TIPS of major governments and emerging market countries; and variable and floating rate securities, including variable rate demand notes and variable rate demand obligations.

- Cash and cash equivalents.
- Restricted securities, including equity and fixed income restricted securities.
- The following types of derivatives: exchange-listed and non-exchange listed options (other than the equity options mentioned above), swaps, forward contracts, and futures contracts (other than the VIX Futures mentioned above). The derivatives that the Portfolio invests in may be based on equity or fixed income securities and/or equity or fixed income indices, currencies, and interest rates.

The Portfolio also may conduct foreign currency transactions on a spot (*i.e.*, cash) basis and engage in short sales "against the box."<sup>16</sup>

### III. Discussion and Commission Findings

After careful review, the Commission finds that the Exchange's proposal to list and trade the Shares is consistent with the Exchange Act and the rules and regulations thereunder applicable to a national securities exchange.<sup>17</sup> In particular, the Commission finds that the proposed rule change is consistent with section 6(b)(5) of the Exchange Act,<sup>18</sup> 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 Commission finds that the proposal to list and trade the Shares on the Exchange is consistent with section 11A(a)(1)(C)(iii) of the Exchange Act,<sup>19</sup> which sets forth Congress' finding that it is in the public interest and appropriate for the protection of investors and the maintenance of fair and orderly markets to assure the availability to brokers, dealers, and investors of information with respect to quotations for and transactions in securities. Quotation and last-sale information for the Shares and underlying equity securities traded on a national securities exchange will be available via the Consolidated Tape Association high speed line. The Exchange represents that the intra-day, closing and settlement prices of underlying equity securities traded on a national securities exchange, as well as exchange-traded futures and foreign exchange-traded common stocks and preferred securities, will be readily available from the exchanges trading such assets as well as automated quotation systems, published or other public sources, or on-line information services. Intra-day and closing price information for exchange-listed options and futures will be available from the applicable exchange and from major market data vendors. In addition, price information for U.S. exchange-listed options is available from the Options Price Reporting Authority. Quotation information from brokers and dealers or pricing services will be available for fixed income securities, spot, and forward currency transactions; and equity securities traded in the OTC market (*e.g.*, restricted securities and non-exchange listed securities of investment companies). Price information regarding OTC-traded derivative instruments, as well as equity securities traded in the OTC market, is available from major market data vendors. Pricing information regarding each asset class in which the Fund or Portfolio will invest will generally be available through nationally recognized data service providers through subscription arrangements.

The Commission also believes that the proposal to list and trade the Shares is reasonably designed to promote fair disclosure of information that may be

<sup>15</sup> See Amendment No. 3, *supra* note 6.

<sup>16</sup> In a short sale against the box, the Fund agrees to sell at a future date a security that it either contemporaneously owns or has the right to acquire at no extra cost.

<sup>17</sup> 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).

<sup>18</sup> 15 U.S.C. 78f(b)(5).

<sup>19</sup> 15 U.S.C. 78k-1(a)(1)(C)(iii).

necessary to price the Shares appropriately and to prevent trading when a reasonable degree of transparency cannot be assured. On each business day, before commencement of trading in Shares in the Core Trading Session on the Exchange, the Fund will disclose on its Web site the Disclosed Portfolio as defined in NYSE Arca Equities Rule 8.600(c)(2) that will form the basis for the Fund's calculation of NAV at the end of the business day.<sup>20</sup>

The Exchange will obtain a representation from the issuer of the Shares that the NAV per Share will be calculated daily and that the NAV and the Disclosed Portfolio will be made available to all market participants at the same time. In addition, the Indicative Optimized Portfolio Value ("IOPV") of the Fund, which is the Portfolio Indicative Value as defined in NYSE Arca Equities Rule 8.600 (c)(3), will be widely disseminated at least every 15 seconds during the Exchange's Core Trading Session by one or more major market data vendors. The Custodian, through the National Securities Clearing Corporation, will make available on each Business Day, immediately prior to the opening of business on the Exchange (currently 9:30 a.m., Eastern Time ("E.T.")), the list of the names and the required number of shares of each Deposit Security or the required amount of Deposit Cash, as applicable, to be included in the current Fund Deposit (based on information at the end of the previous Business Day) for the Fund. The NAV of the Portfolio will be calculated by the Custodian and determined at the close of the regular trading session on the New York Stock Exchange (ordinarily 4:00 p.m. E.T.) on each day that such exchange is open. The Fund's Web site will include a form of the prospectus for the Fund that may be downloaded and additional information relating to NAV and other applicable information.

The Exchange represents that trading in the Shares will be halted if the circuit breaker parameters in NYSE Arca Equities Rule 7.12 have been reached or because of market conditions or for reasons that, in the view of the Exchange, make trading in the Shares inadvisable.<sup>21</sup> Trading in the Shares will

<sup>20</sup> Under accounting procedures followed by the Fund, trades made on the prior business day ("T") will be booked and reflected in NAV on the current business day ("T+1"). Accordingly, the Fund will be able to disclose at the beginning of the business day the portfolio that will form the basis for the NAV calculation at the end of the business day.

<sup>21</sup> These may include: (1) The extent to which trading is not occurring in the securities and/or the

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The Exchange represents that it deems the Shares to be equity securities, thus rendering trading in the Shares subject to the Exchange's existing rules governing the trading of equity securities.<sup>26</sup> In support of this proposal, the Exchange has also made the following representations:

(1) The Shares of the Fund will conform to the initial and continued listing criteria under NYSE Arca Equities Rule 8.600.

(2) The Exchange has appropriate rules to facilitate transactions in the Shares during all trading sessions.

(3) Trading in the Shares will be subject to the existing trading surveillances, administered by FINRA on behalf of the Exchange, which are designed to detect violations of Exchange rules and applicable federal securities laws, and these procedures are adequate to properly monitor Exchange trading of the Shares in all trading sessions and to deter and detect violations of Exchange rules and federal securities laws applicable to trading on the Exchange.

(4) Prior to the commencement of trading, the Exchange will inform its Equity Trading Permit Holders in a Bulletin of the special characteristics and risks associated with trading the Shares. Specifically, the Bulletin will discuss the following: (a) the procedures for purchases and redemptions of Shares in Creation Unit aggregations (and that Shares are not individually redeemable); (b) NYSE Arca Equities Rule 9.2(a), which imposes a duty of due diligence on its ETP Holders to learn the essential facts relating to every customer prior to trading the Shares; (c) the risks involved in trading the Shares during the Opening and Late Trading Sessions when an updated IOPV will not be calculated or publicly disseminated; (d) how information regarding the IOPV and the Disclosed Portfolio is disseminated; (e) the requirement that Equity Trading Permit Holders deliver a prospectus to investors purchasing newly issued Shares prior to or concurrently with the confirmation of a transaction; and (f) trading information.

(5) For initial and/or continued listing, the Fund will be in compliance with Rule 10A-3<sup>27</sup> under the Act, as

be subject to NYSE Arca Equities Rule 8.600(d)(2)(D), which sets forth circumstances under which Shares may be halted.

The Exchange states that it has a general policy prohibiting the distribution of material, non-public information by its employees.<sup>22</sup> The Exchange represents that the Adviser is not registered as a broker-dealer but is affiliated with a broker-dealer and has implemented a "fire wall" with respect to such broker-dealer regarding access to information concerning the composition and/or changes to the Fund's portfolio.<sup>23</sup>

Prior to the commencement of trading, the Exchange will inform its Equity Trading Permit Holders in an Information Bulletin ("Bulletin") of the special characteristics and risks associated with trading the Shares. The Exchange states that trading in the Shares will be subject to the existing trading surveillances, administered by the Financial Industry Regulatory Authority ("FINRA") on behalf of the Exchange, which are designed to detect violations of Exchange rules and applicable federal securities laws.<sup>24</sup> On behalf of the Exchange, FINRA will communicate as needed regarding trading in the Shares, underlying U.S. exchange-traded equity securities, exchange-traded options, futures, and foreign exchange-traded common stocks and preferred securities with other markets and other entities that are members of ISG, and FINRA, on behalf of the Exchange, may obtain trading information regarding trading in the Shares and underlying U.S. exchange-traded equity securities, exchange-traded options, futures, and common stocks and preferred securities of foreign corporations from such markets and other entities. In addition, the Exchange may obtain information regarding trading in the Shares and U.S. exchange-traded equity securities, exchange-traded options, futures, and common stocks and preferred securities of foreign corporations from markets and other entities that are members of ISG or with which the Exchange has in place a CSSA.<sup>25</sup> FINRA, on behalf of the

financial instruments comprising the Disclosed Portfolio of the Fund; or (2) whether other unusual conditions or circumstances detrimental to the maintenance of a fair and orderly market are present. See Amendment No. 1, *supra* note 4, at 22.

<sup>22</sup> See *id.* at 24.

<sup>23</sup> See note 11, *supra*, and accompanying text.

<sup>24</sup> See Amendment No. 1, *supra* note 4, at 23. FINRA surveils trading on the Exchange pursuant to a regulatory services agreement. The Exchange is responsible for FINRA's performance under this regulatory services agreement.

<sup>25</sup> For a list of the current members of ISG, see [www.isgportal.org](http://www.isgportal.org).

Exchange, is able to access, as needed, trade information for certain fixed income securities held by the Fund reported to FINRA's Trade Reporting and Compliance Engine.

The Exchange represents that it deems the Shares to be equity securities, thus rendering trading in the Shares subject to the Exchange's existing rules governing the trading of equity securities.<sup>26</sup> In support of this proposal, the Exchange has also made the following representations:

(1) The Shares of the Fund will conform to the initial and continued listing criteria under NYSE Arca Equities Rule 8.600.

(2) The Exchange has appropriate rules to facilitate transactions in the Shares during all trading sessions.

(3) Trading in the Shares will be subject to the existing trading surveillances, administered by FINRA on behalf of the Exchange, which are designed to detect violations of Exchange rules and applicable federal securities laws, and these procedures are adequate to properly monitor Exchange trading of the Shares in all trading sessions and to deter and detect violations of Exchange rules and federal securities laws applicable to trading on the Exchange.

(4) Prior to the commencement of trading, the Exchange will inform its Equity Trading Permit Holders in a Bulletin of the special characteristics and risks associated with trading the Shares. Specifically, the Bulletin will discuss the following: (a) the procedures for purchases and redemptions of Shares in Creation Unit aggregations (and that Shares are not individually redeemable); (b) NYSE Arca Equities Rule 9.2(a), which imposes a duty of due diligence on its ETP Holders to learn the essential facts relating to every customer prior to trading the Shares; (c) the risks involved in trading the Shares during the Opening and Late Trading Sessions when an updated IOPV will not be calculated or publicly disseminated; (d) how information regarding the IOPV and the Disclosed Portfolio is disseminated; (e) the requirement that Equity Trading Permit Holders deliver a prospectus to investors purchasing newly issued Shares prior to or concurrently with the confirmation of a transaction; and (f) trading information.

(5) For initial and/or continued listing, the Fund will be in compliance with Rule 10A-3<sup>27</sup> under the Act, as

<sup>26</sup> See Amendment No. 1, *supra* note 4, at 22-23.

<sup>27</sup> 17 CFR 240.10A-3.

provided by NYSE Arca Equities Rule 5.3.

(6) While the Fund may invest in inverse ETFs, the Fund will not invest in leveraged or inverse leveraged ETFs or ETNs (e.g., 2X or 3X).<sup>28</sup>

(7) The Portfolio may invest up to 20% of its assets in derivatives.<sup>29</sup>

(8) The Portfolio may invest up to 25% of its total assets in one or more ETPs that are QPTPs and whose principal activities are the buying and selling of commodities or options, futures, or forwards with respect to commodities.<sup>30</sup>

(9) The Portfolio may invest up to 10% of its net assets in high yield debt securities.<sup>31</sup>

(10) Not more than 10% of the net assets of the Fund will consist of equity securities that trade in markets that are not members of the ISG or are not parties to CSSA with the Exchange.<sup>32</sup>

(11) The Fund may hold up to an aggregate amount of 15% of its net assets in illiquid assets (calculated at the time of investment), including Rule 144A securities deemed illiquid by the Adviser, consistent with Commission guidance. The Fund will monitor its portfolio liquidity on an ongoing basis to determine whether, in light of current circumstances, an adequate level of liquidity is being maintained, and will consider taking appropriate steps in order to maintain adequate liquidity if, through a change in values, net assets, or other circumstances, more than 15% of the Fund's net assets are held in illiquid assets.<sup>33</sup>

(12) A minimum of 100,000 Shares will be outstanding at the commencement of trading on the Exchange.<sup>34</sup>

This approval order is based on all of the Exchange's representations, including those set forth above and in the Notice.

For the foregoing reasons, the Commission finds that the proposed rule change, as modified by Amendment Nos. 1, 2, and 3, is consistent with section 6(b)(5) of the Act<sup>35</sup> and the rules and regulations thereunder applicable to a national securities exchange.

#### IV. Solicitation of Comments on Amendment Nos. 1, 2 and 3

Interested persons are invited to submit written data, views, and

arguments concerning whether Amendment Nos. 1, 2, and 3 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-NYSEArca-2015-44 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-NYSEArca-2015-44. 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 Web site (<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 Web site 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 such filing will also be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NYSEArca-2015-44 and should be submitted on or before August 11, 2015.

#### V. Accelerated Approval of Proposed Rule Change as Modified by Amendment Nos. 1, 2, and 3

The Commission finds good cause to approve the proposed rule change, as modified by Amendment Nos. 1, 2, and 3, prior to the 30th day after the date of publication of notice of the amendment in the **Federal Register**. The Exchange submitted Amendment Nos. 1, 2, and 3

to, among other things, provide clarifying details about the investments the Portfolio would be permitted to hold and the valuation of OTC-traded derivative assets, and to limit the percentage of the Portfolio that may be comprised of options that are listed on markets that are not members of the ISG or with which the Exchange does not have a CSSA.<sup>36</sup>

This information is useful for evaluating the likelihood of market participants engaging in effective arbitrage and the Exchange's ability to detect improper trading activity that impacts the price of the Shares. Accordingly, the Commission believes that Amendment Nos. 1, 2, and 3 are consistent with the provisions of section 6(b)(5) of the Act,<sup>37</sup> and therefore finds good cause, pursuant to section 19(b)(2) of the Act,<sup>38</sup> for approving the proposed rule change, as modified by Amendment Nos. 1, 2, and 3, on an accelerated basis.

#### VI. Conclusion

*It is therefore ordered*, pursuant to section 19(b)(2) of the Exchange Act, that the proposed rule change (SR-NYSEArca-2015-44), as modified by Amendment Nos. 1, 2, and 3, is hereby approved on an accelerated basis.

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

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

[FR Doc. 2015-17780 Filed 7-20-15; 8:45 am]

**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

### Sunshine Act Meeting

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Public Law 94-409, that the Securities and Exchange Commission will hold a Closed Meeting on Thursday, July 23, 2015 at 2:00 p.m.

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the Closed Meeting. Certain staff members who have an interest in the matters also may be present.

The General Counsel of the Commission, or her designee, has certified that, in her opinion, one or more of the exemptions set forth in 5 U.S.C. 552(b)(3), (5), (7), 9(B) and (10) and 17 CFR 200.402(a)(3), (5), (7), 9(ii)

<sup>36</sup> See Amendment No. 1, *supra* note 4.

<sup>37</sup> 15 U.S.C. 78f(b)(5).

<sup>38</sup> 15 U.S.C. 78s(b)(2).

<sup>39</sup> 17 CFR 200.30-3(a)(12).

<sup>28</sup> See Amendment No. 2, *supra* note 5.

<sup>29</sup> See Amendment No. 1, *supra* note 4, at 12, n.24.

<sup>30</sup> See *id.* at 9.

<sup>31</sup> See *id.* at 11.

<sup>32</sup> See *id.* at 10.

<sup>33</sup> See *id.* at 14.

<sup>34</sup> See *id.* at 23.

<sup>35</sup> 15 U.S.C. 78f(b)(5).