

Section 6(b)(5) of the Act,<sup>22</sup> which requires, among other things, that the Exchange's rules be designed to prevent fraudulent and manipulative acts and practices, 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.

As discussed above, the Exchange proposes that the Fund may invest up to 60% of its assets (calculated as the aggregate gross notional value) in OTC derivatives. The only OTC derivatives that the Fund may invest in are OTC total return swaps on U.S. and foreign exchange-listed equity securities, so the underlying securities are trading on transparent and regulated markets. In addition, the Fund will disclose on its website information regarding the Disclosed Portfolio required under NYSE Arca Rule 8.600–E(c)(2) to the extent applicable and such website information will be publicly available at no charge.<sup>23</sup> Other than Commentary .01(e), the Shares of the Fund will conform to the initial and continued listing criteria under NYSE Arca Rule 8.600–E and will meet all other requirements of NYSE Arca Rule 8.600–E and Commentary .01 thereto. All Fund investments, including derivative instruments (*i.e.*, OTC total return swaps on U.S. and foreign exchange-listed equity securities), will be made in accordance with all applicable laws, including U.S. federal and state laws.

In evaluating these aspects of the proposal, the Commission believes that the proposal is reasonably designed to mitigate the Shares' susceptibility to manipulation because (i) the investments of the Fund will be transparent in that they are required to be disclosed daily and specifically will include information regarding the Fund's investments in OTC derivatives; (ii) the instruments underlying the Fund's OTC derivative investments will be traded on transparent and regulated markets, as the only OTC derivatives that the Fund may invest in are total return swaps on U.S. and foreign exchange-listed equity securities; and (iii) the Fund's investments otherwise are consistent with the Exchange's generic listing standards. In addition, the Commission believes that the proposal is consistent with the listing of other series of Managed Fund Shares

that have been approved by the Commission.<sup>24</sup>

Pursuant to Commentary .01 to NYSE Arca Rule 8.600–E, all statements or representations made in the filing regarding (a) the description of the portfolio or reference asset, (b) limitations on portfolio holdings or reference assets, or (c) the applicability of Exchange listing rules specified in the filing shall constitute continued listing requirements for listing the Shares on the Exchange. In addition, the issuer must notify the Exchange of any failure by the Fund to comply with the continued listing requirements. Pursuant to its obligations under Section 19(g)(1) of the Act, the Exchange will monitor<sup>25</sup> for compliance with the continued listing requirements. If the Fund is not in compliance with the applicable listing requirements, the Exchange will commence delisting procedures under NYSE Arca Rule 5.5–E(m).

Accordingly, 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<sup>26</sup> 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,<sup>27</sup> that the proposed rule change (SR–NYSEArca–2019–77), as modified by Amendment No. 1, be, and it hereby is, approved.

<sup>24</sup> See, *e.g.*, Securities Exchange Act Release No. 82080 (November 15, 2017), 82 FR 55449 (November 21, 2017) (NYSEArca–2017–86) (Order Granting Approval of a Proposed Rule Change, as Modified by Amendment Nos. 1 and 2, To List and Trade Shares of the JPMorgan Managed Futures ETF Under NYSE Arca Rule 8.600–E); Securities Exchange Act Release No. 82492 (January 12, 2018), 83 FR 2850 (January 19, 2018) (SR–NYSEArca–2017–87) (Order Granting Approval of a Proposed Rule Change, as Modified by Amendment No. 6, To List and Trade Shares of the JPMorgan Long/Short ETF Under NYSE Arca Rule 8.600–E).

<sup>25</sup> The Commission notes that certain proposals for the listing and trading of exchange-traded products include a representation that the exchange will “surveil” for compliance with the continued listing requirements. See, *e.g.*, Securities Exchange Act Release No. 77499 (April 1, 2016), 81 FR 20428, 20432 (April 7, 2016) (SR–BATS–2016–04). In the context of this representation, it is the Commission's view that “monitor” and “surveil” both mean ongoing oversight of compliance with the continued listing requirements. Therefore, the Commission does not view “monitor” as a more or less stringent obligation than “surveil” with respect to the continued listing requirements.

<sup>26</sup> 15 U.S.C. 78f(b)(5).

<sup>27</sup> *Id.*

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>28</sup>

**J. Matthew DeLesDernier,**

*Assistant Secretary.*

[FR Doc. 2020–18563 Filed 8–24–20; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–89614; File No. SR–BX–2020–022]

### Self-Regulatory Organizations; Nasdaq BX, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend BX Pricing Schedule at Options 7, Section 2, and Options 7, Section 3

August 19, 2020.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),<sup>1</sup> and Rule 19b–4 thereunder,<sup>2</sup> notice is hereby given that on August 12, 2020, Nasdaq BX, Inc. (“BX” or “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

#### I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend BX's Pricing Schedule at Options 7, Section 2, “BX Options Market Fees and Rebates” and Options 7, Section 3, “BX Options Market—Ports and other Services.”

The Exchange originally filed the proposed pricing changes on August 6, 2020 (SR–BX–2020–021). On August 12, 2020, the Exchange withdrew that filing and submitted this filing.

The text of the proposed rule change is available on the Exchange's website at <https://listingcenter.nasdaq.com/rulebook/bx/rules>, at the principal office of the Exchange, and at the Commission's Public Reference Room.

#### II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for

<sup>28</sup> 17 CFR 200.30–3(a)(12).

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

<sup>2</sup> 17 CFR 240.19b–4.

<sup>22</sup> 15 U.S.C. 78f(b)(5).

<sup>23</sup> See Amendment No. 1, *supra* note 10, at 12.

the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

*A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change*

1. Purpose

The Exchange proposes to amend BX's Pricing Schedule at Options 7, Section 2, "BX Options Market Fees and Rebates" and Options 7, Section 3, "BX Options Market—Ports and other Services." Each change is described below.

Options 7, Section 2

The Exchange proposes to replace the term "Penny Pilot Options" or "Non-Penny Pilot Options" with "Penny Symbols" or "Non-Penny Symbols." On April 1, 2020 the Commission approved the amendment to the OLPP to make permanent the Pilot Program (the "OLPP Program").<sup>3</sup> The Exchange recently filed a proposal to amend BX Options 3, Section 3 to conform the rule to Section 3.1 of the Plan for the Purpose of Developing and Implementing Procedures Designed to Facilitate the Listing and Trading of Standardized Options (the "OLPP").<sup>4</sup> The Exchange's proposal amended BX Options 3, Section 3 to refer to a Penny Interval Program instead of a Penny Pilot Program.

Options 7, Section 3

In connection with a technology migration, Participants may request new

SQF Ports,<sup>5</sup> SQF Purge Ports,<sup>6</sup> FIX DROP Port,<sup>7</sup> CTI Ports,<sup>8</sup> BX Depth Ports<sup>9</sup> and BX TOP Ports<sup>10</sup> from August 10, 2020 through September 30, 2020, which are duplicative of the type and quantity of their current ports, at no additional cost to allow for testing of the new ports and allow for continuous connection to the match engine during

<sup>5</sup> "Specialized Quote Feed" or "SQF" is an interface that allows Market Makers to connect, send, and receive messages related to quotes, Immediate-or-Cancel Orders, and auction responses into and from the Exchange. Features include the following: (1) Options symbol directory messages (e.g. underlying instruments); (2) system event messages (e.g., start of trading hours messages and start of opening); (3) trading action messages (e.g., halts and resumes); (4) execution messages; (5) quote messages; (6) Immediate-or-Cancel Order messages; (7) risk protection triggers and purge notifications; (8) opening imbalance messages; (9) auction notifications; and (10) auction responses. The SQF Purge Interface only receives and notifies of purge request from the Market Maker. Market Makers may only enter interest into SQF in their assigned options series. See Options 3, Section 7(d)(1)(B).

<sup>6</sup> The SQF Purge Interface only receives and notifies of purge request from the Market Maker. Market Makers may only enter interest into SQF in their assigned options series. See Options 3, Section 7(d)(1)(B).

<sup>7</sup> FIX DROP is a real-time order and execution update message that is sent to a Participant after an order been received/modified or an execution has occurred and contains trade details specific to that Participant. The information includes, among other things, the following: (i) Executions; (ii) cancellations; (iii) modifications to an existing order and (iv) busts or post-trade corrections. See Options 3, Section 23(b)(3).

<sup>8</sup> Clearing Trade Interface ("CTI") is a real-time clearing trade update message that is sent to a Participant after an execution has occurred and contains trade details specific to that Participant. The information includes, among other things, the following: (i) The Clearing Member Trade Agreement or "CMTA" or The Options Clearing Corporation or "OCC" number; (ii) Exchange badge or house number; (iii) the Exchange internal firm identifier; (iv) an indicator which will distinguish electronic and non-electronically delivered orders; (v) liquidity indicators and transaction type for billing purposes; and (vi) capacity. See Option 3, Section 23(b)(1).

<sup>9</sup> BX Depth of Market ("BX Depth") is a data feed that provides full order and quote depth information for individual orders and quotes on the BX Options book, last sale information for trades executed on BX Options, and Order Imbalance Information as set forth in BX Options Rules Options 3, Section 8. The data provided for each options series includes the symbols (series and underlying security), put or call indicator, expiration date, the strike price of the series, and whether the option series is available for trading on BX and identifies if the series is available for closing transactions only. See Options 3, Section 23(a)(1).

<sup>10</sup> BX Top of Market ("BX Top") is a data feed that provides the BX Options Best Bid and Offer and last sale information for trades executed on BX Options. The data provided for each options series includes the symbols (series and underlying security), put or call indicator, expiration date, the strike price of the series, and whether the option series is available for trading on BX and identifies if the series is available for closing transactions only. See Options 3, Section 23(a)(1).

the transition period.<sup>11</sup> For example, a BX Participant with 3 SQF Ports, 1 SQF Purge Port, 1 FIX DROP Port, 1 CTI Port, 2 BX Depth Ports and 1 BX TOP Port on October 1, 2020 could request 3 new SQF Ports, 1 new SQF Purge Port, 1 new FIX DROP Port, 1 new CTI Port, 2 new BX Depth Ports and 1 new BX TOP Port from August 10, 2020 through September 30, 2020 at no additional cost. The BX Participant would be assessed only for the legacy market ports, in this case 3 SQF Ports, 1 SQF Purge Port, 1 FIX DROP Port, 1 CTI Port, 2 BX Depth Ports and 1 BX TOP Port from August 10, 2020 through September 30, 2020 and would not be assessed for the new ports, which are duplicative of the current ports. A Participant may acquire any additional legacy ports from August 10, 2020 through September 30, 2020 and would be assessed the charges indicated in the current Pricing Schedule. The migration does not require a Participant to acquire any additional ports, rather the migration requires a new port to replace any existing ports provided the Participant desired to maintain the same number of ports.<sup>12</sup> A BX Market Maker quoting on BX only requires 1 SQF Port.<sup>13</sup> A Participant may also obtain any number of order and execution ports, such as a SQF Purge Ports, FIX DROP Ports and CTI Ports and any number of data ports, such as BX Depth and BX TOP Ports. The number of ports obtained by a Participant is dependent on Participant's business needs.

The proposal is not intended to impose any additional fees on any BX Participant. This proposal is intended to permit a BX Participant to migrate its current SQF Ports, SQF Purge Ports, FIX DROP Ports, CTI Ports, BX Depth Ports and BX TOP Ports at no additional cost from August 10, 2020 through September 30, 2020 to allow for continuous connection to the Exchange. BX will sunset legacy ports by October 1, 2020. BX will assess Participants new SQF Ports, SQF Purge Ports, FIX DROP Ports, CTI Ports, BX Depth Ports and BX TOP Ports in October 2020.

Currently, there is obsolete rule text within Options 7, Sections 3(i) and 3(ii), which the Exchange proposes to replace with new rule text related to its current proposal to migrate technology. The obsolete rule text concerned a prior

<sup>11</sup> Participants would contact Market Operations to acquire new duplicative ports.

<sup>12</sup> The migration is 1:1 and therefore would not require a Participant to acquire new ports, nor would it reduce the number of ports needed to connect.

<sup>13</sup> SQF Ports are utilized solely by Market Makers who are the only Participants permitted to quote on BX.

<sup>3</sup> See Securities Exchange Act Release No. 88532 (April 1, 2020), 85 FR 19545 (April 7, 2020) (File No. 4-443) ("Approval Order").

<sup>4</sup> See Securities Exchange Act Release No. 89169 (June 26, 2020), 85 FR 39949 (July 2, 2020) (SR-BX-2020-013).

technology migration in 2019 which has already occurred and, therefore, the current rule text is no longer necessary.

## 2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>14</sup> in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,<sup>15</sup> in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Commission and the courts have repeatedly expressed their preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, while adopting a series of steps to improve the current market model, the Commission highlighted the importance of market forces in determining prices and SRO revenues and, also, recognized that current regulation of the market system “has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.”<sup>16</sup>

Likewise, in *NetCoalition v. Securities and Exchange Commission*<sup>17</sup> (“NetCoalition”) the D.C. Circuit upheld the Commission’s use of a market-based approach in evaluating the fairness of market data fees against a challenge claiming that Congress mandated a cost-based approach.<sup>18</sup> As the court emphasized, the Commission “intended in Regulation NMS that ‘market forces, rather than regulatory requirements’ play a role in determining the market data . . . to be made available to investors and at what cost.”<sup>19</sup>

Further, “[n]o one disputes that competition for order flow is ‘fierce.’ . . . As the SEC explained, ‘[i]n the U.S. national market system, buyers and sellers of securities, and the broker-dealers that act as their order-routing agents, have a wide range of choices of where to route orders for execution’; [and] ‘no exchange can afford to take its market share percentages for granted’ because ‘no exchange possesses a monopoly, regulatory or otherwise, in the execution of order flow from broker

dealers’ . . . .”<sup>20</sup> Although the court and the SEC were discussing the cash equities markets, the Exchange believes that these views apply with equal force to the options markets.

## Options 7, Section 2

The Exchange’s proposal to replace the term “Penny Pilot Options” or “Non-Penny Pilot Options” with “Penny Symbols” or “Non-Penny Symbols” is reasonable, equitable and not unfairly discriminatory. This amendment seeks to conform the name of the program which governs the listing of certain standardized options.

## Options 7, Section 3

The proposed amendments to Options 7, Section 3 are reasonable because they will permit BX Participants to migrate to new technology without a pricing impact. Specifically, the proposal is intended to permit BX Participants to migrate their SQF Ports, SQF Purge Ports, FIX DROP Ports, CTI Ports, BX Depth Ports and BX TOP Ports to new technology at no additional cost from August 10, 2020 through September 30, 2020. This proposal, which offers duplicative ports to Participants at no cost, will allow Participants to test and maintain continuous connection to the Exchange from August 10, 2020 through September 30, 2020. BX will sunset legacy ports by October 1, 2020. BX will assess Participants new SQF Ports, SQF Purge Ports, FIX DROP Ports, CTI Ports, BX Depth Ports and BX TOP Ports in October 2020.

The proposed amendments to Options 7, Section 3 are equitable and not unfairly discriminatory. The Exchange does not require a BX Participant to obtain more than one SQF Port.<sup>21</sup> In addition, a BX Participant may also obtain any number of order and execution ports, such as a SQF Purge Ports, FIX DROP Ports and CTI Ports and any number of data ports, such as BX Depth and BX TOP Ports to meet its individual business needs.<sup>22</sup> This proposal is not intended to have a pricing impact to any BX Participant.

The Exchange’s proposal to remove current rule text and replace it with new rule text is reasonable, equitable and not unfairly discriminatory, as the current rule text refers to a technology migration from 2019 and is obsolete.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

### Intermarket Competition

The proposal does not impose an undue burden on intermarket competition. The Exchange believes its proposal remains competitive with other options markets and will offer market participants with another choice of where to transact options. The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive, or rebate opportunities available at other venues to be more favorable. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges that have been exempted from compliance with the statutory standards applicable to exchanges. Because competitors are free to modify their own fees in response, and because market participants may readily adjust their order routing practices, the Exchange believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited.

### Intramarket Competition

#### Options 7, Section 2

The Exchange’s proposal to replace the term “Penny Pilot Options” or “Non-Penny Pilot Options” with “Penny Symbols” or “Non-Penny Symbols” does not impose an undue burden on competition. This amendment seeks to conform the name of the program which governs the listing of certain standardized options.

#### Options 7, Section 3

The proposal does not impose an undue burden on intra-market competition. The Exchange does not require a BX Participant to obtain more than one SQF Port.<sup>23</sup> In addition, a BX Participant may also obtain any number of order and execution ports, such as a SQF Purge Ports, FIX DROP Ports and CTI Ports and any number of data ports, such as BX Depth Ports and BX TOP Ports to meet its individual business needs.<sup>24</sup> This proposal is not intended

<sup>14</sup> 15 U.S.C. 78f(b).

<sup>15</sup> 15 U.S.C. 78f(b)(4) and (5).

<sup>16</sup> Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) (“Regulation NMS Adopting Release”).

<sup>17</sup> *NetCoalition v. SEC*, 615 F.3d 525 (D.C. Cir. 2010).

<sup>18</sup> See *NetCoalition*, at 534–535.

<sup>19</sup> *Id.* at 537.

<sup>20</sup> *Id.* at 539 (quoting Securities Exchange Act Release No. 59039 (December 2, 2008), 73 FR 74770, 74782–83 (December 9, 2008) (SR–NYSEArca–2006–21)).

<sup>21</sup> See note 12 above. One SQF Port would allow a BX Market Maker to quote in all of its assigned options series.

<sup>22</sup> See note 11 above.

<sup>23</sup> See note 12 above. One SQF Port would allow a BX Market Maker to quote in all of its assigned options series.

<sup>24</sup> See note 11 above.

to have a pricing impact to any BX Participant.

The Exchange's proposal to remove current rule text and replace it with new rule text does not impose an undue burden on competition, as the current rule text refers to a technology migration from 2019 and is obsolete.

*C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

No written comments were either solicited or received.

**III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.<sup>25</sup>

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is: (i) Necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or 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-BX-2020-022 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-BX-2020-022. 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](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 such 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-BX-2020-022, and should be submitted on or before September 15, 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. 2020-18558 Filed 8-24-20; 8:45 am]

**BILLING CODE 8011-01-P**

**SECURITIES AND EXCHANGE COMMISSION**

[Investment Company Act Release No. 33973; 812-15115]

**Principal Funds, Inc., et al.; Notice of Application**

August 19, 2020.

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

**ACTION:** Notice of an application under Section 6(c) of the Investment Company Act of 1940 ("Act") for an exemption from Section 15(c) of the Act.

**APPLICANTS:** Principal Funds, Inc., Principal Variable Contracts Funds, Inc. and Principal Exchange-Traded Funds, each of which is a registered open-end investment company that is organized either as a Maryland corporation or a Delaware statutory trust (each a "Registrant") and that may offer one or more series of shares (each a "Series"),

and Principal Global Investors, LLC ("Adviser"), a Delaware limited liability company registered as an investment adviser under the Investment Advisers Act of 1940 ("Advisers Act"), that serves an investment adviser to each Registrant (together with the Registrants and the Series, the "Applicants").

**SUMMARY OF APPLICATION:** The requested exemption would permit a Registrant's board of trustees or directors (the "Board") to approve new sub-advisory agreements and material amendments to existing sub-advisory agreements for the Subadvised Series (as defined below), without complying with the in-person meeting requirement of Section 15(c) of the Act.

**FILING DATES:** The application was filed on March 27, 2020, and amended on June 11, 2020, June 24, 2020, and July 22, 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](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 September 14, 2020, 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 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 by emailing the Commission's Secretary.

**ADDRESSES:** The Commission:

[Secretarys-Office@sec.gov](mailto:Secretarys-Office@sec.gov); Applicants: John L. Sullivan, Esq., Principal Global Investors, LLC, at [sullivan.john.l@principal.com](mailto:sullivan.john.l@principal.com).

**FOR FURTHER INFORMATION CONTACT:** Jean E. Minarick, Senior Counsel, at (202) 551-6811, or Kaitlin C. Bottock, 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 website by searching for the file number or an Applicant using the "Company" name box, at <http://www.sec.gov/search/search.htm> or by calling (202) 551-8090.

**I. Requested Exemptive Relief**

1. Applicants request an exemption from Section 15(c) of the Act to permit

<sup>25</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

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