Applicants state that the Advisers may be able to negotiate rates that are below a Sub-Adviser's ''posted'' amounts, if the Adviser is not required to disclose the Sub-Advisers' fees to the public. Applicants submit that the requested relief will encourage Sub-Advisers to negotiate lower subadvisory fees with the Advisers if the lower fees are not required to be made public.

Applicants' Conditions

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

1. Before a Fund may rely on the order, the operation of the Fund in the manner described in the application will be approved by a majority of the Fund's outstanding voting securities as defined in the 1940 Act, or, in the case of a Fund whose public shareholders purchased shares on the basis of a prospectus containing the disclosure contemplated by condition 2 below, by the initial shareholder before such Fund's shares are offered to the public.

2. The prospectus for each Fund will disclose the existence, substance, and effect of any order granted pursuant to the application. In addition, each Fund will hold itself out to the public as employing the Manager of Managers Structure. The prospectus will prominently disclose that the Adviser has the ultimate responsibility, subject to oversight by the Board, to oversee the Sub-Advisers and recommend their hiring, termination, and replacement.

3. Funds will inform shareholders of the hiring of a new Sub-Adviser within 90 days after the hiring of the new Sub-Adviser pursuant to the Modified Notice and Access Procedures.

4. The Adviser will not enter into a Sub-Advisory Agreement with any Affiliated Sub-Adviser without that agreement, including the compensation to be paid thereunder, being approved by the shareholders of the applicable Fund.

5. At all times, at least a majority of the Board will be Independent Trustees, and the nomination of new or additional Independent Trustees will be placed within the discretion of the then-existing Independent Trustees.

6. Independent Legal Counsel, as defined in Rule 0–1(a)(6) under the 1940 Act, will be engaged to represent the Independent Trustees. The selection of such counsel will be within the discretion of the then-existing Independent Trustees.

7. Whenever a Sub-Adviser change is proposed for a Fund with an Affiliated Sub-Adviser, the Board, including a majority of the Independent Trustees, will make a separate finding, reflected in the Trust's board minutes, that the change is in the best interests of the Fund and its shareholders and does not involve a conflict of interest from which the Adviser or the Affiliated Sub-Adviser derives an inappropriate advantage.

8. Whenever a Sub-Adviser is hired or terminated, the Adviser will provide the Board with information showing the expected impact on the profitability of the Adviser.

9. The Adviser will provide the Board, no less frequently than quarterly, with information about the profitability of the Adviser on a per Fund basis. The information will reflect the impact on profitability of the hiring or termination of any Sub-Adviser during the applicable quarter.

10. The Adviser will provide general management services to each Fund, including overall supervisory responsibility for the general management and investment of the Fund's assets, and, subject to review and approval by the Board, will: (a) Set the Fund's overall investment strategies; (b) evaluate, select and recommend Sub-Advisers to manage all or a part of the Fund's assets; (c) when appropriate, allocate and reallocate the Fund's assets among Sub-Advisers; (d) monitor and evaluate the investment performance of Sub-Advisers; and (e) implement procedures reasonably designed to ensure that the Sub-Advisers comply with the Fund's investment objectives, policies, and restrictions.

11. No Trustee or officer of the Trust or of a Fund or director or officer of the Adviser will own directly or indirectly (other than through a pooled investment vehicle that is not controlled by such person) any interest in a Sub-Adviser except for: (a) Ownership of interests in the Adviser or any entity that controls, is controlled by, or is under common control with the Adviser; or (b) ownership of less than 1% of the outstanding securities of any class of equity or debt of a publicly traded company that is either a Sub-Adviser or an entity that controls, is controlled by, or is under common control with a Sub-Adviser.

12. Each Fund will disclose in its registration statement the Aggregate Fee Disclosure.

13. In the event that the Commission adopts a rule under the 1940 Act providing substantially similar relief to that in the order requested in the application, the requested order will expire on the effective date of that rule.

14. Any new Sub-Advisory Agreement or any amendments to a Fund's existing Advisory Agreement or Sub-Advisory Agreement that directly or indirectly results in an increase in the aggregate advisory fee rate payable by the Fund will be submitted to the Fund's shareholders for approval.

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

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–18129 Filed 7–31–14; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–72693]

Order Granting a Limited Exemption From Rule 102 of Regulation M Concerning the BATS Exchange, Inc.'s Pilot Supplemental Competitive Liquidity Provider Program

July 28, 2014.

The Securities and Exchange Commission (''Commission'') approved a proposed rule change of the BATS Exchange, Inc. (''Exchange'' or ''BATS'') to add new Interpretation and Policy .03 to Rule 11.8 (''New IP .03'') which establishes the Supplemental Competitive Liquidity Provider (''CLP'') Program (''CLP Program'' or ''Program'') effective for one year on a pilot basis (the ''pilot''). The CLP Program permits certain market makers to become CLPs (''ETP CLPs'') in exchange-traded products (''ETPs'').[1] The Exchange states that the CLP Program is designed to incentivize quoting volume in certain ETPs by providing credit to CLPs for certain market making activity.[2] Participating issuers (or sponsors on behalf of the issuer) fund the Program by paying non-refundable ''CLP Fees,'' which are then credited to the Exchange's general revenues.[3] The

[1] *See* New IP .03(f) (establishing the qualifications to be a CLP); *see also* Securities Exchange Act Release No. 72692 (July 28, 2014) (SR–BATS 2014–022) (''Approval Order'') (providing more details regarding the Program).

[2] *See* Approval Order. The Approval Order contains a detailed description of the Program. The proposed rule change was published for comment in the **Federal Register** on June 13, 2014. Securities Exchange Act Release No. 72346 (Jun. 9, 2014), 79 FR 33982 (Jun. 13, 2014). The Approval Order grants approval of the proposed rule change.

[3] The program is similar to other programs, such as NYSE Arca's ''ETP Incentive Program'' and NASDAQ Stock Market LLC's ''Market Quality Program,'' designed to permit ETP issuers to pay incentives to those who make markets in their ETPs. *See* Securities Exchange Act Release No. 69706 (June 6, 2013); 78 FR 35340 (June 12, 2013) (NYSEArca 2013–34) and Securities Exchange Act Release No. 69195 (Mar. 20, 2013); 78 FR 18393 (Mar. 26, 2013) (NASDAQ 2012–137); *see also* Securities Exchange Act Release No. 69707 (June 6, 2013); 78 FR 35330 (June 12, 2013) (approving a

Continued

Commission believes that payment of the CLP Fee by the issuer (or a sponsor on behalf of the issuer) for the purpose of incentivizing market makers to participate as a CLP in the issuer's otherwise less liquid securities would constitute an indirect attempt by the issuer to induce a bid for or a purchase of a covered security during a restricted period.[4] As a result, absent exemptive relief, participation in the CLP Program by an issuer (or sponsor on behalf of the issuer) would violate Rule 102 of Regulation M.[5] This order grants a limited exemption from Rule 102 of Regulation M solely to permit issuers and sponsors to participate in the Program during the pilot, subject to certain conditions described below.

BATS stated that the CLP Program is designed to incentivize market makers to quote in certain ETPs.[6] An issuer of an ETP that participates in the CLP Program would elect to pay a CLP Fee to BATS in an amount ranging from $10,000 to $100,000 per year, with the actual amount above $10,000 to be determined by the issuer.[7] The CLP Fee is in addition to the current standard listing fee applicable to the ETP and is paid by the issuer to the Exchange's general revenues.[8] Subject to the requirements set forth in New IP .03, the amount of a total daily payment available to CLPs (''CLP Rebate'') will be equal to one quarter of the total annual CLP Fees (basic and supplemental combined) for the security participating in the Program (''CLP Security'') divided by the number of trading days in the current quarter.[9] If no CLP is eligible to receive a CLP Rebate because the CLP Program performance standards were not met by any CLP, no CLP would receive a CLP Rebate.[10] The voluntary Program established by New IP .03 will be effective for one year on a pilot basis.[11]

The Exchange will provide notification on its Web site regarding the following: (i) Acceptance of a CLP Company,[12] on behalf of a CLP Security, or a CLP into the Program; (ii) the total number of CLP Securities that any one CLP Company may have in the Program; (iii) the names of CLP Securities and the CLP(s) in each CLP Security, the dates that a CLP Company, on behalf of a CLP Security, commences participation in and withdraws or is terminated from the Program, and the name of each CLP Company and its associated CLP Security or Securities; (iv) a statement about the Program that sets forth a general description of the Program as implemented on a pilot basis and a fair and balanced summation of the potentially positive aspects of the Program (*e.g.,* enhancement of liquidity and market quality in CLP Securities) as well as the potentially negative aspects and risks of the Program (*e.g.,* possible lack of liquidity and negative price impact on CLP Securities that are withdrawn or are terminated from the Program), and indicates how interested parties can get additional information about CLP Securities in the Program; and (v) the intent of a CLP Company, on behalf of a CLP Security, or the CLP to withdraw from the Program, and the date of actual withdrawal or termination from the Program.[13] In addition, a CLP Company that, on behalf of a CLP Security, is approved to participate in the Program shall issue a press release to the public when the CLP Company, on behalf of a CLP Security, commences or ceases participation in the Program.[14] The press release shall be in a form and manner prescribed by the Exchange, and, if practicable, shall be issued at least two days before commencing or ceasing participation in the Program.[15] The CLP Company shall dedicate space on its Web site, or, if it does not have a Web site, on the Web site of the Sponsor of the CLP Security, which space will (i) include any such press releases, and (ii) provide a hyperlink to the dedicated page on the Exchange's Web site that describes the Program.[16]

The Commission received no comments on the proposal.[17] However, certain commenters expressed concerns about similar ETP Incentive and Market Quality Programs,[18] including the departure from rules precluding market makers from directly or indirectly accepting payment from an issuer of a security for acting as a market maker.[19] In particular, commenters to those similar proposals discussed the potential distortive impact on the natural market forces of supply and demand.[20] Commenters to those proposals also discussed what they viewed as the failure of those programs, as originally conceived, to adequately mitigate their potential negative impacts.[21]

For example, one commenter stated that ''[i]ssuer payments to market makers have the potential to distort market forces, resulting in spreads and prices that do not reflect actual supply and demand.'' [22] Another commenter

limited exemption from Rule 102 of Regulation M concerning NYSE Arca's ETP Incentive Program Pilot); Securities Exchange Act Release No. 69196 (Mar. 20, 2013); 78 FR 18410 (Mar. 26, 2013) (approving a limited exemption from Rule 102 of Regulation M concerning NASDAQ Stock Market LLC's Market Quality Program Pilot); and Securities Exchange Act Release No. 71805 (Mar. 26, 2014); 78 FR 18365 (Apr. 1, 2014) (approving a limited exemption from Rule 102 of Regulation M concerning NYSE Arca's Crowd Participant Program Pilot).

[4] *See* Securities Exchange Act Release No. 67411 (July 11, 2012), 77 FR 42052 (July 17, 2012) (stating that ''[t]he Commission believes that issuer payments made under the [similar ETP Incentive and Market Quality Programs] would constitute an indirect attempt by the issuer of a covered security to induce a purchase or bid in a covered security during a restricted period in violation of Rule 102'' and that ''[u]nder the [similar ETP Incentive Program], the purpose of the Program is 'to create [an incentive program] for issuers of certain ETPs listed' on NYSE Arca, which . . . could induce bids or purchases for the issuer's security during a restricted period''). Similarly, the issuer pays for the Program for the stated purpose of incentivizing market makers to quote in certain ETPs, which also could induce bids or purchases for the issuer's security during a restricted period. *See* Approval Order.

[5] 17 CFR 242.102.

[6] *See* Approval Order.

[7] *See* Approval Order.

[8] *Id.*

[9] *Id.; see also* New IP .03(m)(1). In the Approval Order, the following example is provided: Where the total CLP Fees for a CLP Security is $64,000 and there are 64 trading days in the current quarter, the total CLP Rebate for the CLP Security would be $250 (($64,000/4)/64).

[10] *See* Approval Order.

[11] New IP .03(p).

[12] CLP Company is defined in New IP .03(b)(2) as ''the trust or company housing the ETP or, if the ETP is not a series of a trust or company, then the ETP itself. . . .''

[13] *See* New IP .03(o).

[14] *See* New IP .03(d)(4).

[15] *Id.*

[16] *Id.*

[17] *See* Approval Order.

[18] *See* note 3, *supra.*

[19] *See, e.g.,* Letter from Gus Sauter, Managing Director and Chief Investment Officer, Vanguard, dated June 7, 2012 (citing to his comment letter regarding the similar NASDAQ Market Quality Program, in which he stated, ''The additional factor of payments by an issuer to a market maker would probably be viewed as a conflict of interest since it would undoubtedly influence, to some degree, a firm's decision to make a market and thereafter, perhaps, the prices it would quote. Hence, what might appear to be independent trading activity may well be illusory.''). In addition, another commenter noted ''that market maker incentive programs, such as the [NYSE Arca ETP Incentive Program], represent a departure from the current rules precluding market makers from accepting payment from an issuer of a security for acting as a market marker'' yet supported the concept of market maker incentive programs on a pilot basis. Letter from Ari Burstein, Investment Company Institute (''ICI''), dated June 7, 2012. In a subsequent letter, however, the same commenter noted that certain of its members opposed the Program as originally proposed and stated that it ''could create a 'pay-to-play' environment.'' Letter from Ari Burstein, ICI, dated Aug. 16, 2012. The Approval Order also notes that a number of aspects of the Program mitigate the concerns that the rule in question, FINRA Rule 5250 (Payments for Market Making), were designed to address.

[20] *See, e.g.,* Letter from F. William McNabb, Chairman and Chief Executive Officer, Vanguard, dated Aug. 16, 2012.

[21] *See, e.g.,* Letter from Gus Sauter, Managing Director and Chief Investment Officer, Vanguard, dated June 7, 2012.

[22] Letter from F. William McNabb, Chairman and Chief Executive Officer, Vanguard, dated Aug. 16, 2012.

questioned whether any safeguards could alleviate their concerns regarding issuer payments to market makers.[23] Another commenter questioned whether information relating to the similar Market Quality Program posted to that exchange's Web site in a similar manner as required in New IP .03 by BATS would adequately address investor protection and market integrity concerns because investors may not search an exchange Web site for important information about a particular ETP.[24]

Rule 102 of Regulation M

Rule 102 of Regulation M prohibits issuers, selling security holders, or any affiliated purchaser of such persons, directly or indirectly, from bidding for, purchasing, or attempting to induce any person to bid for or purchase a covered security [25] during the applicable restricted period in connection with a distribution of securities effected by or on behalf of an issuer or selling security holder, except as specifically permitted in the rule.[26] As mentioned above, the Commission believes that the payment of the CLP Fee would constitute an indirect attempt to induce a bid for or purchase of a covered security during the applicable restricted period.[27] As a result, absent exemptive relief, participation in the Program by a sponsor or issuer would violate Rule 102.

On the basis of the conditions set out below and the requirements set forth in New IP .03, which in general are designed to help inform investors about the potential impact of the Program, the Commission finds that it is appropriate in the public interest, and is consistent with the protection of investors, to grant a limited exemption from Rule 102 of Regulation M solely to permit the payment of the CLP Fee as set forth in New IP .03 during the pilot.[28] This limited exemption is conditioned on a requirement that the security participating in the Program is an ETP and the secondary market price for shares of the ETP must not vary substantially from the net asset value of such ETP shares during the duration of the ETP's participation in the Program. This condition is designed to limit the Program to ETPs that have a pricing mechanism that is expected to keep the price of the ETP shares tracking the net asset value of the ETP shares, which should make the shares less susceptible to price manipulation.

This limited exemption is further conditioned on disclosure requirements, as set forth below, which are designed to alert potential investors that the trading market for the otherwise less liquid securities in the Program may be affected by participation in the Program. By making it easier for investors to be able to distinguish which quotations may have been influenced by the CLP Fee from those that have not, and by requiring the issuers and sponsors to provide information on the potential effect of Program participation on the price and liquidity of a security participating in the Program, the required enhanced disclosure requirements are designed to inform potential investors about the potential distortive impact of the CLP Fee on the natural market forces of supply and demand. The general disclosures required by New IP .03, while helpful, may not be sufficient to obtain this result.[29] The required enhanced disclosures are expected to promote greater investor protection by helping to ensure that investors will have easier access to important information about a particular ETP.[30]

As a practical matter, these requirements are not intended to be duplicative with the issuer disclosures required by New IP .03. These requirements can be satisfied via the press release and dedicated Web page required by New IP .03(d)(4), however, these materials must contain all the required disclosures outlined below, and be in the manner stated in the condition, in addition to any requirements of the Exchange. Issuers or sponsors of products that are not registered under the Investment Company Act of 1940, as amended (''1940 Act''), may also meet the press release requirements of these enhanced disclosures in a manner compliant with Regulation FD (other than Web site only disclosure).[31] We also note that, to the extent that information about participation in the Program is material, disclosure of this kind may already be required by the federal securities laws and rules.

Conclusion

It is therefore ordered, that issuers or sponsors who pay a CLP Fee are hereby exempted from Rule 102 of Regulation M solely to permit the payment of the CLP Fee as set forth in New IP .03 in connection with a security participating in the Program during the pilot, subject to the conditions contained in this order and compliance with the requirements of New IP .03.

This exemption is subject to the following conditions:

1. The security participating in the Program is an ETP and the secondary market price for shares of the ETP must not vary substantially from the net asset value of such ETP shares during the duration of the security's participation in the Program;

2. The issuer of the participating ETP, or sponsor on behalf of the issuer, must provide prompt notice to the public by broadly disseminating a press release prior to entry (or upon re-entry) into the Program. This press release must disclose:

a. The payment of a CLP Fee is intended to generate more quotes and trading than might otherwise exist absent this payment, and that the security leaving the Program may adversely impact a purchaser's subsequent sale of the security; and

b. A hyperlink to the Web page described in condition (5) below;

3. The issuer of the participating ETP, or sponsor on behalf of the issuer, must provide prompt notice to the public by broadly disseminating a press release prior to a security leaving the Program for any reason, including termination of

[23] Letter from Ari Burstein, ICI, dated Aug. 16, 2012 (stating that ''ICI members who oppose the Programs believe any fixes to the proposed parameters will be insufficient to address their overall concerns with market maker incentive programs'').

[24] Letter from Gus Sauter, Managing Director and Chief Investment Officer, Vanguard, dated (May 3, 2012) (asking whether it is likely that investors would consult NASDAQ's Web site for information about which ETFs and market makers are participating in the NASDAQ Market Quality Program given what is known about investor behavior and, if not, asserting that ''most investors would not be able to distinguish quotations that reflect true market forces from quotations that have been influenced by issuer payments'').

[25] Covered security is defined as any security that is the subject of a distribution, or any reference security. 17 CFR 242.100(b).

[26] 17 CFR 242.102(a).

[27] *See* note 3, *supra.*

[28] Rule 102(e) allows the Commission to grant an exemption from the provision of Rule 102, either unconditionally or on specified terms and conditions, to any transaction or class of transactions, or to any security or class of securities.

[29] New IP .03(d)(4) does not contain any specific content requirements for issuer or sponsor disclosure, other than a ''press release'' when entering or leaving the Program and a hyperlink on a dedicated issuer, advisor, or sponsor's Web page to the Exchange's Web site that contains a number of specific disclosures about the program. As outlined below, the enhanced disclosures required of the issuer or sponsor as conditions to this order require that the issuer's or sponsor's press release and Web page directly contain a number of helpful disclosures for investors, including risks of the program.

[30] The required Web site and press release disclosures should be less burdensome than other methods of notifying investors of a security's participation in the Program, such as requiring a ticker symbol identifier or flagging participating CLP quotes and trades.

[31] *See* condition (4), *infra.*

the Program. This press release must disclose:

a. The date that the security is leaving the Program and that leaving the Program may have a negative impact on the price and liquidity of the security which could adversely impact a purchaser's subsequent sale of the security; and

b. A hyperlink to the Web page described in condition (5) below;

4. In place of the press releases required by conditions (2) and (3) above, an issuer of a participating ETP that is not registered under the 1940 Act, or sponsor on behalf of the issuer, may provide prompt notice to the public through the use of such other written Regulation FD compliant methods (other than Web site disclosure only) that is designed to provide broad public dissemination as provided in 17 CFR 243.101(e), *provided, however,* that such other methods must contain all the information required to be disclosed by conditions (2) and (3) above;

5. The issuer of the participating ETP, or sponsor on behalf of the issuer, must provide prompt, prominent and continuous disclosure on its Web site in the location generally used to communicate information to investors about a particular security participating in the Program, and for a security that has a separate Web site, the security's Web site of:

a. The security participating in the Program and ticker, date of entry into the Program, and the amount of the CLP Fee;

b. Risk factors investors should consider when making an investment decision, including that participation in the Program may have potential impacts on the price and liquidity of the security; and

c. Termination date of the pilot, anticipated date (if any) of the security leaving the Program for any reason, date of actual exit (if applicable), and that the security leaving the Program could adversely impact a purchaser's subsequent sale of the security; and

6. The Web site disclosure in condition (5) above must be promptly updated if a material change occurs with respect to any information contained in the disclosure.

This exemptive relief expires when the pilot terminates, and is subject to modification or revocation at any time the Commission determines that such action is necessary or appropriate in furtherance of the purposes of the Exchange Act. This exemptive relief is limited solely to the payment of the CLP Fee as set forth in New IP .03 for a security that is an ETP participating in the Program,[32] and does not extend to any other activities, any other security of the trust related to the participating ETP, or any other issuers.[33] In addition, persons relying on this exemption are directed to the anti-fraud and anti-manipulation provisions of the Exchange Act, particularly Sections 9(a) and 10(b), and Rule 10b–5 thereunder. Responsibility for compliance with these and any other applicable provisions of the federal securities laws must rest with the persons relying on this exemption. This order does not represent Commission views with respect to any other question that the proposed activities may raise, including, but not limited to the adequacy of the disclosure required by federal securities laws and rules, and the applicability of other federal or state laws and rules to, the proposed activities.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[34]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–18128 Filed 7–31–14; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–72679; File No. SR–NYSEArca–2014–71]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing of Proposed Rule Change Proposing To List and Trade Shares of Treesdale Rising Rates ETF Under NYSE Arca Equities Rule 8.600

July 28, 2014.

Pursuant to Section 19(b)(1)[1] of the Securities Exchange Act of 1934 (the ''Act'')[2] and Rule 19b–4 thereunder,[3] notice is hereby given that, on July 14, 2014, NYSE Arca, Inc. (the ''Exchange'' or ''NYSE Arca'') filed with the Securities and Exchange Commission (the ''Commission'') the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. 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 proposes to list and trade the following under NYSE Arca Equities Rule 8.600 (''Managed Fund Shares''): Treesdale Rising Rates ETF. The text of the proposed rule change is available on the Exchange's Web site at *www.nyse.com,* 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 self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of those 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 parts of such statements.

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

1. Purpose

The Exchange proposes to list and trade shares (''Shares'') of the following under NYSE Arca Equities Rule 8.600, which governs the listing and trading of Managed Fund Shares:[4] Treesdale Rising Rates ETF (''Fund'').[5] The Shares

[32] All ETPs that are allowed to participate in the Program have a pool of underlying assets. *See* New Rule 7.25(b)(2). Should the Program be modified to include other ETPs, such as exchange-traded notes, that do not have a pool of underlying assets, the Commission would consider this a material change and outside the scope of this exemptive relief.

[33] Other activities, such as ETP redemptions, are not covered by this exemptive relief.

[34] 17 CFR 200.30–3(a)(6).

[1] 15 U.S.C. 78s(b)(1).

[2] 15 U.S.C. 78a.

[3] 17 CFR 240.19b–4.

[4] 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. In contrast, an open-end investment company that issues Investment Company Units, listed and traded on the Exchange under NYSE Arca Equities Rule 5.2(j)(3), seeks to provide investment results that correspond generally to the price and yield performance of a specific foreign or domestic stock index, fixed income securities index or combination thereof.

[5] The Commission has approved listing and trading on the Exchange of a number of actively managed funds under Rule 8.600. *See, e.g.,* Securities Exchange Act Release Nos. 69591 (May 16, 2013), 78 FR 30372 (May 22, 2013) (SR–NYSEArca–2013–33) (order approving Exchange listing and trading of International Bear ETF); 69061 (March 7, 2013), 78 FR 15990 (March 13, 2013) (SR–NYSEArca–2013–01) (order approving Exchange listing and trading of Newfleet Multi-Sector Income ETF); and 67277 (June 27, 2012), 77 FR 39554 (July 3, 2012) (SR–NYSEArca–2012–39) (order approving