

Exchange Act as in effect on the date of this Order (other than a person that is an eligible contract participant under paragraph (C) of that section)), and in which:

(i) The reference entity, the issuer of the reference security, or the reference security is one of the following:

(A) An entity reporting under the Exchange Act, providing Securities Act Rule 144A(d)(4) information, or about which financial information is otherwise publicly available;

(B) A foreign private issuer whose securities are listed outside the United States and that has its principal trading market outside the United States;

(C) A foreign sovereign debt security;

(D) An asset-backed security, as defined in Regulation AB, issued in a registered transaction with publicly available distribution reports; or

(E) An asset-backed security issued or guaranteed by Fannie Mae, Freddie Mac or Ginnie Mae; or

(ii) The reference index is an index in which 80 percent or more of the index's weighting is comprised of the entities or securities described in subparagraph (i).

(2) "ICE Clear Europe Clearing Member" shall mean any clearing member of ICE Clear Europe that submits Cleared CDS to ICE Clear Europe for clearance and settlement exclusively (i) for its own account or (ii) for the account of an affiliate that controls, is controlled by, or is under common control with the clearing member of ICE Clear Europe.

By the Commission.

Elizabeth M. Murphy,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-61954; File No. SR-NYSEArca-2010-22]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing of Proposed Rule Change Relating to Listing of the Teucrium Corn Fund

April 21, 2010.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² notice is hereby given that, on March 31, 2010, NYSE Arca, Inc. ("Exchange" or "NYSE Arca") filed with the Securities and Exchange Commission ("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 list and trade shares of the Teucrium Corn Fund under NYSE Arca Equities Rule 8.200. The text of the proposed rule change is available at the Exchange, the Commission's Public Reference Room, and <http://www.nyse.com>.

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

NYSE Arca Equities Rule 8.200, Commentary .02 permits the trading of Trust Issued Receipts ("TIRs") either by listing or pursuant to unlisted trading privileges ("UTP").³ The Exchange proposes to list and trade shares ("Shares") of the Teucrium Corn Fund ("Fund") pursuant to NYSE Arca Equities Rule 8.200.

The Exchange notes that the Commission has previously approved the listing and trading of other issues of Trust Issued Receipts on the American Stock Exchange LLC,⁴ trading on NYSE Arca pursuant to unlisted trading

privileges ("UTP"),⁵ and listing on NYSE Arca.⁶ In addition, the Commission has approved other exchange-traded fund-like products linked to the performance of underlying commodities.⁷

Overview of the Fund

The Shares represent beneficial ownership interests in the Fund, as described in the Registration Statement for the Fund.⁸ The Fund is a commodity pool that is a series of the Teucrium Commodity Trust ("Trust"), a Delaware statutory trust. The Fund is managed and controlled by Teucrium Trading, LLC ("Sponsor"). The Sponsor is a Delaware limited liability company that is registered as a commodity pool operator ("CPO") with the Commodity Futures Trading Commission ("CFTC") and is a member of the National Futures Association.

According to the Registration Statement, the investment objective of the Fund is to have the daily changes in percentage terms of the Fund's net asset value ("NAV") per Share reflect the daily changes in percentage terms of a weighted average of the closing settlement prices for three futures contracts for corn ("Corn Futures Contracts") that are traded on the Chicago Board of Trade ("CBOT"), specifically (1) The second-to-expire CBOT Corn Futures Contract, weighted 35%, (2) the third-to-expire CBOT Corn Futures Contract, weighted 30%, and (3) the CBOT Corn Futures Contract expiring in the December following the expiration month of the third-to-expire contract, weighted 35%, less the Fund's expenses.⁹ (This weighted average of the

⁵ See, e.g., Securities Exchange Act Release No. 58163 [sic] (July 15, 2008), 73 FR 42391 (July 21, 2008) (SR-NYSEArca-2008-73).

⁶ See, e.g., Securities Exchange Act Release No. 58457 (September 3, 2008), 73 FR 52711 (September 10, 2008) (SR-NYSEArca-2008-91).

⁷ See, e.g., Securities Exchange Act Release Nos. 57456 (March 7, 2008), 73 FR 13599 (March 13, 2008) (SR-NYSEArca-2007-91) (order granting accelerated approval for NYSE Arca listing the iShares GS Commodity Trust); 59781 (April 17, 2009), 74 FR 18771 (April 24, 2009) (SR-NYSEArca-2009-28) (order granting accelerated approval for NYSE Arca listing the ETFs Silver Trust); 59895 (May 8, 2009), 74 FR 22993 (May 15, 2009) (SR-NYSEArca-2009-40) (order granting accelerated approval for NYSE Arca listing the ETFs Gold Trust); 61219 (December 22, 2009), 74 FR 68886 (December 29, 2009) (order approving listing on NYSE Arca of the ETFs Platinum Trust).

⁸ See Amendment No. 3 to the Registration Statement on Form S-1 for Teucrium Commodity Trust, dated March 29, 2010 (File No. 333-162033) ("Registration Statement"). The discussion herein relating to the Trust and the Shares is based on the Registration Statement.

⁹ Corn Futures Contracts traded on the CBOT expire on a specified day in five different months: March, May, July, September and December. In terms of the Benchmark, in June of a given year, the

Continued

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Commentary .02 to NYSE Arca Equities Rule 8.200 applies to TIRs that invest in "Financial Instruments". The term "Financial Instruments," as defined in Commentary .02(b)(4) to NYSE Arca Equities Rule 8.200, means any combination of investments, including cash; securities; options on securities and indices; futures contracts; options on futures contracts; forward contracts; equity caps, collars and floors; and swap agreements.

⁴ See, e.g., Securities Exchange Act Release No. 58161 (July 15, 2008), 73 FR 42380 (July 21, 2008) (SR-Amex-2008-39).

three referenced Corn Futures Contracts is referred to herein as the “Benchmark,” and the three Corn Futures Contracts that at any given time make up the Benchmark are referred to herein as the “Benchmark Component Futures Contracts.”¹⁰

The Fund seeks to achieve its investment objective by investing under normal market conditions in Benchmark Component Futures Contracts or, in certain circumstances, in other Corn Futures Contracts traded on the CBOT or on foreign exchanges. In addition, and to a limited extent, the Fund also may invest in corn-based swap agreements that are cleared through the CBOT or its affiliated provider of clearing services (“Cleared Corn Swaps”) in furtherance of the Fund’s investment objective. Once position limits in Corn Futures Contracts are applicable, the Fund’s intention is to invest first in Cleared Corn Swaps to the extent permitted by the position limits applicable to Cleared Corn Swaps and appropriate in light of the liquidity in the Cleared Corn Swap market, and then in contracts and instruments such as cash-settled options on Corn Futures Contracts and forward contracts, swaps other than Cleared Corn Swaps, and other over-the-counter transactions that are based on the price of corn and Corn Futures Contracts (collectively, “Other Corn Interests,” and together with Corn Futures Contracts and Cleared Corn Swaps, “Corn Interests”). By utilizing certain or all of these investments, the Sponsor will endeavor to cause the Fund’s performance, before taking Fund expenses and any interest income from the cash, cash equivalents and U.S. Treasury securities held by the Fund

next-to-expire or “spot month” Corn Futures Contract will expire in July of that year, and the Benchmark Component Futures Contracts will be the contracts expiring in September of that year (the second-to-expire contract), December of that year (the third-to-expire contract), and December of the following year. In November of a given year, the Benchmark Component Futures Contracts will be the contracts expiring in March, May and December of the following year.

¹⁰ Corn futures volume on CBOT for 2008 and 2009 (through November 30, 2009) was 59,934,739 contracts and 47,754,866 contracts, respectively. As of March 16, 2010, CBOT open interest for corn futures was 1,118,103 contracts, and open interest for near month futures was 447,554 contracts. The contract price was \$18,337.50 (\$3.6675 per bushel and 5,000 bushels per contract). The approximate value of all outstanding contracts was \$20.5 billion. The position limits for all months is 22,000 contracts and the total value of contracts if position limits were reached would be approximately \$403.5 million (based on the \$18,337.50 contract price). As of March 16, 2010, open interest in corn swaps cleared on the CBOT was approximately 2,100 contracts, with an approximate value of \$38.5 million. Corn futures and options are also traded on NYSE Liffe and corn futures are traded on the Tokyo Grain Exchange.

into account, to closely track that of the Benchmark. The Sponsor expects to manage the Fund’s investments directly, although it has been authorized by the Trust to retain, establish the terms of retention for, and terminate third-party commodity trading advisors to provide such management. The Sponsor is also authorized to select futures commission merchants to execute the Fund’s transactions in Corn Futures Contracts.

The Fund’s positions in Corn Interests will be changed or “rolled” on a regular basis in order to track the changing nature of the Benchmark. For example, five times a year (on the date on which a Corn Futures Contract expires), the second-to-expire Corn Futures Contract will become the next-to-expire Corn Futures Contract and will no longer be a Benchmark Component Futures Contract, and the Fund’s investments will have to be changed accordingly. In order that the Fund’s trading does not cause unwanted market movements and to make it more difficult for third parties to profit by trading based on such expected market movements, the Fund’s investments typically will not be rolled entirely on that day, but rather will typically be rolled over a period of several days.

Consistent with achieving the Fund’s investment objective of closely tracking the Benchmark, the Sponsor may for certain reasons cause the Fund to enter into or hold Corn Futures Contracts other than the Benchmark Component Futures Contracts, Cleared Corn Swaps and/or Other Corn Interests. Certain Cleared Corn Swaps have standardized terms similar to, and are priced by reference to, a corresponding Benchmark Component Futures Contract. Other Corn Interests that do not have standardized terms and are not exchange-traded, referred to as “over-the-counter” Corn Interests, can generally be structured as the parties to the Corn Interest contract desire. Therefore, the Fund could enter into multiple Cleared Corn Swaps and/or over-the-counter Corn Interests intended to exactly replicate the performance of each of the three Benchmark Component Futures Contracts, or a single over-the-counter Corn Interest designed to replicate the performance of the Benchmark as a whole. Assuming that there is no default by a counterparty to an over-the-counter Corn Interest, the performance of the Corn Interest will necessarily correlate exactly with the performance of the Benchmark or the applicable Benchmark Component Futures

Contract.¹¹ The Fund could also enter into or hold Corn Interests other than Benchmark Component Futures Contracts to facilitate effective trading, consistent with the discussion of the Fund’s “roll” strategy in the preceding paragraph. In addition, the Fund might also enter into or hold Corn Interests that would be expected to alleviate overall deviation between the Fund’s performance and that of the Benchmark that may result from certain market and trading inefficiencies or other reasons.

The Fund invests in Corn Interests to the fullest extent possible without being leveraged or unable to satisfy its expected current or potential margin or collateral obligations with respect to its investments in Corn Interests.¹² After fulfilling such margin and collateral requirements, the Fund will invest the remainder of its proceeds from the sale of baskets in short-term obligations of the United States government (“Treasury Securities”) or cash equivalents, and/or merely hold such assets in cash (generally in interest-bearing accounts). Therefore, the focus of the Sponsor in managing the Fund is investing in Corn Interests and in Treasury Securities, cash and/or cash equivalents. The Fund will earn interest income from the Treasury Securities and/or cash equivalents that it purchases and on the cash it holds through the Fund’s custodian, the Bank of New York Mellon (the “Custodian”).

The Sponsor endeavors to place the Fund’s trades in Corn Interests and otherwise manage the Fund’s investments so that the Fund’s average daily tracking error against the Benchmark will be less than 10 percent over any period of 30 trading days. More specifically, the Sponsor will endeavor to manage the Fund so that A will be within plus/minus 10 percent of B, where A is the average daily change in the Fund’s NAV for any period of 30 successive valuation days, *i.e.*, any trading day as of which the Fund calculates its NAV, and B is the average daily change in the Benchmark over the same period.

According to the Registration Statement, the Sponsor believes that market arbitrage opportunities will

¹¹ According to the Registration Statement, the Fund faces the risk of non-performance by the counterparties to over-the-counter contracts. Unlike in futures contracts, the counterparty to these contracts is generally a single bank or other financial institution, rather than a clearing organization backed by a group of financial institutions. As a result, there will be greater counterparty credit risk in these transactions.

¹² The Sponsor represents that the Fund will invest in Corn Interests in a manner consistent with the Fund’s investment objective and not to achieve additional leverage.

cause the Fund's Share price on the NYSE Arca to closely track the Fund's NAV per share. The Sponsor believes that the net effect of this expected relationship and the expected relationship described above between the Fund's NAV and the Benchmark will be that the changes in the price of the Fund's Shares on the NYSE Arca will closely track, in percentage terms, changes in the Benchmark, less the Fund's expenses.

According to the Registration Statement, the Sponsor employs a "neutral" investment strategy intended to track the changes in the Benchmark regardless of whether the Benchmark goes up or goes down. The Fund's "neutral" investment strategy is designed to permit investors generally to purchase and sell the Fund's Shares for the purpose of investing indirectly in the corn market in a cost-effective manner. Such investors may include participants in the corn industry and other industries seeking to hedge the risk of losses in their corn-related transactions, as well as investors seeking exposure to the corn market.

The Fund creates and redeems Shares only in blocks of 100,000 Shares called Creation Baskets and Redemption Baskets, respectively. Only Authorized Purchasers may purchase or redeem Creation Baskets or Redemption Baskets.

All proceeds from the sale of Creation Baskets will be invested in the investments described in the Registration Statement no more than three business days after the initial Creation Basket is sold. Investments are held through the Fund's Custodian in accounts with the Fund's commodity futures brokers or in collateral accounts with respect to over-the-counter Corn Interests. There is no stated maximum time period for the Fund's operations and the Fund will continue until all Shares are redeemed or the Fund is liquidated pursuant to the terms of the Trust Agreement. In addition, the Custodian also serves as Administrator for the Fund, performing certain administrative and accounting services and preparing certain Commission and CFTC reports on behalf of the Fund.

The Sponsor does not currently intend to purchase and sell corn in the "spot market" for the Fund. In addition, the Sponsor does not currently intend that the Fund will enter into or hold spot month Corn Futures Contracts, except that spot month contracts that were formerly second-to-expire contracts may be held for a brief period until they can be disposed of in accordance with the Fund's roll strategy.

According to the Registration Statement, position limits and daily price fluctuation limits set by the CFTC and the futures exchanges have the potential to cause tracking error, which could cause the price of Shares to substantially vary from the Benchmark and prevent investors from being able to effectively use the Fund as a way to hedge against corn-related losses or as a way to indirectly invest in corn.

According to the Registration Statement, the CFTC and U.S. designated contract markets such as the CBOT may establish position limits on the maximum net long or net short futures contracts in commodity interests that any person or group of persons under common trading control (other than as a hedge) may hold, own or control. For example, the current position limits for investments at any one time in the Corn Futures Contracts traded on CBOT are 600 spot month contracts, 13,500 contracts expiring in any other single month, and 22,000 total for all months. These position limits are fixed ceilings that the Fund would not be able to exceed without specific CFTC authorization.

In addition to position limits, the futures exchanges set daily price fluctuation limits on futures contracts. The daily price fluctuation limit establishes the maximum amount that the price of futures contracts may vary either up or down from the previous day's settlement price. Once the daily price fluctuation limit has been reached in a particular futures contract, no trades may be made at a price beyond that limit.

The Fund does not intend to limit the size of the offering and will attempt to utilize substantially all of its proceeds to purchase Corn Interests. If the Fund encounters position limits, accountability levels, or price fluctuation limits for Corn Futures Contracts on the CBOT, it may then, if permitted under applicable regulatory requirements, purchase Other Corn Interests and/or Corn Futures Contracts listed on foreign exchanges. The Corn Futures Contracts available on such foreign exchanges may have different underlying sizes, deliveries, and prices. In addition, the Corn Futures Contracts available on these exchanges may be subject to their own position limits and accountability levels. In certain circumstances, however, position limits could force the Fund to limit the number of Creation Baskets that it sells.

The Fund will meet the initial and continued listing requirements applicable to Trust Issued Receipts in NYSE Arca Equities Rule 8.200 and Commentary .02 thereto. With respect to

application of Rule 10A-3¹³ under the Act, the Trust relies on the exception contained in Rule 10A-3(c)(7).¹⁴ A minimum of 100,000 Shares will be outstanding as of the start of trading on the Exchange.

A more detailed description of Corn Interests and other aspects of the corn and Corn Interest markets, as well as investment risks, are set forth in the Registration Statement. All terms relating to the Fund that are referred to, but not defined in, this proposed rule change are defined in the Registration Statement.

Availability of Information Regarding the Shares

The Web site for the Fund (<http://www.teucriumcornfund.com>) and/or the Exchange, which are publicly accessible at no charge, will contain the following information: (a) The current NAV per share daily and the prior business day's NAV and the reported closing price; (b) the midpoint of the bid-ask price in relation to the NAV as of the time the NAV is calculated (the "Bid-Ask Price"); (c) calculation of the premium or discount of such price against such NAV; (d) the bid-ask price of Shares determined using the highest bid and lowest offer as of the time of calculation of the NAV; (e) data in chart form displaying the frequency distribution of discounts and premiums of the Bid-Ask Price against the NAV, within appropriate ranges for each of the four (4) previous calendar quarters; (f) the prospectus; and (g) other applicable quantitative information. The Fund will also disseminate Fund holdings on a daily basis on the Fund's Web site.

The NAV for the Fund will be calculated by the Administrator once a day and will be disseminated daily to all market participants at the same time. The Exchange also will disseminate on a daily basis via the Consolidated Tape Association ("CTA") information with respect to recent NAV, and shares outstanding. The Exchange will also make available on its Web site daily trading volume of each of the Shares, closing prices of such Shares, and the corresponding NAV. The closing price and settlement prices of the Corn Futures Contracts are also readily available from the CBOT, automated quotation systems, published or other public sources, or on-line information services such as Bloomberg or Reuters. The Benchmark will be disseminated by one or more major market data vendors every 15 seconds during the NYSE Arca Core Trading Session of 9:30 a.m. to 4

¹³ 17 CFR 240.10A-3.

¹⁴ 17 CFR 240.10A-3(c)(7).

p.m. Eastern Time ("E.T."). Quotation and last-sale information regarding the Shares will be disseminated through the facilities of the CTA. In addition, the Exchange will provide a hyperlink on its Web site at <http://www.nyx.com> to the Fund's Web site at <http://www.teucriumcornfund.com>, which will display all intraday and closing Benchmark levels, the intraday Indicative Trust Value (*see below*), and NAV.

The daily settlement prices for the Corn Futures Contracts held by the Fund are publicly available on the Web site of the CBOT (<http://www.cmegroup.com>). In addition, various data vendors and news publications publish futures prices and data. The Exchange represents that quotation and last sale information for the Corn Futures Contracts are widely disseminated through a variety of major market data vendors worldwide, including Bloomberg and Reuters. In addition, the Exchange further represents that complete real-time data for the Corn Futures Contracts is available by subscription from Reuters and Bloomberg. The CBOT also provides delayed futures information on current and past trading sessions and market news free of charge on its Web site. The specific contract specifications for the futures contracts are also available at CBOT's Web site, as well as other financial informational sources. The spot price of corn also is available on a 24-hour basis from major market data vendors.

The Fund will provide Web site disclosure of portfolio holdings daily and will include, as applicable, the names, quantity, price and market value of Financial Instruments and the characteristics of such instruments and cash equivalents, and amount of cash held in the portfolio of the Fund. This Web site disclosure of the portfolio composition of the Fund will occur at the same time as the disclosure by the Sponsor of the portfolio composition to Authorized Purchasers so that all market participants are provided portfolio composition information at the same time. Therefore, the same portfolio information will be provided on the public Web site as well as in electronic files provided to Authorized Purchasers. Accordingly, each investor will have access to the current portfolio composition of the Fund through the Fund's Web site.

Dissemination of Indicative Trust Value

In addition, in order to provide updated information relating to the Fund for use by investors and market professionals, an updated Indicative

Trust Value ("ITV") will be calculated. The ITV is calculated by using the prior day's closing NAV per share of the Fund as a base and updating that value throughout the trading day to reflect changes in the value of the Benchmark Component Futures Contracts. As stated in the Registration Statement, changes in the value of over-the-counter Corn Interests, Treasury Securities and cash equivalents will not be included in the calculation of the ITV. The ITV disseminated during NYSE Arca trading hours should not be viewed as an actual real time update of the NAV, which is calculated only once a day.

The ITV will be disseminated on a per Share basis by one or more major market data vendors every 15 seconds during the NYSE Arca Core Trading Session. The normal trading hours for Corn Futures Contracts on the CBOT are 10:30 a.m. to 2:15 p.m. E.T. The ITV will not be updated, and, therefore, a static ITV will be disseminated, between the close of trading on CBOT of Corn Futures Contracts and the close of the NYSE Arca Core Trading Session. The value of a Share may be influenced by non-concurrent trading hours between NYSE Arca and the CBOT when the Shares are traded on NYSE Arca after normal trading hours of Corn Futures Contracts on CBOT.

The Exchange believes that dissemination of the ITV provides additional information regarding the Fund that is not otherwise available to the public and is useful to professionals and investors in connection with the related Shares trading on the Exchange or the creation or redemption of such Shares.

Trading Rules

The Exchange 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. Shares will trade on the NYSE Arca Marketplace from 4 a.m. to 8 p.m. E.T. The Exchange has appropriate rules to facilitate transactions in the Shares during all trading sessions. The minimum trading increment for Shares on the Exchange will be \$0.01.

The trading of the Shares will be subject to NYSE Arca Equities Rule 8.200, Commentary .02(e), which sets forth certain restrictions on ETP Holders acting as registered Market Makers in Trust Issued Receipts to facilitate surveillance. See "Surveillance" below for more information.

With respect to trading halts, the Exchange may consider all relevant factors in exercising its discretion to halt or suspend trading in the Shares.

Trading may be halted because of market conditions or for reasons that, in the view of the Exchange, make trading in the Shares inadvisable. These may include: (1) The extent to which trading is not occurring in the underlying futures contracts, or (2) whether other unusual conditions or circumstances detrimental to the maintenance of a fair and orderly market are present. In addition, trading in Shares will be subject to trading halts caused by extraordinary market volatility pursuant to the Exchange's "circuit breaker" rule¹⁵ or by the halt or suspension of trading of the underlying futures contracts.

The Exchange represents that the Exchange may halt trading during the day in which the interruption to the dissemination of the ITV or the value of the underlying futures contracts occurs. If the interruption to the dissemination of the ITV or the value of the underlying futures contracts persists past the trading day in which it occurred, the Exchange will halt trading no later than the beginning of the trading day following the interruption. In addition, if the Exchange becomes aware that the NAV with respect to the Shares is not disseminated to all market participants at the same time, it will halt trading in the Shares until such time as the NAV is available to all market participants.

Surveillance

The Exchange intends to utilize its existing surveillance procedures applicable to derivative products, including Trust Issued Receipts, to monitor trading in the Shares. The Exchange represents that 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 applicable federal securities laws.

The Exchange's current trading surveillances focus on detecting securities trading outside their normal patterns. When such situations are detected, surveillance analysis follows and investigations are opened, where appropriate, to review the behavior of all relevant parties for all relevant trading violations. The Exchange is able to obtain information regarding trading in the Shares, the physical commodities included in, or options, futures or options on futures on, Shares through ETP Holders, in connection with such ETP Holders' proprietary or customer trades which they effect on any relevant market. The Exchange can obtain market surveillance information, including customer identity information, with

¹⁵ See NYSE Arca Equities Rule 7.12.

respect to transactions occurring on the CBOT in that CBOT is a member of the Intermarket Surveillance Group ("ISG"). A list of ISG members is available at <http://www.isgportal.org>.¹⁶

In addition, with respect to Fund assets traded on exchanges, not more than 10% of the weight of such assets in the aggregate shall consist of components whose principal trading market is not a member of ISG or is a market with which the Exchange does not have a comprehensive surveillance sharing agreement.

The Exchange also has a general policy prohibiting the distribution of material, non-public information by its employees.

Information Bulletin

Prior to the commencement of trading, the Exchange will inform its ETP Holders in an Information Bulletin of the special characteristics and risks associated with trading the Shares. Specifically, the Information Bulletin will discuss the following: (1) The risks involved in trading the Shares during the Opening and Late Trading Sessions when an updated ITV will not be calculated or publicly disseminated; (2) the procedures for purchases and redemptions of Shares in Creation Baskets and Redemption Baskets (and that Shares are not individually redeemable); (3) 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; (4) how information regarding the ITV is disseminated; (5) the requirement that ETP Holders deliver a prospectus to investors purchasing newly issued Shares prior to or concurrently with the confirmation of a transaction; and (6) trading information.

In addition, the Information Bulletin will advise ETP Holders, prior to the commencement of trading, of the prospectus delivery requirements applicable to the Fund. The Exchange notes that investors purchasing Shares directly from the Fund will receive a prospectus. ETP Holders purchasing Shares from the Fund for resale to investors will deliver a prospectus to such investors. The Information Bulletin will also discuss any exemptive, no-action and interpretive relief granted by the Commission from any rules under the Act.

In addition, the Information Bulletin will reference that the Fund is subject

to various fees and expenses described in the Registration Statement. The Information Bulletin will also reference that the CFTC has regulatory jurisdiction over the trading of Corn Futures Contracts traded on U.S. markets.

The Information Bulletin will also disclose the trading hours of the Shares of the Fund and that the NAV for the Shares is calculated after 4 p.m. E.T. each trading day. The Bulletin will disclose that information about the Shares of the Fund is publicly available on the Fund's Web site.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act,¹⁷ in general, and furthers the objectives of Section 6(b)(5),¹⁸ in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, and to remove impediments to and perfect the mechanism of a free and open market and a national market system. The Exchange believes that the proposed rule change will permit the listing of the Shares on the Exchange, to the benefit of investors and the marketplace. In addition, the listing and trading criteria set forth in NYSE Equities Rule 8.200 are intended to protect investors and the public interest.

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 that is not necessary or appropriate in furtherance of the purposes of the Act.

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

No written comments were solicited or received with respect to the proposed rule change.

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

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or

(ii) as to which the self-regulatory organization consents, the Commission will:

(A) By order approve the proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-NYSEArca-2010-22 on the subject line.

Paper Comments

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549-1090.

All submissions should refer to File Number SR-NYSEArca-2010-22. This file number should be included on the subject line if e-mail 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 a.m. and 3 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; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions

¹⁶ The Exchange notes that not all Corn Interests may trade on markets that are members of ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement.

¹⁷ 15 U.S.C. 78f(b).

¹⁸ 15 U.S.C. 78f(b)(5).

should refer to File Number SR–NYSEArca–2010–22 and should be submitted on or before May 20, 2010.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁹

Florence E. Harmon,
Deputy Secretary.

[FR Doc. 2010–9875 Filed 4–28–10; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–61960; File No. SR–BATS–2010–008]

Self-Regulatory Organizations; BATS Exchange, Inc.; Notice of Filing of Proposed Rule Change To Amend BATS Rules 2.5 and 17.2 Applicable to Registration Requirements

April 22, 2010.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),¹ and Rule 19b–4 thereunder,² notice is hereby given that on April 9, 2010, BATS Exchange, Inc. (the “Exchange” or “BATS”) filed with the Securities and Exchange Commission (“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 is proposing to amend BATS Rule 2.5, entitled “Restrictions,” to require each Exchange Member to register with the Exchange: (i) At least two principals to supervise Authorized Traders of the Member (subject to certain exceptions), and (ii) at least one financial and operations principal. The Exchange also proposes a technical amendment to BATS Rule 17.2(g)(4) to eliminate language that becomes unnecessary due to the changes to BATS Rule 2.5.

The text of the proposed rule change is available at the Exchange’s Web site at <http://www.batstrading.com>, at the principal office of the Exchange, and at the Commission’s Public Reference Room.³

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 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 parts of such statements.

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

1. Purpose

Exchange Rule 2.5 states that the Series 7 is required for registration with the Exchange as an Authorized Trader. The term “Authorized Trader” means “a person who may submit orders (or who supervises a routing engine that may automatically submit orders) to the Exchange’s trading facilities on behalf of his or her Member or Sponsored Participant. Accordingly, all traders that participate in the routing of orders to the Exchange, including proprietary traders, are required to be registered with the Exchange and Series 7 qualified. Further, the term Authorized Trader includes a trader that submits orders, or supervises a routing engine that automatically submits orders, to either the Exchange’s equities platform, options platform, or both.

The purpose of the proposed rule change is to expand the representative registration requirements applicable to each Member of the Exchange to ensure that Authorized Traders of Members are appropriately supervised and that the Exchange does not, through its rules, generate any gaps that permit a Member to operate differently than such Member would have to operate under the registration rules of other self-regulatory organizations. Specifically, the Exchange proposes to require each Member to register as representatives with the Exchange at least two Series 24 qualified Principals (subject to certain exceptions) to supervise such Member’s Authorized Traders and one Series 27 qualified principal to supervise the financial and operational activities of such Member. The Exchange believes that the proposed rule change will help to make the Exchange’s registration requirements more consistent with the registration requirements of other self-regulatory organizations. The Exchange

understands that other self-regulatory organizations that do not require registered principals to supervise certain activities are currently undertaking a similar rulemaking effort.

The Exchange has proposed certain exceptions to the general requirements that a Member register two Series 24 qualified Principals and one Series 27 qualified Financial/Operations Principal. With respect to the two Principal requirement, the Exchange proposes to exempt any Member that meets the proposed definition of a “proprietary trading firm” and has 25 or fewer Authorized Traders. Such Members, defined as Limited Size Proprietary Firms for purposes of the proposed Interpretation and Policy, are only required to maintain one Series 24 registered Principal. In addition, under the proposed Rule the Exchange may waive the requirement to register two Series 24 qualified Principals if the Member can demonstrate that such waiver is warranted under the circumstances. The Exchange has proposed to define a proprietary trading firm as “a Member that trades its own capital, that does not have customers, and that is not a member of the Financial Industry Regulatory Authority.”⁴ In addition, as proposed, the Rule states that funds used by a proprietary trading firm must be exclusively firm funds, that all trading must be in the firm’s accounts, and that traders must be owners of, employees of, or contractors to the firm. The Exchange has also proposed to exclude brokers or dealers from the definition of customer for purposes of the proprietary trading firm definition.⁵ With respect to the Financial/Operations Principal requirement, the Exchange may waive the requirement to register a Series 27 qualified Financial/Operations Principal if such registration is not required by the Member’s designated examining authority. Finally, any Member that conducts business on the Exchange as an Options Member is required by BATS Rules 17.1(b) and 17.2(g) to register an Options Principal with the Exchange who is responsible for that Member’s options related activities on the Exchange. Accordingly, the proposed rule makes clear that a Member that solely conducts business on the Exchange as an Options Member is not also required to register Series 24 qualified Principals with the Exchange.

In addition to adopting the principal registration requirements described

¹⁹ 17 CFR 200.30–3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ The text is attached as Attachment A to this filing.

⁴ See proposed BATS Rule 2.5, Interpretation and Policy .01(g).

⁵ See proposed BATS Rule 2.5, Interpretation and Policy .01(h).