

discriminatory as all Market Makers are eligible to receive the higher tier Market Maker Plus rebates based on the percentage of time that they maintain quotes at the NBBO. Furthermore, the Exchange does not believe that it is unfairly discriminatory to offer these rebates only to Market Makers as Market Makers, and, in particular, those Market Makers that achieve Market Maker Plus status, are subject to additional requirements and obligations (such as quoting requirements) that other market participants are not.

The Exchange further believes that it is reasonable, equitable, and not unfairly discriminatory to eliminate the higher Market Maker Plus rebate currently provided to Market Makers that qualify for Market Maker Plus and execute a total affiliated Priority Customer ADV of 200,000 contracts or more as this incentive is no longer needed. Market Makers that wish to receive higher rebates may continue to do so by qualifying for the new highest tier of Market Maker Plus rebate offered to Market Makers that are on the NBBO in applicable series at least 95% of the time. The Exchange believes that this will be a more effective incentive for Market Makers to actively participate in the Market Maker Plus program as it is based on the quality of markets quoted and not tied to affiliated member volume.

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

In accordance with Section 6(b)(8) of the Act,<sup>10</sup> the Exchange does not believe that the proposed rule change will impose any burden on intermarket or intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange believes that the proposed Market Maker Plus rebates provide a valuable incentive for Market Makers to maintain tight markets on ISE and will thereby help the Exchange maintain its competitive standing. The Exchange operates in a highly competitive market in which market participants can readily direct their order flow to competing venues. In such an environment, the Exchange must continually review, and consider adjusting, its fees and rebates to remain competitive with other exchanges. For the reasons described above, the Exchange believes that the proposed fee changes reflect this competitive environment.

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

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any unsolicited written comments from members or other interested parties.

#### **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>11</sup> and subparagraph (f)(2) of Rule 19b-4 thereunder,<sup>12</sup> because it establishes a due, fee, or other charge imposed by ISE.

At any time within 60 days of the filing of such proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or 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 proposal 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 No. SR-ISE-2015-17 on the subject line.

##### *Paper Comments*

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549.
- All submissions should refer to File No. SR-ISE-2015-17. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/>

[rules/sro.shtml](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 changes between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the ISE. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File No. SR-ISE-2015-17 and should be submitted on or before June 11, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>13</sup>

**Robert W. Errett,**

*Deputy Secretary.*

[FR Doc. 2015-12283 Filed 5-20-15; 8:45 am]

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## **SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-74979; File No. SR-NASDAQ-2015-049]

### **Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing of Proposed Rule Change Relating to the Listing and Trading of the Shares of the PowerShares DB Optimum Yield Diversified Commodity Strategy Portfolio, PowerShares Agriculture Commodity Strategy Portfolio, PowerShares Precious Metals Commodity Strategy Portfolio, PowerShares Energy Commodity Strategy Portfolio, PowerShares Base Metals Commodity Strategy Portfolio and PowerShares Bloomberg Commodity Strategy Portfolio, Each a Series of PowerShares Actively Managed Exchange-Traded Commodity Fund Trust**

May 15, 2015.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934

<sup>10</sup> 15 U.S.C. 78f(b)(8).

<sup>11</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

<sup>12</sup> 17 CFR 240.19b-4(f)(2).

<sup>13</sup> 17 CFR 200.30-3(a)(12).

(“Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on April 30, 2015, The NASDAQ Stock Market LLC (“Nasdaq” or the “Exchange”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by Nasdaq. 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

Nasdaq proposes a rule change with respect to PowerShares DB Optimum Yield Diversified Commodity Strategy Portfolio, PowerShares Agriculture Commodity Strategy Portfolio, PowerShares Precious Metals Commodity Strategy Portfolio, PowerShares Energy Commodity Strategy Portfolio, PowerShares Base Metals Commodity Strategy Portfolio and PowerShares Bloomberg Commodity Strategy Portfolio (each, a “Fund,” and collectively, the “Funds”), each a series of PowerShares Actively Managed Exchange-Traded Commodity Fund Trust (the “Trust”).

The rule change is being filed to reflect a proposed change to the current principal investment strategies of each Fund (which are set forth in detail in an order previously granted by the Commission<sup>3</sup>) to permit each Fund to invest in additional instruments and asset types as part of their principal investment strategies, in addition to the investments permitted by the Prior Order.

Except for the changes discussed below, all other facts presented and representations made in the Prior Release remain unchanged and in full effect. All capitalized terms referenced but not defined herein have the same meaning as in the Prior Release.

The text of the proposed rule change is available at <http://nasdaq.cchwallsstreet.com/>, at Nasdaq’s principal office, and at the Commission’s Public Reference Room.

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

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

<sup>3</sup> See Securities Exchange Act Release No. 73078 (Sept. 11, 2014), 79 FR 55851 (Sept. 17, 2014) (SR-NASDAQ-2014-80) (the “Prior Notice”); see also Securities Exchange Act Release No. 73471 (October 30, 2014), 79 FR 65751 (Nov. 5, 2014) (SR-NASDAQ-2014-080) (the “Prior Order,” and, together with the Prior Notice, the “Prior Release”).

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

In its filing with the Commission, Nasdaq included statements concerning the purpose of, and basis for, the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. Nasdaq 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

Each Fund is an actively managed exchange-traded fund (“ETF”) whose shares (“Shares”) are offered, or will be offered, by the Trust, a statutory trust organized under the laws of Delaware. The Trust is registered with the Commission as an investment company and has filed a registration statement on Form N-1A with the Commission.<sup>4</sup> The Commission previously approved the listing and trading on the Exchange of the Shares of each Fund<sup>5</sup> under Nasdaq Rule 5735, which governs the listing and trading of Managed Fund Shares<sup>6</sup> on the Exchange.<sup>7</sup> Shares of PowerShares DB Optimum Yield Diversified Commodity Strategy Portfolio have commenced listing and

<sup>4</sup> A description of each Fund’s investment strategy is set forth in the Trust’s registration statement on Form N-1A that the Trust filed with the Commission (the “Registration Statement”). See Pre-effective Amendment No. 1 to the Registration Statement for the Trust, dated May 20, 2014 (File Nos. 333-193135 and 811-22927) (for each of PowerShares Agriculture Commodity Strategy Portfolio, PowerShares Precious Metals Commodity Strategy Portfolio, PowerShares Energy Commodity Strategy Portfolio and PowerShares Base Metals Commodity Strategy Portfolio). The descriptions of the Funds and the Shares contained herein are based, in part, on information in the Registration Statement.

<sup>5</sup> See *supra*, note 4 [sic].

<sup>6</sup> A Managed Fund Share is a security that represents an interest in an investment company registered under the Investment Company Act of 1940 (15 U.S.C. 80a-1) (the “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 Index Fund Shares, listed and traded on the Exchange under Nasdaq Rule 5705, 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.

<sup>7</sup> The Commission approved Nasdaq Rule 5735 in Securities Exchange Act Release No. 57962 (June 13, 2008), 73 FR 35175 (June 20, 2008) (SR-NASDAQ-2008-039).

trading on the Exchange; Shares of the other Funds have not.

In this proposed rule change, the Exchange proposes to permit the listing or continued listing of the Shares if the Funds revise their investment strategies to include additional instruments in their portfolios to implement their investment objectives.<sup>8</sup>

#### Principal Investments

As stated in the Prior Release, each Fund’s investment objective is to seek long-term capital appreciation. The Prior Release states that each Fund seeks to achieve its investment objective by investing, under normal circumstances,<sup>9</sup> in a combination of: (i) A wholly-owned subsidiary organized under the laws of the Cayman Islands (each, a “Subsidiary,” and collectively, the “Subsidiaries”), (ii) “exchange-traded products or exchange-traded commodity pools,”<sup>10</sup> and (iii) U.S. Treasury Securities, money market mutual funds, high quality commercial paper and similar instruments (“Collateral Instruments”).<sup>11</sup>

The Prior Release also states that each Subsidiary will invest in exchange-traded futures contracts linked to commodities (“Commodities Futures”) to provide its parent Fund with additional indirect exposure to the commodities markets. Each Fund’s investment in its Subsidiary is designed to help the Fund obtain exposure to Commodities Futures returns in a

<sup>8</sup> The changes described herein will be effective contingent upon effectiveness of a post-effective amendment to the Registration Statement of the Trust, on behalf of each Fund. The changes described herein will not be implemented until such proposed rule change is declared operative.

<sup>9</sup> The term “under normal circumstances” includes, but is not limited to, the absence of extreme volatility or trading halts in the equity, commodities and futures markets or the financial markets generally; operational issues causing dissemination of inaccurate market information; or force majeure type events such as systems failure, natural or manmade disaster, act of God, armed conflict, act of terrorism, riot or labor disruption, or any similar intervening circumstance.

<sup>10</sup> Specifically, the Prior Release noted that the Funds will invest in: (1) ETFs that provide exposure to commodities as would be listed under Nasdaq Rules 5705 and 5735; (2) exchange-traded notes (“ETNs”) that provide exposure to commodities as would be listed under Nasdaq Rule 5710; or (3) exchange-traded pooled investment vehicles that invest primarily in commodities and commodity-linked instruments as would be listed under Nasdaq Rules 5711(b), (d), (f), (g), (h), (i), and (j) (“Commodity Pool” or “Commodity Pools”).

<sup>11</sup> For a Fund’s purposes, money market instruments will include: Short-term, high quality securities issued or guaranteed by non-U.S. governments, agencies, and instrumentalities; non-convertible corporate debt securities with remaining maturities of not more than 397 days that satisfy ratings requirements under Rule 2a-7 of the 1940 Act; money market mutual funds; and deposits and other obligations of U.S. and non-U.S. banks and financial institutions.

manner consistent with the federal tax requirements applicable to regulated investment companies, such as the Funds, which limit the ability of investment companies to invest directly in derivative instruments such as the Commodities Futures.

In this proposed rule change, the Funds seek the ability for the Funds and the Subsidiaries, as applicable, to also invest in a variety of other securities and instruments beyond those set forth in the Prior Release, as follows:

- Each Fund, which already may invest in ETFs, ETNs and Commodity Pools, seeks to also invest in: (i) Other investment companies,<sup>12</sup> to the extent permitted under the 1940 Act,<sup>13</sup> and (ii) exchange-traded commodity-linked equity securities<sup>14</sup> (collectively, these are “Commodity-Related Assets”).
- Each Subsidiary, which already may invest in Commodities Futures, now also seeks to invest in: (i) Exchange traded futures contracts on commodity indices, (ii) commodity-linked notes,<sup>15</sup> (iii) ETNs, (iv) exchange-traded options on Commodities Futures (“Options”),<sup>16</sup>

<sup>12</sup> In addition to ETFs, the other investment companies will consist of non-exchange traded U.S. registered open-end investment companies (mutual funds), closed-end investment companies traded on U.S. exchanges, or exchange-traded non-U.S. investment companies traded on foreign exchanges.

<sup>13</sup> Each Fund’s investment in securities of other investment companies may exceed the limits permitted under the 1940 Act, in accordance with certain terms and conditions set forth in a Commission exemptive order issued to an affiliate of the Trust (which applies equally to the Trust) pursuant to Section 12(d)(1)(f) of the 1940 Act. See Investment Company Act Release No. 30029 (Apr. 10, 2012) (File No. 812-13795) or, in the case of non-U.S. investment companies, pursuant to SEC No-Action relief. See Red Rocks Capital, LLC (pub. avail. June 3, 2011).

<sup>14</sup> Exchange-traded commodity-linked equity securities (“Equity Securities”) will be comprised of exchange-traded common stocks of companies that operate in commodities, natural resources and energy businesses, and in associated businesses, as well as companies that provide services or have exposure to such businesses.

<sup>15</sup> Such commodity-linked notes generally will not be exchange-traded; however it is possible that in the future some of those instruments could be listed for trading on an exchange.

<sup>16</sup> The Prior Release noted that with respect to Commodities Futures held indirectly through a Subsidiary, not more than 10% of the weight of such Commodities Futures in the aggregate shall consist of instruments whose principal trading market is not a member of the Intermarket Surveillance Group (“ISG”) or a market with which the Exchange does not have a comprehensive surveillance sharing agreement. The Funds now clarify that Options and commodity index futures will be subject to the same restrictions as Commodities Futures, and that Options and commodity index futures will be considered in the aggregate with Commodities Futures. Therefore, with respect to Commodities Futures, commodity index futures and Options, not more than 10% of the weight of such Commodities Futures, commodity index futures, and Options, in the aggregate, shall consist of instruments whose principal trading market is not a member of the ISG

(v) centrally-cleared or over the counter (“OTC”) swaps on commodities (“Swaps”) and (vi) commodity-related forward contracts (“Forwards”) (collectively, these are “Commodity-Linked Instruments”), which provide exposure to the investment returns of the commodities markets, without investing directly in physical commodities.

- In addition, each Fund may hold instruments that its respective Subsidiary is entitled to hold, and vice versa, to the extent consistent with federal tax requirements.

The Prior Release noted that all of the exchange-traded securities held by a Fund will be traded in a principal trading market that is a member of ISG or a market with which the Exchange has a comprehensive surveillance sharing agreement. The Funds propose to invest in Equity Securities, closed-end funds, ETFs, ETNs, Commodity Pools and non-U.S. investment companies that are not traded in a principal trading market that is a member of ISG or a market with which the Exchange has a comprehensive surveillance sharing agreement; however, not more than 10% of each Fund’s investments in these investments (in the aggregate) will be invested in instruments that trade in markets that are not members of the ISG or that are not parties to a comprehensive surveillance sharing agreement with the Exchange.

These additional instruments are intended to support each Fund’s principal investment strategy by providing each Fund with the flexibility to obtain additional exposure to the investment returns of the commodities markets within the limits of applicable federal tax requirements and without investing directly in physical commodities. Each Fund, either directly or through its respective Subsidiary, will only invest in those commodity-linked notes, OTC Swaps, Forwards, or other over-the-counter instruments that are based on the price of relevant Commodities Futures, as applicable, and tend to exhibit trading prices or returns that correlate with any Commodities Futures and that will further the investment objective of such Fund.<sup>17</sup> The Funds represent that the

or a market with which the Exchange does not have a comprehensive surveillance sharing agreement. This 10% limitation applicable to Commodities Futures, commodity index futures, and Options, in the aggregate, is separate from the 10% limitation applicable to exchange traded equity securities described infra, and is determined separately from this other limitation.

<sup>17</sup> Each Fund will enter into swap agreements and other over-the-counter transactions only with large,

descriptions of the original asset types included in the Prior Release remain unchanged, and that the Funds and their Subsidiaries will adhere to all investment restrictions set forth in the Prior Release as they apply to the original asset types. The Funds also represent that the investments in these additional asset types will be consistent with each Fund’s investment objective.

In conjunction with this proposed change to add various instruments to the Funds’ principal investment strategies, the following information supplements or updates, as applicable, the information contained in the Prior Release. Except for these changes, all other facts presented and representations made in the Prior Release remain unchanged and in full effect.

#### Net Asset Value

As stated in the Prior Release, the Funds’ administrator will calculate each Fund’s net asset value (“NAV”) per Share as of the close of regular trading (normally 4:00 p.m., Eastern time (“E.T.”)) on each day Nasdaq is open for business. NAV per Share is calculated by taking the market price of a Fund’s total assets, including interest or dividends accrued but not yet collected, less all liabilities, and dividing such amount by the total number of Shares outstanding. The Prior Release describes how various securities and instruments held by each Fund or its Subsidiary—including ETFs, ETNs and Commodities Futures—will be valued to calculate each Fund’s NAV.

The Funds now represent that, in addition to the foregoing as set forth in the Prior Release: (i) Equity Securities, ETNs, and futures on commodity indices will be valued at the last sales price or the official closing price on the exchange where such securities principally trade; (ii) investment companies will be valued using such company’s end of the day NAV per share, unless the shares are exchange-traded, in which case they will be valued at the last sales price or official closing price on the exchanges on which they primarily trade; (iii) Options generally will be valued at the closing price (and, if no closing price is available, at the mean of the last bid/ask quotations) generally from the exchange where such instruments principally

established and well capitalized financial institutions that meet certain credit quality standards and monitoring policies. Each Fund will use various techniques to minimize credit risk, including early termination, or reset and payment of such investments, the use of different counterparties or limiting the net amount due from any individual counterparty.

trade; and (iv) Swaps, commodity-linked notes and Forwards generally will be valued based on quotations from a pricing vendor (such quotations being derived from available market- and company-specific data), all in accordance with valuation procedures adopted by the Board of Trustees of the Trust.

All other valuation procedures pertaining to the Funds, and as set forth in the Prior Release, are unchanged.

#### Availability of Information

The Prior Release states that, on each business day, before commencement of trading in Shares in the Regular Market Session<sup>18</sup> on the Exchange, each Fund will disclose on its Web site the identities and quantities of its portfolio of securities and other assets (the "Disclosed Portfolio" as defined in Nasdaq Rule 5735(c)(2)) held by such Fund and its Subsidiary, which will form the basis for each Fund's calculation of NAV at the end of the business day. The Prior Release also stated that the Disclosed Portfolio will include, as applicable, the names, quantity, percentage weighting, and other characteristics of securities and other assets held by a Fund and its Subsidiary. Additionally, the Prior Release includes information on where investors may obtain quotation and last sale information for the various securities and instruments held by a Fund, including that quotation and last sale information for any underlying Commodities Futures is available via the quote and trade service of such Commodities Futures' primary exchanges.

In addition to the foregoing, the Funds will disclose on a daily basis on the Funds' Web site the following information regarding each portfolio holding, as applicable to the type of holding: Ticker symbol, CUSIP number or other identifier, if any; a description of the holding (including the type of holding), the identity of the security or other asset or instrument underlying the holding, if any; for options, the option strike price; for Swaps, a description of the type of Swap; quantity held (as measured by, for example, par value, notional value or number of shares, contracts or units); maturity date, if any; coupon rate, if any; effective date, if any; market value of the holding; and percentage weighting of the holding in the Fund's portfolio. The Web site

information will be publicly available at no charge.

Intra-day price information on the exchange-traded assets held by the Fund and the Subsidiary, including the Equity Securities, ETNs, Options, exchange-traded investment companies (including closed-end funds) and exchange-traded futures contracts on commodity indices will be available via the quote and trade service of the respective exchanges on which they principally trade. Additionally, price information on Swaps, commodity-linked notes, Forwards and non-exchange traded investment companies will be available from major broker-dealer firms or through subscription services, such as Bloomberg, Markit and Thomson Reuters, which can be accessed by entities that have entered into an authorized participant agreement with the Trust and other investors.

#### Surveillance

First, as noted in the Prior Release, trading in the Shares will be subject to the existing trading surveillances, administered by both Nasdaq and also the Financial Industry Regulatory Authority ("FINRA"), on behalf of the Exchange, which are designed to detect violations of Exchange rules and applicable federal securities laws.<sup>19</sup> FINRA, on behalf of the Exchange, will communicate as needed regarding trading in the Commodities Futures, ETFs, ETNs and Commodity Pools held by a Fund or a Fund's Subsidiary, as applicable, with other markets and other entities that are members of the ISG.<sup>20</sup> FINRA and the Exchange each may obtain trading information regarding trading in the Commodities Futures, ETFs, ETNs and Commodity Pool held by such Fund or its Subsidiary, as applicable, from such markets and other entities (as long as, for the Exchange, such markets and other entities are members of ISG or have in place a comprehensive surveillance sharing agreement with the Exchange). FINRA and the Exchange will similarly be able to obtain information regarding the spot market prices of the commodities underlying any commodity-linked notes, OTC Swaps, or forward contracts.

In addition to the foregoing: (i) FINRA, on behalf of the Exchange, will communicate as needed regarding

trading information it can obtain relating to exchange-traded or centrally-cleared equity securities and assets held by a Fund or its Subsidiary, as applicable, which include exchange-traded Commodity-Related Assets and exchange-traded or centrally-cleared Commodity-Linked Instruments, with other markets and other entities that are members of the ISG; (ii) FINRA may obtain trading information regarding trading in exchange-traded equity securities and other assets held by each Fund and each Subsidiary, as applicable, from such markets and other entities; and (iii) the Exchange may obtain information regarding trading in exchange-traded equity securities and other assets held by each Fund and each Subsidiary from such markets and other entities (as long as such markets and other entities are members of ISG or have in place a comprehensive surveillance sharing agreement with the Exchange). The Exchange has a general policy prohibiting the distribution of material, non-public information by its employees.

Second, the Prior Release states that all of the exchange-traded equity securities held by a Fund will be traded in a principal trading market that is a member of the ISG or a market with which the Exchange has a comprehensive surveillance sharing agreement, and that with respect to Commodities Futures held indirectly through a Subsidiary, not more than 10% of the weight of such Commodities Futures, in the aggregate, shall consist of instruments whose principal trading market is not a member of the ISG or a market with which the Exchange does not have a comprehensive surveillance sharing agreement. The Funds now clarify that Options and commodity index futures will be subject to the same restrictions as Commodities Futures, and that Options and commodity index futures will be considered in the aggregate with Commodities Futures. Therefore, with respect to Commodities Futures, commodity index futures and Options, not more than 10% of the weight<sup>21</sup> of such Commodities Futures, commodity index futures, and Options, in the aggregate, shall consist of instruments whose principal trading market is not a member of the ISG or a market with which the Exchange does not have a comprehensive surveillance sharing agreement. Additionally, not more than 10% of each Fund's investments in Equity Securities, closed-end funds, ETFs, ETNs,

<sup>21</sup> To be calculated as the value of the contract divided by the total absolute notional value of a Subsidiary's instruments.

<sup>18</sup> See Nasdaq Rule 4120(b)(4) (describing the three trading sessions on the Exchange: (1) Pre-Market Session from 4 a.m. to 9:30 a.m. E.T.; (2) Regular Market Session from 9:30 a.m. to 4 p.m. or 4:15 p.m. E.T.; and (3) Post-Market Session from 4 p.m. or 4:15 p.m. to 8 p.m. E.T.).

<sup>19</sup> FINRA surveils trading on the Exchange pursuant to a regulatory services agreement. The Exchange is responsible for FINRA's performance under this regulatory services agreement.

<sup>20</sup> For a list of the current members of ISG, see [www.isgportal.org](http://www.isgportal.org). The Exchange notes that not all components of the Disclosed Portfolio may trade on markets that are members of ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement.

Commodity Pools and non-U.S. investment companies (in the aggregate) will be invested in securities that trade in markets that are not members of the ISG or that are not parties to a comprehensive surveillance sharing agreement with the Exchange.

Beyond the changes described above, there are no changes to any other information included in the Prior Release, and all other facts presented and representations made in the Prior Release remain true and in effect. The Trust confirms that each Fund will continue to comply with all initial and continued listing requirements under Nasdaq Rule 5735.

## 2. Statutory Basis

Nasdaq believes that the proposal is consistent with Section 6(b) of the Act in general, and Section 6(b)(5) of the Act 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 in general, to protect investors and the public interest.

The Exchange believes that the proposed rule change is designed to prevent fraudulent and manipulative acts and practices in that the Shares will continue to be listed and traded on the Exchange pursuant to the initial and continued listing criteria in Nasdaq Rule 5735. The Exchange represents that trading in the Shares will be subject to the existing trading surveillances, administered by both Nasdaq and FINRA, on behalf of the Exchange, which are designed to detect violations of Exchange rules and applicable federal securities laws and are adequate to properly monitor trading in the Shares in all trading sessions. In addition, paragraph (g) of Nasdaq Rule 5735 further requires that personnel who make decisions on the open-end fund's portfolio composition must be subject to procedures designed to prevent the use and dissemination of material, non-public information regarding the open-end fund's portfolio. Each Fund's and its Subsidiary's investments will be consistent with such Fund's investment objective.

FINRA may obtain information via ISG from other exchanges that are members of ISG. In addition, the Exchange may obtain information regarding trading in the Shares, Equity Securities, Commodities Futures, ETFs, ETNs, and Commodity Pools held by each Fund or its Subsidiary, as

applicable, from markets and other entities that are members of ISG, which includes securities and futures exchanges, or with which the Exchange has in place a comprehensive surveillance sharing agreement. In addition, as noted in the Prior Release, the Exchange may obtain information from TRACE, which is the FINRA-developed vehicle that facilitates mandatory reporting of over-the-counter secondary market transactions in eligible fixed income securities. With respect to Commodities Futures held indirectly through a Subsidiary, not more than 10% of the weight of such Commodities Futures, in the aggregate, shall consist of instruments whose principal trading market is not a member of ISG or a market with which the Exchange does not have a comprehensive surveillance sharing agreement.

Options and commodity index futures will be subject to the same restrictions as Commodities Futures, and Options and commodity index futures will be considered in the aggregate with Commodities Futures. Therefore, with respect to Commodities Futures, commodity index futures and Options, not more than 10% of the weight<sup>22</sup> of such Commodities Futures, commodity index futures, and Options, in the aggregate, shall consist of instruments whose principal trading market is not a member of the ISG or a market with which the Exchange does not have a comprehensive surveillance sharing agreement. Additionally, not more than 10% of each Fund's investments in Equity Securities, closed-end funds, ETFs, ETNs, Commodity Pools and non-U.S. investment companies (in the aggregate) will be invested in securities that trade in markets that are not members of the ISG or that are not parties to a comprehensive surveillance sharing agreement with the Exchange.

The proposed rule change is designed to promote just and equitable principles of trade and to protect investors and the public interest in that the Exchange will obtain a representation from the issuer of the Shares that the NAV per Share will be calculated daily and that the NAV and the Disclosed Portfolio will be made available to all market participants at the same time. In addition, a large amount of information will be publicly available regarding the Funds and the Shares, thereby promoting market transparency. Moreover, as noted in the Prior Release, the Intraday Indicative Value, available

<sup>22</sup> To be calculated as the value of the contract divided by the total absolute notional value of a Subsidiary's instruments.

on the NASDAQ OMX Information LLC proprietary index data service will be widely disseminated by one or more major market data vendors at least every 15 seconds during the Regular Market Session. On each business day, before commencement of trading in Shares in the Regular Market Session on the Exchange, each Fund will disclose on its Web site the Disclosed Portfolio of the Fund and the Subsidiary that will form the basis for such Fund's calculation of NAV at the end of the business day. Information regarding market price and trading volume of the Shares will be continually available on a real-time basis throughout the day on brokers' computer screens and other electronic services, and quotation and last sale information for the Shares will be available via Nasdaq proprietary quote and trade services, as well as in accordance with the Unlisted Trading Privileges and the Consolidated Tape Association plans for the Shares. Intraday price information on the exchange-traded assets held by a Fund and its Subsidiary, including the Equity Securities, ETFs, exchange traded investment companies (including closed-end funds) and exchange-traded futures contracts on commodity indexes will be available via the quote and trade service of the respective exchanges on which they primarily trade, as well as in accordance with the Unlisted Trading Privileges and the Consolidated Tape Association plans. Quotation and last sale information for any underlying Commodities will be available via the quote and trade service of their respective primary exchanges. Intraday price information on the exchange-traded assets held by the Fund and the Subsidiary, including the Equity Securities, ETNs, Options, exchange-traded investment companies (including closed-end funds) and exchange-traded futures contracts on commodity indices will be available via the quote and trade service of the respective exchanges on which they principally trade. Additionally, price information on Swaps, commodity-linked notes, Forwards and non-exchange traded investment companies will be available from major broker-dealer firms or through subscription services, such as Bloomberg, Markit and Thomson Reuters, which can be accessed by entities that have signed authorized participant agreements with a Fund and other investors.

As noted above and in the Prior Release, the Funds' Web site will include a form of the prospectus for each Fund and additional data relating to NAV and other applicable

quantitative information. Moreover, prior to the commencement of trading, the Exchange will inform its members in an Information Circular of the special characteristics and risks associated with trading the Shares. Trading in Shares of a Fund will be halted under the conditions specified in Nasdaq Rules 4120 and 4121 or because of market conditions or for reasons that, in the view of the Exchange, make trading in the Shares inadvisable, and trading in the Shares will be subject to Nasdaq Rule 5735(d)(2)(D), which sets forth circumstances under which Shares of a Fund may be halted. In addition, as noted above, investors will have ready access to information regarding each Fund's holdings, the Intraday Indicative Value, the Disclosed Portfolio, and quotation and last sale information for the Shares.

The proposed rule change is designed to perfect the mechanism of a free and open market and, in general, to protect investors and the public interest in that it will facilitate the continued listing and trading of additional types of actively-managed exchange-traded products that will enhance competition among market participants, to the benefit of investors and the marketplace.

For the above reasons, Nasdaq believes the proposed rule change is consistent with the requirements of Section 6(b)(5) of the Act.

#### *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. The instruments and asset types proposed to be added by this rule change, in connection with those approved in the Prior Order, are consistent with the instruments and asset types utilized by other actively managed funds in the marketplace. The investment strategies utilized by the Funds, however, remain different from other issues of Managed Fund Shares traded on the Exchange, and therefore provide investors with another choice of Managed Fund Shares. Moreover, the Exchange believes that the proposed changes will enhance competition among existing issues of Managed Fund Shares and will facilitate the trading of additional types of actively-managed exchange-traded funds, all to the benefit of investors and the marketplace.

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

Written comments were neither solicited nor received.

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

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate 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 or disapprove such 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 email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-NASDAQ-2015-049 on the subject line.

##### *Paper Comments*

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, Station Place, 100 F Street NE., Washington, DC 20549.

All submissions should refer to File Number SR-NASDAQ-2015-049. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site <http://www.sec.gov/rules/sro.shtml>. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the

provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of Nasdaq. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NASDAQ-2015-049 and should be submitted on or before June 11, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>23</sup>

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

[FR Doc. 2015-12284 Filed 5-20-15; 8:45 am]

BILLING CODE 8011-01-P

## **SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-74980; File No. SR-OCC-2015-009]

### **Self-Regulatory Organizations; The Options Clearing Corporation; Order Approving Proposed Rule Change To Establish Procedures Regarding the Monthly Resizing of Its Clearing Fund and the Addition of Financial Resources**

May 15, 2015.

On March 13, 2015, The Options Clearing Corporation ("OCC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change SR-OCC-2015-009 pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder.<sup>2</sup> The proposed rule change was published for comment in the **Federal Register** on April 2, 2015.<sup>3</sup> The Commission did not receive any comments on the proposed rule change. This order approves the proposed rule change.

<sup>23</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. OCC also filed this change as an advance notice under Section 806(e)(1) of the Payment, Clearing, and Settlement Supervision Act of 2010. 12 U.S.C. 5465(e)(1). See Securities Exchange Act Release No. 74713 (April 10, 2015), 80 FR 20534 (April 16, 2015) (SR-OCC-2014-811).

<sup>3</sup> Securities Exchange Act Release No. 74603 (March 27, 2015), 80 FR 17808 (April 2, 2015) (SR-OCC-2015-009).