

Advised Fund, subject to the supervision and direction of the Adviser.<sup>2</sup> The primary responsibility for managing the Sub-Advised Fund will remain vested in the Adviser. The Adviser will hire, evaluate, allocate assets to and oversee the Sub-Advisers, including determining whether a Sub-Adviser should be terminated, at all times subject to the authority of the Board.

2. Applicants request an exemption to permit the Adviser, subject to Board approval, to hire a Non-Affiliated Sub-Adviser or a Wholly-Owned Sub-Adviser, pursuant to Sub-Advisory Agreements and materially amend Sub-Advisory Agreements with Non-Affiliated Sub-Advisers and Wholly-Owned Sub-Advisers without obtaining the shareholder approval required under section 15(a) of the Act and rule 18f-2 under the Act.<sup>3</sup> Applicants also seek an exemption from the Disclosure Requirements to permit a Sub-Advised Fund to disclose (as both a dollar amount and a percentage of the Sub-Advised Fund's net assets): (a) The aggregate fees paid to the Adviser and any Wholly-Owned Sub-Advisers; (b) the aggregate fees paid to Non-Affiliated Sub-Advisers, and (c) the fee paid to each Affiliated Sub-Adviser.

3. Applicants agree that any order granting the requested relief will be subject to the terms and conditions stated in the Application. Such terms and conditions provide for, among other safeguards, appropriate disclosure to Sub-Advised Funds' shareholders and notification about sub-advisory changes and enhanced Board oversight to protect the interests of the Subadvised Funds' shareholders.

4. Section 6(c) of the Act provides that the Commission may exempt any person, security, or transaction or any

<sup>2</sup> A "Sub-Adviser" for a Fund is (1) an indirect or direct "wholly owned subsidiary" (as such term is defined in the Act) of the Adviser for the Fund, or (2) a sister company of the Adviser for the Fund that is an indirect or direct "wholly-owned subsidiary" (as such term is defined in the Act) of the same company that, indirectly or directly, wholly owns the Adviser (each of (1) and (2) a "Wholly-Owned Sub-Adviser" and collectively, the "Wholly-Owned Sub-Advisers"), or (3) an investment sub-adviser for that Fund that is not an "affiliated person" (as such term is defined in Section 2(a)(3) of the Act) of the Fund or the Adviser, except to the extent that an affiliation arises solely because the sub-adviser serves as a sub-adviser to one or more Funds (each a "Non-Affiliated Sub-Adviser" and collectively, the "Non-Affiliated Sub-Advisers").

<sup>3</sup> The requested relief will not extend to any sub-adviser, other than a Wholly-Owned Sub-Adviser, who is an affiliated person, as defined in section 2(a)(3) of the Act, of the Sub-Advised Fund or the Adviser, other than by reason of serving as a sub-adviser to one or more of the Sub-Advised Funds ("Affiliated Sub-Adviser").

class or classes of persons, securities, or transactions from any provisions of the Act, or any rule thereunder, if such relief is necessary or appropriate in the public interest and consistent with the protection of investors and purposes fairly intended by the policy and provisions of the Act. Applicants believe that the requested relief meets this standard because, as further explained in the Application, the Investment Management Agreements will remain subject to shareholder approval, while the role of the Sub-Advisers is substantially equivalent to that of individual portfolio managers, so that requiring shareholder approval of Sub-Advisory Agreements would impose unnecessary delays and expenses on the Sub-Advised Fund. Applicants believe that the requested relief from the Disclosure Requirements meets this standard because it will improve the Adviser's ability to negotiate fees paid to the Sub-Advisers that are more advantageous for the Sub-Advised Fund.

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

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

[FR Doc. 2016-17607 Filed 7-25-16; 8:45 am]

**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-78368; File No. SR-NYSE-2016-30]

### Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Withdrawal of Proposed Rule Change Amending the Definition of "Block" for Purposes of Rule 72(d) and the Size of a Proposed Cross Transaction Eligible for the Cross Function in Rule 76

July 20, 2016.

On April 12, 2016, New York Stock Exchange LLC ("Exchange" or "NYSE") filed with the Securities and Exchange Commission ("Commission"), 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> a proposed rule change to amend its rules relating to pre-opening indications and opening procedures. The proposed rule change was published for comment in the **Federal Register** on April 29, 2016.<sup>3</sup> The Commission received no comments on the proposed rule change. On May

<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. 77701 (Apr. 25, 2016), 81 FR 25748.

31, 2016, pursuant to Section 19(b)(2) of the Act,<sup>4</sup> the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.<sup>5</sup> On July 18, 2016, the Exchange withdrew the proposed rule change (File No. SR-NYSE-2016-30).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>6</sup>

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

[FR Doc. 2016-17580 Filed 7-25-16; 8:45 am]

**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-78374; File No. SR-NYSEARCA-2016-98]

### Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending NYSE Arca Equities Rules 1.1(s) and 7.35P(a)(10)(A) to Extend the Period for the Current Trading Halt Auction Collar Price Collar Thresholds

July 20, 2016.

Pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 ("Act")<sup>2</sup> and Rule 19b-4 thereunder,<sup>3</sup> notice is hereby given that, on July 8, 2016, NYSE Arca, Inc. ("Exchange" or "NYSE Arca") 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 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 amend NYSE Arca Equities Rules 1.1(s) and 7.35P(a)(10)(A) to extend the period for the current Trading Halt Auction Collar price collar thresholds. The proposed rule change is available on the

<sup>4</sup> 15 U.S.C. 78s(b)(2).

<sup>5</sup> See Securities Exchange Act Release No. 77950, 81 FR 36357 (June 6, 2016). The Commission designated July 28, 2016, as the date by which it should approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

<sup>6</sup> 17 CFR 200.30-3(a)(12).

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

<sup>2</sup> 15 U.S.C. 78a.

<sup>3</sup> 17 CFR 240.19b-4.

Exchange's Web site at [www.nyse.com](http://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 amend NYSE Arca Equities Rule 1.1(s) ("Rule 1.1(s)") and 7.35P(a)(10)(A) ("Rule 7.35P") to extend the period for the current Trading Halt price collar thresholds.

As specified in Rules 1.1(s) and 7.35P(a)(10)(A), the price collar thresholds for Trading Halt Auctions are currently set at 10% for securities with an Auction Reference Price<sup>4</sup> of \$25.00 or less, 5% for securities with an Auction Reference Price greater than \$25.00 but less than or equal to \$50.00, and 3% for securities with an Auction Reference Price greater than \$50.00.<sup>5</sup> These price collar thresholds were adopted on an interim basis and sunset on July 28, 2016.

When approving the current price collar thresholds for Trading Halt Auctions, the Commission noted that they were appropriate as an interim measure to protect investors and the public interest.<sup>6</sup> The Exchange committed to use the period while the

interim price collar thresholds are in place to conduct an analysis to determine whether to make the proposed price collar thresholds permanent or to propose other or additional changes to its re-opening process. Since that time, under the auspices of the Operating Committee of the Regulation NMS Plan to Address Extraordinary Market Volatility ("LULD Plan"), and with input from the Advisory Committee to the LULD Plan, the Exchange has begun working with other primary listing markets and participants to the LULD Plan to identify proposed changes to the resumption of trading following a trading pause that could be applied across all automated markets. This initiative has superseded the Exchange's prior analysis relating to the resumption of trading following a trading pause.

Because the analysis associated with market-wide initiative is not expected to be completed by July 28, 2016, the Exchange proposes to extend the time for its interim price collar thresholds for Trading Halt Auctions from July 28, 2016 to January 31, 2017. The Exchange believes that extending the existing interim measures an additional six months will provide time for the participants to the LULD Plan to complete their analysis relating to the resumption of trading following a trading pause, while at the same time maintaining the current protections for Trading Halt Auctions. This extension of the time period will also provide additional time for the Exchange and other participants to the LULD Plan to amend their respective rules or the LULD Plan, as appropriate.

The Exchange continues to believe that it is appropriate to have protections in place for Trading Halt Auctions to assure that a reopening trade will not deviate significantly from prior prices, even taking into consideration natural price movements for a security. The Exchange believes that it is appropriate to maintain price collar thresholds for Trading Halt Auctions based on the clearly erroneous execution guidelines because an auction trade is subject to these guidelines for purposes of determining whether such execution is clearly erroneous. In addition, the Exchange's interim price collar thresholds are similar to how BATS BZX Exchange, Inc. ("BATS") prices its Halt Auctions for ETPs. Like BATS, the Exchange is the primary listing market only for ETPs and would, therefore only have Trading Halt Auctions for ETPs. BATS Rule 11.23(d)(2)(D) provides that BATS executes orders in ETPs in a Halt auction at a price level within a "Collar Price Range" that maximizes the

number of shares executed in the auction. Similar to the Exchange's rule, BATS uses Collar Price Ranges that are based on the numerical guidelines set forth in the market-wide clearly erroneous execution rules.<sup>7</sup> The Exchange's Auction Collars differ from BATS's pricing mechanism because the Exchange would use the consolidated last sale price as the reference price, rather than the midpoint of a "Valid NBBO." The Exchange believes that using the consolidated last sale price tracks the market-wide clearly erroneous execution rules, which similarly use the consolidated last sale price for determining whether an execution is clearly erroneous.

#### 2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 (the "Act"),<sup>8</sup> in general, and furthers the objectives of Section 6(b)(5),<sup>9</sup> in particular, because 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, to remove impediments to, and perfect the mechanism of, a free and open market and a national market system and, in general, to protect investors and the public interest.

The Exchange believes that extending the interim period for the current Trading Halt Auction price collar thresholds would remove impediments to and perfect the mechanism of a fair and orderly market by providing for Auctions Collars at the Exchange pending the ongoing analysis by the participants to the LULD Plan to identify a market-wide solution to automated reopenings following a trading pause. For the extended interim basis, the price collar thresholds would continue to be aligned with the clearly erroneous execution guidelines and therefore continuing with these price collar thresholds would reduce the

<sup>4</sup> As set forth in Rule 7.35P(a)(8)(A), the Auction Reference Price for Trading Halt Auctions is the last consolidated round-lot price of that trading day and, if none, the prior trading day's Official Closing Price. As set forth in Rule 1.1(s), the auction reference price is the last consolidated sale price.

<sup>5</sup> Rule 7.35P governs trading for symbols transitioned to the Pillar trading platform. Although all symbols are trading on the Pillar trading platform, the [sic] the Exchange proposes to amend Rule 1.1(s) so that Exchange rules that address the same topic are harmonized.

<sup>6</sup> See Securities Exchange Act Release Nos. 76994 (Jan. 28, 2016), 81 FR 5809 (Feb. 3, 2016) (SR-NYSEArca-2015-121) (Approval Order) and 77140 (Feb. 16, 2016), 81 FR 8812 (SR-NYSEArca-2016-27) (Notice of Filing).

<sup>7</sup> As set forth in BATS Rule 11.23(a)(6), the Collar Price Range is 10% for securities with a Collar Midpoint of \$25.00 or less, 5% for securities with a Collar Midpoint greater than \$25.00 but less than or equal to \$50.00, and 3% for securities with a Collar Midpoint greater than \$50.00. BATS Rule 11.23(a)(6) defines the Collar Midpoint as the Volume Based Tie Breaker, which is defined in BATS Rule 11.23(a)(23) as the midpoint of the NBBO if it is a Valid NBBO, with a Valid NBBO defined as where: (i) There is both a NBB and NBO for the security; (ii) the NBBO is not crossed; and (iii) the midpoint of the NBBO is less than the Maximum Percentage away from both the NBB and the NBO.

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

<sup>9</sup> 15 U.S.C. 78f(b)(5).

potential for a Trading Halt Auction to be a clearly erroneous execution. In addition, the Exchange believes that pending the outcome of the analysis being performed by the Operating Committee to the LULD Plan, extending the Exchange's interim measure an additional six months would be consistent with the protection of 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. The proposed change is not designed to address any competitive issue but rather to provide for a six-month extension to the price collar thresholds for Trading Halt Auctions on the Exchange, pending the analysis being conducted by the Operating Committee to the LULD Plan.

#### *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**

Because the foregoing proposed rule change does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>10</sup> and Rule 19b-4(f)(6) thereunder.<sup>11</sup>

A proposed rule change filed pursuant to Rule 19b-4(f)(6) under the Act<sup>12</sup> normally does not become operative for 30 days after the date of its filing. However, Rule 19b-4(f)(6)(iii)<sup>13</sup> permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked

<sup>10</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>11</sup> 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change, along with a brief description and the text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

<sup>12</sup> 17 CFR 240.19b-4(f)(6).

<sup>13</sup> 17 CFR 240.19b-4(f)(6)(iii).

the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest. As the Exchange notes, waiver of the operative delay would allow for the current price collar thresholds, which are due to expire on July 28, 2016, to continue uninterrupted pending the ongoing market-wide analysis regarding potential changes to automated reopenings following a trading pause. Accordingly, the Commission hereby waives the operative delay and designates the proposal operative upon filing.<sup>14</sup>

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is 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 change should be approved or disapproved.

### **IV. Solicitation of Comments**

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

#### *Electronic Comments*

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-NYSEARCA-2016-98 on the subject line.

#### *Paper Comments*

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-1090. All submissions should refer to File Number SR-NYSEARCA-2016-98. 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

<sup>14</sup> For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

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 the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NYSEARCA-2016-98 and should be submitted on or before August 16, 2016.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>15</sup>

**Robert W. Errett,**

*Deputy Secretary.*

[FR Doc. 2016-17585 Filed 7-25-16; 8:45 am]

**BILLING CODE 8011-01-P**

## **SECURITIES AND EXCHANGE COMMISSION**

### **Submission for OMB Review; Comment Request**

*Upon Written Request Copies Available From:* Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE., Washington, DC 20549-2736.

Ombudsman Matter Management System, OMB Control No. 3235-XXXX, SEC File No. 270-797.

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission ("Commission" or "SEC") has submitted this new request for the new collection of information to the Office of Management and Budget for approval.

Members of the public who contact the Ombudsman for assistance currently do so by traditional mail, electronic mail, telephone, and facsimile. To make

<sup>15</sup> 17 CFR 200.30-3(a)(12).