

### 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) of the Act<sup>30</sup> and paragraph (f) of Rule 19b-4 thereunder.<sup>31</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.

### 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-BatsEDGX-2017-01 on the subject line.

#### Paper Comments

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-1090. All submissions should refer to File Number SR-BatsEDGX-2017-01. 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 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 should refer to File Number SR-BatsEDGX-2017-01, and should be submitted on or before February 7, 2017.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>32</sup>

**Eduardo A. Aleman,**

*Assistant Secretary.*

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-79770; File No. SR-NASDAQ-2016-173]

### Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Reduce the All-Inclusive Annual Listing Fee for Limited Partnerships Listed on Nasdaq

January 10, 2017

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> notice is hereby given that, on December 28, 2016, The NASDAQ Stock Market LLC ("Nasdaq" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "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 reduce the fees for limited partnerships listed on Nasdaq.

While these amendments are effective upon filing, the Exchange has designated the proposed amendments to be operative on January 1, 2017.

A notice of the proposed rule change for publication in the **Federal Register** is attached as *Exhibit 1* [sic]. The text of the proposed rule change is set forth

below. Proposed new language is italicized; deleted text is in brackets.

\* \* \* \* \*

#### 5910. The Nasdaq Global Market (including the Nasdaq Global Select Market)

\* \* \* \* \*

##### IM-5910-1. All-Inclusive Annual Listing Fee

(a)-(c) No change.  
(d) The All-Inclusive Annual Listing Fee will be calculated on total shares outstanding according to the following schedules:

(1)-(3) No change.  
(4) Limited Partnerships (effective January 1, 2017):

Up to 75 million shares \$37,500  
75+ to 100 million shares \$50,000  
100+ to 125 million shares \$62,500  
125+ to 150 million shares \$67,500  
Over 150 million shares \$77,500

(e) No change.  
\* \* \* \* \*

#### 5920. The Nasdaq Capital Market

\* \* \* \* \*

IM-5920-1. All-Inclusive Annual Listing Fee

(a)-(c) No change.  
(d) The All-Inclusive Annual Listing Fee will be calculated on total shares outstanding according to the following schedules:

(1)-(3) No change.  
(4) Limited Partnerships (effective January 1, 2017):

Up to 50 million shares \$30,000  
Over 50 million shares \$37,500  
(e) No change.  
\* \* \* \* \*

#### 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 aspects of such statements.

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

###### 1. Purpose

Nasdaq proposes to reduce the fees for limited partnerships listed on Nasdaq.

<sup>30</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>31</sup> 17 CFR 240.19b-4(f).

<sup>32</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.

Historically, certain of Nasdaq's corporate governance requirements, including most shareholder approval requirements (other than for equity compensation), most independence requirements (other than for audit committees at the general partner level), and the annual meeting requirement (unless required by statute or regulation in the state in which the limited partnership is formed or doing business or by the terms of the partnership's limited partnership agreement), have not been applied to limited partnerships because their structure typically requires that public investors have limited rights and that the general partners make all significant decisions about the operation of the company.<sup>3</sup> As such, limited partners do not expect to have a voice in the operations of the partnership. Reduced corporate governance requirements for limited partnerships, in turn, result in Nasdaq expending fewer resources on monitoring and enforcing its rules because a significant portion of the regulatory cost Nasdaq incurs in connection with the continued listing of an issuer relates to the review by Nasdaq staff of complex transactions for compliance with Nasdaq's shareholder approval requirements, which limited partnerships are not subject to. Similarly, Nasdaq incurs lower regulatory costs in connection with the review by Nasdaq staff of limited partnerships' filings with the Commission because these issuers are not subject to most board and committee independence requirements (other than for audit committees at the general partner level), and most limited partnerships neither hold annual meetings nor file proxy statements. Accordingly, Nasdaq proposes to reduce the All-Inclusive Annual Listing Fee for limited partnerships listed on Nasdaq.

The proposed amendment will affect the All-Inclusive Annual Listing Fee schedule<sup>4</sup> on the Nasdaq Global Market, the Nasdaq Global Select Market, and the Nasdaq Capital Market.<sup>5</sup> In 2014, when Nasdaq adopted the All-Inclusive Annual Listing Fee schedule, Nasdaq considered various factors that distinguish companies, including

market tier, shares outstanding, and security type, as well as the perceived use of various Nasdaq regulatory and support services by companies of various characteristics.<sup>6</sup> Due to the relatively few limited partnerships listed on the Exchange at that time, Nasdaq's analysis did not focus on the special characteristics of the limited partnerships. Upon further consideration, Nasdaq now believes that the reduced regulatory oversight needed for limited partnerships warrants a reduced fee.

As detailed in the proposed rule, for limited partnerships listed on the Capital Market the All-Inclusive Annual Listing Fee will range from \$30,000 to \$37,500. On the Global and Global Select Markets, the All-Inclusive Annual Listing Fee for limited partnerships will range from \$37,500 to \$77,500.<sup>7</sup> The proposed fees will continue to be based on a limited partnership's total shares outstanding and will maintain the same pricing tiers based on shares outstanding as in the current fee schedule applicable to limited partnerships, except the tiers that otherwise would have their fees reduced below the minimum fee of \$37,500 for the Global and Global Select Markets or \$30,000 for the Capital Market are combined into a single pricing tier of up to 75 million shares outstanding on the Global and Global Select Markets and of up to 50 million shares outstanding on the Capital Market.

Nasdaq notes that American Depositary Receipts (ADRs) and Closed-end Funds also have different fee schedules than other listed equity securities. Nasdaq believes that the characteristics of ADRs and Closed-end Funds are different than the characteristics of limited partnerships and that it is therefore appropriate to apply a different fee schedule for limited partnerships.<sup>8</sup>

<sup>6</sup> See Securities Exchange Act Release No. 73647, *supra* note 4.

<sup>7</sup> The proposed fees are generally 50% less than the fees applicable to issuers of equity securities other than ADRs and Closed-End Funds. However, Nasdaq maintained a minimum fee of \$37,500 for the Global and Global Select Markets and \$30,000 for the Capital Market in recognition of the regulatory work Nasdaq must nonetheless perform and the benefits a limited partnership accrues with listing, and in consideration of the minimum fees set by Nasdaq's competitors.

<sup>8</sup> See Securities Exchange Act Release No. 73647, *supra* note 4, noting, among other differences, that the U.S. listing is not typically the issuer of an ADR's primary listing, and that Closed-end Funds are particularly sensitive to the expenses they incur, given that they compete for investment dollars based on return, but are otherwise subject to the same regulatory requirements as other listed companies.

The proposed fee change will be operative January 1, 2017.

Nasdaq notes that no other company will be required to pay higher fees as a result of the proposed amendments and represents that the proposed fee change will have no impact on the resources available for its regulatory programs.

## 2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>9</sup> in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,<sup>10</sup> in particular, in that it provides for the equitable allocation of reasonable dues, fees, and other charges among members and issuers and other persons using any facility or system which the Exchange operates or controls, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

As a preliminary matter, Nasdaq competes for listings with other national securities exchanges and companies can easily choose to list on, or transfer to, those alternative venues. As a result, the fees Nasdaq can charge listed companies are constrained by the fees charged by its competitors and Nasdaq cannot charge prices in a manner that would be unreasonable, inequitable, or unfairly discriminatory.

Nasdaq believes that the proposed fee change reducing the fee paid by limited partnerships is reasonable and not unfairly discriminatory because it recognizes the reduced regulatory cost Nasdaq incurs for limited partnerships. Specifically, certain of Nasdaq's corporate governance requirements, including most shareholder approval requirements (other than for equity compensation), most independence requirements (other than for audit committees at the general partner level), and the annual meeting requirement (unless required by statute or regulation in the state in which the limited partnership is formed or doing business or by the terms of the partnership's limited partnership agreement), do not apply to limited partnerships because their structure typically requires that public investors have limited rights and that the general partners make all significant decisions about the operation of the company. This allows Nasdaq to expend fewer resources on monitoring and enforcing its rules because a significant portion of the regulatory cost Nasdaq incurs in connection with the continued listing of an issuer relates to the review by Nasdaq staff of complex transactions for compliance with

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

<sup>10</sup> 15 U.S.C. 78f(b)(4) and (5).

<sup>3</sup> See Rule 5615(a)(4).

<sup>4</sup> In 2014, Nasdaq adopted an All-Inclusive Annual Listing Fee schedule. Securities Exchange Act Release No. 73647 (November 19, 2014), 79 FR 70232 (November 25, 2014) (SR-NASDAQ-2014-87). All newly listed companies are subject to the All-Inclusive fee structure and other listed companies can elect to be on the All-Inclusive fee structure. All companies will be subject to the All-Inclusive fee structure effective January 1, 2018.

<sup>5</sup> Listing Rule 5910 provides that fee schedules for the Nasdaq Global Select Market are the same fee schedules as for the Nasdaq Global Market.

Nasdaq's shareholder approval requirements, which limited partnerships are not subject to. Similarly, Nasdaq incurs lower regulatory costs in connection with the review by Nasdaq staff of limited partnerships' filings with the Commission because these issuers are not subject to most board and committee independence requirements (other than for audit committees at the general partner level), and most limited partnerships neither hold annual meetings nor file proxy statements. These reduced costs are a non-discriminatory reason to charge limited partnerships a lower All-Inclusive Annual Listing Fee.

Currently, ADRs and Closed-end Funds also pay lower All-Inclusive Annual Listing Fees than other issuers of equity securities. Nasdaq believes it is appropriate to apply a fee schedule to limited partnerships that is different from those applicable to either ADRs or Closed-end Funds due to their differing characteristics. Specifically, Nasdaq charges lower listing fees for ADRs because, among other differences, the U.S. listing is not typically the issuer of an ADR's primary listing.<sup>11</sup> Similarly, Nasdaq charges lower listing fees for Closed-end Funds because they are particularly sensitive to the expenses they incur, given that they compete for investment dollars based on return.<sup>12</sup> As a result, offering a different discount to limited partnerships on the All-Inclusive Annual Fee schedule than to ADRs and Closed-end Funds is not inequitable or unfairly discriminatory.

While the proposed fee reduction only applies to limited partnerships on the All-Inclusive Annual Fee schedule, Nasdaq notes that any currently listed limited partnership can opt into the All-Inclusive Annual Fee schedule for 2017 prior to December 31, 2016, and that all companies will transition to that fee schedule in 2018. Moreover, Nasdaq accrues benefits from companies being on this schedule.<sup>13</sup> These benefits to Nasdaq provide a reasonable basis for Nasdaq to adjust the fees only for limited partnerships on the All-Inclusive Annual Fee schedule and, as a result, offering a discount only to limited partnerships on the All-Inclusive Fee schedule is not inequitable or unfairly discriminatory.

Finally, Nasdaq believes that the proposed fees are consistent with the investor protection objectives of Section 6(b)(5) of the Act<sup>14</sup> in that they are designed to promote just and equitable principles of trade, to remove impediments to a free and open market and national market system, and in general to protect investors and the public interest. Specifically, the amount of revenue forgone by allowing limited partnerships to pay lower fees is not substantial, and the reduced fees may result in more limited partnerships listing on Nasdaq, thereby increasing the resources available for Nasdaq's listing compliance program, which helps to assure that listing standards are properly enforced and investors are protected. Consequently, Nasdaq believes that the potential loss of revenue from the reduction of fees payable by limited partnerships, as proposed, will not hinder its ability to fulfill its regulatory responsibilities.

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

Nasdaq does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. The market for listing services is extremely competitive and listed companies may freely choose alternative venues based on the aggregate fees assessed, and the value provided by each listing. This rule proposal does not burden competition with other listing venues, which are similarly free to set their fees. For these reasons, Nasdaq does not believe that the proposed rule change will result in any burden on competition for listings.

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

No written comments were either solicited or received.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.<sup>15</sup>

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is: (i) Necessary or appropriate in the public interest; (ii) for the protection

of investors; or (iii) otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

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

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

#### *Electronic Comments*

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-NASDAQ-2016-173 on the subject line.

#### *Paper Comments*

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-1090.

All submissions should refer to File Number SR-NASDAQ-2016-173. 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 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 should refer to File Number SR-NASDAQ-2016-173, and should be submitted on or before February 7, 2017.

<sup>11</sup> See Securities Exchange Act Release No. 73647, *supra* note 4.

<sup>12</sup> *Id.*

<sup>13</sup> These benefits include eliminating the multiple invoices otherwise sent to a company each year and providing more certainty as to Nasdaq's revenues. See Securities Exchange Act Release No. 73647, *supra* note 4.

<sup>14</sup> 15 U.S.C. 78f(b)(5).

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

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>16</sup>

**Eduardo A. Aleman,**

*Assistant Secretary,*

[FR Doc. 2017-00783 Filed 1-13-17; 8:45 am]

BILLING CODE 8011-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-79767; File No. SR-NYSEArca-2016-62]

### Self-Regulatory Organizations; NYSEArca, Inc.; Order Granting Approval of Proposed Rule Change, as Modified by Amendment No. 1 Thereto, Relating to a Change to the Underlying Index for the PowerShares Build America Bond Portfolio

January 10, 2017.

#### I. Introduction

On May 3, 2016, NYSE Arca, Inc. (“NYSE Arca” or “Exchange”) 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: (1) Propose changes to the index underlying the PowerShares Build America Bond Portfolio (“Fund”) and the name of the Fund and (2) permit the continued listing and trading of the shares (“Shares”) of the Fund as a result of the changes to the index underlying the Fund. The proposed rule change was published for comment in the **Federal Register** on May 23, 2016.<sup>3</sup>

On June 27, 2016, pursuant to Section 19(b)(2) of the Act,<sup>4</sup> the Commission designated a longer period within which to either 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 August 12, 2016, the Commission instituted proceedings to determine whether to approve or disapprove the proposed rule change.<sup>6</sup> On October 27, 2016, the Commission issued a notice of designation of a longer period for Commission action on proceedings to determine whether to approve or

disapprove the proposed rule change.<sup>7</sup> On January 4, 2017, the Exchange filed Amendment No. 1 to the proposed rule change.<sup>8</sup> The Commission has received no comments on the proposed rule change. This order grants approval of the proposed rule change, as modified by Amendment No. 1 thereto.

#### II. Exchange’s Description of the Proposal

The Exchange currently lists and trades Shares of the Fund<sup>9</sup> under NYSE Arca Equities Rule 5.2(j)(3), Commentary .02, which governs the listing and trading of Investment Company Units (“Units”) based on fixed income securities indexes.<sup>10</sup> The Fund is a series of the Trust. Invesco PowerShares Capital Management LLC is the investment adviser (“Adviser”) for the Fund. Invesco Distributors, Inc. is the Fund’s distributor. The Bank of New York Mellon is the administrator, custodian, and fund accounting and transfer agent for the Fund.

The Fund currently seeks investment results that generally correspond to the price and yield (before fees and expenses) of The Bank of America

<sup>7</sup> See Securities Exchange Act Release No. 79173, 81 FR 76400 (Nov. 2, 2016). The Commission designated January 18, 2017 as the date by which it should approve or disapprove the proposed rule change.

<sup>8</sup> In Amendment No. 1 to the proposed rule change, the Exchange: (a) Clarified that (i) in no event will the New Index (as defined herein) be composed of fewer than 500 issues, and (ii) FINRA (as defined herein) is able to access data obtained from the Municipal Securities Rulemaking Board relating to municipal bond trading activity for surveillance purposes in connection with trading in the Shares; (b) stated that that Adviser (as defined herein) represents that within a single municipal bond issuer, separate issues by the same issuer are likely to trade similarly to one another, and that individual CUSIPs within the New Index that share characteristics with other CUSIPs have a high yield to maturity correlation, and frequently have a correlation of one or close to one; and (c) made other technical edits and non-substantive corrections. Because Amendment No. 1 does not materially alter the substance of the proposed rule change or raise unique or novel regulatory issues, Amendment No. 1 is not subject to notice and comment. Amendment No. 1, which amended and replaced the original filing in its entirety, is available on the Commission’s Web site at: <https://www.sec.gov/comments/sr-nysearca-2016-62/nysearca201662-1460311-130254.pdf>.

<sup>9</sup> The Exchange states that, on February 26, 2016, PowerShares Exchange-Traded Fund Trust II (“Trust”) filed a post-effective amendment on Form 485 under the Securities Act of 1933 (“Securities Act”) to its registration statement on Form N-1A under the Securities Act and the Investment Company Act of 1940 (“1940 Act”) (File Nos. 333-138490 and 811-21977) (“Registration Statement”). The Exchange states that the Trust has obtained certain exemptive relief under the 1940 Act (File No. 812-13335) (“Exemptive Order”).

<sup>10</sup> The Exchange states that the PowerShares Build America Bond Portfolio was initially listed on November 17, 2009 pursuant to the generic listing criteria of Commentary .02 to NYSE Arca Equities Rule 5.2(j)(3).

(“BofA”) Merrill Lynch Build America Bond Index (“Build America Bond Index”). The Fund generally invests at least 80% of its total assets in taxable municipal securities eligible to participate in the Build America Bond program created under the American Recovery and Reinvestment Act of 2009 or other legislation providing for the issuance of taxable municipal securities on which the issuer receives federal support of the interest paid (“Build America Bonds”) and that comprise the Build America Bond Index. The Build America Bond Index is designed to track the performance of U.S. dollar-denominated investment grade taxable municipal debt publicly issued under the Build America Bond program by U.S. states and territories, and their political subdivisions, in the U.S. market. Qualifying securities must have a minimum amount outstanding of \$1 million, at least 18 months remaining term to final maturity at the time of issuance, at least one year remaining term to final maturity, a fixed coupon schedule, and an investment grade rating (based on an average of Moody’s Investors Services, Inc. (“Moody’s”), Standard & Poor’s, a division of The McGraw-Hill Company, Inc. (“S&P”), and Fitch Ratings, Inc. (“Fitch”).

The Trust has proposed to change the index underlying the Fund to the BofA Merrill Lynch US Taxable Municipal Securities Plus Index (“New Index”) and to change the name of the Fund to PowerShares Taxable Municipal Bond Portfolio. The Exchange represents that the New Index does not meet the generic listing criteria of NYSE Arca Equities Rule 5.2(j)(3). The Exchange submitted this proposed rule change to permit the continued listing of the Fund. The New Index meets all of the requirements of the generic listing criteria of NYSE Arca Equities Rule 5.2(j)(3), except for that set forth in Commentary .02(a)(2).<sup>11</sup> Specifically, as of February 4, 2016, approximately 60.51% of the New Index weight was composed of individual maturities of \$100 million or more (determined at the time of issuance).

#### A. Changes to the Index Underlying the Fund

According to the Exchange, the Fund currently has a non-fundamental policy to invest at least 80% of its net assets (plus the amount of any borrowings for investment purposes) in Build America

<sup>11</sup> Commentary .02(a)(2) to NYSE Arca Equities Rule 5.2(j)(3) provides that components that in the aggregate account for at least 75% of the weight of the index or portfolio each shall have a minimum original principal amount outstanding of \$100 million or more.

<sup>16</sup> 17 CFR 200.30-3(a)(12).

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

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

<sup>3</sup> See Securities Exchange Act Release No. 77849 (May 17, 2016), 81 FR 32371 (“Notice”).

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

<sup>5</sup> See Securities Exchange Act Release No. 78157, 81 FR 43327 (July 1, 2016).

<sup>6</sup> See Securities Exchange Act Release No. 78564, 81 FR 55247 (Aug. 18, 2016).