

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-79892; File No. SR-ICC-2016-014]

### Self-Regulatory Organizations; ICE Clear Credit LLC; Order Approving Proposed Rule Change To Provide for the Clearance of Additional Credit Default Swap Contracts

January 27, 2017.

#### I. Introduction

On November 18, 2016, ICE Clear Credit LLC (“ICC”) 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 revise the ICC Rulebook (the “Rules”) in order to provide for the clearance of Standard Australian Corporate Single Name CDS contracts (collectively, “STAC Contracts”) and Standard Australian Financial Corporate Single Name CDS contracts (collectively, “STAF C Contracts”). The proposed rule change was published for comment in the **Federal Register** on December 7, 2016.<sup>3</sup> The Commission did not receive comments on the proposed rule change. On January 18, 2017, the Commission designated a longer period for Commission action on the proposed rule change.<sup>4</sup> For the reasons discussed below, the Commission is approving the proposed rule change.

#### II. Description of the Proposed Rule Change

The rule change adopts rules that provide the basis for ICC to clear additional credit default swap contracts. Specifically, ICC is amending Chapter 26 of the ICC Rules to add Subchapters 26M and 26N to provide for the clearance of STAC and STAF C Contracts, respectively. ICC represents clearing of the additional STAC and STAF C Contracts will not require any changes to ICC’s Risk Management Framework or other policies and procedures constituting rules within the meaning of the Act.

ICC represents that STAC Contracts have similar terms to the Standard European Corporate Single Name CDS contracts (“STEC Contracts”) currently cleared by ICC and governed by

Subchapter 26G of the ICC Rules. Therefore, ICC states that the rules found in Subchapter 26M largely mirror the ICC Rules for STEC Contracts in Subchapter 26G, with certain modifications that reflect differences in terms and market conventions between those contracts and STAC Contracts. STAC Contracts will be denominated in United States Dollars.

ICC Rule 26M-102 (Definitions) sets forth the definitions used for the STAC Contracts. ICC represents that the definitions are substantially the same as the definitions found in Subchapter 26G of the ICC Rules, other than certain conforming changes. Similarly, ICC states that its Rules 26M-203 (Restriction on Activity), 26M-206 (Notices Required of Participants with respect to STAC Contracts), 26M-303 (STAC Contract Adjustments), 26M-309 (Acceptance of STAC Contracts by ICE Clear Credit), 26M-315 (Terms of the Cleared STAC Contract), 26M-316 (Relevant Physical Settlement Matrix Updates), 26M-502 (Specified Actions), and 26M-616 (Contract Modification) reflect or incorporate the basic contract specifications for STAC Contracts and are substantially the same as under Subchapter 26G of the ICC Rules.

ICC states that STAF C Contracts have similar terms to the Standard European Financial Corporate Single Name CDS contracts (“STEF C Contracts”) currently cleared by ICC and governed by Subchapter 26H of the ICC Rules. Thus, ICC represents that the rules found in Subchapter 26N largely mirror the ICC Rules for STEF C Contracts in Subchapter 26H, with certain modifications that reflect differences in terms and market conventions between those contracts and STAF C Contracts. STAF C Contracts will be denominated in United States Dollars.

ICC Rule 26N-102 (Definitions) sets forth the definitions used for the STAF C Contracts. ICC states that the definitions are substantially the same as the definitions found in Subchapter 26H of the ICC Rules, other than certain conforming changes. ICC represents that its Rules 26N-203 (Restriction on Activity), 26N-206 (Notices Required of Participants with respect to STAF C Contracts), 26N-303 (STAF C Contract Adjustments), 26N-309 (Acceptance of STAF C Contracts by ICE Clear Credit), 26N-315 (Terms of the Cleared STAF C Contract), 26N-316 (Relevant Physical Settlement Matrix Updates), 26N-502 (Specified Actions), and 26N-616 (Contract Modification) reflect or incorporate the basic contract specifications for STAF C Contracts and are substantially the same as under Subchapter 26H of the ICC Rules.

#### III. Discussion and Commission Findings

Section 19(b)(2)(C) of the Act<sup>5</sup> directs the Commission to approve a proposed rule change of a self-regulatory organization if the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to such self-regulatory organization. Section 17A(b)(3)(F) of the Act<sup>6</sup> requires that, among other things, that the rules of a clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions and, to the extent applicable, derivative agreements, contracts, and transactions, to assure the safeguarding of securities and funds which are in the custody or control of the clearing agency or for which it is responsible and, in general, to protect investors and the public interest.

The Commission finds that the rule change is consistent with the requirements of Section 17A of the Act<sup>7</sup> and the rules and regulations thereunder applicable to ICC. The rule change expands clearing to additional products, the STAC and STAF C credit default swap contracts, thus promoting the prompt and accurate clearance and settlement of securities transactions and, to the extent applicable, derivative agreements, contracts, and transactions. ICC represents that the STAC and STAF C contracts are similar to the STEC and STEF C Contracts that ICC currently clears, and that the STAC and STAF C Contracts will be cleared pursuant to ICC’s existing clearing arrangements and related financial safeguards, protections and risk management procedures. Clearing of the STAC and STAF C Contracts will thus allow market participants an increased ability to manage risk, while ensuring the safeguarding of margin assets pursuant to clearing house rules. Therefore, the Commission believes that acceptance of the STAC and STAF C Contracts, on the terms and conditions set out in the Rules, is consistent with the prompt and accurate clearance of and settlement of securities transactions and derivative agreements, contracts and transactions cleared by ICC, the safeguarding of securities and funds in the custody or control of ICC, and the protection of investors and the public interest, within the meaning of Section 17A(b)(3)(F) of the Act.<sup>8</sup>

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

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

<sup>3</sup> Securities Exchange Act Release No. 79439 (December 1, 2016), 81 FR 88291 (December 7, 2016) (SR-ICC-2016-014).

<sup>4</sup> Securities Exchange Act Release No. 79821 (January 18, 2017), 82 FR 8450 (January 25, 2017) (SR-ICC-2016-014).

<sup>5</sup> 15 U.S.C. 78s(b)(2)(C).

<sup>6</sup> 15 U.S.C. 78q-1(b)(3)(F).

<sup>7</sup> 15 U.S.C. 78q-1.

<sup>8</sup> 15 U.S.C. 78q-1(b)(3)(F).

#### IV. Conclusion

On the basis of the foregoing, the Commission finds that the proposal is consistent with the requirements of the Act and in particular with the requirements of Section 17A of the Act<sup>9</sup> and the rules and regulations thereunder.

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act,<sup>10</sup> that the proposed rule change (File No. SR-ICC-2016-014) be, and hereby is, approved.<sup>11</sup>

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>12</sup>

**Eduardo A. Aleman,**

*Deputy Secretary.*

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#### SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-32456]

#### Notice of Applications for Deregistration Under Section 8(f) of the Investment Company Act of 1940

January 27, 2017.

The following is a notice of applications for deregistration under section 8(f) of the Investment Company Act of 1940 for the month of January 2017. A copy of each application may be obtained via the Commission's Web site by searching for the file number, or for an applicant using the Company name box, at <http://www.sec.gov/search/search.htm> or by calling (202) 551-8090. An order granting each application will be issued unless the SEC orders a hearing. Interested persons may request a hearing on any application by writing to the SEC's Secretary at the address below and serving the relevant applicant with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on February 21, 2017, and should be accompanied by proof of service on applicants, in the form of an affidavit or, for lawyers, a certificate of service. Pursuant to Rule 0-5 under the Act, hearing requests should state the nature of the writer's interest, any facts bearing upon the desirability of a hearing on the matter, the reason for the request, and the issues contested. Persons who wish

to be notified of a hearing may request notification by writing to the Commission's Secretary.

**ADDRESSES:** The Commission: Secretary, U.S. Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-1090.

#### FOR FURTHER INFORMATION CONTACT:

Jessica Shin, Attorney-Adviser, at (202) 551-5921 or Chief Counsel's Office at (202) 551-6821; SEC, Division of Investment Management, Chief Counsel's Office, 100 F Street NE., Washington, DC 20549-8010.

#### Nuveen New York Performance Plus Municipal Fund Inc.

[File No. 811-05931]

*Summary:* Applicant, a closed-end investment company, seeks an order declaring that it has ceased to be an investment company. The applicant has transferred its assets to Nuveen New York Dividend Advantage Municipal Fund and, on May 26, 2015, made a final distribution to its shareholders based on net asset value. Expenses of approximately \$38,358 incurred in connection with the reorganization were paid by applicant and approximately \$283,472 were paid by the acquiring fund.

*Filing Dates:* The application was filed on January 22, 2016, and amended on November 14, 2016, and December 14, 2016.

*Applicant's Address:* 333 West Wacker Drive, Chicago, Illinois 60606.

#### Corsair Opportunity Fund

[File No. 811-22978]

*Summary:* Applicant, a closed-end investment company, seeks an order declaring that it has ceased to be an investment company. On December 15, 2016, applicant made a liquidating distribution to its shareholders, based on net asset value. Expenses of \$5,009 incurred in connection with the liquidation were paid by applicant's investment adviser.

*Filing Date:* The application was filed on December 16, 2016.

*Applicant's Address:* 366 Madison Avenue, 12th Floor, New York, New York 10017.

#### SmartX ETF Trust

[File No. 811-22825]

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. Applicant has never made a public offering of its securities and does not propose to make a public offering or engage in business of any kind.

*Filing Dates:* The application was filed on December 9, 2016, and amended on January 5, 2017.

*Applicant's Address:* c/o Guinness Atkinson Asset Management Inc., 21550 Oxnard Street, Suite 850, Woodland Hills, California 91367.

#### Vantagepoint Funds

[File No. 811-08941]

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. On October 14, 2016, applicant made a final liquidating distribution to its shareholders, based on net asset value. Applicant has established a liquidating trust to provide for the payment of certain identified contingent claims with respect to certain series of applicant. The parent company of applicant's investment adviser serves as administrator of the liquidating trust. Assets remaining in the liquidating trust will be distributed to its beneficiaries after the satisfaction of all claims. Expenses of \$1,693,244 incurred in connection with the liquidation were paid by applicant and applicant's investment adviser. Applicant has retained \$4,232,893 in cash and cash equivalents at its custodian bank to pay for certain accrued liabilities.

*Filing Dates:* The application was filed on November 14, 2016 and amended on January 5, 2017.

*Applicant's Address:* 777 North Capitol Street NE., Suite 600, Washington, District of Columbia 20002.

#### Matthews A Share Selections Fund, LLC

[File No. 811-22809]

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. On September 30, 2016, applicant made a liquidating distribution to its shareholders, based on net asset value. Expenses of approximately \$40,000 incurred in connection with the liquidation were paid by the former sole shareholder of each series of applicant. Applicant has retained a de minimis amount for the purpose of completing certain regulatory and liquidation activities in China. These de minimis amounts will be paid to the former sole shareholder of each series of applicant.

*Filing Dates:* The application was filed on October 20, 2016, and amended on December 19, 2016 and January 5, 2017.

*Applicant's Address:* Four Embarcadero Center, Suite 550, San Francisco, California 94111.

<sup>9</sup> 15 U.S.C. 78q-1.

<sup>10</sup> 15 U.S.C. 78s(b)(2).

<sup>11</sup> In approving the proposed rule change, the Commission considered the proposal's impact on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

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