

## SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 32940; File No. 812-14779]

### Consulting Group Capital Markets Funds and Consulting Group Advisory Services LLC

December 15, 2017.

**AGENCY:** Securities and Exchange Commission (“Commission”).

**ACTION:** Notice.

Notice of an application for an order under section 12(d)(1)(f) of the Investment Company Act of 1940 (the “Act”) for an exemption from sections 12(d)(1)(A), (B), and (C) of the Act and under sections 6(c) and 17(b) of the Act for an exemption from sections 17(a)(1) and (2) of the Act. The requested order would permit certain registered open-end investment companies to acquire shares of certain registered open-end investment companies, registered closed-end investment companies, and business development companies, as defined in section 2(a)(48) of the Act (“BDCs”), and registered unit investment trusts (collectively, “Underlying Funds”) that are within and outside the same group of investment companies as the acquiring investment companies, in excess of the limits in section 12(d)(1) of the Act.

**APPLICANTS:** Consulting Group Capital Markets Funds, a Massachusetts business trust that is registered under the Act as an open-end management investment company with multiple series (the “Trust”) and Consulting Group Advisory Services LLC (the “Initial Adviser”), a Delaware limited liability company, registered as an investment adviser under the Investment Advisers Act of 1940.

**FILING DATES:** The application was filed on June 1, 2017 and amended on September 22, 2017.

**HEARING OR NOTIFICATION OF HEARING:** An order granting the requested relief will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Commission’s Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on January 8, 2018, and should be accompanied by proof of service on the 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:** Secretary, U.S. Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549–1090. Applicants: c/o John J. O’Brien, Esq., Morgan, Lewis & Bockius LLP, 1701 Market Street, Philadelphia, PA 19103.

**FOR FURTHER INFORMATION CONTACT:** Laura J. Riegel, Senior Counsel, at (202) 551–3038, or Robert H. Shapiro, Branch Chief, at (202) 551–6821 (Division of Investment Management, Chief Counsel’s Office).

**SUPPLEMENTARY INFORMATION:** The following is a summary of the application. The complete application may be obtained via the Commission’s website 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.

#### Summary of the Application

1. Applicants request an order to permit (a) a Fund<sup>1</sup> (each a “Fund of Funds”) to acquire shares of Underlying Funds<sup>2</sup> in excess of the limits in sections 12(d)(1)(A) and (C) of the Act and (b) the Underlying Funds that are registered open-end investment companies or series thereof, their principal underwriters, and any broker or dealer registered under the Securities Exchange Act of 1934 to sell shares of the Underlying Funds to the Fund of Funds in excess of the limits in section 12(d)(1)(B) of the Act.<sup>3</sup> Applicants also request an order of exemption under

<sup>1</sup> Applicants request that the order apply to each existing and future series of the Trust and to each existing and future registered open-end investment company or series thereof that is advised by the Initial Adviser or its successors or by any other investment adviser controlling, controlled by, or under common control with the Initial Adviser or its successors and is part of the same “group of investment companies” as the Trust (each, a “Fund”). For purposes of the requested order, “successor” is limited to an entity that results from a reorganization into another jurisdiction or a change in the type of business organization. For purposes of the request for relief, the term “group of investment companies” means any two or more registered investment companies, including closed-end investment companies or BDCs, that hold themselves out to investors as related companies for purposes of investment and investor services.

<sup>2</sup> Certain of the Underlying Funds have obtained exemptions from the Commission necessary to permit their shares to be listed and traded on a national securities exchange at negotiated prices and, accordingly, to operate as an exchange-traded fund (“ETF”).

<sup>3</sup> Applicants do not request relief for the Funds of Funds to invest in reliance on the order in BDCs and registered closed-end investment companies that are not listed and traded on a national securities exchange.

sections 6(c) and 17(b) of the Act from the prohibition on certain affiliated transactions in section 17(a) of the Act to the extent necessary to permit the Underlying Funds to sell their shares to, and redeem their shares from, the Funds of Funds.<sup>4</sup> Applicants state that such transactions will be consistent with the policies of each Fund of Funds and each Underlying Fund and with the general purposes of the Act and will be based on the net asset values of the Underlying Funds.

2. Certain Underlying Funds may invest up to 25% of their assets in a wholly-owned and controlled subsidiary of the Underlying Fund organized under the laws of the Cayman Islands as an exempted company or under the laws of another non-U.S. jurisdiction (each, a “Cayman Sub”), in order to invest in commodity-related instruments and certain other instruments. Applicants state that these Cayman Subs are created for tax purposes in order to ensure that the Underlying Fund would remain qualified as a regulated investment company for U.S. federal income tax purposes.

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 are designed to, among other things, help prevent any potential (i) undue influence over an Underlying Fund that is not in the same “group of investment companies” as the Fund of Funds through control or voting power, or in connection with certain services, transactions, and underwritings, (ii) excessive layering of fees, and (iii) overly complex fund structures, which are the concerns underlying the limits in sections 12(d)(1)(A), (B), and (C) of the Act.

<sup>4</sup> A Fund of Funds generally would purchase and sell shares of an Underlying Fund that operates as an ETF through secondary market transactions rather than through principal transactions with the Underlying Fund. Applicants nevertheless request relief from sections 17(a)(1) and (2) to permit each Fund of Funds that is an affiliated person, or an affiliated person of an affiliated person, as defined in section 2(a)(3) of the Act, of an ETF, to sell shares to or redeem shares from the ETF. Applicants are not seeking relief from section 17(a) for, and the requested relief will not apply to, transactions where an ETF could be deemed an affiliated person, or an affiliated person of an affiliated person, of a Fund of Funds because an investment adviser to the ETF or an entity controlling, controlled by or under common control with the investment adviser to the ETF is also an investment adviser to the Fund of Funds. A Fund of Funds will purchase and sell shares of an Underlying Fund that is a closed-end fund through secondary market transactions at market prices rather than through principal transactions with the closed-end fund. Accordingly, applicants are not requesting section 17(a) relief with respect to principal transactions with closed-end funds.

4. Section 12(d)(1)(J) of the Act provides that the Commission may exempt any person, security, or transaction, or any class or classes of persons, securities, or transactions, from any provision of section 12(d)(1) if the exemption is consistent with the public interest and the protection of investors. Section 17(b) of the Act authorizes the Commission to grant an order permitting a transaction otherwise prohibited by section 17(a) if it finds that (a) the terms of the proposed transaction are fair and reasonable and do not involve overreaching on the part of any person concerned; (b) the proposed transaction is consistent with the policies of each registered investment company involved; and (c) the proposed transaction is consistent with the general purposes of the Act. Section 6(c) of the Act permits the Commission to exempt any persons or transactions from any provision of the Act if such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

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

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

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BILLING CODE 8011-01-P

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## SMALL BUSINESS ADMINISTRATION

**[Disaster Declaration #15406; MONTANA Disaster Number MT-00115 Declaration of Economic Injury]**

### Administrative Declaration of an Economic Injury Disaster for the State of MONTANA

**AGENCY:** U.S. Small Business Administration.

**ACTION:** Notice.

**SUMMARY:** This is a notice of an Economic Injury Disaster Loan (EIDL) declaration for the State of Montana, dated 12/11/2017.

*Incident:* Rice Ridge Fire.

*Incident Period:* 07/24/2017 through 10/20/2017.

**DATES:** Issued on 12/11/2017.

*Economic Injury (EIDL) Loan Application Deadline Date:* 09/11/2018.

**ADDRESSES:** Submit completed loan applications to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

**FOR FURTHER INFORMATION CONTACT:** A. Escobar, Office of Disaster Assistance, U.S. Small Business Administration, 409 3rd Street SW, Suite 6050, Washington, DC 20416, (202) 205-6734.

**SUPPLEMENTARY INFORMATION:** Notice is hereby given that as a result of the Administrator's EIDL declaration, applications for economic injury disaster loans may be filed at the address listed above or other locally announced locations. The following areas have been determined to be adversely affected by the disaster:

*Primary Counties:* Missoula

*Contiguous Counties:*

Montana: Flathead, Granite, Lake, Mineral, Powell, Ravalli, Sanders  
Idaho: Clearwater, Idaho

The Interest Rates are:

Businesses and Small Agricultural Cooperatives without Credit Available Elsewhere.

Non-Profit Organizations without Credit Available Elsewhere.

The number assigned to this disaster for economic injury is 154060.

The States which received an EIDL Declaration # are Montana, Idaho.

(Catalog of Federal Domestic Assistance Number 59008)

Dated: December 11, 2017.

**Linda E. McMahon,**  
Administrator.

[FR Doc. 2017-27365 Filed 12-19-17; 8:45 am]  
BILLING CODE 8025-01-P

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## DEPARTMENT OF STATE

**[Public Notice: 10201]**

### Notice of Issuance of a Presidential Permit to the State of North Dakota

**AGENCY:** Department of State.

**ACTION:** Notice.

**SUMMARY:** The Acting Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs, acting pursuant to delegated authorities, issued a Presidential permit to the State of North Dakota on October 24, 2017, authorizing the State of North Dakota to construct, connect, operate, and maintain the existing POE border-crossing facilities at the U.S.-Canada border in Pembina County, North Dakota. In accordance with Executive Order 11432 (August 16, 1968) as amended, the Acting Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs determined that issuance of this permit would serve the national interest.

**FOR FURTHER INFORMATION CONTACT:** Bryan Koontz, 202-647-3030, [koontzbbk@state.gov](mailto:koontzbbk@state.gov).

**SUPPLEMENTARY INFORMATION:**

Additional information concerning the Pembina-Emerson POE border crossing facilities and documents related to the Department of State's review of the application for a Presidential permit can be found at <https://www.state.gov/documents/organization/259783.pdf>. Following is the text of the permit, as issued:

**PRESIDENTIAL PERMIT  
AUTHORIZING THE STATE OF  
NORTH DAKOTA TO CONSTRUCT,  
CONNECT, OPERATE, AND  
MAINTAIN THE PEMBINA-EMERSON  
PORT OF ENTRY AT THE  
INTERNATIONAL BOUNDARY  
BETWEEN THE UNITED STATES AND  
CANADA**

By virtue of the authority vested in me as Acting Assistant Secretary of State for the Bureau of Oceans and International Environmental and Scientific Affairs, including those authorities under Executive Order 11423, 33 Fed. Reg. 11741 (1968); as amended by Executive Order 12847 of May 17, 1993, 58 Fed. Reg. 29511 (1993), Executive Order 13284 of January 23, 2003, 68 Fed. Reg. 4075 (2003), and Executive Order 13337 of April 30, 2004, 69 Fed. Reg. 25299 (2004); 25299 (2004); and Department of State Delegation of Authority 118-2 of January 26, 2006 and Delegation 415 of January 18, 2017; having considered the environmental effects of the proposed action consistent with the National Environmental Policy Act of 1969, as amended (83 Stat. 852, 42 U.S.C. 4321 et seq.), and other statutes relating to environmental concerns; having considered the proposed action consistent with the National Historic Preservation Act of 1966, as amended (80 Stat. 917, 16 U.S.C. 470f et seq.); and having requested and received the views of various of the federal departments and other interested persons; I hereby grant permission, subject to the conditions herein set forth, to the State of North Dakota (hereinafter referred to as "permittee"), to construct, connect, operate, and maintain the Pembina-Emerson Port of Entry (hereinafter referred to as the "POE").

The term "facilities" as used in this permit means the port of entry, its approaches and any land, structures, or installations appurtenant thereto, including all structures as described in the May 2, 2016 for a Presidential permit (the "Application") submitted by the permittee to the Department of State.