

(MP), Room 4100; National Archives and Records Administration; 8601 Adelphi Road; College Park, MD 20740–6001, fax them to 301–837–7409, or email them to tamee.fechhelm@nara.gov.

FOR FURTHER INFORMATION CONTACT:

Contact Tamee Fechhelm by telephone at 301–837–1694 or fax at 301–837–7409 with requests for additional information or copies of the proposed information collection and supporting statement.

SUPPLEMENTARY INFORMATION: Pursuant to the Paperwork Reduction Act of 1995 (Pub. L. 104–13), we invite the public and other Federal agencies to comment on proposed information collections. The comments and suggestions should address one or more of the following points: (a) Whether we need the proposed information collection to properly perform our agency functions; (b) our estimate of the burden of the proposed information collection and its accuracy; (c) ways we could enhance the quality, utility, and clarity of the information we collect; (d) ways we could minimize the burden on respondents of collecting the information, including through information technology; and (e) whether this collection affects small businesses. We will summarize any comments you submit and include the summary in our request for OMB approval. All comments will become a matter of public record. In this notice, we solicit comments concerning the following information collection:

Title: Freedom of Information Act (FOIA) Request for Assistance and Consent.

OMB number: 3095–0068.

Agency form number: NA Form 10003.

Type of review: Regular.

Affected public: Individuals or households, business or other for-profit, not-for-profit institutions, and Federal Government.

Estimated number of respondents: 3,646.

Estimated time per response: Ten minutes.

Frequency of response: On occasion.

Estimated total annual burden hours: 608 hours (3,646 responses × 10 minutes/by 60).

Abstract: In order to fulfill its Government-wide statutory mission to mediate FOIA disputes between requesters and agencies, OGIS must communicate with Government departments and agencies regarding the customer's Freedom of Information Act (FOIA)/Privacy Act of 1974 request or appeal. As a result, OGIS collects intake

information from customers who request OGIS's mediation services. This information includes the customer's name, contact information, FOIA case number, information on the customer's concern areas/resolution goals, and documents relating to the underlying Freedom of Information Act/Privacy Act request or appeal. Customers provide this information by phone, fax, email, or mail.

OGIS and other agencies must handle FOIA and Privacy Act-protected case information in conformity with the requirements of the FOIA and Privacy Act, including 5 U.S.C. 552a(b), which prohibits agencies from releasing Privacy-Act protected information without an already-established routine use or consent of the person to whom the information pertains. In accord with this requirement, a subset of customers also must fill out a privacy consent form, NA Form 10003, if dealing with an agency that has not published a system of records notice with a routine use for release of information to OGIS.

OGIS uses the information customers provide in this information collection to contact customers, request information on the customer's case from other Federal agencies, and provide the requested assistance. Without the information submitted in the intake process and the consent form, OGIS would be unable to get the information from other agencies or fulfill its mediation mission.

Swarnali Haldar,

Executive for Information Services/CIO.

[FR Doc. 2019–18293 Filed 8–23–19; 8:45 am]

BILLING CODE 7515–01–P

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meetings

TIME AND DATE: 2:00 p.m. on Wednesday, August 28, 2019.

PLACE: The meeting will be held at the Commission's headquarters, 100 F Street NE, Washington, DC 20549.

STATUS: This meeting will be closed to the public.

MATTERS TO BE CONSIDERED:

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the closed meeting. Certain staff members who have an interest in the matters also may be present.

In the event that the time, date, or location of this meeting changes, an announcement of the change, along with the new time, date, and/or place of the

meeting will be posted on the Commission's website at <https://www.sec.gov>.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c)(3), (5), (6), (7), (8), 9(B) and (10) and 17 CFR 200.402(a)(3), (a)(5), (a)(6), (a)(7), (a)(8), (a)(9)(ii) and (a)(10), permit consideration of the scheduled matters at the closed meeting.

The subject matters of the closed meeting will consist of the following topics:

Institution and settlement of injunctive actions;

Institution and settlement of administrative proceedings;

Resolution of litigation claims; and

Other matters relating to enforcement proceedings.

At times, changes in Commission priorities require alterations in the scheduling of meeting agenda items that may consist of adjudicatory, examination, litigation, or regulatory matters.

CONTACT PERSON FOR MORE INFORMATION:

For further information; please contact Vanessa A. Countryman from the Office of the Secretary at (202) 551–5400.

Dated: August 21, 2019.

Vanessa A. Countryman,
Secretary.

[FR Doc. 2019–18367 Filed 8–22–19; 11:15 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–86714; File No. SR–NYSEArca–2019–55]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing of Proposed Rule Change To Amend NYSE Arca Rule 8.700–E and To List and Trade Shares of the Dynamic Short Short-Term Volatility Futures ETF

August 20, 2019.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (the “Act” or the “Exchange Act”)² and Rule 19b–4 thereunder,³ notice is hereby given that, on August 7, 2019, NYSE Arca, Inc. (“NYSE Arca” or the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b–4.

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 (1) to amend NYSE Arca Rule 8.700-E to add futures contracts and swaps on the Cboe Volatility Index ("VIX") to the financial instruments that an issue of Managed Trust Securities may hold; and (2) to list and trade shares of the Dynamic Short Short-Term Volatility Futures ETF under proposed amended NYSE Arca Rule 8.700-E. The proposed change is available on the Exchange's website at 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

NYSE Arca Rule 8.700-E permits the trading of Managed Trust Securities either by listing or pursuant to unlisted trading privileges ("UTP").³ The

³ Managed Trust Security means a security that is registered under the Securities Act of 1933 (15 U.S.C. 77a), as amended (the "Securities Act"), and (i) is issued by a trust ("Trust"), or any series thereof, that (1) is a commodity pool as defined in the Commodity Exchange Act and regulations thereunder, is not registered or required to be registered as an investment company under the Investment Company Act of 1940, as amended, and is managed by a commodity pool operator registered with the Commodity Futures Trading Commission, and (2) holds long and/or short positions in exchange-traded futures contracts and/or certain currency forward contracts and/or swaps selected by the Trust's advisor consistent with the Trust's investment objectives, which will only include exchange-traded futures contracts involving commodities, commodity indices, currencies, currency indices, stock indices, the EURO STOXX 50 Volatility Index (VSTOXX), fixed income indices, interest rates and sovereign, private and mortgage or asset backed debt instruments, and/or forward contracts on specified currencies, and/or

Exchange proposes to amend NYSE Arca Rule 8.700-E (c)(1) to add futures contracts and/or swaps on the Cboe Volatility Index ("VIX Index" or "VIX") to the financial instruments that an issue of Managed Trust Securities may hold long and/or short positions. (Futures on the VIX Index are referred to herein as "VIX Futures" or "VIX Futures Contracts"). In addition, the Exchange proposes to list and trade the shares (the "Shares") of the Dynamic Short Short-Term Volatility Futures ETF (the "Fund") a series of Dynamic Shares Trust ("Trust") under proposed amended NYSE Arca Rule 8.700-E.⁴

The Commission has previously approved the listing and trading of options on the VIX.⁵ In addition, the Commission has previously approved an amendment to NYSE Arca Rule 5.2-E(j)(6) ("Index-Linked Securities") to add VIX Futures to the definition of Futures Reference Assets applicable to "Futures-Linked Securities,"⁶ and has

swaps on stock indices, fixed income indices, commodity indices, VSTOXX, commodities, currencies, currency indices, or interest rates, each as disclosed in the Trust's prospectus as such may be amended from time to time, and cash and cash equivalents; and (ii) is issued and redeemed continuously in specified aggregate amounts at the next applicable net asset value. See NYSE Arca Rule 8.700-E (c)(1).

⁴ On June 5, 2019, the Trust submitted to the Commission its draft registration statement on Form S-1 under the Securities Act of 1933 (15 U.S.C. 77a) ("Securities Act"). The Jumpstart Our Business Startups Act, enacted on April 5, 2012, added Section 6(e) to the Securities Act. Section 6(e) of the Securities Act provides that an "emerging growth company" may confidentially submit to the Commission a draft registration statement for confidential, non-public review by the Commission staff prior to public filing, provided that the initial confidential submission and all amendments thereto shall be publicly filed not later than 21 days before the date on which the issuer conducts a road show, as such term is defined in Securities Act Rule 433(h)(4). An emerging growth company is defined in Section 2(a)(19) of the Securities Act as an issuer with less than \$1,000,000,000 total annual gross revenues during its most recently completed fiscal year. The Trust meets the definition of an emerging growth company and consequently has submitted its Form S-1 registration statement ("Registration Statement") on a confidential basis with the Commission. The description of the operation of the Trust and the Fund herein is based, in part, on the Registration Statement.

⁵ See Securities Exchange Release No. 48807 (November 19, 2003), 68 FR 66516 (November 26, 2003) (SR-CBOE-2003-40).

⁶ See Securities Exchange Act Release Nos. 65134 (August 15, 2011), 76 FR 52034 (August 19, 2011) (SR-NYSEArca-2011-23) (Order Granting Approval of Proposed Rule Change to List and Trade Shares of ProShares Short VIX Short-Term Futures ETF, ProShares Short VIX Mid-Term Futures ETF, ProShares Ultra VIX Short-Term Futures ETF, ProShares Ultra VIX Mid-Term Futures ETF, ProShares UltraShort VIX Short-Term Futures ETF, and ProShares UltraShort VIX Mid-Term Futures ETF under NYSE Arca Equities Rule 8.200, Commentary .02). See also, Securities Exchange Act Release No. 58968 (November 17, 2008), 73 FR 71082 (November 24, 2008) (SR-NYSEArca-2008-111) (Order Granting Accelerated Approval of

approved listing and trading on the Exchange of series of Trust Issued Receipts that invest in VIX Futures.⁷

The Exchange notes that the Commission has issued a notice of effectiveness regarding amendments to NYSE Arca Rule 5.2-E(j)(6)(v) to add futures on another index referencing market volatility—the EURO STOXX 50 Volatility Index ("VSTOXX")—as a "Futures Reference Asset" underlying an issue of "Futures-Linked Securities."⁸ In addition, the Commission has approved an amendment to NYSE Arca Rule 8.700-E to add the VSTOXX as a reference asset to the futures contracts and swaps that may be held by trusts that issue Managed Trust Securities.⁹

The Exchange believes that the proposed amendment to add VIX Futures and/or swaps on VIX to the financial instruments in which an issue of Managed Trust Securities may hold long and/or short positions will provide investors with the ability to better diversify and hedge their portfolios using an exchange traded security without having to trade directly in the underlying VIX Futures, and will facilitate the listing and trading on the Exchange of additional Managed Trust Securities that will enhance competition among market participants, to the benefit of investors and the marketplace.

The Exchange believes that its surveillance procedures are adequate to continue to properly monitor the trading of Managed Trust Securities that hold

Proposed Rule Change to Amend NYSE Arca Equities Rule 5.2(j)(6)(v) in Order to Add the CBOE Volatility Index Futures to the Definition of Futures Reference Asset).

⁷ See, e.g., Securities Exchange Act Release Nos. 58457 (September 3, 2008), 73 FR 52711 (September 10, 2008) (SR-NYSEArca-2008-91) (order granting accelerated approval to list on NYSE Arca of 14 ProShares funds); 63610 (December 27, 2010), 76 FR 199 (January 3, 2011) (SR-NYSEArca-2010-101) (order approving listing and trading of the ProShares VIX Short-Term Futures ETF and the ProShares VIX Mid-Term Futures ETF). See also Securities Exchange Act Release No. 58968 (November 17, 2008), 73 FR 71082 (November 24, 2008) (SR-NYSEArca-2008-111) (order granting accelerated approval of proposed rule change to amend NYSE Arca Equities Rule 5.2(j)(6)(v) to add VIX Futures to the definition of Futures Reference Asset).

⁸ See Securities Exchange Act Release No. 79975 (February 6, 2017), 82 FR 10418 (February 10, 2017) (SR-NYSEArca-2017-08) (Notice of Filing and Immediate Effectiveness to Amend NYSE Arca Equities Rule 5.2(j)(6)(v) to Add EURO STOXX 50 Volatility Futures to the Definition of Futures Reference Asset in Rule 5.2(j)(6)).

⁹ See Securities Exchange Act Release No. 82066 (November 13, 2017), 82 FR 54434 (November 17, 2017) (SR-NYSEArca-2017-85) (Notice of Filing of Amendment No. 3, and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 3, to Amend NYSE Arca Rule 8.700-E and to List and Trade Shares of the ProShares European Volatility Futures ETF).

VIX Futures and/or swaps on VIX in all trading sessions and to deter and detect violations of Exchange rules.

The VIX Index

The information in this filing relating to the VIX Index was taken from the website of the Cboe Futures Exchange (the “CFE”) and from the Registration Statement.

The VIX Index is an up-to-the-minute market estimate of expected volatility that is calculated by using real-time prices of options on the S&P 500® Index listed on Cboe Exchange, Inc. (“Cboe”) (“Cboe Options”) (Symbol: SPX). The VIX Index is designed to reflect investors’ consensus view of future (30-day) expected stock market volatility. Only SPX options with Friday expirations are used to calculate the VIX Index. The VIX Index is calculated between 2:15 a.m. Central Time (“C.T.”) and 8:15 a.m. C.T. and between 8:30 a.m. C.T. and 3:15 p.m. C.T. The VIX Index is calculated by using the midpoints of real-time SPX option bid/ask quotes. Only SPX options with more than 23 days and less than 37 days to the Friday SPX expiration are used to calculate the VIX Index. These SPX options are then weighted to yield a constant, 30-day measure of the expected volatility of the S&P 500 Index.

VIX levels are calculated by Cboe and disseminated at 15-second intervals to market information vendors via the Options Price Reporting Authority (“OPRA”).

VIX Futures

The information in this filing relating to VIX Futures was taken from the CFE website and from the Registration Statement.

The CFE began listing and trading VIX Futures on March 26, 2004 under the ticker symbol VX. VIX Futures reflect the market’s estimate of the value of the VIX Index on various expiration dates in the future. According to the Registration Statement, the value of a VIX Futures Contract is based on the expected reading of the VIX Index at the expiration of such VIX Futures, and therefore represents forward implied volatility of the S&P 500 over the 30-day period following the expiration of the VIX Futures. As a result, a movement in the VIX Index today will not necessarily result in a corresponding movement in the price of VIX Futures.

VIX Futures, which trade only on CFE, trade between the hours of 8:30 a.m.–3:15 p.m. C.T. The CFE is a member of the Intermarket Surveillance Group (“ISG”).

Monthly and weekly expirations in VIX Futures are available and trade nearly 24 hours a day, five days a week. VIX Weekly futures began trading on CFE in 2015.

The monthly volume and open interest (number of contracts) as of the last day of each month (November 2018 through April 2019) for VIX Futures was as follows:

	Monthly volume	Open interest
Nov–18	5,602,563	9,704,691
Dec–18	6,127,137	8,120,281
Jan–19	4,896,371	7,605,976
Feb–19	3,793,922	6,880,121
Mar–19	5,294,713	7,419,836
Apr–19	4,524,300	8,875,583

Dynamic Short Short-Term Volatility Futures ETF

The Exchange proposes to list and trade the Shares of the Fund under proposed amended NYSE Arca Rule 8.700–E. Dynamic Shares LLC will serve as the Trust’s sponsor (“Sponsor”), and will serve as its commodity pool operator upon its registration with the Commodity Futures Trading Commission (“CFTC”), which will be prior to the effectiveness of the Registration Statement. Wilmington Trust Company is the sole “Trustee” of the Trust. The Nottingham Company will be the “Administrator” for the Fund. Nottingham Shareholder Services, LLC will serve as the “Transfer Agent” for the Fund for “Authorized Participants.” Capital Investment Group, Inc. will serve as the “Distributor” for the Fund.

The Sponsor will be registered as a commodity pool operator and is not registered or affiliated with a broker-dealer. In the event (a) the Sponsor becomes registered as a broker-dealer or newly affiliated with a broker-dealer, or (b) any new sponsor is a registered broker-dealer or becomes affiliated with a broker-dealer, it will implement and maintain a fire wall with respect to its relevant personnel or its broker-dealer affiliate regarding access to information concerning the composition and/or changes to the Disclosed Portfolio (as defined in NYSE Arca Rule 8.700–E(c)(2)), and will be subject to procedures designed to prevent the use and dissemination of material non-public information regarding such portfolio.

According to the Registration Statement, the Fund will seek to provide investors with inverse exposure to the implied volatility of the broad-based, large-cap U.S. equity market. Such exposure will be for one full

trading day. The Fund will seek to achieve its investment objective, under normal market conditions,¹⁰ by obtaining investment exposure to an actively managed portfolio of short positions in VIX Futures Contracts with monthly expirations.

The Fund expects to primarily take short positions in VIX Futures by shorting the next two near term VIX Futures and rolling the nearest month VIX Futures Contract to the next month on a daily basis. As such, the Fund expects to have a constant one-month rolling short position in first and second month VIX Futures.

The Fund also may hold cash and cash equivalents, including U.S. Treasury securities.¹¹

The Fund will seek to dynamically manage its notional exposure to VIX Futures. For instance, when the VIX Index is below its historical average, the Fund’s notional exposure will be lower than a traditional short VIX short term futures ETF, which may maintain a fixed notional exposure every day.

When the VIX Index is going up, the Fund will gradually increase its notional exposure, up to a ceiling of –0.5 times its net asset value (“NAV”). The Fund expects that its notional exposure will not exceed –0.5 times its NAV, but that its notional exposure may exceed –0.5 times its NAV during intraday trading before recalibration (as described further below).

The Fund will be actively managed and is not benchmarked to the VIX Index. As such, according to the Registration Statement, the Fund can be expected to perform very differently from the inverse of the VIX Index. The Fund does not seek to track the performance of the VIX Index or the S&P 500® and can be expected to perform very differently from the VIX Index over all periods of time.

According to the Registration Statement, the Fund will experience positive or negative performance based

¹⁰ The term “normal market conditions” is defined in NYSE Arca Rule 8.600–E(c)(5).

¹¹ For purposes of this filing, cash equivalents are the following short-term instruments: (i) U.S. Government securities, including bills, notes and bonds differing as to maturity and rates of interest, which are either issued or guaranteed by the U.S. Treasury or by U.S. Government agencies or instrumentalities; (ii) certificates of deposit issued against funds deposited in a bank or savings and loan association; (iii) bankers’ acceptances, which are short-term credit instruments used to finance commercial transactions; (iv) repurchase agreements and reverse repurchase agreements; (v) bank time deposits, which are monies kept on deposit with banks or savings and loan associations for a stated period of time at a fixed rate of interest; (vi) commercial paper, which are short-term unsecured promissory notes; and (vii) money market funds.

on changes in the implied level of future market volatility to the extent these changes are reflected in the price of VIX Futures Contracts. The Fund generally will experience positive performance, before accounting for fees and expenses, to the extent that the implied level of future volatility, as reflected by the value of the Fund's short position in VIX Futures Contracts, decreases. Similarly, the Fund generally will experience negative performance, before accounting for fees and expenses, to the extent that the implied level of future volatility increases.

According to the Registration Statement, at the close of each trading day, the Fund expects to recalibrate its notional exposure value upon the change of the VIX Index and contango on that day.¹² The Fund expects its notional exposure to range from -0.1 to -0.5 after each calibration. Movements of the VIX Futures during the day will affect whether the Fund's portfolio needs to be repositioned. For example, if the levels of the VIX Futures have risen on a given day, net assets of the Fund should fall. As a result of the calibration, the Fund's inverse exposure will generally increase to a level not beyond -0.5 . Conversely, if the levels of the VIX Futures have fallen on a given day, net assets of the Fund should rise. As a result of the calibration, the Fund's inverse exposure will generally decrease to as low as -0.1 .

In seeking to achieve the Fund's investment objective, the Sponsor uses a proprietary algorithm, which learns from VIX Futures historical prices and contango trend, to optimize VIX Futures

trading risks and returns. The algorithm starts with a relatively low notional exposure (-0.1 to -0.15) and recalibrates its notional exposure upon the change of price and contango of VIX Futures. The Sponsor expects the algorithm to slightly increase the Fund's notional exposure when the price of VIX Futures goes up to a level not beyond -0.5 , and, when the price of VIX Futures goes down, the Sponsor expects the algorithm to decrease the Fund's notional exposure to lower levels to prepare for potential upcoming spikes in the price of VIX Futures. In the event that the Fund's notional exposure has already reached -0.5 and the price of VIX Futures increases, the Fund expects to maintain its notional exposure at -0.5 at the close of each trading day. Conversely, if the price of VIX Futures decreases when the Fund's notional exposure is below -0.1 , the Fund expects to maintain its notional exposure at -0.1 when calibrating its notional exposure.

According to the Registration Statement, the pursuit of the Fund's daily investment objective means that the Fund's return for a period longer than a full trading day will be the product of the series of daily returns, with daily repositioned exposure, for each trading day during the relevant period. As a consequence, the return for investors that invest for periods less than a full trading day or for a period different than a trading day will not be the product of the return of the Fund's stated daily inverse investment objective.

Creation and Redemption Transactions

According to the Registration Statement, "Authorized Participants" may purchase (*i.e.*, create) or redeem Shares only in blocks of 50,000 Shares (each such block, a "Creation Unit") in the Fund. An Authorized Participant is an entity that has entered into an Authorized Participant Agreement with the Trust and the Sponsor. Creation Units are offered to Authorized Participants at the Fund's NAV. The size of a Creation Unit is subject to change.

A creation transaction generally takes place when an Authorized Participant deposits a specified amount of cash in exchange for a specified number of Creation Units. Similarly, Shares generally can be redeemed only in Creation Units, generally for cash. The prices at which creations and redemptions occur are based on the next calculation of NAV after an order is received in proper form. By placing a purchase order, an Authorized Participant agrees to deposit cash

(unless as provided otherwise in the Registration Statement) with the "Custodian." Creation and redemption transactions must be placed each day with the Distributor by the create/redeem cutoff time (generally 2:00 p.m., E.T.) to receive that day's NAV.

On any Business Day, an Authorized Participant may place an order with the Distributor to create one or more Creation Units. For purposes of processing both purchase and redemption orders, a "Business Day" means any day on which the NAV of the Fund is determined.

Purchase orders must be placed by the cutoff time of 2:00 p.m., E.T. The cutoff time may be earlier if, for example, the Exchange or other exchange material to the valuation or operation of the Fund closes before the cut-off time.

The total payment required to create each Creation Unit is the NAV of the Shares required for such Creation Unit on the purchase order date plus the applicable transaction fee.

Delivery of Cash

Cash required for settlement will typically be transferred to the Custodian through: (1) The Continuous Net Settlement ("CNS") clearing process of the National Securities Clearing Corporation ("NSCC"), as such processes have been enhanced to effect creations and redemptions of Creation Units; or (2) the facilities of the Depository Trust Company ("DTC") on a Delivery Versus Payment ("DVP") basis, which is the procedure in which the buyer's payment for securities is due at the time of delivery. The Sponsor reserves the right to extend the deadline for the Custodian to receive the cash required for settlement up to the second Business Day following the purchase order date (T+2). The Creation Units will be delivered to the Authorized Participant upon the Custodian's receipt of the purchase amount.

Delivery of Exchange of Futures Contract for Related Position ("EFCRP") Futures

Contracts or Block Trades

If the Sponsor shall have determined to permit the Authorized Participant to transfer VIX Futures pursuant to an EFCRP or to engage in a block trade purchase of futures contracts from the Authorized Participant with respect to the Fund, as well as to deliver cash, in the creation process, VIX Futures required for settlement must be transferred directly to the Fund's account at its futures commission merchant. The Creation Units will be delivered to the Authorized Participant

¹² According to the Registration Statement, the contractual obligations of a buyer or seller holding a futures contract to expiration may generally be satisfied by taking or making physical delivery of the underlying reference asset or settling in cash as designated in the contract specifications. Alternatively, futures contracts may be closed out prior to expiration by making an offsetting sale or purchase of an identical futures contract on the same or linked exchange before the designated date of delivery. Once this date is reached, the futures contract "expires." As the futures contracts held by the Fund near expiration, they are generally closed out and replaced by contracts with a later expiration. This process is referred to as "rolling." When the market for these contracts is such that the prices are higher in the more distant delivery months than in the nearer delivery months, the sale during the course of the "rolling process" of the more nearby contract would take place at a price that is lower than the price of the more distant contract. This pattern of higher future prices for longer expiration futures contracts is often referred to as "contango." Alternatively, when the market for these contracts is such that the prices are higher in the nearer months than in the more distant months, the sale during the course of the "rolling process" of the more nearby contract would take place at a price that is higher than the price of the more distant contract. This pattern of higher future prices of shorter expiration futures contracts is referred to as "backwardation."

upon the Custodian's receipt of the cash purchase amount and the VIX Futures.

Redemption Procedures

According to the Registration Statement, the procedures by which an Authorized Participant can redeem one or more Creation Units mirror the procedures for the creation of Creation Units. On any Business Day, an Authorized Participant may place an order with the Distributor to redeem one or more Creation Units. A redemption order must be received prior to applicable cutoff time (generally 2:00 p.m., E.T.).

By placing a redemption order, an Authorized Participant agrees to deliver the Creation Units to be redeemed through DTC's book-entry system to the Fund not later than noon E.T. on the first Business Day immediately following the redemption order date (T+1). The Sponsor reserves the right to extend the deadline for the Fund to receive the Creation Units required for settlement up to the second Business Day following the redemption order date (T+2).

The redemption proceeds from the Fund will consist of the cash redemption amount and, if permitted by the Sponsor in its sole discretion with respect to the Fund, an EFCRP or block trade with the Fund. The cash redemption amount is equal to the NAV of the number of Creation Unit(s) of the Fund requested in the Authorized Participant's redemption order as of the time of the calculation of the Fund's NAV on the redemption order date, less transaction fees and any amounts attributable to any applicable EFCRP or block trade.

The redemption proceeds due from the Fund will be delivered to the Authorized Participant at noon E.T. on the third Business Day immediately following the redemption order date if, by such time on such Business Day immediately following the redemption order date, the Fund's DTC account has been credited with the Creation Units to be redeemed.

Net Asset Value

The NAV per Share of the Fund will be computed by dividing the value of the net assets of the Fund by its total number of Shares outstanding. Expenses and fees are accrued daily and taken into account for purposes of determining NAV. The Fund's NAV is calculated on each day other than a day when the Exchange is closed for regular trading. The Fund will compute its NAV once each trading day (the "NAV Calculation Time"), or an earlier time set forth on the Trust's website

(www.dynamicsharesetf.com). The Fund's website will be operable prior to commencement of Exchange trading of the Shares. The NAV Calculation Time is 4:15 p.m., E.T.

VIX Futures prices are calculated at their then current market value, which typically is based upon the settlement price or the last traded price before the NAV time for that particular futures contract.

In certain circumstances (e.g., if the Sponsor believes market quotations do not accurately reflect the fair value of a Fund investment, or a trading halt closes an exchange or market early), the Sponsor may, in its sole discretion, choose to determine a fair value price as the basis for determining the market value of such position for such day. Such fair value prices would generally be determined based on available inputs about the current underlying reference assets and would be based on principles that the Sponsor deems fair and equitable.

Indicative Optimized Portfolio Value ("IOPV")

According to the Registration Statement, the IOPV is an indicator of the value of the Fund's net assets at the time the IOPV is disseminated. The IOPV is calculated and disseminated every 15 seconds throughout the trading day. The IOPV is generally calculated using the prior day's closing net assets of the Fund as a base and updating throughout the trading day changes in the value of the financial instruments held by the Fund.

The IOPV will be disseminated by the Exchange or a major market data vendor. In addition, the IOPV is published on the NYSE Arca's website and is available through on-line information services such as Bloomberg Finance L.P. and Reuters.

Availability of Information

The Trust's website, www.dynamicsharesetf.com, which will be publicly accessible at no charge, will contain the following information: (a) The daily NAV of the Trust, the daily NAV per Share, the prior Business Day's NAV per Share, the reported daily closing price and the reported daily trading volume; (b) the daily composition of the Disclosed Portfolio, as defined in NYSE Arca Rule 8.700-E(c)(2)¹³; (c) the midpoint of the bid-ask price as of the time the NAV per Share

¹³NYSE Arca Rule 8.700-E(c)(2) provides that the term "Disclosed Portfolio" means "the identities and quantities of the securities and other assets held by the Trust that will form the basis for the Trust's calculation of net asset value at the end of the business day".

is calculated (the "Bid-Ask Price"); (d) the calculation of the premium or discount of such price against such NAV per Share; (e) data in chart form displaying the frequency distribution of discounts or premiums of the bid-ask price against the NAV per Share, within appropriate ranges for each of the four previous calendar quarters; and (f) the current prospectus of the Trust, included in the Registration Statement.

On a daily basis, the Trust will disclose on its website for all of the assets held by the Fund the following information: Name; ticker symbol (if applicable); CUSIP or other identifier (if applicable); description of the holding; with respect to derivatives, the identity of the security, commodity, index or other underlying asset; the quantity or aggregate amount of the holding as measured by par value, notional value or amount, number of contracts or number of units (if applicable); maturity date; coupon rate (if applicable); effective date or issue date (if applicable); market value; percentage weighting in the Disclosed Portfolio; and expiration date (if applicable). The website information will be publicly available at no charge.

As noted above, the Trust's NAV and the NAV per Share will be calculated and disseminated daily after the close of the New York Stock Exchange (normally 4:00 p.m., E.T.).¹⁴ The Exchange will disseminate for the Trust on a daily basis by means of the Consolidated Tape Association (the "CTA") high-speed line information with respect to the most recent NAV per Share, and the number of Shares outstanding. The Exchange also will make available on its website daily trading volume, closing prices and the NAV per Share.

Pricing for VIX is available from major market data vendors. Pricing for VIX Futures is available from CFE and from major market data vendors. Pricing for Cboe Options is available from Cboe and from major market data vendors. Price information for cash equivalents is available from major market data vendors.

The IOPV will be widely disseminated by one or more major market data vendors at least every 15 seconds during the Exchange's Core Trading Session (as defined in NYSE Arca Rule 7.34-E).¹⁵

¹⁴The Exchange will obtain a representation from the Trust that the NAV and the NAV per Share will be calculated daily and that the NAV, the NAV per Share and the composition of the Disclosed Portfolio will be made available to all market participants at the same time.

¹⁵Currently, it is the Exchange's understanding that several major market data vendors widely disseminate IOPVs taken from the CTA high-speed line or other data feeds.

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. The previous day's closing price and trading volume information for the Shares will be published daily in the financial section of newspapers. Quotation and last sale information for the Shares will be available via the CTA high-speed line.

Impact on Arbitrage Mechanism

The Sponsor believes there will be minimal, if any, impact to the arbitrage mechanism as a result of the use of derivatives. Market makers and participants should be able to value derivatives as long as the positions are disclosed with relevant information. The Sponsor believes that the price at which Shares trade will continue to be disciplined by arbitrage opportunities created by the ability to purchase or redeem Shares at their NAV, which should help ensure that Shares will not trade at a material discount or premium in relation to their NAV.

The Sponsor does not believe there will be any significant impacts to the settlement or operational aspects of the Fund's arbitrage mechanism due to the use of derivatives.

Criteria for Initial and Continued Listing

The Trust will be subject to the criteria in NYSE Arca Rule 8.700-E for initial and continued listing of the Shares.

The minimum number of Shares to be outstanding at the start of trading will be 100,000 Shares. The Exchange believes that this minimum number of Shares to be outstanding at the start of trading is sufficient to provide adequate market liquidity. The Exchange represents that, for the initial and continued listing of the Shares, the Trust must be in compliance with NYSE Arca Rule 5.3-E and Rule 10A-3 under the Exchange Act.¹⁶

Trading Rules

Under NYSE Arca Rule 8.700-E(b), Managed Trust Securities are included within the Exchange's definition of "securities." The Exchange deems the Shares to be equity securities, thus rendering trading in the Shares subject to the Exchange's existing rules governing the trading of equity securities. Commentary .02 to NYSE Arca Rule 8.700-E provides that transactions in Managed Trust Securities will occur during the trading hours specified in NYSE Arca Rule

7.34-E. Therefore, in accordance with NYSE Arca Rule 7.34-E, the Shares will trade on the NYSE Arca Marketplace from 4:00 a.m. to 8:00 p.m. E.T. The Exchange has appropriate rules to facilitate transactions in the Shares during all trading sessions. As provided in NYSE Arca Rule 7.6-E, the minimum price variation ("MPV") for quoting and entry of orders in equity securities traded on the NYSE Arca Marketplace is \$0.01, with the exception of securities that are priced less than \$1.00 for which the MPV for order entry is \$0.0001.

Trading Halts

With respect to trading halts, the Exchange may consider all relevant factors in exercising its discretion to halt or suspend trading in the Shares. Trading in the Shares will be halted if the circuit breaker parameters under NYSE Arca Rule 7.12-E are reached. Trading may also be halted because of market conditions or for reasons that, in the view of the Exchange, make trading in the Shares inadvisable.

In addition, if the Exchange becomes aware that the NAV, the NAV per Share and/or the Disclosed Portfolio with respect to a series of Managed Trust Securities is not disseminated to all market participants at the same time, it will halt trading in such series until such time as the NAV, the NAV per Share and the Disclosed Portfolio is available to all market participants.

Surveillance

The Exchange represents that trading in the Shares will be subject to the existing trading surveillances administered by the Exchange, as well as cross-market surveillances administered by 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.¹⁷ The Exchange represents that these procedures are adequate to properly monitor Exchange trading of the Shares in all trading sessions and to deter and detect violations of Exchange rules and applicable federal securities laws.

The surveillances referred to above generally focus on detecting securities trading outside their normal patterns, which could be indicative of manipulative or other violative activity. When such situations are detected, surveillance analysis follows and investigations are opened, where

appropriate, to review the behavior of all relevant parties for all relevant trading violations.

The Exchange or FINRA, on behalf of the Exchange, or both, will communicate as needed regarding trading in the Shares and VIX Futures with other markets or other entities that are members of the ISG, and the Exchange or FINRA, on behalf of the Exchange, or both, may obtain trading information regarding trading in the Shares and VIX Futures from such markets or entities. In addition, the Exchange may obtain information regarding trading in the Shares and VIX Futures from markets or other entities that are members of ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement ("CSSA").¹⁸ FINRA, on behalf of the Exchange, is able to access, as needed, trade information for certain cash equivalents held by the Fund reported to FINRA's Trade Reporting and Compliance Engine ("TRACE").

In addition, the Exchange also has a general policy prohibiting the distribution of material, non-public information by its employees.

All statements and representations made in this filing regarding (a) the description of the portfolio of the Fund, (b) limitations on portfolio of the Fund, or (c) the applicability of Exchange listing rules specified in this rule filing shall constitute continued listing requirements for listing the Shares on the Exchange.

The issuer has represented to the Exchange that it will advise the Exchange of any failure by the Fund to comply with the continued listing requirements, and, pursuant to its obligations under Section 19(g)(1) of the Act, the Exchange will monitor for compliance with the continued listing requirements. If the Fund is not in compliance with the applicable listing requirements, the Exchange will commence delisting procedures under NYSE Arca Rule 5.5-E (m).

Information Bulletin

Prior to the commencement of trading, the Exchange will inform its ETP Holders in an Information Bulletin ("Bulletin") of the special characteristics and risks associated with trading the Shares. Specifically, the Bulletin will discuss the following: (1) The procedures for purchases and redemptions of Shares (and that Shares are not individually redeemable); (2)

¹⁷ FINRA conducts cross-market surveillances on behalf of the Exchange pursuant to a regulatory services agreement. The Exchange is responsible for FINRA's performance under this regulatory services agreement.

¹⁸ For a list of the current members of ISG, see www.isgportal.org. The Exchange notes that not all components of the Disclosed Portfolio for the Fund may trade on markets that are members of ISG or with which the Exchange has in place a CSSA.

¹⁶ 17 CFR 240.10A-3.

NYSE Arca Rule 9.2–E (a), which imposes a duty of due diligence on its ETP Holders to learn the essential facts relating to every customer prior to trading the Shares; (3) the requirement that ETP Holders deliver a prospectus to investors purchasing newly issued Shares prior to or concurrently with the confirmation of a transaction; (4) how information regarding the IOPV and the Disclosed Portfolio is disseminated; (5) the risks involved in trading the Shares during the opening and late trading sessions when an updated IOPV will not be calculated or publicly disseminated; and (6) trading information.

In addition, the Bulletin will reference that the Trust is subject to various fees and expenses described in the Registration Statement.

The Bulletin also will reference the fact that there is no regulated source of last sale information regarding certain of the asset classes that the Trust may hold and that the Commission has no jurisdiction over the trading of VIX Futures.

The Bulletin also will discuss any exemptive, no-action and interpretive relief granted by the Commission from any rules under the Act.

2. Statutory Basis

The basis under the Exchange Act for this proposed rule change is the requirement under Section 6(b)(5)¹⁹ that an exchange have rules that are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, 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 amendment to Rule 8.700–E(c)(1) to add VIX Futures Contracts and/or swaps on VIX to the financial instruments in which an issue of Managed Trust Securities may hold long and/or short positions will provide investors with the ability to better diversify and hedge their portfolios using an exchange traded security without having to trade directly in the underlying VIX Futures Contracts, and will facilitate the listing and trading on the Exchange of additional Managed Trust Securities that will enhance competition among market participants, to the benefit of investors and the marketplace.

As noted above, the Commission previously has (1) approved the listing and trading of options on the VIX,²⁰ (2) approved an amendment to NYSE Arca

Rule 5.2–E(j)(6) to add VIX Futures to the definition of Futures Reference Assets applicable to “Futures-Linked Securities,”²¹ (3) approved listing and trading on the Exchange of series of Trust Issued Receipts that invest in VIX Futures,²² (4) issued a notice of effectiveness regarding amendments to NYSE Arca Rule 5.2–E(j)(6)(v) to add futures on VSTOXX (another index referencing market volatility) as a “Futures Reference Asset” underlying an issue of “Futures-Linked Securities”²³, and (5) approved an amendment to NYSE Arca Rule 8.700–E to add the VSTOXX as a reference asset to the futures contracts and swaps that may be held by trusts that issue Managed Trust Securities.²⁴

The Exchange believes that the proposed rule change is designed to prevent fraudulent and manipulative acts and practices because the Shares will be listed and traded on the Exchange pursuant to the initial and continued listing criteria in NYSE Arca Rule 8.700–E. The Exchange has in place surveillance procedures that are adequate to properly monitor trading in the Shares in all trading sessions and to deter and detect violations of Exchange rules and applicable federal securities laws. The NAV of the Trust, the NAV per Share and the Disclosed Portfolio will be disseminated to all market participants at the same time. The Trust will provide website disclosure of portfolio holdings daily. The IOPV per Share (quoted in U.S. dollars) will be widely disseminated at least every 15 seconds during the Exchange’s Core Trading Session by major market data vendors. Pricing for the Index and VIX are available from major market data vendors. Pricing for VIX Futures and VIX Options will be available from the CFE and Cboe, respectively. Price information for cash equivalents will be available from major market data vendors. Quotation and last-sale information regarding the Shares will be disseminated through the CTA high-speed line.

The proposed rule change is designed to promote just and equitable principles of trade and to protect investors and the public interest given that a large amount of information will be publicly available regarding the Trust and the Shares, thereby promoting market transparency. The Exchange may halt trading during the day in which an interruption to the dissemination of the IOPV occurs, or the value of the underlying VIX Futures

occurs. If the interruption to the dissemination of the IOPV or the value of the underlying VIX Futures persists past the trading day in which it occurred, the Exchange will halt trading no later than the beginning of the trading day following the interruption. If the Exchange becomes aware that the NAV, the NAV per Share and the Disclosed Portfolio with respect to a series of Managed Trust Securities are not disseminated to all market participants at the same time, it will halt trading in such series until such time as the NAV, the NAV per Share and the Disclosed Portfolio are available to all market participants. Trading in Shares of the Trust will be halted if the circuit breaker parameters under NYSE Arca Rule 7.12–E have been reached or because of market conditions or for reasons that, in the view of the Exchange, make trading in the Shares inadvisable. Moreover, prior to the commencement of trading, the Exchange will inform its ETP Holders in the Bulletin of the special characteristics and risks associated with trading 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 given that it will facilitate the listing and trading of an additional type of exchange-traded product that will principally hold futures contracts and that will enhance competition among market participants, to the benefit of investors and the marketplace. As noted above, the Exchange has in place surveillance procedures relating to trading in the Shares and may obtain information relating to trading in the Shares and VIX Futures from other exchanges that are members of the ISG or with which the Exchange has entered into a CSSA. In addition, as noted above, investors will have ready access to information regarding the IOPV and quotation and last sale information for the Shares.

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 Exchange Act. The Exchange notes that the proposed rule change will facilitate the listing and trading of an additional type of actively-managed exchange-traded product that will principally hold VIX Futures, and that will enhance competition among market participants, to the benefit of investors and the marketplace.

²¹ See note 6, *supra*.

²² See note 7, *supra*.

²³ See note 8, *supra*.

²⁴ See note 9, *supra*.

¹⁹ 15 U.S.C. 78f(b)(5).

²⁰ See note 5, *supra*.

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

Within 45 days of the date of publication of this notice in the **Federal Register** or 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 the 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. Please include File Number SR-NYSEArca-2019-55 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-2019-55. 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 website (<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 website 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. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NYSEArca-2019-55 and should be submitted on or before September 16, 2019.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁵

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 2019-18270 Filed 8-23-19; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-86713; File No. SR-OCC-2019-804]

Self-Regulatory Organizations; The Options Clearing Corporation; Notice of No Objection To Advance Notice Related To The Options Clearing Corporation's Vanilla Option Model and Smoothing Algorithm

August 20, 2019.

I. Introduction

On June 28, 2019, The Options Clearing Corporation ("OCC") filed with the Securities and Exchange Commission ("Commission") advance notice SR-OCC-2019-804 ("Advance Notice") pursuant to Section 806(e)(1) of Title VIII of the Dodd-Frank Wall Street Reform and Consumer Protection Act, entitled Payment, Clearing and Settlement Supervision Act of 2010 ("Clearing Supervision Act")¹ and Rule 19b-4(n)(1)(i)² under the Securities Exchange Act of 1934 ("Exchange Act")³ to propose changes to its margin methodology regarding the estimation of prices for listed options contracts.⁴ The Advance Notice was published for public comment in the **Federal Register**

²⁵ 17 CFR 200.30-3(a)(12).

¹ 12 U.S.C. 5465(e)(1).

² 17 CFR 240.19b-4(n)(1)(i).

³ 15 U.S.C. 78a et seq.

⁴ See Notice of Filing *infra* note 5, at 84 FR 37373.

on July 31, 2019,⁵ and the Commission has received no comments regarding the changes proposed in the Advance Notice.⁶ This publication serves as notice of no objection to the Advance Notice.

II. Background

The System for Theoretical Analysis and Numerical Simulations ("STANS") is OCC's methodology for calculating margin requirements. STANS margin requirements are driven by several components, each reflecting a different aspect of risk. Two primary components of STANS are the models that OCC uses to (1) generate theoretical values, implied volatilities, and certain risk sensitivities for plain vanilla listed options (the "Vanilla Option Model");⁷ and (2) estimate fair prices of listed option contracts based on their bid and ask price quotes (the "Smoothing Algorithm").⁸ The changes proposed in the Advance Notice are designed to address five limitations of the current Vanilla Option Model and five limitations of the current Smoothing Algorithm.

A. Vanilla Option Model

OCC relies on the Vanilla Option Model to generate theoretical values,

⁵ Securities Exchange Act Release No. 86488 (Jul. 26, 2019), 84 FR 37373 (Jul. 31, 2019) (SR-OCC-2019-804) ("Notice of Filing"). On June 28, 2019, OCC also filed a related proposed rule change (SR-OCC-2019-005) with the Commission pursuant to Section 19(b)(1) of the Exchange Act and Rule 19b-4 thereunder ("Proposed Rule Change"). 15 U.S.C. 78s(b)(1) and 17 CFR 240.19b-4, respectively. In the Proposed Rule Change, which was published in the **Federal Register** on July 9, 2019, OCC seeks approval of proposed changes to its rules necessary to implement the Advance Notice. Securities Exchange Act Release No. 86296 (July 3, 2019), 84 FR 32821 (July 9, 2019). The comment period for the related Proposed Rule Change filing closed on July 30, 2019.

⁶ Since the proposal contained in the Advance Notice was also filed as a proposed rule change, all public comments received on the proposal are considered regardless of whether the comments are submitted on the proposed rule change or the Advance Notice.

⁷ Plain vanilla listed options are commonly understood to encompass options with standardized terms (e.g., a predetermined strike price, classification as a call vs. put) and settlement structures (e.g., American-style, European-style). As described in the Notice of Filing, the Vanilla Option Model is designed to address such options, including (1) all listed vanilla European and American options on exchange traded funds and exchange traded notes (collectively, "ETPs"), equities, equity indices, futures on equity indices, currencies or commodities, and (2) vanilla flexible exchange options ("vanilla FLEX options"). See Notice of Filing, 84 FR at 37373, n. 8. As of the time of filing, plain vanilla options accounted for approximately 95 percent of the total contracts cleared by OCC. See *id.*

⁸ OCC uses the Smoothing Algorithm to estimate prices on all plain vanilla listed options included in the Vanilla Option Model, as well as options on non-equity securities (e.g., the Cboe Volatility Index). See Notice of Filing, 84 FR at 37374.