

Subadvisers for all or a portion of the Subadvised Fund's assets, (iii) allocate and, when appropriate, reallocate the Subadvised Fund's assets among Subadvisers, (iv) monitor and evaluate the Subadvisers' performance, and (v) implement procedures reasonably designed to ensure that Subadvisers comply with the Subadvised Fund's investment objective, policies and restrictions.

4. Subadvised Funds will inform shareholders of the hiring of a new Subadviser within 90 days after the hiring of the new Subadviser pursuant to the Modified Notice and Access Procedures.

5. At all times, at least a majority of the Board will be Independent Trustees, and the selection and nomination of new or additional Independent Trustees will be placed within the discretion of the then-existing Independent Trustees.

6. Independent Legal Counsel, as defined in Rule 0–1(a)(6) under the Act, will be engaged to represent the Independent Trustees. The selection of such counsel will be within the discretion of the then-existing Independent Trustees.

7. Whenever a Subadviser is hired or terminated, the Adviser will provide the Board with information showing the expected impact on the profitability of the Adviser.

8. The Board must evaluate any material conflicts that may be present in a subadvisory arrangement. Specifically, whenever a subadviser change is proposed for a Subadvised Fund ("Subadviser Change") or the Board considers an existing Subadvisory Agreement as part of its annual review process ("Subadviser Review"):

(a) the Adviser will provide the Board, to the extent not already being provided pursuant to section 15(c) of the Act, with all relevant information concerning:

(i) any material interest in the proposed new Subadviser, in the case of a Subadviser Change, or the Subadviser in the case of a Subadviser Review, held directly or indirectly by the Adviser or a parent or sister company of the Adviser, and any material impact the proposed Subadvisory Agreement may have on that interest;

(ii) any arrangement or understanding in which the Adviser or any parent or sister company of the Adviser is a participant that (A) may have had a material effect on the proposed Subadviser Change or Subadviser Review, or (B) may be materially affected by the proposed Subadviser Change or Subadviser Review;

(iii) any material interest in a Subadviser held directly or indirectly by

an officer or Trustee of the Subadvised Fund, or an officer or board member of the Adviser (other than through a pooled investment vehicle not controlled by such person); and

(iv) any other information that may be relevant to the Board in evaluating any potential material conflicts of interest in the proposed Subadviser Change or Subadviser Review.

(b) the Board, including a majority of the Independent Trustees, will make a separate finding, reflected in the Board minutes, that the Subadviser Change or continuation after Subadviser Review is in the best interests of the Subadvised Fund and its shareholders and, based on the information provided to the Board, does not involve a conflict of interest from which the Adviser, a Subadviser, any officer or Trustee of the Subadvised Fund, or any officer or board member of the Adviser derives an inappropriate advantage.

9. Each Subadvised Fund will disclose in its registration statement the Aggregate Fee Disclosure.

10. In the event that the Commission adopts a rule under the Act providing substantially similar relief to that in the order requested in the Application, the requested order will expire on the effective date of that rule.

11. Any new Subadvisory Agreement or any amendment to an existing Investment Advisory Agreement or Subadvisory Agreement that directly or indirectly results in an increase in the aggregate advisory fee rate payable by the Subadvised Fund will be submitted to the Subadvised Fund's shareholders for approval.

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

Eduardo A. Aleman,

Deputy Secretary.

[FR Doc. 2019–25672 Filed 11–25–19; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–87575; File No. SR–NYSECHX–2019–21]

Self-Regulatory Organizations; NYSE Chicago, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Exchange Rule 7.37 To Specify in Exchange Rules the Exchange's Source of Data Feeds From NYSE American LLC

November 20, 2019.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934

("Act")² and Rule 19b–4 thereunder,³ notice is hereby given that, on November 15, 2019, the NYSE Chicago, Inc. ("NYSE Chicago" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend Rule 7.37 to update the Exchange's source of data feeds from NYSE American LLC ("NYSE American") for purposes of order handling, order execution, order routing, and regulatory compliance. The proposed rule 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

The Exchange proposes to update and amend the use of data feeds table in Rule 7.37, which sets forth on a market-by-market basis the specific securities information processor and proprietary data feeds that the Exchange utilizes for the handling, execution, and routing of orders, and for performing the regulatory compliance checks related to each of those functions. Specifically, the table would be amended to reflect that the Exchange will receive a direct feed from NYSE American as its primary source of data for order handling, order

² 15 U.S.C. 78a.

³ 17 CFR 240.19b–4.

¹ 15 U.S.C.78s(b)(1).

execution, order routing, and regulatory compliance.

Rule 7.37 currently provides that the Exchange will utilize the securities information processor (“SIP”) data feed as its primary source for the handling, execution, and routing of orders, as well as for regulatory compliance. In connection with NYSE American’s elimination of its delay mechanism,⁴ the Exchange will begin using a direct feed from NYSE American as its primary data feed. To reflect this change, the Exchange proposes to amend the table in Rule 7.37(d) to specify that it will use a direct feed from NYSE American, rather than the SIP data feed, as the primary source for that market, and that the Exchange would use the SIP data feed as a secondary source for that market.

The Exchange will implement this change on the same date that NYSE American eliminates its delay mechanism, which, subject to effectiveness of proposed rule changes, will be implemented in November 2019. The Exchange will announce this date via Trader Update.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 (the “Act”),⁵ in general, and furthers the objectives of Section 6(b)(5),⁶ in particular, because it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to, and perfect the mechanism of, a free and open market and a national market system and, in general, to protect investors and the public interest. The Exchange believes its proposal to amend the table in Rule 7.37(d) to update the data feed source for NYSE American will ensure that Rule 7.37 correctly identifies and publicly states on a market-by-market basis all of the specific securities information processor and proprietary data feeds that the Exchange utilizes for the handling, execution, and routing of orders, and for performing the regulatory compliance checks for each of those functions. The proposed rule change also removes impediments to and perfects the mechanism of a free and open market and protects investors

and the public interest by providing additional specificity, clarity, and transparency in the Exchange’s rules.

B. Self-Regulatory Organization’s Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed change is not designed to address any competitive issue, but rather would provide the public and investors with up-to-date information about which data feeds the Exchange uses for the handling, execution, and routing of orders, as well as for regulatory compliance.

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

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act⁷ and Rule 19b–4(f)(6) thereunder.⁸ Because the proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b–4(f)(6)(iii) thereunder.⁹

A proposed rule change filed under Rule 19b–4(f)(6)¹⁰ normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b–4(f)(6)(iii),¹¹ the Commission may designate a shorter time if such action is consistent with the protection of investors and the public

interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Exchange represents that the proposal would correctly identify and publicly state on a market-by-market basis all of the specific network processor and proprietary data feeds that the Exchange utilizes for the handling, execution and routing of orders, and for performing the regulatory compliance checks to each of those functions. Further, the Exchange represents that the proposal would enhance the clarity and transparency in Exchange Rules. The Commission believes that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest, and hereby waives the operative delay and designates the proposed rule change as operative upon filing.¹²

At any time within 60 days of the filing of such proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings under Section 19(b)(2)(B)¹³ of the Act to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

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

Electronic Comments

- Use the Commission’s internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include File Number SR–NYSECHX–2019–21 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.

¹² For purposes only of waiving the operative delay for this proposal, the Commission has considered the proposed rule’s impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

¹³ 15 U.S.C. 78s(b)(2)(B).

⁷ 15 U.S.C. 78s(b)(3)(A).

⁸ 17 CFR 240.19b–4(f)(6).

⁹ In addition, Rule 19b–4(f)(6)(iii) requires the Exchange to give the Commission written notice of the Exchange’s intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

¹⁰ 17 CFR 240.19b–4(f)(6).

¹¹ 17 CFR 240.19b–4(f)(6)(iii).

⁴ See SR–NYSEAmer–2019–48 (NYSE American proposal to eliminate its delay mechanism, which was filed on November 4, 2019).

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

All submissions should refer to File Number SR–NYSECHX–2019–21. 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–NYSECHX–2019–21 and should be submitted on or before December 17, 2019.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁴

Jill M. Peterson,
Assistant Secretary.

[FR Doc. 2019–25585 Filed 11–25–19; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–87577; File No. SR–OCC–2019–008]

Self-Regulatory Organizations; the Options Clearing Corporation; Order Approving Proposed Rule Change To Establish a Regulatory Committee of the Options Clearing Corporation’s Board of Directors

November 20, 2019.

I. Introduction

On September 25, 2019, the Options Clearing Corporation (“OCC”) filed with

the Securities and Exchange Commission (“Commission”) the proposed rule change SR–OCC–2019–008 (“Proposed Rule Change”) pursuant to Section 19(b) of the Securities Exchange Act of 1934 (“Exchange Act”) ¹ and Rule 19b–4 ² thereunder to establish a new committee under OCC’s Board of Directors.³ The Proposed Rule Change was published for public comment in the **Federal Register** on October 9, 2019.⁴ The Commission has received no comments regarding the Proposed Rule Change. This order approves the Proposed Rule Change.

II. Background

OCC proposes to establish the OCC Regulatory Committee (“Committee”) and adopt the OCC Regulatory Committee Charter (“Committee Charter”). The Committee would be composed solely of members of OCC’s Board of Directors (“Board”). To facilitate the establishment of the Committee, OCC also proposes to amend Article III, Section 4 of the OCC By-Laws (“By-Laws”) and the OCC Board of Directors Charter and Corporate Governance Principles (“Board Charter”).

Specifically, OCC proposes to amend the Board Charter and Article III, Section 4 of OCC’s By-Laws to list the Committee alongside the other OCC Board committees. OCC also proposes to amend its By-Laws consistent with the Committee Charter regarding the delegation of authority from the Board to the Committee as well as the composition of the Committee. The Committee Charter would further define the scope of the Committee’s authority. For example, the Committee Charter would authorize the Committee to access OCC’s books, records, facilities and personnel and to hire specialists or rely upon other outside advisors.

Consistent with the charters of OCC’s other Board-level committees,⁵ the Committee Charter would define the purpose and functions of the Committee and would set out requirements related to the composition and meetings of the Committee, which would, in part, relate to the governance arrangements supporting OCC’s compliance with its regulatory obligations. For example, in defining the Committee’s purpose, the Committee Charter would state that the

Board established the Committee to assist in overseeing OCC’s efforts to demonstrate compliance with its regulatory obligations. The functions and responsibilities with which the Committee would be charged under the Committee Charter would include (1) overseeing OCC management’s action plans to achieve compliance with any proposed new regulation; (2) meeting with regulators to discuss OCC’s efforts to enhance its regulatory compliance posture; (3) reviewing annual regulatory compliance reports provided by OCC management; and (4) reviewing documents related to examinations conducted by OCC’s regulators (e.g., examination report letters provided by regulators, responses to such letters from OCC). Regarding the composition and meetings of the Committee, the Committee would be composed of all OCC Public Directors, and the Committee would be obligated to meet at least quarterly and to maintain minutes of all Committee meetings.⁶

The proposed Committee Charter would also clearly describe direct lines of responsibility between the Committee and, as appropriate, either the Board or members of OCC’s management team. For example, the Committee Charter would require that the Committee make such reports to the Board as deemed necessary or advisable. The Committee Charter would also require that OCC’s Chief Compliance Officer (“CCO”), or one of his or her deputies if the CCO is unavailable, attend meetings of the Committee. Additionally, the Committee Charter would require the Committee to review its charter at least once every twelve months and submit the Committee Charter to the Board for approval.

III. Discussion and Commission Findings

Section 19(b)(2)(C) of the Exchange Act directs the Commission to approve a proposed rule change of a self-regulatory organization if it finds that such proposed rule change is consistent with the requirements of the Exchange Act and the rules and regulations thereunder applicable to such organization.⁷ After carefully considering the Proposed Rule Change, the Commission finds that the proposal is consistent with the requirements of the Exchange Act and the rules and regulations thereunder applicable to OCC. More specifically, the Commission finds that the proposal is consistent

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ See Notice of Filing *infra* note 4, at 84 FR 54240.

⁴ Securities Exchange Act Release No. 87207 (Oct. 3, 2019), 84 FR 54239 (Oct. 9, 2019) (SR–OCC–2019–008) (“Notice of Filing”).

⁵ See Securities Exchange Act Release 84473 (Oct. 23, 2019), 83 FR 54385 (Oct. 29, 2018) (SR–OCC–2018–012).

⁶ The Committee Charter would permit the Committee’s Chair to determine whether to record minutes of any executive session called by the Committee.

⁷ 15 U.S.C. 78s(b)(2)(C).

¹⁴ 17 CFR 200.30–3(a)(12).