

Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

#### IV. Solicitation of Comments

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

##### *Electronic Comments*

- Use the Commission's internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-NASDAQ-2019-097 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-NASDAQ-2019-097. 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-NASDAQ-2019-097 and should be submitted on or before January 21, 2020.

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

**J. Matthew DeLesDernier,**

*Assistant Secretary.*

[FR Doc. 2019-28028 Filed 12-27-19; 8:45 am]

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#### SECURITIES AND EXCHANGE COMMISSION

**[Investment Advisers Act Release No. 5420; File No. 803-00248]**

#### Inter-American Development Bank; Notice of Application

December 20, 2019.

**AGENCY:** Securities and Exchange Commission ("Commission").

**ACTION:** Notice.

**SUMMARY:** Notice of application for an exemption under section 202(a)(11)(H) of the Investment Advisers Act of 1940 ("Advisers Act").

*Applicant:* Inter-American Development Bank ("IDB" or "Applicant").

*Relevant Advisers Act Sections:* Exemption requested under section 202(a)(11)(H) of the Advisers Act from section 202(a)(11) of the Advisers Act.

*Summary of Application:* The Applicant requests that the Commission issue an order declaring it to be a person not within the intent of Section 202(a)(11) of the Advisers Act, which defines the term "investment adviser."

*Filing Dates:* The application was filed on June 7, 2019, and amended on October 1, 2019.

*Hearing or Notification of Hearing:* An order granting the application will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Commission's Secretary and serving the Applicant 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 14, 2019, and should be accompanied by proof of service on the Applicant, in the form of an affidavit or, for lawyers, a certificate of service. Pursuant to Rule 0-5 under the Advisers 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 may request notification of a hearing by writing to the Commission's Secretary.

**ADDRESSES:** Secretary, Securities and Exchange Commission, 100 F Street NE,

Washington, DC 20549-1090.

Applicant, Inter-American Development Bank, 1300 New York Avenue NW Washington, DC 20577.

#### **FOR FURTHER INFORMATION CONTACT:**

Benjamin Kalish, Senior Counsel, or Parisa Haghshenas, Branch Chief, at 202-551-6825 (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 either at <http://www.sec.gov/rules/iareleases.shtml> or by calling (202) 551-8090.

#### **Applicant's Representations**

1. The IDB was established by international treaty with the principal purpose to contribute to the acceleration of the process of economic and social development in Latin America and the Caribbean. The IDB's principal activities are providing loans and credit guarantees, and technical assistance to support development projects in its developing member countries. The IDB has operated since 1959 under an agreement signed by the governments of its member countries, including the U.S., and its member countries own all of its capital stock.

2. The Applicant provides substantial technical assistance to the governments of its member countries as part of or in parallel to a loan or guarantee, or independently. The purpose of IDB's technical assistance activities is both to improve the operations of the member government as they relate to economic and social development and to contribute to knowledge transfer and capacity building of developing member countries. Technical assistance includes assisting member countries to improve their asset and liability management techniques and advice for member countries on adopting sound portfolio management techniques.

3. The Applicant seeks to expand its services to meet requests from member countries to help them strengthen the management of their reserves and to bring their treasury operations in line with current capital and financial markets best practices. The Applicant would provide these treasury-related services only to IDB member countries, their central banks, other governmental institutions of such member countries, and other international organizations owned entirely by their sovereign nation members, substantially all of which members are also members of the IDB (collectively "Potential Clients"). The Applicant would provide its services

<sup>25</sup> 17 CFR 200.30-3(a)(12).

only with respect to government and/or public assets.

4. Member countries have requested that the Applicant provide them with asset management and related services (back office, risk, accounting, advisory and other support services) to help them develop additional internal capacities. The Applicant would exercise discretionary authority with respect to the assets, acting as the agent for Potential Clients.

5. Member countries have also requested advice and instruction relating to hedging activities and to capital markets borrowings. The Applicant proposes to provide detailed advice on debt management, hedging techniques for specific transactions, and capital markets borrowings. The Applicant also proposes to provide targeted training seminars and courses at the IDB's offices, at Potential Clients' locations, or online.

6. The Applicant expects to charge a fee for the activities/services it provides that would allow it to recover the associated costs.

#### Applicants' Legal Analysis

1. Section 202(a)(11) of the Advisers Act defines "investment adviser" to mean "any person who, for compensation, engages in the business of advising others . . . as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as a part of a regular business, issues or promulgates analyses or reports concerning securities . . . ."

2. The Applicant proposes to offer asset management and advisory services on a regular, recurring basis and to charge recipients a fee for these services. Accordingly, the Applicant would be "in the business of" providing investment advice for compensation and would be an "investment adviser" for purposes of the Advisers Act.

3. Section 202(a)(11)(H) of the Advisers Act authorizes the Commission to exclude from the definition of "investment adviser" persons that are not within the intent of section 202(a)(11). The Applicant requests that the Commission issue an order under section 202(a)(11)(H) declaring it to be a person not within the intent of section 202(a)(11).

4. The Applicant argues that the Advisers Act contemplates the regulation of private sector entities and was not intended to regulate an entity that is an organization of sovereign nations providing investment advice to Potential Clients. The Applicant states that section 202(b) of the Advisers Act provides that the Advisers Act is not

applicable to the "United States, a State, or any political subdivision of a State, or any agency, authority, or instrumentality of any one or more of the foregoing, or any corporation which is wholly owned directly or indirectly by any one or more of the foregoing, or any officer, agent, or employee of any of the foregoing acting as such in the course of his official duty, unless such provision makes specific reference thereto." While the Applicant acknowledges that the Advisers Act does not expressly exempt international organizations made up solely of sovereign nations, the Applicant argues that the Advisers Act seems clearly intended not to apply to such organizations.

5. The Applicant acknowledges that a foreign individual or corporation would reasonably expect the protections of the U.S. securities laws to apply when doing business with an investment adviser resident in the United States. The Applicant asserts, however, that, given the particular nature of the IDB, its unique purposes, and the nature of its constituent members, recipients of the proposed investment advice would not reasonably expect the Advisers Act to apply to those services.

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

**J. Matthew DeLesDernier,**

*Assistant Secretary.*

[FR Doc. 2019-28050 Filed 12-27-19; 8:45 am]

**BILLING CODE 8011-01-P**

#### SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-87829; File No. SR-PEARL-2019-35]

#### Self-Regulatory Organizations; MIAX PEARL, LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Exchange Rule 100, Definitions, Exchange Rule 503, Openings on the Exchange, Exchange Rule 515, Execution of Orders, Exchange Rule 516, Order Types, and Exchange Rule 521, Nullification and Adjustment of Options Transactions Including Obvious Errors

December 20, 2019.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on December 19, 2019, MIAX PEARL, LLC ("MIAX PEARL" or the "Exchange") filed with

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

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

the Securities and Exchange Commission ("Commission") a proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange is filing a proposal to amend Rule 100, Definitions; Exchange Rule 503, Openings on the Exchange; Exchange Rule 515, Execution of Orders; Exchange Rule 516, Order Types; and Exchange Rule 521, Nullification and Adjustment of Options Transactions Including Obvious Errors.

The text of the proposed rule change is available on the Exchange's website at <http://www.miaxoptions.com/rule-filings/pearl> at MIAX PEARL's principal office, 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 Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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

###### 1. Purpose

The Exchange proposes to amend Exchange Rule 100, Definitions; Exchange Rule 503, Openings on the Exchange; Exchange Rule 515, Execution of Orders; Exchange Rule 516, Order Types; and Exchange Rule 521, Nullification and Adjustment of Options Transactions Including Obvious Errors, to make non-substantive edits to update internal cross references in the Exchange's rulebook.

The Exchange is an affiliate of the Miami International Securities Exchange, LLC ("MIAX") and incorporates by reference a number of MIAX Exchange rules into its rulebook. MIAX Exchange recently amended Rule 1400, Definitions, found in Chapter XIV of the MIAX Exchange rules, which are