

amended from time to time (“Reference Order”).<sup>1</sup>

**FILING DATE:** The application was filed on June 3, 2020.

**HEARING OR NOTIFICATION OF HEARING:** An order granting the requested relief will be issued unless the Commission orders a hearing. Interested persons may request a hearing by emailing the Commission’s Secretary at *Secretarys-Office@sec.gov* and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on September 25, 2020, and should be accompanied by proof of service on applicants, in the form of an affidavit or, for lawyers, a certificate of service. Pursuant to rule 0–5 under the Act, hearing requests should state the nature of the writer’s interest, any facts bearing upon the desirability of a hearing on the matter, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by emailing the Commission’s Secretary at *Secretarys-Office@sec.gov*.

**ADDRESSES:** The Commission: *Secretarys-Office@sec.gov*. Applicants: BlackRock ETF Trust III, BlackRock Fund Advisors and BlackRock Investments, LLC: c/o Benjamin J. Haskin, Willkie Farr & Gallagher LLP, *bhaskin@willkie.com*.

**FOR FURTHER INFORMATION CONTACT:** Adam Bolter, Senior Counsel, at (202) 551–6011 or David Nicolardi, 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 by searching for the file number, or for an applicant using the Company name box, at <http://www.sec.gov/search/search.htm> or by calling (202) 551–8090.

### Applicants

1. The Trust is a statutory trust organized under the laws of the State of Delaware and will consist of one or more series operating as ActiveShares ETFs. The Trust will be registered as an open-end management investment company under the Act. Applicants seek relief with respect to Funds (as defined below), including an initial Fund (the “Initial Fund”). The Funds

will operate as ActiveShares ETFs as described in the Reference Order.<sup>2</sup>

2. The Adviser, a California corporation, will be the investment adviser to the Initial Fund. An Adviser (as defined below) will serve as investment adviser to each Fund. The Adviser is, and any other Adviser will be, registered as an investment adviser under the Investment Advisers Act of 1940 (“Advisers Act”). The Adviser may enter into sub-advisory agreements with other investment advisers to act as sub-advisers with respect to the Funds (each a “Sub-Adviser”). Any Sub-Adviser will be registered under the Advisers Act.

3. The Distributor is a Delaware limited liability company and a broker-dealer registered under the Securities Exchange Act of 1934, as amended, and will act as the principal underwriter of Shares of the Funds. Applicants request that the requested relief apply to any distributor of Shares, whether affiliated or unaffiliated with the Adviser and/or Sub-Adviser (included in the term “Distributor”). Any Distributor will comply with the terms and conditions of the Order.

### Applicants’ Requested Exemptive Relief

4. Applicants seek the requested Order under section 6(c) of the Act for an exemption from sections 2(a)(32), 5(a)(1), and 22(d) of the Act and rule 22c–1 under the Act, under sections 6(c) and 17(b) of the Act for an exemption from sections 17(a)(1) and 17(a)(2) of the Act, and under section 12(d)(1)(j) of the Act for an exemption from sections 12(d)(1)(A) and 12(d)(1)(B) of the Act. The requested Order would permit applicants to offer ActiveShares ETFs. Because the relief requested is the same as the relief granted by the Commission under the Reference Order and because the Adviser has entered into a licensing agreement with Precidian Funds LLC in order to offer ActiveShares ETFs,<sup>3</sup> the Order would incorporate by reference the terms and conditions of the Reference Order.

5. Applicants request that the Order apply to the Initial Fund and to any other existing or future open-end management investment company or series thereof that: (a) Is advised by the

<sup>2</sup> To facilitate arbitrage, an ActiveShares ETF disseminates a “verified intraday indicative value” or “VIIV,” reflecting the value of its portfolio holdings, calculated every second during the trading day. To protect the identity and weightings of its portfolio holdings, an ActiveShares ETF sells and redeems its Shares in creation units to authorized participants only through an unaffiliated broker-dealer acting on an agency basis.

<sup>3</sup> Aspects of the Funds are covered by intellectual property rights, including but not limited to those which are described in one or more patent applications.

Adviser or any entity controlling, controlled by, or under common control with the Adviser (any such entity included in the term “Adviser”); (b) operates as an ActiveShares ETF as described in the Reference Order; and (c) complies with the terms and conditions of the Order and of the Reference Order, which is incorporated by reference into the Order (each such company or series and the Initial Fund, a “Fund”).<sup>4</sup>

6. Section 6(c) of the Act provides that the Commission may exempt any person, security or transaction, or any class of persons, securities or transactions, from any provisions of the Act, if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act. Section 17(b) of the Act authorizes the Commission to exempt a proposed transaction from section 17(a) of the Act if evidence establishes that the terms of the transaction, including the consideration to be paid or received, are reasonable and fair and do not involve overreaching on the part of any person concerned, and the transaction is consistent with the policies of the registered investment company and the general purposes of the Act. Section 12(d)(1)(j) of the Act provides that the Commission may exempt any person, security, or transaction, or any class of persons, securities or transactions, from any provision of section 12(d)(1) if the exemption is consistent with the public interest and the protection of investors. Applicants submit that for the reasons stated in the Reference Order the requested relief meets the exemptive standards under sections 6(c), 17(b) and 12(d)(1)(j) of the Act.

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

**J. Matthew DeLesDernier,**

*Assistant Secretary.*

[FR Doc. 2020–19561 Filed 9–3–20; 8:45 am]

**BILLING CODE 8011–01–P**

## SECURITIES AND EXCHANGE COMMISSION

### Sunshine Act Meetings

**TIME AND DATE:** 2:00 p.m. on Wednesday, September 9, 2020.

<sup>4</sup> All entities that currently intend to rely on the Order are named as applicants. Any other entity that relies on the Order in the future will comply with the terms and conditions of the Order and of the Reference Order, which is incorporated by reference into the Order.

<sup>1</sup> Precidian ETFs Trust, *et al.*, Investment Company Act Rel. Nos. 33440 (April 8, 2019) (notice) and 33477 (May 20, 2019) (order).

**PLACE:** The meeting will be held via remote means and/or 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 matter of the closed meeting will consist of the following topic:

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: September 2, 2020.

**Vanessa A. Countryman,**

Secretary.

[FR Doc. 2020-19787 Filed 9-2-20; 4:15 pm]

**BILLING CODE 8011-01-P**

**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-89718; File No. SR-FICC-2020-802]

**Self-Regulatory Organizations; Fixed Income Clearing Corporation; Notice of Filing of Advance Notice, as Modified by Amendment No. 1, To Introduce the Margin Liquidity Adjustment Charge and Include a Bid-Ask Risk Charge in the VaR Charges**

September 1, 2020.

Pursuant to Section 806(e)(1) of Title VIII of the Dodd-Frank Wall Street Reform and Consumer Protection Act entitled the Payment, Clearing, and Settlement Supervision Act of 2010 ("Clearing Supervision Act")<sup>1</sup> and Rule 19b-4(n)(1)(i) under the Securities Exchange Act of 1934 ("Act"),<sup>2</sup> notice is hereby given that on July 30, 2020, Fixed Income Clearing Corporation ("FICC") filed with the Securities and Exchange Commission ("Commission") the advance notice SR-FICC-2020-802. On August 13, 2020, FICC filed Amendment No. 1 to the advance notice, to make clarifications and corrections to the advance notice.<sup>3</sup> The advance notice, as modified by Amendment No. 1 (hereinafter, the "Advance Notice"), is described in Items I, II and III below, which Items have been prepared by the clearing agency.<sup>4</sup> The Commission is publishing this notice to solicit comments on the Advance Notice from interested persons.

**I. Clearing Agency's Statement of the Terms of Substance of the Advance Notice**

This Advance Notice consists of modifications to the FICC Government Securities Division ("GSD") Rulebook ("GSD Rules") and the FICC Mortgage-Backed Securities Division ("MBS") Clearing Rules ("MBS Rules," and together with the GSD Rules, "Rules") to introduce the Margin Liquidity

<sup>1</sup> 12 U.S.C. 5465(e)(1).

<sup>2</sup> 17 CFR 240.19b-4(n)(1)(i).

<sup>3</sup> Amendment No. 1 made clarifications and corrections to the description of the advance notice and Exhibits 3 and 5 of the filing, and these clarifications and corrections have been incorporated, as appropriate, into the description of the advance notice in Item I below.

<sup>4</sup> On July 30, 2020, FICC filed this Advance Notice as a proposed rule change (SR-FICC-2020-009) with the Commission pursuant to Section 19(b)(1) of the Act, 15 U.S.C. 78s(b)(1), and Rule 19b-4 thereunder, 17 CFR 240.19b-4. On August 13, 2020, FICC filed Amendment No. 1 to the proposed rule change to make similar clarifications and corrections to the proposed rule change. A copy of the proposed rule change, as modified by Amendment No. 1, is available at <http://www.dtcc.com/legal/sec-rule-filings.aspx>.

Adjustment ("MLA") charge as an additional component of GSD and MBS's respective Clearing Funds, as described in greater detail below.<sup>5</sup>

The advance notice also consists of modifications to the GSD Rules, the MBS Rules, the GSD Methodology Document—GSD Initial Market Risk Margin Model ("GSD QRM Methodology Document") and the MBS Methodology and Model Operations Document—MBS Quantitative Risk Model ("MBS QRM Methodology Document," and together with the GSD QRM Methodology Document, the "QRM Methodology Documents") in order to (i) enhance the calculation of the VaR Charges of GSD and MBS to include a bid-ask spread risk charge, and (ii) make necessary technical changes to the QRM Methodology Documents in order to implement this proposed change.

**II. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Advance Notice**

In its filing with the Commission, the clearing agency included statements concerning the purpose of and basis for the Advance Notice and discussed any comments it received on the Advance Notice. The text of these statements may be examined at the places specified in Item IV below. The clearing agency has prepared summaries, set forth in sections A and B below, of the most significant aspects of such statements.

*(A) Clearing Agency's Statement on Comments on the Advance Notice Received From Members, Participants, or Others*

FICC has not received or solicited any written comments relating to this proposal. FICC will notify the Commission of any written comments received by FICC.

*(B) Advance Notice Filed Pursuant to Section 806(e) of the Clearing Supervision Act*

**Description of Proposed Change**

FICC is proposing to enhance the methodology for calculating Required Fund Deposits to the respective Clearing Funds of GSD and MBS by (1) introducing a new component, the MLA charge, which would be calculated to address the risk presented to FICC when a Member's portfolio contains large net unsettled positions in a particular group of securities with a similar risk profile

<sup>5</sup> Capitalized terms not defined herein are defined in the GSD Rules, available at [http://www.dtcc.com/~media/Files/Downloads/legal/rules/ficc\\_gov\\_rules.pdf](http://www.dtcc.com/~media/Files/Downloads/legal/rules/ficc_gov_rules.pdf), and the MBS Rules, available at [www.dtcc.com/~media/Files/Downloads/legal/rules/ficc\\_mbsd\\_rules.pdf](http://www.dtcc.com/~media/Files/Downloads/legal/rules/ficc_mbsd_rules.pdf).