

higher fees to those Permit Holders that require more Exchange regulatory services based on the amount of customer options business they conduct. Regulating customer trading activity is much more labor intensive and requires greater expenditure of human and technical resources than regulating non-customer trading activity, which tends to be more automated and less labor-intensive. As a result, the costs associated with administering the customer component of the Exchange's overall regulatory program are materially higher than the costs associated with administering the non-customer component (e.g., Permit Holder proprietary transactions) of its regulatory program.⁶ The Exchange believes the proposed fee change is equitable and not unfairly discriminatory in that it is charged to all Permit Holders on all their transactions that clear in the customer range at the OCC.

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

C2 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, because it applies to all Permit Holders. The proposed ORF is comparable to fees charged by other options exchanges for the same or similar service. The Exchange believes any burden on competition imposed by the proposed rule change is outweighed by the need to help the Exchange adequately fund its regulatory activities to ensure compliance with the Exchange Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

The Exchange neither solicited nor received comments on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to section 19(b)(3)(A) of the Act⁷ and paragraph (f) of Rule 19b-4⁸ thereunder. At any time within 60 days of the filing of the 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 will institute proceedings 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-C2-2015-019 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-C2-2015-019. 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 Web site (<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 Web site 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; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make

available publicly. All submissions should refer to File Number SR-C2-2015-019 and should be submitted on or before August 14, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁹

Robert W. Errett,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

Investment Company Act of 1940; Release No. 31719/July 20, 2015; Order under Sections 6(c) and 17(b) of the Investment Company Act of 1940

In the Matter of: Cash Trust Series, Inc., Federated Adjustable Rate Securities Fund, Federated Core Trust, Federated Core Trust II, L.P., Federated Core Trust III, Federated Enhanced Treasury Income Fund, Federated Equity Funds, Federated Equity Income Fund, Inc., Federated Fixed Income Securities, Inc., Federated Global Allocation Fund, Federated Government Income Securities, Inc., Federated Government Income Trust, Federated High Income Bond Fund, Inc., Federated High Yield Trust, Federated Income Securities Trust, Federated Index Trust, Federated Institutional Trust, Federated Insurance Series, Federated International Series, Inc., Federated Investment Series Funds, Inc., Federated MDT Series, Federated MDT Stock Trust, Federated Managed Pool Series, Federated Municipal Securities Fund, Inc., Federated Municipal Securities Income Trust, Federated Premier Intermediate Municipal Income Fund, Federated Premier Municipal Income Fund, Federated Short-Intermediate Duration Municipal Trust, Federated Total Return Government Bond Fund, Federated Total Return Series, Inc., Federated U.S. Government Securities Fund: 1-3 Years, Federated U.S. Government Securities Fund: 2-5 Years, Federated World Investment Series, Inc., Intermediate Municipal Trust, Edward Jones Money Market Fund, Money Market Obligations Trust, Federated Advisory Services Company, Federated Equity Management Company of Pennsylvania, Federated Global Investment Management Corp., Federated Investment Counseling, Federated Investment Management Company, Federated MDTA LLC, Passport Research, Ltd., Federated Securities Corp., c/o Peter Germain, Federated Investors, Inc., Federated Investors Tower, 1001 Liberty Avenue, Pittsburgh, PA 15222-3779, (File No. 812-1385-47).

Cash Trust Series, Inc., *et al.* filed an application on March 1, 2011 and amendments to the application on August 29, 2011, July 3, 2012, December 7, 2012, August 29, 2013, June 15, 2015 and June 22, 2015, requesting an order

⁶ If the Exchange changes its method of funding regulation or if circumstances otherwise change in the future, the Exchange may decide to modify the ORF or assess a separate regulatory fee on Permit Holder proprietary transactions if the Exchange deems it advisable.

⁷ 15 U.S.C. 78s(b)(3)(A).

⁸ 17 CFR 240.19b-4(f).

⁹ 17 CFR 200.30-3(a)(12).

under sections 6(c) and 17(b) of the Investment Company Act of 1940 (the “Act”) exempting applicants from section 17(a) of the Act. The order permits certain registered management investment companies to engage in certain primary and secondary market transactions in fixed-income securities on a principal basis with certain broker-dealers and banks that are affiliated persons of the registered management investment companies solely by virtue of non-controlling ownership interests in such investment companies.

On June 24, 2015, a notice of the filing of the application was issued (Investment Company Act Release No. 31697). The notice gave interested persons an opportunity to request a hearing and stated that an order granting the application would be issued unless a hearing was ordered. No request for a hearing has been filed, and the Commission has not ordered a hearing.

The matter has been considered and it is found, on the basis of the information set forth in the application, as amended, that granting the requested exemption is 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.

It is also found that the terms of the proposed transactions, 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 that the proposed transactions are consistent with the policy of each registered investment company concerned and with the general purposes of the Act.

Accordingly,

It is ordered, under sections 6(c) and 17(b) of the Act, that the relief requested by Cash Trust Series Inc., *et al.* (File No. 812-13875-47) is granted, effective immediately, subject to the conditions contained in the application, as amended.

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

Robert W. Errett,
Deputy Secretary.

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BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-75487; File No. SR-DTC-2015-007]

Self-Regulatory Organizations; The Depository Trust Company; Order Approving Proposed Rule Change Regarding the Discontinuance of the Distribution of Fractional Shares in Respect of Corporate Actions for New Issues in DTC’s System

July 20, 2015.

I. Introduction

On May 27, 2015, The Depository Trust Company (“DTC”) filed with the Securities and Exchange Commission (“Commission”) proposed rule change SR-DTC-2015-007 pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b-4 thereunder,² a proposed rule change to discontinue the option offered by DTC to issuers that allows for the distribution of fractional shares of securities in DTC’s system, when DTC is handling fractional dispositions of shares resulting from corporate actions, for new issues, as more fully described below. The proposed rule change was published for comment in the **Federal Register** on June 8, 2015.³ The Commission did not receive comment letters regarding the proposed change. For the reasons discussed below, the Commission is granting approval of the proposed rule change.

II. Description of the Proposed Rule Change

The following is a description of the proposed rule change, as provided by DTC:

DTC’s purpose with the proposed rule change is to discontinue the option offered by DTC to issuers that allows for the distribution of fractional shares of securities in DTC’s system, when DTC is handling fractional dispositions of shares resulting from corporate actions, for new issues, as more fully described below.⁴

Background

When a securities issue is made eligible at DTC, DTC has offered three options to the issuer for handling the disposition of fractional shares in DTC’s

system resulting from a corporate action for the issue. The issuer may: (i) Round up to the next full share or drop fractions, (ii) pay “cash-in-lieu” of fractional shares, or (iii) issue the fractional shares into an identifying number (“Fractional Identifier”) generated by DTC.⁵ The assets comprising the disposition of fractional shares, whether in the form of shares or cash, once received from the issuer’s transfer or paying agent, are credited by DTC in proportional amounts to the respective accounts of Participants depending on the amount shares of the issue they have on deposit. Participants then distribute credits on their own books, as applicable, to their customers that hold beneficial interests in those shares.

The first two options for handling the disposition of fractional shares are specified in the DTC Distributions Service Guide (“Guide”)⁶ and DTC’s Operational Arrangements (“OA”).⁷ Distributions of fractional shares in DTC’s system under the third option are delivered to Participants in accordance with the provisions of DTC Rule 6 that are applicable to DTC services related to Deposited Securities.⁸

Proposal

Fractional shares are not tradable. The distribution of fractional shares in respect of corporate actions reduces efficiencies for investors in an issue, including with respect to the value and transferability of assets delivered, as investors are required to wait for an extended period for the aggregation of fractional shares into a full share that may be traded. Tracking, processing and reporting of fractional shares separately from the associated CUSIP, which are necessitated by this process, increases costs to DTC and the industry.

In order to improve efficiencies for investors and reduce costs for DTC and the industry, DTC has proposed to discontinue the option for issuers to distribute any fractional shares for new issues into DTC’s system. DTC will continue to allow issuers undergoing a corporate action with a choice between:

⁵ The Fractional Identifier generated for the third option above has been separate from the CUSIP® identifier (“CUSIP”) that is universally recognized by the marketplace.

⁶ See the Guide, p. 31, available at <http://www.dtcc.com/-/media/Files/Downloads/legal/service-guides/Distributions%20Service%20Guide%20FINAL%20November%202014.pdf>.

⁷ See the OA, p. 31, available at <http://www.dtcc.com/-/media/Files/Downloads/legal/issue-eligibility/eligibility/operational-arrangements.pdf>.

⁸ See DTC Rules (Rule 6 (Services)), p. 45, available at http://www.dtcc.com/-/media/Files/Downloads/legal/rules/dtc_rules.pdf.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Securities Exchange Act Release No. 75094 (June 2, 2015), 80 FR 32425 (June 8, 2015) (File No. SR-DTC-2015-007).

⁴ Terms not otherwise defined herein have the meaning set forth in the DTC Rules and Procedures (“DTC Rules”), available at <http://www.dtcc.com/legal/rules-and-procedures.aspx>.