investment companies; and (4) securities issued by companies: (i) which are controlled primarily by such issuer; (ii) through which such issuer engages in a business other than that of investing, reinvesting, owning, holding or trading in securities; and (iii) which are not investment companies; (b) the issuer is not an investment company as defined in section 3(a)(1)(A) or 3(a)(1)(B) of the Act and is not a special situation investment company; and (c) the percentages described in paragraph (a) of this section are determined on an unconsolidated basis, except that the issuer shall consolidate its financial statements with the financial statements of any wholly-owned subsidiaries.''

4. Applicant states that it is no longer an investment company as defined in section 3(a)(1)(A) or section 3(a)(1)(C). As noted above, applicant states that, for the last four fiscal quarters combined, no more than 45 percent of its consolidated net income after taxes was derived from securities (other than securities issued by companies (i) that are wholly owned by applicant, (ii) through which applicant engages in a business other than that of investing, reinvesting, owning, holding or trading in securities and (iii) that are not investment companies). Applicant asserts that it is primarily engaged in the business of owning, operating, managing, acquiring, developing, and redeveloping professionally managed self storage facilities through its wholly owned subsidiaries. Applicant argues that its historical development, its public representations, the activities of its directors and officers, the nature of its present assets and the sources of its present income support this assertion. Applicant states that it is thus qualified for an order of the Commission pursuant to section 8(f) of the Act.

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

Brent J. Fields,

Secretary.

[FR Doc. 2015–32579 Filed 12–24–15; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–76719; File No. SR–NYSEArca–2015–73]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing of Amendment Nos. 3, 4, 5, and 6 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment Nos. 1, 3, 4, 5 and 6, To List and Trade of Shares of the Guggenheim Total Return Bond ETF Under NYSE Arca Equities Rule 8.600

December 21, 2015.

I. Introduction

On September 1, 2015, NYSE Arca, Inc. (''Exchange'') filed with the Securities and Exchange Commission (''Commission''), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'' or ''Exchange Act'') [1] and Rule 19b–4 thereunder,[2] a proposed rule change to list and trade shares (''Shares'') of the Guggenheim Total Return Bond ETF (''Fund'') under NYSE Arca Equities Rule 8.600. On September 15, 2015, the Exchange filed Amendment No. 1 to the proposed rule change.[3] The Commission published notice of the proposed rule change, as modified by Amendment No. 1 thereto, in the **Federal Register** on September 22, 2015.[4] On September 22, 2015, the Exchange submitted Amendment No. 3 to the proposed rule change.[5] On November 5, 2015, pursuant to Section 19(b)(2) of the Act,[6] the Commission designated a longer period within which to either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.[7] On November 23, 2015, December 14, 2015, and December 16, 2015, the Exchange submitted Amendment Nos. 4, 5, and 6, respectively, to the proposed rule change.[8] The Commission is publishing this notice to solicit comment on Amendment Nos. 3, 4, 5 and 6 to the proposed rule change from interested persons and is approving the proposed rule change, as modified by Amendment Nos. 1, 3, 4, 5 and 6, on an accelerated basis.

II. The Exchange's Description of the Proposal [9]

The Exchange proposes to list and trade the Shares under NYSE Arca Equities Rule 8.600, which governs the listing and trading of Managed Fund Shares on the Exchange.[10] The Shares will be offered by the Claymore Exchange-Traded Fund Trust 2 (''Trust''),[11] a statutory trust organized

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] Amendment No. 1 to the proposed rule change replaced and superseded the original filing in its entirety.

[4] *See* Securities Exchange Act Release No. 75930 (September 16, 2015), 80 FR 57251 (''Notice'').

[5] On September 21, 2015, the Exchange submitted and withdrew Amendment No. 2 to the proposal. In Amendment No. 3, the Exchange clarified certain representations regarding the availability of quotation, last sale, and pricing information for the Shares and the instruments in which the Fund may invest. Amendment No. 3 is available at *http://www.sec.gov/comments/sr-nysearca-2015-73/nysearca201573-2.pdf.*

[6] 15 U.S.C. 78s(b)(2).

[7] *See* Securities Exchange Act Release No. 76362, 80 FR 70044 (November 12, 2015). The Commission designated December 21, 2015 as the date by which it should approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

[8] Amendment No. 4 replaced and superseded the original filing, as modified by Amendment Nos. 1 and 3, in its entirety. Amendment No. 4 is available at *http://www.sec.gov/comments/sr-nysearca-2015-73/nysearca201573-3.pdf.* Amendment No. 5 replaced and superseded the original filing, as modified by Amendment Nos. 1, 3 and 4, in its entirety. Amendment No. 5 is available at *http://www.sec.gov/comments/sr-nysearca-2015-73/nysearca201573-4.pdf.* Amendment No. 6 replaced and superseded the original filing, as modified by Amendment Nos. 1, 3, 4 and 5, in its entirety.

[9] Additional information regarding the Fund, the Trust (as defined herein), and the Shares, including investment strategies, risks, creation and redemption procedures, fees, portfolio holdings, disclosure policies, calculation of net asset value (''NAV''), distributions, and taxes, among other things, can be found in the Notice and the Registration Statement, as applicable. *See* Notice, *supra* note 4, and Registration Statement, *infra* note 11.

[10] The Commission previously approved a proposed rule change relating to listing and trading of shares of the Guggenheim Enhanced Total Return ETF under NYSE Arca Equities Rule 8.600. *See* Securities Exchange Act Release Nos. 68488 (December 20, 2012), 77 FR 76326 (December 27, 2012) (SR–NYSEArca–2012–142) (''Prior Notice''); and 68863 (February 7, 2013), 78 FR 10222 (February 13, 2013) (SR–NYSEArca–2012–142) (''Prior Order'' and, together with the Prior Notice, ''Prior Release''). The Exchange represents that shares of the Guggenheim Enhanced Total Return ETF have not commenced listing and trading on the Exchange, that the Fund would replace the Guggenheim Enhanced Total Return ETF as approved in the Prior Release, and that the Notice supersedes the Prior Release in its entirety. The Exchange represents that prior to commencement of trading of Shares of the Fund, the Trust will file an amendment to its Registration Statement to change the name of the Guggenheim Enhanced Total Return ETF to the name of the Fund.

[11] The Exchange states that the Trust is registered under the 1940 Act. According to the Exchange, on November 25, 2014, the Trust filed with the Commission an amendment to its registration statement on Form N–1A under the Securities Act of 1933 (15 U.S.C. 77a) (''Securities Act'') and the 1940 Act relating to the Fund (File Nos. 333–135105 and 811–21910) (''Registration Statement''). The Exchange states that the Commission has issued an order granting certain exemptive relief to the Trust under the 1940 Act. *See* Investment Company Act Release No. 29271 (May 18, 2010) (File No. 812–13534) (''Exemptive Order'').

under the laws of the State of Delaware and registered with the Commission as an open-end management investment company. The investment adviser for the Fund is Guggenheim Partners Investment Management, LLC (''Adviser'').[12] The Bank of New York Mellon is the custodian and transfer agent for the Fund. Guggenheim Funds Distributors, LLC is the distributor for the Fund.

A. The Fund's Principal Investments

The Exchange states that the Fund's investment objective is to seek maximum total return, comprised of income and capital appreciation. According to the Exchange, the Fund will normally [13] invest at least 80% of its assets in ''Fixed Income Instruments'' (as defined below) of varying maturities and of any credit quality, which may be represented by certain derivative instruments as discussed below,[14] and exchange-traded funds (''ETFs'') [15] and exchange-traded and over-the-counter (''OTC'') closed-end funds (''CEFs'') (which may include ETFs and CEFs affiliated with the Fund) that invest substantially all of their assets in Fixed Income Instruments (the ''80% Policy''). The Fund has no target duration for its investment portfolio.

The Fixed Income Instruments [16] in which the Fund will invest, as described further below, are the following: Corporate debt securities of U.S and non-U.S. issuers, including corporate bonds; [17] inflation-indexed bonds issued both by governments and corporations; [18] securities issued by the U.S. government or its agencies, instrumentalities, or sponsored corporations (including those not backed by the full faith and credit of the U.S. government); debt securities issued by states or local governments and their agencies, authorities, and other government-sponsored enterprises; obligations of non-U.S. governments and their subdivisions, agencies, and government-sponsored enterprises; obligations of international agencies or supranational entities; cash equivalents;'' [19] agency and non-agency mortgage-backed securities (''MBS'') and asset-backed securities (''ABS''); [20] U.S. agency mortgage pass-through securities; [21] repurchase agreements; convertible securities; [22] preferred securities; [23] bank capital; [24] commercial instruments; [25] variable or floating rate instruments and variable rate demand instruments; [26] zero-coupon and pay-in-

[12] The Exchange states that the Adviser is affiliated with a broker-dealer and has represented that it has implemented a fire wall with respect to its broker-dealer affiliate regarding access to information concerning the composition of and/or changes to the portfolio. In the event (a) the Adviser or any sub-adviser becomes newly affiliated with a broker-dealer, or (b) any new adviser or sub-adviser becomes affiliated with a broker-dealer, such adviser or sub-adviser will implement a fire wall with respect to such broker-dealer regarding access to information concerning the composition of and/or changes to the portfolio, and will be subject to procedures designed to prevent the use and dissemination of material non-public information regarding such portfolio.

[13] The term ''normally'' includes, but is not limited to, the absence of extreme volatility or trading halts in the securities markets or the financial markets generally; circumstances under which the Fund's investments are made for temporary defensive purposes; operational issues causing dissemination of inaccurate market information; or force majeure type events such as systems failure, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labor disruption or any similar intervening circumstance.

[14] *See* Section II.D, *infra.* The Exchange states that the Fund will invest in the following derivative instruments on Fixed-Income Securities: Foreign exchange forward contracts; exchange-traded futures on securities, indices, currencies and other investments; exchange-traded and OTC options; exchange-traded and OTC options on futures contracts; exchange-traded and OTC interest rate swaps, cross-currency swaps, total return swaps, inflation swaps, and credit default swaps; and options on such swaps.

[15] For purposes of this filing, ETFs consist of Investment Company Units (as described in NYSE Arca Equities Rule 5.2(j)(3)), Portfolio Depositary Receipts (as described in NYSE Arca Equities Rule 8.100); and Managed Fund Shares (as described in NYSE Arca Equities Rule 8.600). All ETFs will be listed and traded in the U.S. on a national securities exchange. While the Fund may invest in inverse ETFs, the Fund will not invest in leveraged (*e.g.,* 2X, –2X, 3X or –3X) ETFs.

[16] Fixed Income Instruments may be of varying maturities and of any credit quality rating.

[17] The Adviser expects that normally the Fund generally will seek to invest at least 75% of its corporate debt securities assets in issuances that have at least $100,000,000 par amount outstanding in developed countries or at least $200,000,000 par amount outstanding in emerging market countries.

[18] Inflation-indexed bonds (other than municipal inflation-indexed bonds and certain corporate inflation-indexed bonds) are fixed income securities whose principal value is periodically adjusted according to the rate of inflation (*e.g.,* Treasury Inflation Protected Securities (''TIPS'')). Municipal inflation-indexed securities are municipal bonds that pay coupons based on a fixed rate plus the Consumer Price Index for All Urban Consumers. With regard to municipal inflation-indexed bonds and certain corporate inflation-indexed bonds, the inflation adjustment is reflected in the semi-annual coupon payment.

[19] Cash equivalents in which the Fund may invest include U.S. Treasury Bills, investment grade commercial paper, cash, and Short Term Investment Funds (''STIFs''). STIFs are a type of fund that invests in short-term investments of high quality and low risk.

[20] The MBS in which the Fund may invest may also include residential mortgage-backed securities (''RMBS''), collateralized mortgage obligations (''CMOs''), and commercial mortgage-backed securities (''CMBS''). The ABS in which the Fund may invest includes collateralized debt obligations (''CDOs''). CDOs include collateralized bond obligations (''CBOs''), collateralized loan obligations (''CLOs''), and other similarly structured securities. A CBO is a trust which is backed by a diversified pool of high risk, below investment grade fixed income securities. A CLO is a trust typically collateralized by a pool of loans, which may include domestic and foreign senior secured loans, senior unsecured loans, and subordinate corporate loans, including loans that may be rated below investment grade or equivalent unrated loans. Specifically, the Exchange notes that such ABS are bonds backed by pools of loans or other receivables and are securitized by a wide variety of assets that are generally broken into three categories: Consumer, commercial, and corporate. The consumer category includes credit card, auto loan, student loan, and timeshare loan ABS. The commercial category includes trade receivables, equipment leases, oil receivables, film receivables, rental cars, aircraft securitizations, ship and container securitizations, whole business securitizations, and diversified payment right securitizations. Corporate ABS includes cash flow collateralization loan obligations, collateralized by both middle market and broadly syndicated bank loans. An ABS is issued through a special purpose vehicle that is bankruptcy remote from the issuer of the collateral. The credit quality of an ABS tranche depends on the performance of the underlying assets and the structure. To protect ABS investors from the possibility that some borrowers could miss payments or even default on their loans, ABS include various forms of credit enhancement.

[21] The Fund will seek to obtain exposure to U.S. agency mortgage pass-through securities primarily through the use of ''to-be-announced'' or ''TBA transactions.'' ''TBA'' refers to a commonly used mechanism for the forward settlement of U.S. agency mortgage pass-through securities, and not to a separate type of mortgage-backed security. Most transactions in mortgage pass-through securities occur through the use of TBA transactions. TBA transactions generally are conducted in accordance with widely-accepted guidelines which establish commonly observed terms and conditions for execution, settlement, and delivery.

[22] Convertible securities include bonds, debentures, notes, and other securities that may be converted into a prescribed amount of common stock or other equity securities at a specified price and time.

[23] The preferred securities in which the Fund may invest include preferred stock, contingent capital securities, contingent convertible securities, capital securities, and hybrid securities of debt and preferred stock. The Fund may invest in preferred securities traded on an exchange or OTC. Preferred securities pay fixed or adjustable rate dividends to investors, and have ''preference'' over common stock in the payment of dividends and the liquidation of a company's assets.

[24] There are two common types of bank capital: Tier I and Tier II. Bank capital is generally, but not always, of investment grade quality. Tier I securities are typically preferred stock or contingent capital securities. Tier I securities are often perpetual or long-dated (with no maturity date). Tier II securities are typically subordinated debt securities.

[25] Commercial instruments include commercial paper, master notes, asset-backed commercial paper, and other short-term corporate instruments. Commercial paper normally represents short-term unsecured promissory notes issued in bearer form by banks or bank holding companies, corporations, finance companies and other issuers. Commercial paper may be traded in the secondary market after its issuance. Master notes are demand notes that permit the investment of fluctuating amounts of money at varying rates of interest pursuant to arrangements with issuers who meet the quality criteria of the Fund. Master notes are generally illiquid and therefore subject to the Fund's percentage limitations for investments in illiquid securities. Asset-backed commercial paper is issued by a special purpose entity that is organized to issue the commercial paper and to purchase trade receivables or other financial assets.

[26] Variable or floating rate instruments and variable rate demand instruments, including variable amount master demand notes, will

kind securities;[27] bank instruments, including certificates of deposit (''CDs''), time deposits, and bankers' acceptances from U.S. banks;[28] and participations in and assignments of bank loans or corporate loans, which loans include senior loans, syndicated bank loans, junior loans, bridge loans,[29] unfunded commitments,[30] revolving credit facilities (''revolvers''),[31] and participation interests.[32]

With respect to Fixed Income Instrument investments, the Fund may invest in restricted securities (Rule 144A securities), which are subject to legal restrictions on their sale. In addition, with respect to Fixed Income Instrument investments, the Fund may, without limitation, seek to obtain market exposure to the securities in which it primarily invests by entering into a series of purchase and sale contracts or by using other investment techniques (such as buy backs or dollar rolls).

The Fund may also use leverage to the extent permitted under the 1940 Act by entering into reverse repurchase agreements and borrowing transactions (principally lines of credit) for investment purposes. The Fund's exposure to reverse repurchase agreements will be covered by securities having a value equal to or greater than such commitments. The Exchange represents that, under the 1940 Act, reverse repurchase agreements are considered borrowings. Although there is no limit on the percentage of Fund assets that can be used in connection with reverse repurchase agreements, the Portfolio does not expect to engage, under normal circumstances, in reverse repurchase agreements with respect to more than 33 1/3% of its assets.

B. The Fund's Other Investments

While the Fund normally will invest at least 80% of its assets in the securities and financial instruments described above, the Fund may invest its remaining assets in exchange-traded and OTC hybrid instruments, which combine a traditional stock, bond, or commodity with an option or forward contract. Generally, the principal amount, amount payable upon maturity or redemption, or interest rate of a hybrid is tied (positively or negatively) to the price of some commodity, currency or securities index or another interest rate or some other economic factor (''underlying benchmark'').[33] The Fund is also permitted to invest in structured notes, which are debt obligations that also contain an embedded derivative component with characteristics that adjust the obligation's risk/return profile. Generally, the performance of a structured note will track that of the underlying debt obligation and the derivative embedded within it. Further, the Fund may invest in credit-linked notes, which are a type of structured note,[34] and risk-linked securities (''RLS''), which are a form of derivative issued by insurance companies and insurance-related special purpose vehicles that apply securitization techniques to catastrophic property and casualty damages.[35] The Fund may invest a portion of its assets in high-quality money market instruments and U.S. and foreign common stocks, both exchange-listed and OTC, and may gain exposure to commodities through the use of investments in exchange-traded products (''ETPs'')[36] and exchange-traded notes (''ETNs'').[37] Finally, the Fund may invest in the securities of exchange-traded and OTC real estate investment trusts (''REITs'').

C. The Fund's Investment Restrictions

The Fund may invest up to 20% of its total assets in the aggregate in MBS and ABS that are privately issued, non-agency, and non-government sponsored entity (''Private MBS/ABS''), and in

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normally involve industrial development or revenue bonds that provide that the rate of interest is set as a specific percentage of a designated base rate (such as the prime rate) at a major commercial bank. In addition, the interest rate on these securities may be reset daily, weekly or on some other reset period and may have a floor or ceiling on interest rate changes. The Adviser will monitor the pricing, quality and liquidity of the variable or floating rate securities held by the Fund.

[27] Zero-coupon and pay-in-kind securities are debt securities that do not make regular cash interest payments. Zero-coupon securities are sold at a deep discount to their face value. Pay-in-kind securities pay interest through the issuance of additional securities.

[28] A bankers' acceptance is a bill of exchange or time draft drawn on and accepted by a commercial bank. A CD is a negotiable interest-bearing instrument with a specific maturity.

[29] Bridge loans are short-term loan arrangements (*e.g.,* maturities that are generally less than one year) typically made by a borrower following the failure of the borrower to secure other intermediate-term or long-term permanent financing. A bridge loan remains outstanding until more permanent financing, often in the form of high yield notes, can be obtained. Most bridge loans have a step-up provision under which the interest rate increases incrementally the longer the loan remains outstanding so as to incentivize the borrower to refinance as quickly as possible. In exchange for entering into a bridge loan, the Fund typically will receive a commitment fee and interest payable under the bridge loan and may also have other expenses reimbursed by the borrower. Bridge loans may be subordinate to other debt and generally are unsecured.

[30] Unfunded commitments are contractual obligations pursuant to which the Fund agrees in writing to make one or more loans up to a specified amount at one or more future dates. The underlying loan documentation sets out the terms and conditions of the lender's obligation to make the loans as well as the economic terms of such loans. The portion of the amount committed by a lender that the borrower has not drawn down is referred to as ''unfunded.'' Loan commitments may be traded in the secondary market through dealer desks at large commercial and investment banks although these markets are generally not considered liquid.

[31] Revolving credit facilities (''revolvers'') are borrowing arrangements in which the lender agrees to make loans up to a maximum amount upon demand by the borrower during a specified term. As the borrower repays the loan, an amount equal to the repayment may be borrowed again during the term of the revolver. Revolvers usually provide for floating or variable rates of interest.

[32] All or a significant portion of the loans in which the Fund will invest may be below investment grade quality. The Fund normally will invest at least 75% of its bank loan or corporate loan assets, which includes senior loans, syndicated bank loans, junior loans, bridge loans, unfunded commitments, revolvers and participation interests, in issuances that have at least $100 million par amount outstanding.

[33] According to the Exchange, certain hybrid instruments may provide exposure to the commodities markets. These are derivative securities with one or more commodity-linked components that have payment features similar to commodity futures contracts, commodity options, or similar instruments. Commodity-linked hybrid instruments may be either equity or debt securities, and are considered hybrid instruments because they have both security and commodity-like characteristics. A portion of the value of these instruments may be derived from the value of a commodity, futures contract, index or other economic variable. The Fund would only invest in commodity-linked hybrid instruments that qualify, under applicable rules of the Commodity Futures Trading Commission, for an exemption from the provisions of the Commodity Exchange Act (7 U.S.C. 1).

[34] The difference between a credit default swap and a credit-linked note is that the seller of a credit-linked note receives the principal payment from the buyer at the time the contract is originated. Through the purchase of a credit-linked note, the buyer assumes the risk of the reference asset and funds this exposure through the purchase of the note. The buyer takes on the exposure to the seller to the full amount of the funding it has provided. The seller has hedged its risk on the reference asset without acquiring any additional credit exposure. The Fund has the right to receive periodic interest payments from the issuer of the credit-linked note at an agreed-upon interest rate and a return of principal at the maturity date.

[35] RLS are typically debt obligations for which the return of principal and the payment of interest are contingent on the non-occurrence of a pre-defined ''trigger event.'' Depending on the specific terms and structure of the RLS, this trigger could be the result of a hurricane, earthquake or some other catastrophic event. Insurance companies securitize this risk to transfer to the capital markets the truly catastrophic part of the risk exposure. A typical RLS provides for income and return of capital similar to other fixed income investments, but would involve full or partial default if losses resulting from a certain catastrophe exceeded a predetermined amount.

[36] Such ETPs include Trust Issued Receipts (as described in NYSE Arca Equities Rule 8.200); Commodity-Based Trust Shares (as described in NYSE Arca Equities Rule 8.201); Currency Trust Shares (as described in NYSE Arca Equities Rule 8.202); Commodity Index Trust Shares (as described in NYSE Arca Equities Rule 8.203); and Trust Units (as described in NYSE Arca Equities Rule 8.500).

[37] ETNs include Index-Linked Securities (as described in NYSE Arca Equities Rule 5.2(j)(6)).

asset-backed commercial paper. Such holdings would be subject to the respective limitations on the Fund's investments in illiquid assets and high yield securities. The liquidity of a security, especially in the case of Private MBS/ABS, will be a substantial factor in the Fund's security selection process. The Fund may invest in defaulted or distressed Private MBS/ABS.

The Fund may invest up to 20% of its total assets in the aggregate in participations in and assignments of bank loans or corporate loans, which loans include syndicated bank loans, junior loans, bridge loans, unfunded commitments, revolvers and participation interests (but specifically do not include senior loans), in structured notes, in credit-linked notes, in risk-linked securities, in OTC REITs, and in OTC hybrid instruments. Such holdings would be subject to the respective limitations on the Fund's investments in illiquid assets and high yield securities. The liquidity of such securities will be a substantial factor in the Fund's security selection process.

The Fund may invest in debt securities and instruments that are economically tied to emerging market countries and may invest without limitation in securities denominated in foreign currencies and in U.S. dollar-denominated securities of foreign issuers.[38] Further, the Fund may invest up to 33⅓% of its total assets in high yield debt securities (''junk bonds''), which are debt securities that are rated below investment grade by nationally recognized statistical rating organizations, or are unrated securities that the Adviser believes are of comparable below investment grade quality.

The Fund will be considered non-diversified and can invest a greater portion of assets in securities of individual issuers than a diversified fund. However, the Fund may not invest more than 25% of the value of its net assets in securities of issuers in any one industry or group of industries. This restriction does not apply to obligations issued or guaranteed by the U.S. Government, its agencies or instrumentalities.

The Fund's investments, including investments in derivative instruments, are subject to all of the restrictions under the 1940 Act, including restrictions with respect to illiquid assets. The Fund may hold up to an aggregate amount of 15% of its net assets in illiquid assets (calculated at the time of investment), including Rule 144A securities, Private MBS/ABS, master notes, loans and loan commitments deemed illiquid by the Adviser,[39] consistent with Commission guidance. The Fund will monitor its portfolio liquidity on an ongoing basis to determine whether, in light of current circumstances, an adequate level of liquidity is being maintained, and will consider taking appropriate steps in order to maintain adequate liquidity if, through a change in values, net assets, or other circumstances, more than 15% of the Fund's net assets are held in illiquid assets. Illiquid assets include securities subject to contractual or other restrictions on resale and other instruments that lack readily available markets as determined in accordance with Commission staff guidance.

The Fund's investments will be consistent with the Fund's investment objective and will not be used to enhance leverage. That is, while the Fund will be permitted to borrow as permitted under the 1940 Act, the Fund's investments will not be used to seek performance that is the multiple or inverse multiple (*i.e.,* 2Xs and 3Xs) of the Fund's primary broad-based securities benchmark index (as defined in Form N–1A).[40]

D. The Fund's Use of Derivatives

According to the Exchange, the Fund proposes to seek certain exposures through derivative transactions. The Fund may invest in the following derivative instruments: Foreign exchange forward contracts; exchange-traded futures on securities, indices, currencies and other investments; exchange-traded and OTC options; exchange-traded and OTC options on futures contracts; exchange-traded and OTC interest rate swaps, cross-currency swaps, total return swaps, inflation swaps and credit default swaps; and options on such swaps (''swaptions'').[41] The Fund may, but is not required to, use derivative instruments for risk management purposes or as part of its investment strategies.[42] The Fund may also engage in derivative transactions for speculative purposes to enhance total return, to seek to hedge against fluctuations in securities prices, interest rates or currency rates, to change the effective duration of its portfolio, to manage certain investment risks and/or as a substitute for the purchase or sale of securities or currencies.

The Exchange states that investments in derivative instruments will be made in accordance with the 1940 Act and consistent with the Fund's investment objective and policies. To limit the potential risk associated with such transactions, the Fund will segregate or ''earmark'' assets determined to be liquid by the Adviser in accordance with procedures established by the Trust's Board of Trustees (''Board'') and in accordance with the 1940 Act (or, as permitted by applicable regulation, enter into certain offsetting positions) to cover its obligations under derivative instruments. In addition, the Fund will include appropriate risk disclosure in its offering documents, including leveraging risk.

In addition to the Fund's use of derivatives in connection with its 80% Policy, under the proposal the Exchange states that the Fund will seek to invest in derivative instruments not based on Fixed-Income Instruments, consistent with the Fund's investment restrictions relating to exposure to those asset classes.

III. Discussion and Commission Findings

After careful review, the Commission finds that the Exchange's proposal to list and trade the Shares is consistent with the Exchange Act and the rules and

[38] *See supra* note 17. Generally, the Fund considers an instrument to be economically tied to an emerging market country through consideration of some or all of the following factors: (i) Whether the issuer is the government of the emerging market country (or any political subdivision, agency, authority or instrumentality of such government), or is organized under the laws of the emerging market country; (ii) amount of the issuer's revenues that are attributable to the emerging market country; (iii) the location of the issuer's management; (iv) if the security is secured or collateralized, the country in which the security or collateral is located; and/or (v) the currency in which the instrument is denominated or currency fluctuations to which the issuer is exposed.

[39] In reaching liquidity decisions with respect to Rule 144A securities, the Adviser may consider the following factors: The frequency of trades and quotes for the security; the number of dealers willing to purchase or sell the security and the number of other potential purchasers; dealer undertakings to make a market in the security; and the nature of the security and the nature of the marketplace in which it trades (*e.g.,* the time needed to dispose of the security, the method of soliciting offers, and the mechanics of transfer).

[40] The Fund's broad-based securities benchmark index will be identified in a future amendment to the Registration Statement following the Fund's first full calendar year of performance.

[41] Options on swaps are traded OTC. In the future, in the event that there are exchange-traded options on swaps, the Fund may invest in these instruments.

[42] The Fund will seek, where possible, to use counterparties whose financial status is such that the risk of default is reduced; however, the risk of losses resulting from default is still possible. The Adviser will monitor the financial standing of counterparties on an ongoing basis. This monitoring may include information provided by credit agencies, as well as the Adviser's credit analysts and other team members who evaluate approved counterparties using various methods of analysis, including but not limited to earnings updates, the counterparty's reputation, the Adviser's past experience with the broker-dealer, market levels for the counterparty's debt and equity, the counterparty's liquidity and its share of market participation.

regulations thereunder applicable to a national securities exchange.[43] In particular, the Commission finds that the proposed rule change, as modified by Amendment Nos. 1, 3, 4, 5 and 6, is consistent with Section 6(b)(5) of the Exchange Act,[44] which requires, among other things, that the Exchange's rules be 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 a national market system, and, in general, to protect investors and the public interest. The Commission also finds that the proposal to list and trade the Shares on the Exchange is consistent with Section 11A(a)(1)(C)(iii) of the Exchange Act,[45] which sets forth the finding of Congress that it is in the public interest and appropriate for the protection of investors and the maintenance of fair and orderly markets to assure the availability to brokers, dealers, and investors of information with respect to quotations for and transactions in securities.

According to the Exchange, quotation and last sale information will be available via the Consolidated Tape Association (''CTA'') high-speed line for the Shares and for the following U.S. exchange-traded securities: Common stocks, hybrid instruments, convertible securities, preferred securities, REITs, CEFs, ETFs, ETPs, and ETNs. Intra-day price information for foreign exchange-traded stocks will be available from the applicable foreign exchange and from major market data vendors. Intra-day price information for exchange-traded derivative instruments will be available from the applicable exchange and from major market data vendors. Intra-day price information for OTC REITs, OTC common stocks, OTC CEFs, OTC options, money market instruments, forwards, structured notes, RLS, OTC derivative instruments, and OTC hybrid instruments will be available from major market data vendors. Intraday and closing price information for exchange-traded options and futures will be available from the applicable exchange and from major market data vendors. In addition, intra-day price information for U.S. exchange-traded options is available from the Options Price Reporting Authority. Intra-day and closing price information from brokers and dealers or independent pricing services will be available for Fixed Income Instruments.

In addition, the Portfolio Indicative Value, as defined in NYSE Arca Equities Rule 8.600 (c)(3), will be widely disseminated by one or more major market data vendors at least every 15 seconds during the Core Trading Session.[46] On each business day, before commencement of trading in Shares in the Core Trading Session on the Exchange, the Fund will disclose on its Web site the Disclosed Portfolio, as defined in NYSE Arca Equities Rule 8.600(c)(2), that will form the basis for the Fund's calculation of NAV at the end of the business day.[47]

The NAV for the Shares will be calculated after 4:00 p.m. Eastern Time each trading day. A basket composition file, which will include the security names and share quantities required to be delivered in exchange for the Shares, together with estimates and actual cash components, will be publicly disseminated daily prior to the opening of the New York Stock Exchange via the National Securities Clearing Corporation. Information regarding market price and trading volume for the Shares will be continually available on a real-time basis throughout the day on brokers' computer screens and other electronic services. Information regarding the previous day's closing price and trading volume information for the Shares will be published daily in the financial section of newspapers. The Web site for the Fund will include a form of the prospectus for the Fund and additional data relating to NAV and other applicable quantitative information.

The Commission further believes that the proposal to list and trade the Shares is reasonably designed to promote fair disclosure of information that may be necessary to price the Shares appropriately and to prevent trading when a reasonable degree of transparency cannot be assured. The Commission notes that the Exchange will obtain a representation from the issuer of the Shares that the NAV per Share will be calculated daily and that the NAV and the Disclosed Portfolio will be made available to all market participants at the same time.[48] Trading in Shares of the Fund will be halted if the circuit-breaker parameters in NYSE Arca Equities Rule 7.12 have been reached. Trading also may be halted because of market conditions or for reasons that, in the view of the Exchange, make trading in the Shares inadvisable.[49] Trading in the Shares also will be subject to NYSE Arca Equities Rule 8.600(d)(2)(D), which sets forth circumstances under which Shares of the Fund may be halted. The Exchange represents that it has a general policy prohibiting the distribution of material, non-public information by its employees. The Adviser is affiliated with a broker-dealer and has represented that it has implemented a fire wall with respect to its broker-dealer affiliate regarding access to information concerning the composition and/or changes to the portfolio.[50] Further, the Commission notes that the Reporting Authority that provides the Disclosed Portfolio of the Fund must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material, non-public information regarding the actual components of the portfolio.[51]

Prior to the commencement of trading, the Exchange will inform its Equity Trading Permit Holders (''ETP Holders'') in an Information Bulletin (''Bulletin'') of the special characteristics and risks associated with trading the Shares. The Exchange represents that trading in the Shares will be subject to the existing trading surveillances, administered by regulatory staff of the Exchange, or the Financial Industry Regulatory Authority (''FINRA'') on behalf of the Exchange, which are designed to detect violations

[43] In approving this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[44] 15 U.S.C. 78f(b)(5).

[45] 15 U.S.C. 78k–1(a)(1)(C)(iii).

[46] Currently, it is the Exchange's understanding that several major market data vendors display and/or make widely available Portfolio Indicative Values taken from CTA or other data feeds.

[47] On a daily basis, the Adviser will disclose on the Fund's Web site the following information regarding each portfolio holding, as applicable to the type of holding: Ticker symbol, CUSIP number or other identifier, if any; a description of the holding (including the type of holding, such as the type of swap); the identity of the security, commodity, index or other asset or instrument underlying the holding, if any; for options, the option strike price; quantity held (as measured by, for example, par value, notional value or number of shares, contracts or units); maturity date, if any; coupon rate, if any; effective date, if any; market value of the holding; and the percentage weighting of the holding in the Fund's portfolio. The Web site information will be publicly available at no charge. The Fund's disclosure of derivative positions in the Disclosed Portfolio will include information that market participants can use to value these positions intraday.

[48] *See* NYSE Arca Equities Rule 8.600(d)(1)(B).

[49] These may include: (1) The extent to which trading is not occurring in the securities or the financial instruments constituting the Disclosed Portfolio of the Fund; or (2) whether other unusual conditions or circumstances detrimental to the maintenance of a fair and orderly market are present.

[50] *See supra* note 12. The Exchange represents that an investment adviser to an open-end fund is required to be registered under the Investment Advisers Act of 1940.

[51] *See* NYSE Arca Equities Rule 8.600(d)(2)(B)(ii).

of Exchange rules and applicable federal securities laws.[52]

The Exchange represents that it 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. In support of this proposal, the Exchange has also made the following representations:

(1) The Shares will conform to the initial and continued listing criteria under NYSE Arca Equities Rule 8.600.

(2) The Exchange has appropriate rules to facilitate transactions in the Shares during all trading sessions.

(3) Trading in the Shares will be subject to the existing trading surveillances, administered by regulatory staff of the Exchange, or FINRA on behalf of the Exchange, which are designed to detect violations of Exchange rules and applicable federal securities laws, and 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 federal securities laws applicable to trading on the Exchange.

(4) FINRA, on behalf of the Exchange, or the regulatory staff of the Exchange, will communicate as needed regarding trading in the Shares, certain exchange-traded options and futures, certain exchange-traded equities (including ETFs, ETPs. ETNs, CEFs, certain common stocks, and certain REITs) with other markets or other entities that are members of the Intermarket Surveillance Group (''ISG''), and FINRA or regulatory staff of the Exchange may obtain trading information regarding trading in the Shares, certain exchange-traded options and futures, certain exchange-traded equities (including ETFs, ETPs, ETNs, CEFs, certain common stocks and certain REITs) from such markets or entities. In addition, the Exchange may obtain information regarding trading in the Shares, certain exchange-traded options and futures, certain exchange-traded equities (including ETFs, ETPs, ETNs, CEFs, certain common stocks, and certain REITs) from markets or other entities that are members of ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement. FINRA, on behalf of the Exchange, is able to access, as needed, trade information for certain fixed income securities held by the Fund reported to FINRA's Trade Reporting and Compliance Engine.

(5) Prior to the commencement of trading of the Shares, the Exchange will inform its ETP Holders in a Bulletin of the special characteristics and risks associated with trading the Shares. The Bulletin will discuss the following: (a) The procedures for purchases and redemptions of Shares in creation units (and that Shares are not individually redeemable); (b) NYSE Arca Equities Rule 9.2(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; (c) the risks involved in trading the Shares during the Opening and Late Trading Sessions when an updated Portfolio Indicative Value will not be calculated or publicly disseminated; (d) how information regarding the Portfolio Indicative Value and the Disclosed Portfolio is disseminated; (e) the requirement that ETP Holders deliver a prospectus to investors purchasing newly issued Shares prior to or concurrently with the confirmation of a transaction; and (f) trading information.

(6) For initial and continued listing, the Fund will be in compliance with Rule 10A–3 under the Exchange Act,[53] as provided by NYSE Arca Equities Rule 5.3.

(7) A minimum of 100,000 Shares for the Fund will be outstanding at the commencement of trading on the Exchange.

(8) While the Fund may invest in inverse ETFs, the Fund will not invest in leveraged (*e.g.,* 2X, –2X, 3X or –3X) ETFs.

(9) Not more than 10% of the net assets of the Fund in the aggregate invested in equity securities (other than non-exchange-traded investment company securities) will consist of equity securities whose principal market is not a member of the ISG or is a market with which the Exchange does not have a comprehensive surveillance sharing agreement. In addition, not more than 10% of the net assets of the Fund in the aggregate invested in futures contracts or exchange-traded options contracts will consist of futures contracts or exchange-traded options contracts whose principal market is not a member of ISG or is a market with which the Exchange does not have a comprehensive surveillance sharing agreement.

(10) Normally the Fund will seek to invest at least 75% of its corporate debt securities assets in issuances that have at least $100,000,000 par amount outstanding in developed countries or at least $200,000,000 par amount outstanding in emerging market countries.

(11) The Fund normally will invest at least 75% of its bank loan or corporate loan assets, which includes senior loans, syndicated bank loans, junior loans, bridge loans, unfunded commitments, revolvers and participation interests, in issuances that have at least $100 million par amount outstanding.

(12) The Fund may invest up to 20% of its total assets in the aggregate in Private MBS/ABS and in asset-backed commercial paper. Such holdings would be subject to the respective limitations on the Fund's investments in illiquid assets and high yield securities. The liquidity of such securities, especially in the case of Private MBS/ABS, will be a substantial factor in the Fund's security selection process.

(13) The Fund may invest up to 20% of its total assets in the aggregate in participations in and assignments of bank loans or corporate loans, which loans include syndicated bank loans, junior loans, bridge loans, unfunded commitments, revolvers and participation interests (but specifically do not include senior loans), in structured notes, in credit-linked notes, in risk-linked securities, in OTC REITs, and in OTC hybrid instruments. Such holdings would be subject to the respective limitations on the Fund's investments in illiquid assets and high yield securities. The liquidity of such securities will be a substantial factor in the Fund's security selection process.

(14) Not more than 33 1/3% of the Fund's total assets will be in junk bonds.

(15) The Fund may hold up to an aggregate amount of 15% of its net assets in illiquid assets (calculated at the time of investment), including Rule 144A securities, Private MBS/ABS, master notes, loans, and loan commitments deemed illiquid by the Adviser, consistent with Commission guidance.

(16) The Fund's investments will be consistent with the Fund's investment objective and will not be used to enhance leverage. That is, while the Fund will be permitted to borrow as permitted under the 1940 Act, the Fund's investments will not be used to seek performance that is the multiple or inverse multiple (*i.e.,* 2Xs and 3Xs) of the Fund's primary broad-based securities benchmark index (as defined in Form N–1A).

(17) Investments in derivative instruments will be made in accordance with the 1940 Act and consistent with the Fund's investment objective and

[52] The Exchange states that FINRA surveils trading on the Exchange pursuant to a regulatory services agreement. The Exchange is responsible for FINRA's performance under this regulatory services agreement.

[53] 17 CFR 240.10A–3.

policies. The Fund will seek, where possible, to use counterparties whose financial status is such that the risk of default is reduced. The Fund will segregate or ''earmark'' assets determined to be liquid by the Adviser in accordance with procedures established by the Board and in accordance with the 1940 Act (or, as permitted by applicable regulation, enter into certain offsetting positions) to cover its obligations under derivative instruments. In addition, the Fund will include appropriate risk disclosure in its offering documents, including leveraging risk. To mitigate leveraging risk, the Adviser will segregate or ''earmark'' liquid assets or otherwise cover the transactions that may give rise to such risk.

This approval order is based on all of the Exchange's representations, including those set forth above and in the Notice. The Commission notes that the Fund and the Shares must comply with the requirements of NYSE Arca Equities Rule 8.600 to be initially and continuously listed and traded on the Exchange.

IV. Solicitation of Comments on Amendment Nos. 3, 4, 5, and 6

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether Amendment Nos. 3, 4, 5, and 6 to the proposed rule change are 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–2015–73 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–2015–73. 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–NYSEArca–2015–73 and should be submitted on or before January 19, 2016.

V. Accelerated Approval of Proposed Rule Change, as Modified by Amendment Nos. 1, 3, 4, 5, and 6

The Commission finds good cause to approve the proposed rule change, as modified by Amendment Nos. 1, 3, 4, 5 and 6, prior to the 30th day after the date of publication of notice of Amendment Nos. 3, 4, 5, and 6 in the **Federal Register**. Amendment Nos. 3, 4, 5, and 6 revised the proposed rule change by: (1) Modifying, and defining, the Fixed Income Instruments in which the Fund will invest; (2) representing that normally corporate debt securities and bank loan and corporate loan assets will each have a certain par amount outstanding; (3) modifying the investment restrictions of the Fund; (4) clarifying price information in, and adding assets to, the Availability of Information section, and (5) noting that trading surveillances may be administered by the regulatory staff of the Exchange.

Amendment Nos. 3, 4, 5, and 6 supplement the proposed rule change by, among other things, clarifying the scope of the Fund's permitted investments and investment restrictions and providing additional information about the availability of pricing information for the Fund's underlying assets. They also help the Commission evaluate whether the listing and trading of the Shares of the Fund would be consistent with the protection of investors and the public interest.

Accordingly, the Commission finds good cause, pursuant to Section 19(b)(2) of the Act,[54] to approve the proposed rule change, as modified by Amendment Nos. 1, 3, 4, 5, and 6, on an accelerated basis.

[54] 15 U.S.C. 78s(b)(2).

VI. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Exchange Act,[55] that the proposed rule change (SR–NYSEArca–2015–73), as modified by Amendment Nos. 1, 3, 4, 5, and 6 thereto, be, and it hereby is, approved on an accelerated basis.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[56]

Brent J. Fields,

Secretary.

[FR Doc. 2015–32528 Filed 12–24–15; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–76715; File No. SR–EDGX–2015–65]

Self-Regulatory Organizations; EDGX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Rule 21.8, Order Display and Book Processing

December 21, 2015.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the ''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on December 16, 2015, EDGX Exchange, Inc. (the ''Exchange'' or ''EDGX'') 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 Exchange. The Exchange has designated this proposal as a ''non-controversial'' proposed rule change pursuant to Section 19(b)(3)(A) of the Act[3] and Rule 19b–4(f)(6)(iii) thereunder,[4] which renders it effective upon filing with the Commission. 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 filed a proposal to authorize the Exchange's equity options platform (''EDGX Options'') to make a modification to Rule 21.8 (Order Display and Book Processing).

[55] 15 U.S.C. 78s(b)(2).

[56] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A).

[4] 17 CFR 240.19b–4(f)(6)(iii).