

Every order to trade Shares of the Fund is subject to the proxy price protection threshold of plus/minus \$1.00, which determines the lower and upper threshold for the life of the order and whereby the order will be cancelled at any point if it exceeds \$101.00 or falls below \$99.00, the established thresholds. With certain exceptions, each order also must contain the applicable order attributes, including routing instructions and time-in-force information, as described in Nasdaq Rule 4703.

The proposed rule change is designed to perfect the mechanism of a free and open market and, in general, to protect investors and the public interest in that it will facilitate the listing and trading of the Fund, which will seek to provide investors with access to actively managed investment strategies in a structure that offers the cost and tax efficiencies and shareholder protections of ETFs, while removing the requirement for daily portfolio holdings disclosure, and is designed to ensure a tight relationship between market trading prices and NAV.

For the above reasons, Nasdaq believes the proposed rule change is consistent with the requirements of Section 6(b)(5) of the Act.

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

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. In fact, the Exchange believes that the introduction of the Fund would promote competition by making available to investors actively managed investment strategies in a structure that offers the cost and tax efficiencies and shareholder protections of ETFs, while removing the requirement for daily portfolio holdings disclosure, and is designed to ensure a tight relationship between market trading prices and NAV. Moreover, the Exchange believes that the proposed method of Share trading would provide investors with transparency of trading costs, and the ability to control trading costs using limit orders, that is not available for conventionally traded ETFs.

These developments could significantly enhance competition to the benefit of the markets and investors.

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

No written comments were either solicited or received.

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

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

- (A) By order approve or disapprove the proposed rule change, or
- (B) institute proceedings to determine whether the proposed rule change should be 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-NASDAQ-2017-131 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-2017-131. 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 No. SR-NASDAQ-2017-131 and should be submitted on or before January 23, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁴²

Brent J. Fields,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-82406; File No. SR-LCH SA-2017-011]

Self-Regulatory Organizations; LCH SA; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to the CDSClear Fee Grid for All Accounts Structures

December 27, 2017.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder² notice is hereby given that on December 20, 2017, Banque Centrale de Compensation, which conducts business under the name LCH SA ("LCH SA"), filed with the Securities and Exchange Commission ("Commission") the proposed rule change described in Items I, II, and III below, which Items have been prepared primarily by LCH SA. LCH SA filed the proposed rule changes pursuant to Section 19(b)(3)(A)³ of the Act and Rule 19b-4(f)(2)⁴ thereunder, so that the proposal was effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Clearing Agency's Statement of the Terms of Substance of the Proposed Rule Change

LCH SA is filing a proposed fee grid for all accounts structures, including those introduced⁵ to reflect the indirect

⁴² 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)(2).

⁵ See SR-LCH SA-2017-010.

clearing requirements⁶ under EMIR⁷ and MiFIR⁸ for authorized CCPs. The text of the proposed rule change has been annexed as Exhibit 5.

II. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, LCH SA 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. LCH SA has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of these statements.

A. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposed rule change is to adopt the applicable CDSClear fee grid for all accounts structures, including the indirect client account structures proposed in accordance with the provisions of MiFIR Article 30.

The proposed rule change introduces a fixed annual fee payable to CDSClear by its Clearing Members semi annually for the 6-month periods beginning January 1st and July 1st in accordance with the amount and currency specified in the fee grid attached in Exhibit 5.

The Account structure fees will be calculated on the day immediately preceding each 6-month period, being December 31st and June 30th of each year, based on the number of live accounts at that date. It will apply for existing client accounts from 1st January 2018.

Any Clearing Member will make its own pricing arrangements with its clients.

The Account structure fee does not apply to house accounts.

2. Statutory Basis

Section 17A(b)(3)(D) of the Act requires that the rules of a clearing agency provide for the equitable

allocation of reasonable dues, fees, and other charges.⁹

As noted above, the proposed fee grid will apply equally to all existing and new client accounts, whether Indirect or not, and LCH SA believes that it is reasonable and appropriate. The fee amount applied is constant across all account types reflecting the even workload for each account opened by clients.

LCH believes that the proposed rule change is consistent with the requirements of Section 17A of the Act¹⁰ and regulations thereunder applicable to it, because it provides for the equitable allocation of reasonable fees, dues, and other charges among clearing members including their clients and market participants by ensuring that they pay reasonable fees and dues for the services that LCH SA provides.

B. Clearing Agency's Statement on Burden on Competition

Section 17A(b)(3)(I) of the Act requires that the rules of a clearing agency not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.¹¹ LCH SA does not believe that the proposed rule change would impose any burden on competition that are not necessary or appropriate in furtherance of the purposes of the Act.

The proposed rule change will apply equally to all existing and new client accounts and does not adversely affect the ability of Clearing Members and their clients or other market participants generally to engage in cleared transactions or to access clearing services. Therefore, LCH SA does not believe that the proposed rule change would impose a burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

C. Clearing Agency's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

Written comments relating to the proposed rule change have not been solicited or received. LCH SA will notify the Commission of any written comments received by LCH SA.

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

Subject to any regulatory review or approval process duly completed, the foregoing proposed rule change has

become effective upon filing pursuant to Section 19(b)(3)(A)¹² of the Act and Rule 19b-4(f)(2)¹³ thereunder because it establishes a fee or other charge imposed by LCH SA on its Clearing Members. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such proposed 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.

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-LCH SA-2017-011 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-LCH SA-2017-011. 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

⁶ Commission Delegated Regulation (EU) 2017/2155 of 22 September 2017 amending Delegated Regulation (EU) No. 149/2013 supplementing the European Market Infrastructure Regulation (MiFIR) with regard to regulatory technical standards (RTS) on indirect clearing arrangements.

⁷ Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories (EMIR).

⁸ Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012.

⁹ 15 U.S.C. 78q-1(b)(3)(D).

¹⁰ 15 U.S.C. 78q-1.

¹¹ 15 U.S.C. 78q-1(b)(3)(I).

¹² 15 U.S.C. 78s(b)(3)(A).

¹³ 17 CFR 240.19b-4(f)(2).

inspection and copying at the principal office of LCH SA and on LCH SA's website at <http://www.lch.com/asset-classes/cdsclear>.

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-LCH SA-2017-011 and should be submitted on or before January 23, 2018.

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

Brent J. Fields,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-82409; File No. SR-IEX-2017-43]

Self-Regulatory Organizations; Investors Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Related to the Displayed Match Fee

December 27, 2017.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 ("Act"),² and Rule 19b-4 thereunder,³ notice is hereby given that on December 14, 2017, the Investors Exchange LLC ("IEX" or the "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

Pursuant to the provisions of Section 19(b)(1) under the Securities Exchange Act of 1934 ("Act"),⁴ and Rule 19b-4 thereunder,⁵ Investors Exchange LLC ("IEX" or "Exchange") is filing with the Commission a proposed rule change to modify its Fee Schedule, pursuant to IEX Rule 15.110(a) and (c), to: (i) To

increase the fee for orders that provide or take resting interest with displayed priority (*i.e.*, displayed liquidity) during continuous trading, (ii) eliminate the exception to the Non-Displayed Match Fee for taking non-displayed liquidity with a displayable order for Members that predominantly provide displayed liquidity (iii) increase the fee for orders displayed on the Continuous Book that execute as part of the Opening Process for Non-IEX-Listed Securities (the "Opening Process") while continuing to provide such orders free execution in the Opening and Closing Auction when IEX begins to list securities as a primary listing exchange, and (iv) make two nonsubstantive clarifying changes to its Fee Schedule. Changes to the Fee Schedule pursuant to this proposal are effective upon filing, and will be operative on January 1, 2018. The text of the proposed rule change is available at the Exchange's website at www.iextrading.com, at the principal office of the Exchange, and at the Commission's Public Reference Room.

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

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization 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 modify its Fee Schedule, pursuant to IEX Rule 15.110(a) and (c), to (i) to increase the fee for orders that provide or take displayed liquidity during continuous trading, (ii) eliminate the exception to the Non-Displayed Match Fee for taking non-displayed liquidity with a displayable order for Members that predominantly provide displayed liquidity, (iii) increase the fee for orders displayed on the Continuous Book that execute as part of the Opening Process while continuing to provide such orders free execution in the Opening and Closing Auction when IEX begins to list securities as a primary listing exchange,

and (iv) make two nonsubstantive clarifying changes to its Fee Schedule.

Displayed Match Fee

Pursuant to the existing Fee Schedule, the Exchange currently does not charge any fee to Members for executions on IEX that provide or take displayed liquidity (*i.e.*, an order or portion of a reserve order that is booked and ranked with display priority on the Order Book⁶ either as the IEX best bid or best offer ("BBO"), or at a less aggressive price). This pricing is referred to by the Exchange as the "Displayed Match Fee", resulting in a Fee Code of 'L' provided by the Exchange on execution reports to Members.⁷ The Exchange proposes to update its Fee Schedule, pursuant to IEX Rule 15.110(a) and (c), to (i) increase the Displayed Match Fee from \$0 to \$0.0003 for securities with an execution price at or above \$1.00, or 0.30% of the total dollar value of the transaction for securities with an execution price below \$1.00, calculated as the execution price multiplied by the number of shares executed in the transaction.

The current Displayed Match Fee of \$0 was adopted in connection with IEX's launch as a national securities exchange in August 2016, and was designed to attract displayed order flow to the Exchange, without offering rebates, thereby contributing to price discovery and consistent with the overall goal of enhancing market quality. The Exchange periodically assesses its fee structure. Based upon a recent assessment, the Exchange determined that the modest proposed fee increase for the Displayed Match Fee would continue to attract and incentivize displayed order flow in a comparable manner, while also increasing revenue.

The Exchange is not proposing any change to the Internalization Fee whereby no fee is charged for executions when the adding and removing order originated from the same Exchange Member. Accordingly, transactions that qualify for the Internalization Fee will not be charged the Displayed Match Fee, since the IEX Fee Schedule provides that to the extent a Member receives multiple Fee Codes on an execution, the lower fee shall apply.⁸

Non-Displayed Match Fee

The Exchange currently charges the Non-Displayed Match Fee of \$0.0009

¹⁴ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

⁴ 15 U.S.C. 78s(b)(1).

⁵ 17 CFR 240.19b-4.

⁶ See Rule 1.160(p).

⁷ See the Investors Exchange Fee Schedule, available on the Exchange's public website.

⁸ *Id.*