

ACTION: Notice.

SUMMARY: The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

DATES: *Date of required notice:* July 25, 2018.

FOR FURTHER INFORMATION CONTACT: Elizabeth Reed, 202-268-3179.

SUPPLEMENTARY INFORMATION: The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on July 19, 2018, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail Express, Priority Mail, & First-Class Package Service Contract 42 to Competitive Product List*. Documents are available at www.prc.gov, Docket Nos. MC2018-193, CP2018-271.

Elizabeth Reed,

Attorney, Corporate and Postal Business Law.

[FR Doc. 2018-15843 Filed 7-24-18; 8:45 am]

BILLING CODE 7710-12-P

POSTAL SERVICE

Unused Label Refunds

AGENCY: Postal Service™.

ACTION: Notice.

SUMMARY: The Postal Service will implement two new options for mailers to submit refund requests for unused labels using an automated online process. A hyperlink will be located on the Electronic Verification System (eVS®) Monthly Account and Sampling Summary page where users can access a portal to submit unused label refunds.

DATES: These options shall be implemented August 1, 2018.

FOR FURTHER INFORMATION CONTACT: Direct questions to Jimmy A. Palma by email at jimmy.a.palma@usps.gov or by phone at (202) 268-8798.

SUPPLEMENTARY INFORMATION:

Background

Currently the Postal Service allows eVS mailers to submit a refund request for unused labels using a Type "4" Corrections Shipping Services File. Additionally, eVS mailers can submit refund requests for unused labels through the Dispute Queue accessible from the Business Customer Gateway. In this Notice, the Postal Service is announcing its plan to replace these methods with two new options for eVS mailers to submit refund requests for unused labels, using an automated

online process. A hyperlink titled "Submit Refund Request for Unused Labels" will be added to the eVS Monthly Account and Sampling Summary page. This hyperlink provides access to the portal to use the two new options. The two options are as follows:

Option 1—PIC/EFN Submission (Text File Option)

A mailer can upload a text (.txt) file with multiple Package Identification Codes/Electronic File Numbers (PIC/EFNs). There is no limit to the number of PIC/EFNs submitted if using the text (.txt) upload option. Refer to appendix N in Postal Service Publication 205, *Electronic Verification System (eVS®) Business and Technical Guide* (<https://postalpro.usps.com/node/3724>) for guidance on using the online interface for uploading text files or using the entry box when requesting refunds for unused labels. All refund requests made through the online interface must be submitted within 60 days of the date of mailing. The system will validate if PIC/EFNs are formatted appropriately, and will create a dispute queue case number accessible through both the eVS landing page and the dispute queue. If PIC/EFNs fail format validation, an error message will be displayed for any of the following reasons: Invalid PIC length, duplicate EFN, commas in EFN, invalid EFN prefix, EFN submitted as a PIC, and/or invalid EFN length. If PIC/EFNs pass format validation, the system will reconcile the uploaded file to manifest data to verify payment activity, physical scan activity, timely submission, and uniqueness. As a result of the system evaluation, PIC/EFNs are approved or denied. Mailers can view the status and the results by accessing the Unused Label Refund Report in the Dispute Queue in *PostalOne!*®. A refund will be issued within 20 days to the shipper's CAPS account for the approved PIC/EFNs. As is the current practice, the refund will be 90 percent of the labels' postage value unless a different percentage is authorized.

Option 2—PIC/EFN Submission (Entry Option)

A mailer can enter up to 200 PIC/EFNs in the online entry form in *PostalOne!*. Refer to appendix N in Postal Service Publication 205 (<https://postalpro.usps.com/node/3724>) for guidance on using the online interface for uploading text files or using the entry box when requesting refunds for unused labels. All refund requests made through the online interface must be submitted within 60 days of the date of mailing. The system will validate if PIC/EFNs are formatted appropriately, and

will create a dispute queue case number, accessible through both the eVS landing page and the dispute queue. If PIC/EFNs fail format validation, an error message will be displayed for any of the following reasons: invalid PIC length, duplicate EFN, commas in EFN, invalid EFN prefix, EFN submitted as a PIC, and/or invalid EFN length. If PIC/EFNs pass format validation, the system will reconcile uploaded file to manifest data to verify payment activity, physical scan activity, timely submission, and uniqueness. As a result of the system evaluation, PIC/EFNs are approved or denied. Mailers can view the status and the results by accessing the Unused Label Refund Report in the Dispute Queue in *PostalOne!*. A refund will be issued within 20 days to the shipper's CAPS account for the approved PIC/EFNs. As is the current practice, the refund will be 90 percent of the labels' postage value unless a different percentage is authorized.

The addition of the above two automated options will provide a benefit to mailers by reducing the processing time of refund requests for unused labels while providing mailers better visibility into the status of refund cases. Once deployed, the two automated options will be the only method to submit unused label refund requests.

Maria W. Votsch,

Attorney, Corporate and Postal Business Law.

[FR Doc. 2018-15826 Filed 7-24-18; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 33163; 812-14889]

IndexIQ ETF Trust, et al.

July 19, 2018.

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

ACTION: Notice.

Notice of an application for an order under section 6(c) of the Investment Company Act of 1940 (the "Act") for an exemption from sections 2(a)(32), 5(a)(1), 22(d), and 22(e) of the Act and rule 22c-1 under the Act, under sections 6(c) and 17(b) of the Act for an exemption from sections 17(a)(1) and 17(a)(2) of the Act, and under section 12(d)(1)(f) for an exemption from sections 12(d)(1)(A) and 12(d)(1)(B) of the Act. The requested order would permit (a) index-based series of certain open-end management investment

companies ("Funds") to issue shares redeemable in large aggregations ("Creation Units"); (b) secondary market transactions in Fund shares to occur at negotiated market prices rather than at net asset value ("NAV"); (c) certain Funds to pay redemption proceeds, under certain circumstances, more than seven days after the tender of shares for redemption; (d) certain affiliated persons of a Fund to deposit securities into, and receive securities from, the Fund in connection with the purchase and redemption of Creation Units; (e) certain registered management investment companies and unit investment trusts outside of the same group of investment companies as the Funds ("Funds of Funds") to acquire shares of the Funds; (f) certain Funds ("Feeder Funds") to create and redeem Creation Units in-kind in a master-feeder structure; and (g) certain Funds to issue Shares in less than Creation Unit size to investors participating in a distribution reinvestment program. The requested order would supersede the applicant's prior orders.¹

APPLICANTS: IndexIQ ETF Trust (the "Trust"), a Delaware statutory trust registered under the Act as an open-end management investment company with multiple series, IndexIQ Advisors LLC (the "Adviser"), a Delaware limited liability company registered as an investment adviser under the Investment Advisers Act of 1940, and ALPS Distributors, Inc. (the "Distributor"), a Colorado corporation and broker-dealer registered under the Securities Exchange Act of 1934 ("Exchange Act").

FILING DATES: The application was filed on March 16, 2018 and amended on May 25, 2018, July 2, 2018, and July 12, 2018.

HEARING OR NOTIFICATION OF HEARING: An order granting the requested relief will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Commission's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on August 13, 2018, and should be accompanied by proof of service on applicants, in the form of an affidavit, or for lawyers, a certificate of service. Pursuant to rule 0-5 under the Act, hearing requests should state the nature of the writer's interest, any facts

bearing upon the desirability of a hearing on the matter, the reason for the request, and the issues contested.

Persons who wish to be notified of a hearing may request notification by writing to the Commission's Secretary.

ADDRESSES: Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090; Applicants: The Trust and the Adviser, 51 Madison Avenue 4th Floor, New York, NY 10010, and the Distributor, 1290 Broadway, Suite 1100, Denver, CO 80203.

FOR FURTHER INFORMATION CONTACT: Hae-Sung Lee, Attorney-Adviser, at (202) 551-7345, or Andrea Ottomaneli Magovern, Branch Chief, at (202) 551-6825 (Division of Investment Management, Chief Counsel's Office).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained via the Commission's website by searching for the file number, or for an applicant using the Company name box, at <http://www.sec.gov/search/search.htm> or by calling (202) 551-8090.

Summary of the Application

1. Applicants request an order that would allow Funds to operate as index exchange traded funds ("ETFs").² Fund shares will be purchased and redeemed at their NAV in Creation Units (other than pursuant to a distribution reinvestment program, as described in the application). All orders to purchase Creation Units and all redemption requests will be placed by or through an "Authorized Participant," which will have signed a participant agreement with the Distributor. Shares will be listed and traded individually on a national securities exchange, where share prices will be based on the current bid/offer market. Certain Funds may operate as Feeder Funds in a master-

² Applicants request that the order apply to the current series of the Trust identified and described in Appendix A to the application ("Current Funds") and any additional series of the Trust, and any other existing or future open-end management investment company or existing or future series thereof (together with the Current Funds, "Funds"), each of which will operate as an ETF, and their respective existing or future Master Funds, and will track a specified index comprised of domestic and/or foreign equity securities and/or domestic and/or foreign fixed income securities (each, an "Underlying Index"). Any Fund will (a) be advised by the Adviser or an entity controlling, controlled by, or under common control with the Adviser (each such entity and any successor thereto, an "Adviser") and (b) comply with the terms and conditions of the application. For purposes of the requested order, a "successor" is limited to an entity or entities that result from a reorganization into another jurisdiction or a change in the type of business organization.

feeder structure. Any order granting the requested relief would be subject to the terms and conditions stated in the application.

2. Each Fund will hold investment positions selected to correspond closely to the performance of an Underlying Index. In the case of Self-Indexing Funds, an affiliated person, as defined in section 2(a)(3) of the Act ("Affiliated Person"), or an affiliated person of an Affiliated Person ("Second-Tier Affiliate"), of the Trust or a Fund, of the Adviser, of any sub-adviser to or promoter of a Fund, or of the Distributor will compile, create, sponsor or maintain the Underlying Index.³

3. Shares will be purchased and redeemed in Creation Units and generally on an in-kind basis, or issued in less than Creation Unit size to investors participating in a distribution reinvestment program. Except where the purchase or redemption will include cash under the limited circumstances specified in the application, purchasers will be required to purchase Creation Units by depositing specified instruments ("Deposit Instruments"), and shareholders redeeming their shares will receive specified instruments ("Redemption Instruments"). The Deposit Instruments and the Redemption Instruments will each correspond pro rata to the positions in the Fund's portfolio (including cash positions) except as specified in the application.

4. Because shares will not be individually redeemable, applicants request an exemption from section 5(a)(1) and section 2(a)(32) of the Act that would permit the Funds to register as open-end management investment companies and issue shares that are redeemable in Creation Units.

5. Applicants also request an exemption from section 22(d) of the Act and rule 22c-1 under the Act as secondary market trading in shares will take place at negotiated prices, not at a current offering price described in a Fund's prospectus, and not at a price based on NAV. Applicants state that (a) secondary market trading in shares does not involve a Fund as a party and will not result in dilution of an investment in shares, and (b) to the extent different prices exist during a given trading day, or from day to day, such variances occur as a result of third-party market forces,

³ Each Self-Indexing Fund will post on its website the identities and quantities of the investment positions that will form the basis for the Fund's calculation of its NAV at the end of the day. Applicants believe that requiring Self-Indexing Funds to maintain full portfolio transparency will help address, together with other protections, conflicts of interest with respect to such Funds.

¹ *IndexIQ ETF Trust, et. al.*, Investment Company Act Release Nos. 28638 (Feb. 27, 2009) (notice) and 28653 (Mar. 20, 2009) (order) and *IndexIQ ETF Trust, et. al.*, Investment Company Release Nos. 30843 (Dec. 23, 2013) (notice) and 30888 (Jan. 22, 2014) (order).

such as supply and demand. Therefore, applicants assert that secondary market transactions in shares will not lead to discrimination or preferential treatment among purchasers. Finally, applicants represent that share market prices will be disciplined by arbitrage opportunities, which should prevent shares from trading at a material discount or premium from NAV.

6. With respect to Funds that effect creations and redemptions of Creation Units in kind and that are based on certain Underlying Indexes that include foreign securities, applicants request relief from the requirement imposed by section 22(e) in order to allow such Funds to pay redemption proceeds within fifteen calendar days following the tender of Creation Units for redemption. Applicants assert that the requested relief would not be inconsistent with the spirit and intent of section 22(e) to prevent unreasonable, undisclosed or unforeseen delays in the actual payment of redemption proceeds.

7. Applicants request an exemption to permit Funds of Funds to acquire Fund shares beyond the limits of section 12(d)(1)(A) of the Act; and the Funds, and any principal underwriter for the Funds, and/or any broker or dealer registered under the Exchange Act, to sell shares to Funds of Funds beyond the limits of section 12(d)(1)(B) of the Act. The application's terms and conditions are designed to, among other things, help prevent any potential (i) undue influence over a Fund through control or voting power, or in connection with certain services, transactions, and underwritings, (ii) excessive layering of fees, and (iii) overly complex fund structures, which are the concerns underlying the limits in sections 12(d)(1)(A) and (B) of the Act.

8. Applicants request an exemption from sections 17(a)(1) and 17(a)(2) of the Act to permit persons that are Affiliated Persons, or Second Tier Affiliates, of the Funds, solely by virtue of certain ownership interests, to effectuate purchases and redemptions in-kind. The deposit procedures for in-kind purchases of Creation Units and the redemption procedures for in-kind redemptions of Creation Units will be the same for all purchases and redemptions, and Deposit Instruments and Redemption Instruments will be valued in the same manner as those investment positions currently held by the Funds. Applicants also seek relief from the prohibitions on affiliated transactions in section 17(a) to permit a Fund to sell its shares to and redeem its shares from a Fund of Funds, and to engage in the accompanying in-kind

transactions with the Fund of Funds.⁴ The purchase of Creation Units by a Fund of Funds directly from a Fund will be accomplished in accordance with the policies of the Fund of Funds and will be based on the NAVs of the Funds.

9. Applicants also request relief to permit a Feeder Fund to acquire shares of another registered investment company managed by the Adviser having substantially the same investment objectives as the Feeder Fund ("Master Fund") beyond the limitations in section 12(d)(1)(A) and permit the Master Fund, and any principal underwriter for the Master Fund, to sell shares of the Master Fund to the Feeder Fund beyond the limitations in section 12(d)(1)(B).

10. Section 6(c) of the Act permits the Commission to exempt any persons or transactions from any provision of the Act if such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act. Section 12(d)(1)(f) of the Act provides that the Commission may exempt any person, security, or transaction, or any class or classes of persons, securities, or transactions, from any provision of section 12(d)(1) if the exemption is consistent with the public interest and the protection of investors. Section 17(b) of the Act authorizes the Commission to grant an order permitting a transaction otherwise prohibited by section 17(a) if it finds that (a) the terms of the proposed transaction are fair and reasonable and do not involve overreaching on the part of any person concerned; (b) the proposed transaction is consistent with the policies of each registered investment company involved; and (c) the proposed transaction is consistent with the general purposes of the Act.

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

Eduardo A. Aleman,

Assistant Secretary.

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⁴ The requested relief would apply to direct sales of shares in Creation Units by a Fund to a Fund of Funds and redemptions of those shares. Applicants, moreover, are not seeking relief from section 17(a) for, and the requested relief will not apply to, transactions where a Fund could be deemed an Affiliated Person, or a Second-Tier Affiliate, of a Fund of Funds because an Adviser or an entity controlling, controlled by or under common control with an Adviser provides investment advisory services to that Fund of Funds.

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-83673; File No. SR-CboeBZX-2018-051]

Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Exchange Rule 11.13, Order Execution and Routing, To Amend the Operation of the Super Aggressive Order Instruction

July 19, 2018.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on July 11, 2018, Cboe BZX Exchange, Inc. (the "Exchange" or "BZX") 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 Act³ and Rule 19b-4(f)(6) 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 amend the operation of the Super Aggressive order instruction under paragraph (b)(4)(C) of Exchange Rule 11.13.

The text of the proposed rule change is available at the Exchange's website at www.markets.cboe.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 Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in Sections A, B, and C below, of

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).