

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–83694; File No. SR–NYSEArca–2018–38]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Designation of a Longer Period for Commission Action on a Proposed Rule Change Relating to the Continued Listing Criteria Applicable to the Indexes Underlying the iShares California AMT Free Muni Bond ETF and iShares New York AMT-Free Muni Bond ETF

July 24, 2018.

On May 21, 2018, NYSE Arca, Inc. (“NYSE Arca”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b–4 thereunder,² a proposed rule change relating to the index methodology applicable to the indexes underlying shares of the following series of Investment Company Units that are currently listed and traded on NYSE Arca under NYSE Arca Rule 5.2–E(j)(3): iShares California AMT-Free Muni Bond ETF and iShares New York AMT-Free Muni Bond ETF. The proposed rule change was published for comment in the **Federal Register** on June 11, 2018.³ The Commission has received no comments on the proposed rule change.

Section 19(b)(2) of the Act⁴ provides that within 45 days of the publication of notice of the filing of a proposed rule change, or within such longer period up to 90 days as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or as to which the self-regulatory organization consents, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved. The Commission is extending this 45-day time period.

The Commission finds that it is appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider the proposed rule change. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,⁵ designates September 9, 2018, as the date by which the Commission shall either approve or

disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change (File No. SR–NYSEArca–2018–38).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁶

Eduardo A. Aleman,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–83695; File No. SR–NYSEArca–2018–50]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to the Listing and Trading of Shares of the Columbia Multi-Sector Municipal Income ETF

July 24, 2018.

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 July 10, 2018, NYSE Arca, Inc. (“Exchange” or “NYSE Arca”) 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 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

The Exchange proposes to list and trade shares of the Columbia Multi-Sector Municipal Income ETF (the “Fund”) pursuant to NYSE Arca Rule 5.2–E(j)(3), Commentary .02. The proposed rule change is available on the Exchange’s website at www.nyse.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 those 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 the most significant parts of such statements.

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

1. Purpose

The Exchange proposes to list and trade shares (“Shares”) of the Fund under Commentary .02 to NYSE Arca Rule 5.2–E(j)(3), which governs the listing and trading of Investment Company Units (“Units”)⁴ based on fixed income securities indexes.⁵ As discussed below, the Exchange is submitting this proposed rule change because the “Index” (as defined below) does not meet all of the “generic” listing requirements of Commentary .02 to Rule 5.2–E(j)(3) applicable to the listing of Units based on fixed income securities indexes. The Index meets all such requirements except for those set forth in Commentary .02(a)(2).⁶

⁴ An open-end investment company that issues Units, listed and traded on the Exchange under NYSE Arca Rule 5.2–E(j)(3), seeks to provide investment results that correspond generally to the price and yield performance of a specific foreign or domestic stock index, fixed income securities index or combination thereof.

⁵ The Commission previously has approved proposed rule changes relating to listing and trading of funds based on municipal bond indexes. See Securities Exchange Act Release Nos. 67985 (October 4, 2012), 77 FR 61804 (October 11, 2012) (SR–NYSEArca–2012–92) (order approving proposed rule change to list and trade the iShares 2018 S&P AMT-Free Municipal Series and iShares 2019 S&P AMT-Free Municipal Series under Rule 5.2(j)(3), Commentary .02); 72523 (July 2, 2014), 79 FR 39016 (July 9, 2014) (SRNYSEArca–2014–37) (order approving proposed rule change to list and trade iShares 2020 S&P AMT-Free Municipal Series under Rule 5.2(j)(3), Commentary .02); and 75468 (July 16, 2015), 80 FR 43500 (July 22, 2015) (SE–NYSEArca–2015–25) (order approving proposed rule change to list and trade the iShares iBonds Dec 2021 AMT-Free Muni Bond ETF and iShares iBonds Dec 2022 AMT-Free Muni Bond ETF under Rule 5.2(j)(3), Commentary .02). See also Securities Exchange Act Release Nos. 78329 (July 14, 2016), 81 FR 47217 (July 20, 2016) (SR–BatsBZX–2016–01) (order approving the listing and trading of the VanEck Vectors AMT-Free 6–8 Year Municipal Index ETF, VanEck Vectors AMT-Free 8–12 Year Municipal Index ETF, and VanEck Vectors AMT-Free 12–17 Year Municipal Index ETF).

⁶ Commentary .02(a)(2) provides that Fixed Income Security components that in aggregate account for at least 75% of the Fixed Income Securities portion of the weight of the index or portfolio each shall have a minimum original principal amount outstanding of \$100 million or more.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ See Securities Exchange Act Release No. 83381 (June 5, 2018), 83 FR 27042.

⁴ 15 U.S.C. 78s(b)(2).

⁵ *Id.*

⁶ 17 CFR 200.30–3(a)(31).

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b–4.

Description of the Shares and the Fund

The Fund is a series of the Columbia ETF Trust I (the Trust).⁷ Columbia Management Investment Advisers, LLC (the "Adviser") will be the investment advisor for the Fund. BNY Mellon Corporation will serve as the custodian, administrator, and transfer agent for the Fund. ALPS Distributors, Inc. will act as the distributor for the Fund's Shares.

Beta Advantage® Multi-Sector Municipal Bond Index

According to the Registration Statement, the investment objective of the Fund is to seek investment results that correspond (before fees and expenses) to the performance of the Beta Advantage® Multi-Sector Municipal Bond Index (the "Index"), a multistate index of fixed income municipal bond securities.⁸

The Index reflects a rules-based, multi-sector strategic beta approach to measuring the performance of the U.S. tax-exempt bond market, including municipal bonds issued by or on behalf of state or local governmental units whose interest is exempt from regular federal income tax, through representation of the following five sectors of the municipal debt market in the Index (percentages noted below are sector weights within the Index):

- core revenue (45% of Index weight);⁹
- health care (20% of Index weight);¹⁰

⁷ The Trust is registered under the Investment Company Act of 1940 (15 U.S.C. 80a) ("1940 Act"). On May 4, 2018, the Trust filed with the Commission its registration statement on Form N-1A under the Securities Act of 1933 (15 U.S.C. 77a), and under the 1940 Act relating to the Fund (File Nos. 333-209996 and 811-22736) ("Registration Statement"). The Trust will file an amendment to the Registration Statement as necessary to conform to the representations in this filing. The description of the operation of the Trust and the Fund herein is based, in part, on the Registration Statement. In addition, the Commission has issued an order granting certain exemptive relief to the Trust under the 1940 Act. See Investment Company Act Release No. 32134, (May 31, 2016) (File No. 812-14552).

⁸ The Index is owned and calculated by Bloomberg Index Services Limited ("Index Provider"), which is not affiliated with the Fund or the Adviser.

⁹ Core revenue includes certain bonds in the Bloomberg Barclays Municipal Bond: Electric Index, the Bloomberg Barclays Municipal Bond: Transportation Index, the Bloomberg Barclays Municipal Bond: Education Index, and the Bloomberg Barclays Municipal Bond: Leasing Index. The Exchange represents, for informational purposes, that, as of May 18, 2018, this sector included 1,476 bonds, and that such bonds had an outstanding par value of at least \$15 million (\$10 million for the Bloomberg Barclays Municipal Bond: Leasing Index), and were issued as part of a transaction of at least \$100 million.

¹⁰ Health care includes certain bonds in the Bloomberg Barclays Municipal Bond: Hospital Index. The Exchange represents, for informational

- high quality revenue bonds (15% of Index weight);¹¹
- general obligation (GO) bonds (10% of Index weight);¹² and
- high yield debt (10% of Index weight).¹³

Each of the sectors in [sic] other than the high yield debt sector is derived from a sub-set index or indices of the Bloomberg Barclays Municipal Bond Index (the "Parent Index"), which serves as each sector's initial universe of eligible securities for inclusion in the Index. The Parent Index is a broad-based, market value-weighted index designed to measure the performance of the U.S. municipal bond market. The Index is designed to achieve higher yields and stronger risk-adjusted returns relative to that of the Parent Index. The Index's allocation to each of the five sectors is fixed and, as such, will not vary as a result of Index rebalancing or reconstitution. The five sectors will generate all of the component securities of the Index.

The Exchange represents, for informational purposes, that, as of May 18, 2018, the Index included 5,613 component fixed income municipal bond securities from issuers in 49 different states and the District of Columbia. The most heavily weighted security in the Index represented approximately 0.37% of the total weight of the Index and the aggregate weight of the top five most heavily weighted securities in the Index represented

purposes, that, as of May 18, 2018, this sector included 1,380 bonds, and that such bonds had an outstanding par value of at least \$10 million and were issued as part of a transaction of at least \$100 million.

¹¹ High quality revenue bonds include certain bonds in the Bloomberg Barclays Municipal Bond: Housing Index and the Bloomberg Barclays Municipal Bond: Water & Sewer Index. The Exchange represents, for informational purposes, that, as of May 18, 2018, this sector included 701 bonds, and that such bonds included in the Bloomberg Barclays Municipal Bond: Housing Index had an outstanding par value of at least \$10 million and were issued as part of a transaction of at least \$100 million; and that such bonds included in the Bloomberg Barclays Municipal Bond: Water & Sewer Index had an outstanding par value of at least \$15 million and were issued as part of a transaction of at least \$100 million.

¹² GO bonds include certain bonds in the Bloomberg Barclays Municipal Bond: GO Index. The Exchange represents, for informational purposes, that, as of May 18, 2018, this sector included 1,668 bonds, and that such bonds had an outstanding par value of at least \$15 million and were issued as part of a transaction of at least \$100 million.

¹³ High yield debt includes certain bonds in the Bloomberg Barclays Municipal High Yield Bond Index. The Exchange represents, for informational purposes, that, as of May 18, 2018, this sector included 388 bonds, and that such bonds had an outstanding par value of at least \$5 million and were issued as part of a transaction of at least \$25 million.

1.41% of the total weight of the Index. Approximately 19.22% of the weight of the components in the Index had a minimum original principal outstanding of \$100 million or more. In addition, the total dollar amount outstanding of issues in the Index was approximately \$196,572,849,000 and the average dollar amount outstanding of issues in the Index was approximately \$35,021,000.

The Fund will invest, under normal market conditions,¹⁴ at least 80% of its assets in securities within the Index or in securities that the Adviser determines have economic characteristics that are substantially the same as the economic characteristics of the securities within the Index. The Fund will accordingly invest at least 80% of its net assets (plus borrowings for investment purposes) in bonds and other debt instruments issued by or on behalf of state or local governmental units whose interest is exempt from U.S. federal income tax.

Other Investments

While the Fund, under normal market conditions, will invest at least 80% of the Fund's assets in securities within the Index or in securities that the Adviser determines have economic characteristics that are substantially the same as the economic characteristics of the securities within the Index, the Fund may invest its remaining assets in cash and cash equivalents such as repurchase agreements and money market funds.

Requirements for Index Constituents

The Index will contain at least 500 component securities. In addition, at least 90% of the weight of the Index will be comprised of securities that have an outstanding par value of at least \$10 million and were issued as part of a transaction of at least \$100 million.

Discussion

Based on the characteristics of the Index and the representations made in the Requirements for Index Constituents section above, the Exchange believes it is appropriate to allow the listing and trading of the Shares. The Index and Fund satisfy all of the generic listing requirements for Units based on a fixed income index, except for the minimum principal amount outstanding

¹⁴ The term "under normal market conditions" as used herein includes, but is not limited to, the absence of adverse market, economic, political or other conditions, including extreme volatility or trading halts in the fixed income markets or the financial markets generally; operational issues (such as systems failure) causing dissemination of inaccurate market information; or force majeure type events, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labor disruption or any similar intervening circumstance.

requirement of Commentary .02(a)(2) to Rule 5.2–E(j)(3). A fundamental purpose behind the minimum principal amount outstanding requirement is to ensure that component securities of an index are sufficiently liquid such that the potential for index manipulation is reduced. The Exchange notes that the representations in the Requirements for Index Constituents for the Index are comparable to those made regarding the Bloomberg Barclays AMT-Free Intermediate Continuous Municipal Index, Bloomberg Barclays AMT-Free Long Continuous Municipal Index, Bloomberg Barclays AMT-Free Short Continuous Municipal Index, Bloomberg Barclays Municipal Pre-Refunded—Treasury-Escrowed Index, Bloomberg Barclays Managed Money Municipal Short Term Index, and Bloomberg Barclays Municipal Managed Money Index (the “Comparable Indexes”), which underlie series of Units that were previously approved for listing and trading by the Commission.¹⁵ In the Approval Order, the Commission highlighted the representations that the Comparable Indexes would, on a continuous basis, contain at least 500 component securities and that at least 90% of the weight of a Comparable Index would be comprised of securities that have a minimum par amount of \$7 million and were a constituent of an offering where the original offering amount was at least \$75 million. The Exchange believes that these representations regarding the Index’s diversification and the lack of concentration among constituent securities provide a strong degree of protection against index manipulation consistent with other proposed rule changes relating to listing and trading of shares of funds based on municipal bond indexes.¹⁶

In addition, the Exchange represents that: (1) Except for Commentary .02(a)(2) to Rule 5.2–E(j)(3), the Index currently satisfies all of the generic listing standards under Commentary .02

to Rule 5.2–E(j)(3); (2) the continued listing standards under Commentary .02 to Rule 5.2–E(j)(3), as applicable to Units based on fixed income securities, will apply to the Shares of the Fund; and (3) the issuer of the Fund is required to comply with Rule 10A–3¹⁷ under the Act for the initial and continued listing of the Shares. In addition, the Exchange represents that the Fund will comply with all other requirements applicable to Units, including, but not limited to, requirements relating to the dissemination of key information such as the value of the Index and the Intraday Indicative Value (“IIV”),¹⁸ rules governing the trading of equity securities, trading hours, trading halts, surveillance, information barriers and the Information Bulletin, as set forth in the Exchange rules applicable to Units and prior Commission orders approving the generic listing rules applicable to the listing and trading of Units.

The current value of the Index will be widely disseminated by one or more major market data vendors at least once per day, as required by Commentary .02(b)(ii) to Rule 5.2–E(j)(3). The portfolio of securities held by the Fund will be disclosed daily on the Fund’s website. Further, the Fund’s website will contain the Fund’s prospectus and additional data relating to net asset value (“NAV”) and other applicable quantitative information. The issuer has represented that the NAV will be calculated daily and will be made available to all market participants at the same time. The Index Provider is not a broker-dealer but is affiliated with a broker-dealer. The Index Provider will implement and will maintain a “fire wall” around the personnel who have access to information concerning changes and adjustments to the Index. In addition, any advisory committee, supervisory board or similar entity that advises the Index Provider or that makes decisions on the Index, methodology and related matters, will implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the Index. The Adviser is not registered as a broker-dealer but is affiliated with one or more broker-dealers, and has implemented and will maintain a fire wall with

respect to its broker-dealer affiliates regarding access to information concerning the composition and/or changes to the portfolio. In the event (a) the Adviser becomes registered as a broker-dealer or newly affiliated with a broker-dealer, or (b) any new adviser or sub-adviser is a registered broker-dealer or becomes affiliated with a broker-dealer, it will implement and maintain a fire wall with respect to relevant personnel and any broker-dealer affiliate regarding access to information concerning the composition 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.

The Exchange’s existing rules require that the issuer of the Fund notify the Exchange of any material change to the methodology used to determine the composition of the Index and, therefore, if the methodology of the Index was changed in a manner that would materially alter its existing composition, the Exchange would have advance notice and would evaluate the modifications to determine whether the Index remained sufficiently broad-based and well diversified.

Availability of Information

On each business day, the Fund will disclose on its website (www.columbiathreadneedle.com) the portfolio that will form the basis for the Fund’s calculation of NAV at the end of the business day.

On a daily basis, the Fund will disclose for each portfolio security or other financial instrument of the Fund the following information on the Funds’ website: Ticker symbol (if applicable), name of security and financial instrument, a common identifier such as CUSIP or ISIN (if applicable), number of shares (if applicable), and dollar value of securities and financial instruments held in the portfolio, and percentage weighting of the security and financial instrument in the portfolio. The website information will be publicly available at no charge. The current value of the Index will be widely disseminated by one or more major market data vendors at least once per day, as required by NYSE Arca Rule 5.2–E(j)(3), Commentary .02 (b)(ii).

The IIV for Shares of the Fund will be disseminated by one or more major market data vendors, updated at least every 15 seconds during the Exchange’s Core Trading Session, as required by NYSE Arca Rule 5.2–E(j)(3), Commentary .02 (c). The current value of the Index would be widely disseminated by one or more major

¹⁵ The Comparable Indexes underlie, respectively, the VanEck Vectors AMT-Free Intermediate Municipal Index ETF, VanEck Vectors AMT-Free Long Municipal Index ETF, VanEck Vectors AMT-Free Short Municipal Index ETF, VanEck Vectors Pre-Refunded Municipal Index ETF, SPDR Nuveen Bloomberg Barclays Short Term Municipal Bond ETF, and SPDR Nuveen Bloomberg Barclays Municipal Bond ETF. See Securities Exchange Act Release No. 82295 (December 12, 2017), 82 FR 60056 (December 18, 2017) (SR–NYSEArca–2017–56) (Notice of Filing of Amendment No. 3 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 3, to List and Trade Shares of Twelve Series of Investment Company Units Pursuant to NYSE Arca Rule 5.2–E(j)(3)) (the “Approval Order”).

¹⁶ See note 5, *supra*. See also, the Approval Order.

¹⁷ 17 CFR 240.10A–3.

¹⁸ The IIV will be widely disseminated by one or more major market data vendors at least every 15 seconds during the Exchange’s Core Trading Session (normally, 9:30 a.m. to 4:00 p.m., E.T. Currently, it is the Exchange’s understanding that several major market data vendors display and/or make widely available IIV taken from CTA or other data feeds.

market data vendors at least once per day, as required by NYSE Arca Rule 5.-(j)(3), Commentary .02 (b)(ii). In addition, the portfolio of securities held by the Fund will be disclosed daily on the Fund's website.

Investors can also obtain the Trust's Statement of Additional Information ("SAI"), the Fund's Shareholder Reports, and its Form N-CSR and Form N-SAR, filed twice a year. The Trust's SAI and Shareholder Reports are available free upon request from the Trust, and those documents and the Form N-CSR and Form N-SAR may be viewed on-screen or downloaded from the Commission's website at www.sec.gov. Information regarding market price and trading volume of the Shares will be continuously 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.

Quotation and last sale information for the Shares of the Fund will be available via the Consolidated Tape Association ("CTA") high speed line. Quotation information for investment company securities may be obtained through nationally recognized pricing services through subscription agreements or from brokers and dealers who make markets in such securities. Price information regarding municipal bonds is available from third party pricing services and major market data vendors. Trade price and other information relating to municipal bonds is available through the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") system.

Surveillance

The Exchange represents that trading in the Shares of the Fund will be subject to the existing trading surveillances, administered by the Financial Industry Regulatory Authority ("FINRA") on behalf of the Exchange, or by regulatory staff of the Exchange, which are designed to detect violations of Exchange rules and applicable federal securities laws. The Exchange represents that these procedures are adequate to properly monitor Exchange trading of the Shares of the Fund in all trading sessions and to deter and detect violations of Exchange rules and federal securities laws applicable to trading on the Exchange.¹⁹

The surveillances referred to above generally focus on detecting securities trading outside their normal patterns, which could be indicative of manipulative or other violative activity. When such situations are detected, surveillance analysis follows and investigations are opened, where appropriate, to review the behavior of all relevant parties for all relevant trading violations.

The Exchange or FINRA, on behalf of the Exchange, or both, will communicate as needed regarding trading in the Shares with other markets and other entities that are members of the Intermarket Surveillance Group ("ISG"), and the Exchange or FINRA, on behalf of the Exchange, or both, may obtain trading information regarding trading in the Shares from such markets and other entities. In addition, the Exchange may obtain information regarding trading in the Shares from markets and other entities that are members of ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement. FINRA also can access data obtained from the Municipal Securities Rulemaking Board relating to municipal bond trading activity for surveillance purposes in connection with trading in the Shares.

2. Statutory Basis

The Exchange believes that the proposal is consistent with Section 6(b) of the Act²⁰ in general and Section 6(b)(5) of the Act²¹ in particular in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, 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 Exchange believes that the proposed rule change is designed to prevent fraudulent and manipulative acts and practices in that the Shares of the Fund will be listed and traded on the Exchange pursuant to the initial and continued listing criteria in NYSE Arca Rule 5.2-E(j)(3), except for the requirement in Commentary .02(a)(2) that the component fixed income securities, in the aggregate, account for at least 75% of the weight of the index each shall have a minimum principal amount outstanding of \$100 million or

more. The Exchange represents that trading in the Shares will be subject to the existing trading surveillances administered by the Exchange as well as cross-market surveillances administered by FINRA on behalf of the Exchange, which are designed to detect violations of Exchange rules and federal securities laws applicable to trading on the Exchange.²² The Exchange represents that 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. The Exchange or FINRA, on behalf of the Exchange, or both, will communicate as needed regarding trading in the Shares with other markets that are members of the ISG. In addition, the Exchange will communicate as needed regarding trading in the Shares with other markets that are members of the ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement. FINRA also can access data obtained from the Municipal Securities Rulemaking Board relating to municipal bond trading activity for surveillance purposes in connection with trading in the Shares of the Fund.

As discussed above, the Exchange believes that the Index is sufficiently broad-based to deter potential manipulation. For informational purposes, as of May 18, 2018, the Index included 5,613 components, the total dollar amount outstanding of issues in the Index was approximately \$196,572,849,000, and the average dollar amount outstanding of issues in the Index was approximately \$35,021,000. Whereas the Exchange's generic listing rules require that an index contain securities from a minimum of 13 non-affiliated issuers,²³ the Index, as of May 18, 2018, included securities issued by municipal entities in 49 different states and the District of Columbia. Further, whereas the generic listing rules permit a single component security to represent up to 30% of the weight of an index and the top five component securities to, in aggregate, represent up to 65% of the weight of an index,²⁴ as of May 18, 2018, the most heavily weighted security in the Index represented approximately 0.37% of the total weight of the Index and the

²² FINRA conducts cross-market surveillances on behalf of the Exchange pursuant to a regulatory services agreement. The Exchange is responsible for FINRA's performance under this regulatory services agreement.

²³ See Commentary .02(a)(5) to NYSE Arca Rule 5.2-E(j)(3).

²⁴ See Commentary .02(a)(4) to NYSE Arca Rule 5.2-E(j)(3).

¹⁹ FINRA conducts cross-market surveillances on behalf of the Exchange pursuant to a regulatory services agreement. The Exchange is responsible for

FINRA's performance under this regulatory services agreement.

²⁰ 15 U.S.C. 78f.

²¹ 15 U.S.C. 78f(b)(5).

aggregate weight of the top five most heavily weighted securities in the Index represented 1.41% of the total weight of the Index. The Exchange notes that the representations in “Requirements for Index Constituents” above for the Index are comparable to those made regarding the Comparable Indexes, which underlie series of Units that were previously approved for listing and trading by the Commission.²⁵ The Exchange believes that this significant diversification and the lack of concentration among constituent securities in the Index provides a strong degree of protection against index manipulation that is consistent with other proposed rule changes that have been approved for listing and trading by the Commission.²⁶

The proposed rule change is designed to promote just and equitable principles of trade and to protect investors and the public interest in that a large amount of information will be publicly available regarding the Fund and the Shares, thereby promoting market transparency. The Fund’s portfolio holdings will be disclosed on the Fund’s website daily after the close of trading on the Exchange and prior to the opening of trading on the Exchange the following day. Moreover, the IIV will be widely disseminated by one or more major market data vendors at least every 15 seconds during the Exchange’s Core Trading Session. The current value of the Index will be disseminated by one or more major market data vendors at least once per day. Information regarding market price and trading volume of the Shares will be continually available on a real-time basis throughout the day on brokers’ computer screens and other electronic services, and quotation and last sale information will be available via the CTA high-speed line. The website for the Fund will include the prospectus for the Fund and additional data relating to NAV and other applicable quantitative information. Moreover, prior to the commencement of trading, the Exchange will inform its ETP Holders in an Information Bulletin of the special characteristics and risks associated with trading the Shares.

If the Exchange becomes aware that the NAV is not being disseminated to all market participants at the same time, it will halt trading in the Shares until such time as the NAV is available to all market participants. With respect to trading halts, the Exchange may consider all relevant factors in exercising its discretion to halt or

suspend trading in the Shares of the Fund. 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. If the IIV or the Index values are not being disseminated as required, the Exchange may halt trading during the day in which the interruption to the dissemination of the IIV or Index value occurs. If the interruption to the dissemination of the IIV or Index value persists past the trading day in which it occurred, the Exchange will halt trading. Trading in Shares of the Fund will be halted if the circuit breaker parameters in NYSE Arca Rule 7.12–E have been reached or because of market conditions or for reasons that, in the view of the Exchange, make trading in the Shares inadvisable, and trading in the Shares will be subject to NYSE Arca Rule 7.34–E, which sets forth circumstances under which Shares of the Fund may be halted. In addition, investors will have ready access to information regarding the IIV, and quotation and last sale information for the Shares.

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 an additional type of exchange-traded fund that holds municipal bonds and that will enhance competition among market participants, to the benefit of investors and the marketplace. As noted above, the Exchange has in place surveillance procedures relating to trading in the Shares and may obtain information via ISG from other exchanges that are members of ISG or with which the Exchange has entered into a comprehensive surveillance sharing agreement. In addition, investors will have ready access to information regarding the IIV and quotation and last sale information for the Shares.

For the above reasons, the Exchange believes that the proposed rule change is consistent with the requirements of Section 6(b)(5) of the Act.²⁷

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

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purpose of the Act. The Exchange notes that the proposed rule change will facilitate the listing and trading of an additional type of Units based on a municipal bond index that will enhance

competition among market participants, to the benefit of investors and the marketplace.

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

No written comments were solicited or received with respect to the proposed rule change.

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

Because the proposed rule change does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act²⁸ and Rule 19b–4(f)(6) thereunder.²⁹

The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Commission notes that the Exchange’s proposal is similar to proposals the Commission has previously approved.³⁰ Accordingly, the Commission believes that the proposal raises no new or novel regulatory issues and waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. The Commission therefore waives the 30-day operative delay and designates the proposed rule change to be operative upon filing.³¹

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

²⁸ 15 U.S.C. 78s(b)(3)(A).

²⁹ 17 CFR 240.19b–4(f)(6). In addition, Rule 19b–4(f)(6)(iii) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

³⁰ See, e.g., the Approval Order.

³¹ For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule’s impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

²⁵ See the Approval Order.

²⁶ See note 5, *supra*. See also, the Approval Order.

²⁷ 15 U.S.C. 78f(b)(5).

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-NYSEArca-2018-50 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-2018-50. 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 Number SR-NYSEArca-2018-50 and should be submitted on or before August 20, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³²

Eduardo A. Aleman,

Assistant Secretary.

[FR Doc. 2018-16167 Filed 7-27-18; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 33169; 812-14833]

Advisors Asset Management, Inc. and ETF Series Solutions; Notice of Application

July 24, 2018.

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

ACTION: Notice.

Notice of an application under section 6(c) of the Investment Company Act of 1940 ("Act") for an exemption from section 15(a) of the Act and rule 18f-2 under the Act, as well as from certain disclosure requirements in rule 20a-1 under the Act, Item 19(a)(3) of Form N-1A, Items 22(c)(1)(ii), 22(c)(1)(iii), 22(c)(8) and 22(c)(9) of Schedule 14A under the Securities Exchange Act of 1934, and Sections 6-07(2)(a), (b), and (c) of Regulation S-X ("Disclosure Requirements"). The requested exemption would permit an investment adviser to hire and replace certain sub-advisers without shareholder approval and grant relief from the Disclosure Requirements as they relate to fees paid to the sub-advisers.

APPLICANTS: ETF Series Solutions (the "Trust"), a Delaware statutory trust registered under the Act as an open-end management investment company with multiple series, and Advisors Asset Management, Inc. (the "Initial Adviser"), a Delaware corporation registered as an investment adviser under the Investment Advisers Act of 1940.

FILING DATES: The application was filed on October 11, 2017 and amended on May 3, 2018.

HEARING OR NOTIFICATION OF HEARING: An order granting the application 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 20, 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, U.S. Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

Applicants: ETF Series Solutions, 615 E Michigan Street, Milwaukee, WI 53202; and Advisors Asset Management, Inc., 18925 Base Camp Road, Suite 203, Monument, CO 80132.

FOR FURTHER INFORMATION CONTACT:

Christine Y. Greenlees, Senior Counsel, at (202) 551-6879, or Andrea Ottomanelli Magovern, Branch Chief, at (202) 551-6821 (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. The Initial Adviser is the investment adviser to the AAM S&P 500 High Dividend Value ETF and AAM S&P Emerging Markets High Dividend Value ETF (together, the "Initial Funds"), each a series of the Trust, pursuant to an investment management agreement with the Trust ("Investment Management Agreement").¹ Under the terms of the Investment Management Agreement, the Adviser, subject to the

¹ Applicants request relief with respect to the Initial Funds, as well as to any future series of the Trust and any other existing or future registered open-end management investment company or series thereof that, in each case, is advised by the Initial Adviser or any entity controlling, controlled by, or under common control with, the Initial Adviser or its successors (each, also an "Adviser"), uses the multi-manager structure described in the application, and complies with the terms and conditions set forth in the application (each, a "Subadvised Fund"). For purposes of the requested order, "successor" is limited to an entity that results from a reorganization into another jurisdiction or a change in the type of business organization. Future Subadvised Funds may be operated as a master-feeder structure pursuant to section 12(d)(1)(E) of the Act. In such a structure, certain series of the Trust (each, a "Feeder Fund") may invest substantially all of their assets in a Subadvised Fund (a "Master Fund") pursuant to section 12(d)(1)(E) of the Act. No Feeder Fund will engage any sub-advisers other than through approving the engagement of one or more of the Master Fund's sub-advisers.

³² 17 CFR 200.30-3(a)(12).