2. Rule 17d–3 under the Act provides an exception from section 17(d) and rule 17d–1 to permit open-end investment companies to enter into distribution arrangements pursuant to rule 12b–1 under the Act. Applicants request an order under section 17(d) and rule 17d–1 under the Act to the extent necessary to permit the Fund to impose asset-based distribution and/or service fees. Applicants have agreed to comply with rules 12b–1 and 17d–3 as if those rules applied to closed-end investment companies, which they believe will resolve any concerns that might arise in connection with a Fund financing the distribution of its shares through asset-based distribution fees.

3. For the reasons stated above, applicants submit that the exemptions requested under section 6(c) are necessary and appropriate in the public interest and are consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act. Applicants further submit that the relief requested pursuant to section 23(c)(3) will be consistent with the protection of investors and will insure that applicants do not unfairly discriminate against any holders of the class of securities to be purchased. Finally, applicants state that the Funds’ imposition of asset-based distribution and/or service fees is consistent with the provisions, policies and purposes of the Act and does not involve participation on a basis different from or less advantageous than that of other participants.

Applicants’ Condition

Applicants agree that any order granting the requested relief will be subject to the following condition:

Each Fund relying on the order will comply with the provisions of rules 6c–10, 12b–1, 17d–3, 18f–3, 22d–1, and, where applicable, 11a–3 under the Act, as amended from time to time, as if those rules applied to closed-end management investment companies, and will comply with the FINRA Sales Charge Rule, as amended from time to time, as if that rule applied to all closed-end management investment companies.

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

Eduardo A. Aleman, Assistant Secretary.
promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating 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, and not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Commission also finds that the proposed rule change is consistent with Section 6(b)(8) of the Act, which requires that the rules of a national securities exchange not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

The Commission notes that the primary listing market’s official closing price for a security is relied upon by market participants for a variety of reasons, including, but not limited to, calculation of index values, calculation of the net asset value of mutual funds and exchange-traded products, the price of derivatives that are based on the security, and certain types of trading benchmarks such as volume weighted average price strategies. For Derivatives Securities Products, in circumstances where there is no Closing Auction, or the Closing Auction trade consists of less than one round lot, the Exchange proposes to utilize more recent firm quotations instead of less recent trades, as such trades may provide less information about the current value of a security. The Exchange asserts that by doing so, the BZX Official Closing Price for such a Derivative Securities Product would be more reflective of the true and current value of such security on that trading day than otherwise would under the Exchange’s current rule, particularly for a Derivative Securities Product that is thinly traded. The Commission therefore believes that the Exchange’s proposal is reasonably designed to achieve the Act’s objectives to protect investors and the public interest. Accordingly, the Commission finds that the proposed rule change is consistent with the requirements of the Act.

IV. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act that the proposed rule change (SR–CboeBZX–2018–079), as modified by Amendment No. 1, be, and hereby is, approved.

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

Eduardo A. Aleman,
Assistant Secretary.

[FR Doc. 2018–26834 Filed 12–11–18; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Designation of a Longer Period for Commission Action on Proceedings To Determine Whether To Approve or Disapprove a Proposed Rule Change To List and Trade Shares of SolidX Bitcoin Shares Issued by the VanEck SolidX Bitcoin Trust

December 6, 2018.

On December 6, 2018, Cboe BZX Exchange, Inc. ("BZX") filed with the Securities and Exchange Commission ("Commission"). pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act") and Rule 19b–4 thereunder, a proposed rule change to list and trade shares of SolidX Bitcoin Trust issued by the VanEck SolidX Bitcoin Trust under BZX Rule 14.11(e)(4), Commodity-Based Trust Shares. The proposed rule change was published for comment in the Federal Register on July 2, 2018.

On August 7, 2018, pursuant to Section 19(b)(2) of the Act, the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change. On September 20, 2018, the Commission instituted proceedings under Section 19(b)(2)(B) of the Act to determine whether to approve or disapprove the proposed rule change. As of December 6, 2018, the Commission has received more than 1,600 comments on the proposed rule change.

Section 19(b)(2) of the Act provides that after initiating disapproval proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing of the proposed rule change. The Commission may extend the period for issuing an order approving or disapproving the proposed rule change, however, by not more than 60 days if the Commission determines that a longer period is appropriate and publishes reasons for such determination. The proposed rule change was published for notice and comment in the Federal Register on July 2, 2018. December 29, 2018, is 180 days from that date, and February 27, 2019 is 240 days from that date.

The Commission finds it appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change so that it has sufficient time to consider this proposed rule change. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act, designates February 27, 2019, as the date by which the Commission shall either approve or disapprove the proposed rule change (File No. SR–CboeBZX–2018–040).

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

Eduardo A. Aleman.
Assistant Secretary.

[FR Doc. 2018–26828 Filed 12–11–18; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations; Nasdaq GEMX, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Supplementary Material .02 to Rule 715

December 7, 2018.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934

interest." See id. at 48667 (citing 15 U.S.C. 78s(b)(5)).

4 All comments on the proposed rule change are available on the Commission’s website at: https://www.sec.gov/comments/sr-cboebzx-2018-040/cboebzx2018040.htm.


6 Id.


8 All comments on the proposed rule change are available on the Commission’s website at: https://www.sec.gov/comments/sr-cboebzx-2018-040/cboebzx2018040.htm.


10 Id.


16 See Notice, supra note 4, at 55437.


18 All comments on the proposed rule change are available on the Commission’s website at: https://www.sec.gov/comments/sr-cboebzx-2018-040/cboebzx2018040.htm.