These burden hour estimates are based upon the Commission staff's experience and discussions with the fund industry. The estimates of average burden hours are made solely for the purposes of the Paperwork Reduction Act. These estimates are not derived from a comprehensive or even a representative survey or study of the costs of Commission rules.

Compliance with the collection of information requirements of the rule is mandatory and is necessary to comply with the requirements of the rule in general. Responses will not be kept confidential. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid control number.

The public may view the background documentation for this information collection at the following website, *www.reginfo.gov*. Comments should be directed to: (i) Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10102, New Executive Office Building, Washington, DC 20503, or by sending an email to: *Lindsay.M.Abate@omb.eop.gov*; and (ii) Charles Riddle, Acting Director/Chief Information Officer, Securities and Exchange Commission, c/o Candace Kenner, 100 F Street NE, Washington, DC 20549 or send an email to: *PRA_Mailbox@sec.gov*. Comments must be submitted to OMB within 30 days of this notice.

Dated: September 11, 2019.

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 2019–19973 Filed 9–13–19; 8:45 am]

BILLING CODE 8011–01–P

Professional Earnings in the Securities Industry 2013, modified by Commission staff to account for an 1800-hour work-year and inflation, and multiplied by 5.35 to account for bonuses, firm size, employee benefits and overhead.

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–86922; File No. SR–NASDAQ–2019–070]

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To List and Trade the Common Shares of Beneficial Interest of Invesco BulletShares ETFs

September 10, 2019.

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 August 30, 2019, The Nasdaq Stock Market LLC (''Nasdaq'' or ''Exchange'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. 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 the common shares of beneficial interest of the Invesco BulletShares 2021 Municipal Bond ETF, Invesco BulletShares 2022 Municipal Bond ETF, Invesco BulletShares 2023 Municipal Bond ETF, Invesco BulletShares 2024 Municipal Bond ETF, Invesco BulletShares 2025 Municipal Bond ETF, Invesco BulletShares 2026 Municipal Bond ETF, Invesco BulletShares 2027 Municipal Bond ETF, Invesco BulletShares 2028 Municipal Bond ETF and Invesco BulletShares 2029 Municipal Bond ETF (each a ''Fund'' or, collectively, the ''Funds''), all of which are series of Invesco Exchange-Traded Self-Indexed Fund Trust (the ''Trust''), under Nasdaq Rule 5705 (''Rule 5705''). The common shares of beneficial interest of the Funds are referred to herein as the ''Shares.''

The text of the proposed rule change is available on the Exchange's website at *http://nasdaq.cchwallstreet.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 the most significant aspects of such statements.

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

[2] 17 CFR 240.19b–4.

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 the Shares under Rule 5705, which rule governs the listing and trading of Index Fund Shares[3] on the Exchange.[4] As discussed below, the Exchange is submitting this proposed rule change because each underlying index that the Funds seek to track (each an ''Underlying Index,'' and collectively, the ''Underlying Indexes''[5]) does not meet all of the ''generic'' listing requirements of Rule 5705(b)(4) applicable to the listing of Index Fund Shares based on fixed income securities indexes. Each Underlying Index meets all such requirements except for those set forth in Rule 5705(b)(4)(A)(ii).[6]

[3] An ''Index Fund Share'' is a security that is issued by an open-end management investment company based on a portfolio of stocks or fixed income securities or a combination thereof, that seeks to provide investment results that correspond generally to the price and yield performance or total return performance of a specified foreign or domestic stock index, fixed income securities index or combination thereof. *See* Rule 5705(b)(1)(A).

[4] The Exchange notes that the Commission has already published immediately effective rule filings allowing the listing and trading of shares of series of Index Fund Shares substantially similar to the Funds. *See* Securities Exchange Act Release No. 85370 (March 20, 2019), 84 FR 11364 (March 26, 2019) (SR–CboeBZX–2019–017) (Notice of Filing and Immediate Effectiveness of a Proposed Rule to List and Trade Shares of iShares iBonds Dec 2026 Term Muni Bond ETF, iShares iBonds Dec 2027 Term Muni Bond ETF, and iShares iBonds Dec 2028 Term Muni Bond ETF Under BZX Rule 14.11(c)(4))(the ''Comparable Filing''). *See also* Securities Exchange Act Release No. 84107 (September 13, 2018), 83 FR 47210 (September 18, 2018) (SR–CboeBZX–2018–070). Further, 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 No. 79381 (November 22, 2016), 81 FR 86044 (November 29, 2016) (SR–BatsBZX–2016–48) (Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendments No. 1 and No. 2 Thereto, To List and Trade Shares of the iShares iBonds Dec 2023 Term Muni Bond ETF and iShares iBonds Dec 2024 Term Muni Bond ETF of the iShares U.S. ETF Trust Pursuant to BZX Rule 14.11(c)(4)). *See also* Securities Exchange Act Release No. 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). The Exchange believes the proposed rule change raises no significant issues not previously addressed in those prior Commission orders.

[5] *See* ''The Funds'' below for the list of Underlying Indexes.

[6] Rule 5705(b)(4)(A)(ii) provides that Fixed Income Components that in aggregate account for at least 75% of the Fixed Income Securities portion of the weight of the index or portfolio each must have

Continued

Description of the Shares and the Funds

The Shares will be offered by the respective Funds, each of which will be a passively-managed exchange-traded fund (''ETF''). Each Fund is a series of the Trust. The Trust was established as a Delaware statutory trust on October 30, 2015. The Trust is registered with the Commission as an open-end management investment company and has filed a post-effective amendment to its registration statement on Form N–1A (the ''Registration Statement'') with the Commission to register the Funds and their Shares under the Investment Company Act of 1940, as amended, (the ''1940 Act'') and the Securities Act of 1933.[7]

Invesco Capital Management LLC will serve as the investment adviser (the ''Adviser'') to each Fund. Invesco Distributors, Inc. will serve as the principal underwriter and distributor of the Shares (the ''Distributor''). The Bank of New York Mellon will act as the custodian, transfer agent and fund accounting agent for the Funds (the ''Custodian''). The Bank of New York Mellon will also serve as the administrator for the Funds (the ''Administrator'').

Nasdaq Rule 5705(b)(4)(B)(i) provides that, if an investment company issuing Index Fund Shares tracks an index that is maintained by a broker-dealer or fund advisor, such broker-dealer or fund advisor shall erect and maintain a ''fire wall'' around the personnel who have access to information concerning changes and adjustments to the index and the index shall be calculated by a third party who is not a broker-dealer or fund advisor. In addition, Nasdaq Rule 5705 further requires that any advisory committee, supervisory board, or similar entity that makes decisions on the index composition, methodology and related matters, must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the applicable index.

The index provider for the Underlying Indexes is Invesco Indexing LLC (the ''Index Provider''). The Index Provider is not a broker-dealer or fund advisor, but it is affiliated with the Distributor, a broker-dealer, the Adviser, a fund advisor, and other affiliates that are broker-dealers and fund advisors. The Index Provider has therefore implemented and will maintain a fire wall around the personnel who have access to information concerning changes and adjustments to the Underlying Indexes. In the event a Fund changes its underlying index to an index maintained by a different index provider, such index provider will implement and maintain a fire wall as required. The Index Provider has also implemented policies and procedures designed to prevent the use and dissemination of material non-public information regarding the applicable index by Index Provider personnel that make decisions on each Underlying Index's composition, methodology and related matters.

Additionally, the calculation agent for each Underlying Index is ICE Data Indices, LLC (''ICE''), a third party who is not a broker-dealer or fund advisor. ICE does not participate in the composition or methodology of the Underlying Indexes.

The Adviser is not a broker-dealer, but is affiliated with a broker-dealer and has implemented and will maintain a ''fire wall'' with respect to its broker-dealer affiliate regarding access to information concerning the composition and/or changes to each Fund's portfolio. In the event (a) the Adviser becomes newly affiliated with a different broker-dealer (or becomes a registered broker-dealer itself), or (b) any new adviser or sub-adviser to a Fund is a registered broker-dealer or becomes affiliated with a broker-dealer, each will implement and maintain a fire wall with respect to its relevant personnel and/or such broker-dealer affiliate, as applicable, regarding access to information concerning the composition and/or changes to each Fund's portfolio and will be subject to procedures designed to prevent the use and dissemination of material non-public information regarding each Fund's portfolio.

The Funds

Each of the Funds will be a passively-managed ETF with investment objective to seek to track the investment results (before fees and expenses) of the following Underlying Indexes.[8]

Fund	Underlying Index
Invesco BulletShares 2021 Municipal Bond ETF	Invesco BulletShares® Municipal Bond 2021 Index (the "2021 Index").
Invesco BulletShares 2022 Municipal Bond ETF	Invesco BulletShares® Municipal Bond 2022 Index (the "2022 Index").
Invesco BulletShares 2023 Municipal Bond ETF	Invesco BulletShares® Municipal Bond 2023 Index (the "2023 Index").
Invesco BulletShares 2024 Municipal Bond ETF	Invesco BulletShares® Municipal Bond 2024 Index (the "2024 Index").
Invesco BulletShares 2025 Municipal Bond ETF	Invesco BulletShares® Municipal Bond 2025 Index (the "2025 Index").
Invesco BulletShares 2026 Municipal Bond ETF	Invesco BulletShares® Municipal Bond 2026 Index (the "2026 Index").
Invesco BulletShares 2027 Municipal Bond ETF	Invesco BulletShares® Municipal Bond 2027 Index (the "2027 Index").
Invesco BulletShares 2028 Municipal Bond ETF	Invesco BulletShares® Municipal Bond 2028 Index (the "2028 Index").
Invesco BulletShares 2029 Municipal Bond ETF	Invesco BulletShares® Municipal Bond 2029 Index (the "2029 Index").

Principal Investments

Each Fund will seek to achieve its investment objective by investing, under normal market conditions,[9] at least 80% of its total assets in securities that comprise its Underlying Index (the ''Index Tracking Policy''). Each Underlying Index is designed to measure the performance of a maturity-targeted segment of the investment grade municipal bond market. The Index Provider allocates bonds from a

a minimum original principal amount outstanding of $100 million or more. As further described herein, due to the nature of municipal bonds and variable rate demand obligation bonds (''VRDOs''), of which the Underlying Indexes are composed, and the way in which they are typically issued, most such instruments do not have original principal amounts outstanding of $100 million or more.

[7] *See* Post-Effective Amendment No. 43 to Registration Statement for the Trust, filed on May 24, 2019 (File Nos. 333–221046 and 811–23304). The descriptions of the Trust, the Funds and the Shares contained herein are based, in part, on information in the Registration Statement. In addition, the Commission has issued an order granting certain exemptive relief to the Trust under the 1940 Act. *See PowerShares Exchange-Traded Self-Indexed Fund Trust et al.,* SEC Rel. No. IC–31995 (Feb. 11, 2016) (notice); SEC Rel. No. IC–32025 (March 8, 2016) (order) (''Exemptive Order'').

[8] Unless otherwise noted, all statistics related to the Underlying Indexes presented hereafter were accurate of May 31, 2019.

[9] The term ''normal market conditions'' includes, but is not limited to, the absence of trading halts in the applicable financial markets generally; operational issues (*e.g.,* systems failure) causing dissemination of inaccurate market information; or force majeure type events such as natural or manmade disaster, act of God, armed conflict, act of terrorism, riot or labor disruption or any similar intervening circumstance.

universe of U.S. dollar-denominated bonds (''Municipal Bonds'') issued by U.S. states, state agencies, territories and possessions of the United States, the District of Columbia, or local government [10] meeting certain eligibility criteria into each Underlying Index based on the bond's maturity or, in some cases, effective maturity date.[11] Effective maturity is an assessment of a bond's likely call date or maturity (if not called by the issuer). With respect to establishing the effective maturity of a bond, if no embedded issuer call option exists for a bond, then the Index Provider deems effective maturity to be the actual year of maturity. If a bond contains an embedded issuer call option, with the first call date within 13 months of maturity and a par call price, then the Index Provider also deems effective maturity to be the actual year of maturity. In other cases, the Index Provider deems effective maturity to be the actual year of maturity, unless the yield to next call date is less than the yield to maturity, in which case the bond's effective maturity is deemed to be the year of the next call date. The Index Provider deems the effective maturity of eligible pre-refunded Municipal Bonds with a known pre-refunding date as the year of the pre-refunded date.

To be included in the Underlying Indexes, a Municipal Bond must (i) be exempt from federal income tax; (ii) be rated at least BBB- by S&P Global Ratings, a division of S&P Global Inc. (''S&P'') or Fitch Ratings Inc. (''Fitch''), or at least Baa3 by Moody's Investors Service, Inc. (''Moody's''); and (iii) have at least $15 million in face value outstanding (if a bond has already been included in an Underlying Index, then it need only have at least 80% of the initial minimum face value qualification ($12 million in face value outstanding) to remain within the Underlying Index at rebalance). Bonds selected for inclusion in an Underlying Index are market value weighted, and the bonds of individual issuers are collectively limited to a maximum weighting of 5% prior to the final year of maturity of the Underlying Index.

Prior to the final year of maturity of an Underlying Index (*i.e.,* the year of the maturity or effective maturity of all Municipal Bonds within the Underlying Index), each Underlying Index is rebalanced monthly, at which time: (i) New bonds that meet the eligibility and maturity (or effective maturity [12]) criteria above are added to the Underlying Index; (ii) existing bonds that no longer meet the eligibility requirements are removed; and (iii) weights of Underlying Index components are reset to reflect current market value. The Index Provider only reevaluates the effective maturity date of bonds already included in the investment universe semi-annually, as part of the June and December rebalances, at which time in addition to bonds being added or removed from the Underlying Indexes pursuant to the eligibility screening described in the previous paragraph, bonds also may be added or removed from the Underlying Indexes due to any changes in effective maturity (*i.e.,* they no longer have an effective maturity in the year indicated by the Underlying Index's name).

If a bond is removed from an Underlying Index during any monthly rebalance, such bond will be excluded for the next three monthly rebalances (including the current rebalance).

During the final year of maturity (*i.e.,* the year of the maturity or effective maturity of all Municipal Bonds within the Underlying Index), the Underlying Indexes do not rebalance or add new Municipal Bonds. As Municipal Bonds included in the Underlying Indexes are called or mature, the Underlying Indexes will transition to VRDOs. To be included in the Underlying Index, such VRDOs must have an investment grade credit rating (based on an average of ratings from S&P, Fitch and Moody's) and have at least $10 million in face value outstanding. Each Fund's portfolio is rebalanced in accordance with its applicable Underlying Index.

The Municipal Bonds in which a Fund invests have an actual or effective year of maturity in the year indicated by its name, and each Fund will terminate on or about December 15 of such year. For example, the Invesco BulletShares 2021 Municipal Bond ETF will terminate on or about December 15, 2021. The Board of Trustees of the Trust (the ''Board'') may change the termination date to an earlier or later date without shareholder approval. In the final year of operation, when the Municipal Bonds held by a Fund are called or mature, the proceeds will not be reinvested in the Municipal Bonds within the Underlying Index but instead, in connection with the Underlying Index's transition to VRDOs, the Fund's portfolio will transition to any combination of VRDOs,[13] certain derivatives,[14] ETFs,[15] including ETFs advised by the Adviser, cash and cash equivalents, including shares of money market funds advised by the Adviser or its affiliates and investment grade short-term commercial paper,[16] as well as Municipal Bonds not included in its respective Underlying Index, but which the Adviser believes will help the Fund track the Underlying Index.

Each Fund has elected and intends to qualify each year as a ''regulated investment company'' (sometimes referred to as a ''RIC'') under Subchapter M of Chapter 1 of Subtitle A of the

[10] As used herein, VRDOs are separate from, and not included in the definition of, Municipal Bonds.

[11] For example, bonds contained in the Invesco BulletShares® Municipal Bond 2021 Index will have actual or effective maturities in the year 2021.

[12] Effective maturity is established at each monthly rebalance only for new bonds that have been issued since the last rebalance. Effective maturity for all other bonds currently in the investment universe are not reevaluated, except during the June and December rebalances.

[13] VRDOs are tax-exempt obligations issued by U.S. states, state agencies, territories and possessions of the United States, the District of Columbia, or local government that contain a floating or variable interest rate adjustment formula and a right of demand on the part of the holder thereof to receive payment of the unpaid principal balance plus accrued interest upon a short notice period not to exceed seven days.

[14] The Funds may invest in the following derivative instruments: Exchange-traded futures on fixed income securities, fixed income security indices, interest rates and currencies; exchange-traded and over-the-counter (''OTC'') options on fixed income securities, interest rates, currencies, interest rate futures contracts, and fixed income security indices; exchange-traded and OTC interest rate and inflation swaps; and OTC total return swaps and forwards on fixed income securities, fixed income security indices, and fixed income security futures. *See* ''Other Investments of the Funds'' for additional information on the Funds' investments in derivatives. At least 90% of each Fund's net assets that are invested in listed derivatives will be invested in instruments that trade in markets that are members or affiliates of members of the Intermarket Surveillance Group (''ISG'') or are parties to a comprehensive surveillance sharing agreement with the Exchange.

[15] The ETFs in which a Fund may invest include Index Fund Shares (as described in Nasdaq Rule 5705(b)), Portfolio Depositary Receipts (as described in Nasdaq Rule 5705(a)), and Managed Fund Shares (as described in Nasdaq Rule 5735). The shares of ETFs in which a Fund may invest will be limited to securities that trade in markets that are members of the ISG, which includes all U.S. national securities exchanges, or exchanges that are parties to a comprehensive surveillance sharing agreement with the Exchange. A Fund will not invest in leveraged or inverse-leveraged ETFs. A Fund will not invest in non-U.S. exchanged-listed ETFs.

[16] In addition to general commercial paper, the Funds may hold short-term tax-exempt notes (such as bond anticipation notes (BANs), tax anticipation notes (TANs), tax and revenue anticipation notes (TRANs) and revenue anticipation notes (RANs)). Such instruments are short-term notes issued by U.S. states, state agencies, territories and possessions of the United States, the District of Columbia, or local government and payable from a defined source of anticipated revenues (*e.g.,* BANs are repaid from the proceeds of issuance of long-term bonds whereas TRANs are repaid from future tax receipts and revenues of the government unit). Although the index methodology for each Underlying Index does not contemplate the inclusion of commercial paper or municipal notes in the Underlying Indexes, the Adviser may utilize such instruments in furtherance of a Funds' investment strategy.

Internal Revenue Code of 1986, as amended.[17]

Other Investments of the Funds

While under normal market conditions a Fund will invest at least 80% of its assets pursuant to the Index Tracking Policy described above, each Fund may invest its remaining assets in VRDOs, certain derivatives, ETFs, including ETFs advised by the Adviser, cash and cash equivalents, including shares of money market funds advised by the Adviser or its affiliates and short-term investment grade commercial paper,[18] as well as Municipal Bonds not included in its respective Underlying Index, but which the Adviser believes will help the Fund track the Underlying Index.

Investment Restrictions of the Funds

Each Fund may hold up to an aggregate amount of 15% of its net assets in illiquid assets (calculated at the time of investment), including commercial instruments deemed illiquid by the Adviser.[19] Each Fund will monitor its portfolio liquidity on an ongoing basis to determine whether, in light of current circumstances, an adequate level of liquidity is being maintained, and will consider taking appropriate steps in order to maintain adequate liquidity if, through a change in values, net assets, or other circumstances, more than 15% of the Fund's net assets are held in illiquid securities or other illiquid assets. Illiquid securities and other illiquid assets shall be determined in accordance with Commission staff guidance.[20]

Each Fund's investments will be consistent with the Fund's investment objective. A Fund's investments will not be used to enhance leverage. That is, while a Fund will be permitted to borrow as permitted under the 1940 Act, no Fund will be operated as a ''leveraged ETF,'' *i.e.,* it will not be operated in a manner designed to seek a multiple or inverse multiple of the performance of the Fund's Underlying Index (as defined in its investment objective).

Descriptions of the Underlying Indexes

Each Fund will seek to track the investment results (before fees and expenses) of its Underlying Index. The Exchange is submitting this proposed rule change because the Underlying Index for each Fund does not meet all of the ''generic'' listing requirements of Rule 5705(b)(4)(A) applicable to the listing of Index Fund Shares based on fixed income securities indexes. Each Underlying Index (both prior to its final year of maturity, and as it transitions to VRDOs in its final year) meets all such requirements except for those set forth in Rule 5705(b)(4)(A)(ii).[21] Although the Underlying Indexes do not meet the requirements of Rule 5705(b)(4)(A)(ii), they each have substitute characteristics that support their listing, as discussed below for each Underlying Index.

2021 Index

As of May 31, 2019, 94.34% of the weight of the 2021 Index components was comprised of individual bonds that were part of a larger Municipal Bond offering with a total minimum original principal amount outstanding of $100 million or more for all bonds within the offering in aggregate. In addition, the aggregate face amount outstanding of bonds in the 2021 Index was approximately $94.63 billion, the total market value of the bonds was approximately $102.44 billion, and the average face amount outstanding per bond in the 2021 Index was approximately $38.40 million. Further, the most heavily weighted component represented 0.85% of the weight of the 2021 Index and the aggregate weight of the five most heavily weighted components represented 2.85% of the weight of the 2021 Index.[22]

Given these statistics, and the fact that the 2021 Index is comprised of over 500 bonds (as of May 31, 2019, the 2021 Index was composed of 2,464 bonds from issuers in 52 different states or U.S. territories), the Exchange believes that, notwithstanding that the 2021 Index does not satisfy the criterion in Rule 5705(b)(4)(A)(ii), the 2021 Index is sufficiently broad-based to deter potential manipulation. In addition, a substantial portion (94.34%) of the 2021 Index weight is comprised of bonds that were part of a larger municipal offering with a total minimum original principal amount outstanding of $100 million or more in aggregate, and in view of the substantial aggregate face amount outstanding of the bonds and the average face amount outstanding per 2021 Index component, as referenced above.[23] Further, 58.96% of the 2021 Index weight consisted of bonds with a rating of AA/Aa2 or higher.

2022 Index

As of May 31, 2019, 93.74% of the weight of the 2022 Index components was comprised of individual bonds that were part of a larger Municipal Bond offering with a total minimum original principal amount outstanding of $100 million or more for all bonds within the offering in aggregate. In addition, the aggregate face amount outstanding of bonds in the 2022 Index was approximately $110.53 billion, the total market value of the bonds was approximately $121.58 billion, and the average face amount outstanding per bond in the 2022 Index was approximately $38.46 million. Further, the most heavily weighted component represented 0.45% of the weight of the 2022 Index and the aggregate weight of the five most heavily weighted components represented 2.03% of the weight of the 2022 Index.

Given these statistics, and the fact that the 2022 Index is comprised of over 500 bonds (as of May 31, 2019, the 2022 Index was composed of 2,874 bonds from issuers in 51 different states or U.S. territories), the Exchange believes that, notwithstanding that the 2022 Index does not satisfy the criterion in Rule 5705(b)(4)(A)(ii), the 2022 Index is sufficiently broad-based to deter potential manipulation. In addition, a substantial portion (93.74%) of the 2022 Index weight is comprised of bonds that were part of a larger municipal offering

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[17] 26 U.S.C. 851.

[18] *See supra* footnotes 13–16 for descriptions of all such instruments.

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

[20] Long-standing Commission guidelines have required open-end funds to hold no more than 15% of their net assets in illiquid securities and other illiquid assets. *See* Investment Company Act Release No. 28193 (March 11, 2008), 73 FR 14618 (March 18, 2008), FN 34. *See also* Investment Company Act Release Nos. 5847 (October 21, 1969), 35 FR 19989 (December 31, 1970) (Statement Regarding ''Restricted Securities''); and 18612 (March 12, 1992), 57 FR 9828 (March 20, 1992) (Revisions of Guidelines to Form N–1A). A fund's portfolio security is illiquid if it cannot be disposed of in the ordinary course of business within seven days at approximately the value ascribed to it by the fund. *See* Investment Company Act Release Nos. 14983 (March 12, 1986), 51 FR 9773 (March 21, 1986) (adopting amendments to Rule 2a–7 under the 1940 Act); and 17452 (April 23, 1990), 55 FR 17933 (April 30, 1990) (adopting Rule 144A under the Securities Act of 1933).

[21] *Supra* footnote 6.

[22] Rule 5705(b)(4)(A)(iv) provides that no component fixed-income security (excluding Treasury Securities) will represent more than 30% of the Fixed Income Securities portion of the weight of the index or portfolio, and the five highest weighted component fixed-income securities do not in the aggregate account for more than 65% of the Fixed Income Securities portion of the weight of the index or portfolio.

[23] The Adviser represents that when bonds are close substitutes for one another, pricing vendors can use executed trade information from all similar bonds as pricing inputs for an individual security. This can make individual securities more liquid.

with a total minimum original principal amount outstanding of $100 million or more in aggregate, and in view of the substantial aggregate face amount outstanding of the bonds and the average face amount outstanding per 2022 Index component, as referenced above. Further, 49.71% of the 2022 Index weight consisted of bonds with a rating of AA/Aa2 or higher.

2023 Index

As of May 31, 2019, 92.87% of the weight of the 2023 Index components was comprised of individual bonds that were part of a larger Municipal Bond offering with a total minimum original principal amount outstanding of $100 million or more for all bonds within the offering in aggregate. In addition, the aggregate face amount outstanding of bonds in the 2023 Index was approximately $98.34 billion, the total market value of the bonds was approximately $111.13 billion, and the average face amount outstanding per bond in the 2023 Index was approximately $40.24 million. Further, the most heavily weighted component represented 0.61% of the weight of the 2023 Index and the aggregate weight of the five most heavily weighted components represented 2.80% of the weight of the 2023 Index.

Given these statistics, and the fact that the 2023 Index is comprised of over 500 bonds (as of May 31, 2019, the 2023 Index was composed of 2,444 bonds from issuers in 49 different states or U.S. territories), the Exchange believes that, notwithstanding that the 2023 Index does not satisfy the criterion in Rule 5705(b)(4)(A)(ii), the 2023 Index is sufficiently broad-based to deter potential manipulation. In addition, a substantial portion (92.87%) of the 2023 Index weight is comprised of bonds that were part of a larger municipal offering with a total minimum original principal amount outstanding of $100 million or more in aggregate, and in view of the substantial aggregate face amount outstanding of the bonds and the average face amount outstanding per 2023 Index component, as referenced above. Further, 48.68% of the 2023 Index weight consisted of bonds with a rating of AA/Aa2 or higher.

2024 Index

As of May 31, 2019, 94.81% of the weight of the 2024 Index components was comprised of individual bonds that were part of a larger Municipal Bond offering with a total minimum original principal amount outstanding of $100 million or more for all bonds within the offering in aggregate. In addition, the aggregate face amount outstanding of bonds in the 2024 Index was approximately $95.12 billion, the total market value of the bonds was approximately $109.47 billion, and the average face amount outstanding per bond in the 2024 Index was approximately $38.78 million. Further, the most heavily weighted component represented 0.53% of the weight of the 2024 Index and the aggregate weight of the five most heavily weighted components represented 2.38% of the weight of the 2024 Index.

Given these statistics, and the fact that the 2024 Index is comprised of over 500 bonds (as of May 31, 2019, the 2024 Index was composed of 2,453 bonds from issuers in 48 different states or U.S. territories), the Exchange believes that, notwithstanding that the 2024 Index does not satisfy the criterion in Rule 5705(b)(4)(A)(ii), the 2024 Index is sufficiently broad-based to deter potential manipulation. In addition, a substantial portion (94.81%) of the 2024 Index weight is comprised of bonds that were part of a larger municipal offering with a total minimum original principal amount outstanding of $100 million or more in aggregate, and in view of the substantial aggregate face amount outstanding of the bonds and the average face amount outstanding per 2024 Index component, as referenced above. Further, 54.14% of the 2024 Index weight consisted of bonds with a rating of AA/Aa2 or higher.

2025 Index

As of May 31, 2019, 93.72% of the weight of the 2025 Index components was comprised of individual bonds that were part of a larger Municipal Bond offering with a total minimum original principal amount outstanding of $100 million or more for all bonds within the offering in aggregate. In addition, the aggregate face amount outstanding of bonds in the 2025 Index was approximately $101.69 billion, the market value of the bonds was approximately $118.29 billion, and the average face amount outstanding per bond in the 2025 Index was approximately $37.73 million. Further, the most heavily weighted component represented 0.57% of the weight of the 2025 Index and the aggregate weight of the five most heavily weighted components represented 2.11% of the weight of the 2025 Index.

Given these statistics, and the fact that the 2025 Index is comprised of over 500 bonds (as of May 31, 2019, the 2025 Index was composed of 2,695 bonds from issuers in 48 different states or U.S. territories), the Exchange believes that, notwithstanding that the 2025 Index does not satisfy the criterion in Rule 5705(b)(4)(A)(ii), the 2025 Index is sufficiently broad-based to deter potential manipulation. In addition, a substantial portion (93.72%) of the 2025 Index weight is comprised of bonds that were part of a larger municipal offering with a total minimum original principal amount outstanding of $100 million or more in aggregate, and in view of the substantial aggregate face amount outstanding of the bonds and the average face amount outstanding per 2025 Index component, as referenced above. Further, 52.78% of the 2025 Index weight consisted of bonds with a rating of AA/Aa2 or higher.

2026 Index

As of May 31, 2019, 95.07% of the weight of the 2026 Index components was comprised of individual bonds that were part of a larger Municipal Bond offering with a total minimum original principal amount outstanding of $100 million or more for all bonds within the offering in aggregate. In addition, the aggregate face amount outstanding of bonds in the 2026 Index was approximately $112.32 billion, the total market value of the bonds was approximately $131.57 billion, and the average face amount outstanding per bond in the 2026 Index was approximately $36.74 million. Further, the most heavily weighted component represented 0.43% of the weight of the 2026 Index and the aggregate weight of the five most heavily weighted components represented 1.66% of the weight of the 2026 Index.

Given these statistics, and the fact that the 2026 Index is comprised of over 500 bonds (as of May 31, 2019, the 2026 Index was composed of 3,057 bonds from issuers in 47 different states or U.S. territories), the Exchange believes that, notwithstanding that the 2026 Index does not satisfy the criterion in Rule 5705(b)(4)(A)(ii), the 2026 Index is sufficiently broad-based to deter potential manipulation. In addition, a substantial portion (95.07%) of the 2026 Index weight is comprised of bonds that were part of a larger municipal offering with a total minimum original principal amount outstanding of $100 million or more in aggregate, and in view of the substantial aggregate face amount outstanding of the bonds and the average face amount outstanding per 2026 Index component, as referenced above. Further, 50.35% of the 2026 Index weight consisted of bonds with a rating of AA/Aa2 or higher.

2027 Index

As of May 31, 2019, 94.90% of the weight of the 2027 Index components was comprised of individual bonds that were part of a larger Municipal Bond offering with a total minimum original principal amount outstanding of $100 million or more for all bonds within the offering in aggregate. In addition, the aggregate face amount outstanding of bonds in the 2027 Index was approximately $100.30 billion, the total market value of the bonds was approximately $118.71 billion, and the average face amount outstanding per bond in the 2027 Index was approximately $38.30 million. Further, the most heavily weighted component represented 0.71% of the weight of the 2027 Index and the aggregate weight of the five most heavily weighted components represented 2.58% of the weight of the 2027 Index.

Given these statistics, and the fact that the 2027 Index is comprised of over 500 bonds (as of May 31, 2019, the 2027 Index was composed of 2,619 bonds from issuers in 51 different states or U.S. territories), the Exchange believes that, notwithstanding that the 2027 Index does not satisfy the criterion in Rule 5705(b)(4)(A)(ii), the 2027 Index is sufficiently broad-based to deter potential manipulation. In addition, a substantial portion (94.90%) of the 2027 Index weight is comprised of bonds that were part of a larger municipal offering with a total minimum original principal amount outstanding of $100 million or more in aggregate, and in view of the substantial aggregate face amount outstanding of the bonds and the average face amount outstanding per 2027 Index component, as referenced above. Further, 52.90% of the 2027 Index weight consisted of bonds with a rating of AA/Aa2 or higher.

2028 Index

As of May 31, 2019, 94.63% of the weight of the 2028 Index components was comprised of individual bonds that were part of a larger Municipal Bond offering with a total minimum original principal amount outstanding of $100 million or more for all bonds within the offering in aggregate. In addition, the aggregate face amount outstanding of bonds in the 2028 Index was approximately $74.66 billion, the total market value of the bonds was approximately $89.17 billion, and the average face amount outstanding per bond in the 2028 Index was approximately $42.13 million. Further, the most heavily weighted component represented 0.68% of the weight of the 2028 Index and the aggregate weight of the five most heavily weighted components represented 2.71% of the weight of the 2028 Index.

Given these statistics, and the fact that the 2028 Index is comprised of over 500 bonds (as of May 31, 2019, the 2028 Index was composed of 1,772 bonds from issuers in 48 different states or U.S. territories), the Exchange believes that, notwithstanding that the 2028 Index does not satisfy the criterion in Rule 5705(b)(4)(A)(ii), the 2028 Index is sufficiently broad-based to deter potential manipulation. In addition, a substantial portion (94.63%) of the 2028 Index weight is comprised of bonds that were part of a larger municipal offering with a total minimum original principal amount outstanding of $100 million or more in aggregate, and in view of the substantial aggregate face amount outstanding of the bonds and the average face amount outstanding per 2028 Index component, as referenced above. Further, 54.39% of the 2028 Index weight consisted of bonds with a rating of AA/Aa2 or higher.

2029 Index

As of May 31, 2019, 96.28% of the weight of the 2029 Index components was comprised of individual bonds that were part of a larger Municipal Bond offering with a total minimum original principal amount outstanding of $100 million or more for all bonds within the offering in aggregate. In addition, the aggregate face amount outstanding of bonds in the 2029 Index was approximately $24.27 billion, the total market value of the bonds was approximately $29.19 billion, and the average face amount outstanding per bond in the 2029 Index was approximately $39.15 million. Further, the most heavily weighted component represented 1.18% of the weight of the 2029 Index and the aggregate weight of the five most heavily weighted components represented 5.13% of the weight of the 2029 Index.

Given these statistics, and the fact that the 2029 Index is comprised of over 500 bonds (as of May 31, 2019, the 2029 Index was composed of 620 bonds from issuers in 39 different states or U.S. territories), the Exchange believes that, notwithstanding that the 2029 Index does not satisfy the criterion in Rule 5705(b)(4)(A)(ii), the 2029 Index is sufficiently broad-based to deter potential manipulation. In addition, a substantial portion (96.28%) of the 2029 Index weight is comprised of bonds that were part of a larger municipal offering with a total minimum original principal amount outstanding of $100 million or more in aggregate, and in view of the substantial aggregate face amount outstanding of the bonds and the average face amount outstanding per 2029 Index component, as referenced above. Further, 50.47% of the 2029 Index weight consisted of bonds with a rating of AA/Aa2 or higher.

All Underlying Indexes

Each Underlying Index will, on a continuous basis, contain at least 500 component securities. In addition, prior to its final year, at least 90% of the weight of each Underlying Index will be comprised of Municipal Bonds that have an outstanding face amount per bond of at least $10 million and were issued as part of a larger Municipal Bond offering with a total minimum original principal amount outstanding of $100 million or more for all bonds within the offering in aggregate. During its final year, each Underlying Index will transition to VRDOs and, in doing so, at least 90% of the weight of the VRDO components of each Underlying Index will have an outstanding face amount per VRDO of at least $10 million and at least 40% of the weight of the VRDO components of each Underlying Index will have been issued as part of a larger VRDO offering with a total minimum original principal amount outstanding of $100 million or more for all VRDOs within the offering in aggregate.[24]

Further, as each Underlying Index transitions to VRDOs in its final year, the Municipal Bond components that have not been called or matured (and therefore remain in the Underlying Index) will continue to meet the criteria discussed above (*i.e.,* 90% of the weight of the Municipal Bond components will have an outstanding face amount of at least $10 million and will have been issued as part of a larger Municipal Bond offering with a total minimum original principal amount outstanding of $100 million or more for all bonds within the offering in aggregate).

Each Underlying Index value, calculated and disseminated at least once daily, will be available from major market data vendors. The top ten constituents of each Underlying Index, including their coupon rates, maturity dates and weightings, as of the last day of the prior month are disclosed on the Index Provider's website at *www.invescoindexing.com.* The rules governing the Underlying Indexes are also available on the Index Provider's

[24] The Commission previously has approved a proposed rule change relating to listing and trading of an ETF based on a VRDO index. *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 "Comparable VRDO Filing").

website and described in each Fund's prospectus. In addition, as more fully described below, the portfolio of securities held by each Fund will be disclosed daily on the Funds' website at *www.invesco.com/ETFs.*

Discussion

Based on the characteristics of the Underlying Indexes and the representations made in the Descriptions of the Underlying Indexes and All Underlying Indexes sections above, the Exchange believes it is appropriate to allow the listing and trading of the Shares. The Underlying Indexes and Funds (both prior to its final year of maturity, and as it transitions to VRDOs in its final year) each satisfy all of the generic listing requirements of Rule 5705(b)(4)(A) applicable to the listing of Index Fund Shares based on fixed income securities indexes, except for the minimum principal amount outstanding requirement of Rule 5705(b)(4)(A)(ii). The Exchange notes that the representations in the Descriptions of the Underlying Indexes and All Underlying Indexes sections include substantially similar representations: (i) Regarding the Municipal Bond components of the Underlying Indexes, to the representations that appear in the Comparable Filing with respect to the S&P AMT-Free Municipal Callable Factor Adjusted 2026 Series Index, the S&P AMT-Free Municipal Callable Factor Adjusted 2027 Series Index, and the S&P AMT-Free Municipal Callable Factor Adjusted 2028 Series Index (collectively, with the S&P AMT-Free Municipal Callable Factor Adjusted 2026 Series Index and the S&P AMT-Free Municipal Callable Factor Adjusted 2027 Series Index, the ''Comparable Indexes''); and (ii) regarding the VRDO components of the Underlying Indexes, to the representations that appear in the Comparable VRDO Filing with respect to the Bloomberg US Municipal AMT-Free Weekly VRDO Index (the ''Comparable VRDO Index''). [25]

The Comparable Filing included the representation that a bond must be investment-grade and must have an outstanding par value of at least $2 million in order to be included in the Comparable Indexes. Further, the Comparable Filing included a representation that each Comparable Index will have at least 500 constituents on a continuous basis. Similarly, the Comparable VRDO Filing included the representation that at least 90% of the weight of the Comparable VRDO Index would be comprised of securities that have a minimum amount outstanding of $10 million and, further, that the Comparable VRDO Index will have at least 500 constituents on a continuous basis. As noted above, each Underlying Index requires that, in order to remain in the Underlying Index, Municipal Bonds must be investment-grade and maintain a face value outstanding of over $12 million and, as each Underlying Index transitions to VRDOs in its final year, such VRDO components must be investment-grade and maintain a face value outstanding of over $10 million.

In addition, as stated above: (i) Prior to its final year, at least 90% of the weight of each Underlying Index will be comprised of Municipal Bonds that have an outstanding face amount per bond of at least $10 million and were issued as part of a larger Municipal Bond offering with a total minimum original principal amount outstanding of $100 million or more for all bonds within the offering in aggregate; and (ii) during its final year, as each Underlying Index transitions to VRDOs, at least 90% of the weight of the VRDO components of each Underlying Index will have an outstanding face amount per VRDO of at least $10 million and at least 40% of the weight of the VRDO components of each Underlying Index will have been issued as part of a larger VRDO offering with a total minimum original principal amount outstanding of $100 million or more for all VRDOs within the offering in aggregate. Further, the Adviser has represented that each Underlying Index will have at least 500 constituents on a continuous basis.

As such, the Exchange believes that the proposal is consistent with the Exchange Act because the representations regarding the quality and size of the issuances included in each Underlying Index provide a strong degree of protection against index manipulation that is consistent with other proposals that have either been approved for listing and trading by the Commission or were effective upon filing.

Availability of Information

The Funds' website *www.invesco.com/ETFs,* which is publicly available at no charge, will include the prospectus for each Fund that may be downloaded. On each Business Day, before commencement of trading in Shares in the Regular Market Session [26] on the Exchange, the Adviser will disclose on the Funds' website the identities and quantities of the portfolio of securities and other assets in the daily disclosed portfolio held by the Funds that will form the basis for each Fund's calculation of net asset value (''NAV'') at the end of the Business Day (the ''Disclosed Portfolio''). The Disclosed Portfolio will include, as applicable: Ticker symbol, CUSIP number or other identifier, if any; a description of the holding (including the type of holding, such as the type of swap); the identity of the security, security index or other asset or instrument underlying the holding, if any; for options, the option strike price; quantity held (as measured by, for example, par value, notional value or number of shares, contracts or units); maturity date, if any; coupon rate, if any; effective date, if any; market value of the holding; and the percentage weighting of the holding in the Fund's portfolio. The website information will be publicly available at no charge.

The Funds' website will also include the ticker symbol for the Shares, CUSIP and exchange information, along with additional quantitative information updated on a daily basis, including, for each Fund: (1) Daily trading volume, the prior Business Day's reported NAV, closing price and mid-point of the bid/ask spread at the time of calculation of such NAV (the ''Bid/Ask Price''),[27] and a calculation of the premium and discount of the Bid/Ask Price against the NAV; and (2) data in chart format displaying the frequency distribution of discounts and premiums of the daily Bid/Ask Price against the NAV, within appropriate ranges, for the most recently completed calendar year and each of the four most recently completed calendar quarters since that year (or the life of the Fund if shorter).

Information regarding the Intra-day Indicative Value (''IIV'') of the Shares is disseminated at least every 15 seconds throughout each trading day by the Reporting Authority (as that term is defined in Rule 5705(b)(1)(C)), including through the Nasdaq Information LLC proprietary index data service. However, the IIV should not be

[25] Although the Comparable Indexes and Comparable VRDO Index differ in certain respects from the Municipal Bond components and VRDO components of the Underlying Indexes, respectively, including differences in certain criteria for inclusion, the Exchange believes that the Underlying Indexes and Funds provide substantially similar protections against index manipulation to those protections discussed in the Comparable Filing and Comparable VRDO Filing.

[26] *See* Nasdaq Rule 4120(b)(4) (describing the three trading sessions on the Exchange: (1) Pre-Market Session from 4 a.m. to 9:30 a.m. E.T.; (2) Regular Market Session from 9:30 a.m. to 4 p.m. or 4:15 p.m. E.T.; and (3) Post-Market Session from 4 p.m. or 4:15 p.m. to 8 p.m. E.T.).

[27] The Bid/Ask Price of each Fund will be determined using the mid-point of the highest bid and the lowest offer on the Exchange as of the time of calculation of the Fund's NAV. The records relating to Bid/Ask Prices will be retained by each Fund and its service providers.

viewed as a ''real-time'' update of a Fund's NAV. The dissemination of the IIV, together with the Disclosed Portfolio, will allow investors to determine the value of the underlying portfolio of a Fund on a daily basis and will provide a close estimate of that value throughout the trading day.

Intraday executable price quotations on Municipal Bonds and VRDOs held by a Fund and other assets held by a Fund not traded on an exchange, including OTC derivatives (OTC options, swaps and forwards) and cash equivalents will be available from major broker-dealer firms or market data vendors, as well as from automated quotation systems, published or other public sources, or online information services. Intra-day and closing price information related to cash and cash equivalents, including money market funds, investment grade short-term commercial paper and investment grade short-term tax-exempt notes, held by each Fund also will be available through subscription services, such as Bloomberg, Markit and Thomson Reuters, which can be accessed by Authorized Participants and other investors. The Municipal Securities Rulemaking Board's (''MSRB'') Electronic Municipal Market Access (''EMMA'') will be a source of price information for Municipal Bonds. For exchange-traded assets, including ETFs, futures, certain options and swaps, such intraday information is available directly from the applicable listing exchange. In addition, price information for U.S. exchange-traded options will be available from the Options Price Reporting Authority.

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 for the Shares will be available via Nasdaq proprietary quote and trade services, as well as in accordance with the Unlisted Trading Privileges (''UTP'') plan and the Consolidated Tape Association (''CTA'') plans for the Shares. Information regarding the previous day's closing price and trading volume for the Shares will be published daily in the financial section of newspapers.

Additional information regarding the Funds and the Shares, including investment strategies, risks, creation and redemption procedures, fees, portfolio holdings disclosure policies, distributions and taxes, will be included in the Registration Statement. Investors also will be able to obtain the Funds' Statement of Additional Information (''SAI'') and its Trust's Form N–CEN, each of which is filed at least annually. Further, investors will be able to obtain each Fund's Shareholder Reports and its Trust's Form N–CSR, each of which is filed twice a year. The Funds' SAI and Shareholder Reports will be available free upon request from the Trust, and those documents and the Form N–CSR and Form N–CEN may be viewed on-screen or downloaded from the Commission's website at *www.sec.gov.*

Initial and Continued Listing of the Fund's Shares

The Shares will conform to the initial and continued listing criteria applicable to Index Fund Shares, as set forth under Rule 5705, except Rule 5705(b)(4)(A)(ii). The Exchange represents that, for initial and continued listing, each Fund will be in compliance with Rule 10A–3 [28] under the Securities Exchange Act of 1934, as amended (the ''Exchange Act''). A minimum of 100,000 Shares will be outstanding for each Fund at the commencement of trading on the Exchange. The Exchange will obtain a representation from the issuer of the Shares that the NAV per Share for each Fund will be calculated daily and that the NAV and the Disclosed Portfolio of each Fund will be made available to all market participants at the same time.

Trading Halts of the Funds' Shares

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 a Fund. Nasdaq will halt trading in the Shares under the conditions specified in Nasdaq Rules 4120 and 4121, including the trading pauses under Nasdaq Rules 4120(a)(12). 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. These may include: (1) The extent to which trading is not occurring in the securities and/or the financial instruments constituting the Disclosed Portfolio of a Fund; or (2) whether other unusual conditions or circumstances detrimental to the maintenance of a fair and orderly market are present. Trading in the Shares also will be subject to Nasdaq Rule 5705(b)(9), which sets forth circumstances under which Index Fund Shares may be halted.

Trading Rules

Nasdaq deems the Shares to be equity securities, thus rendering trading in the Shares subject to Nasdaq's existing rules governing the trading of equity securities. Regular market session trading, in accordance with Nasdaq Rule 5705(b)(7), will occur between 9:30 a.m. and either 4:00 p.m. or 4:15 p.m. for each series of Index Fund Shares, as specified by Nasdaq. In addition, Nasdaq may designate each series of Index Fund Shares for trading during a pre-market session beginning at 4:00 a.m. and/or a post-market session ending at 8:00 p.m. The Exchange has appropriate rules to facilitate transactions in the Shares during all trading sessions.

Surveillance

The Exchange represents that trading in the Shares will be subject to the existing trading surveillances, administered by the Exchange and also by FINRA, on behalf of the Exchange.[29] Such trading surveillances 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 in all trading sessions and to deter and detect violations of Exchange rules and applicable federal securities laws.

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. FINRA, on behalf of the Exchange, will communicate as needed regarding trading in the Shares and exchange-traded securities and instruments held by the Funds with other markets and other entities that are members of the ISG,[30] and FINRA may obtain trading information regarding trading in the Shares and exchange-traded securities and instruments held by a Fund (including ETFs and exchange-traded derivatives) from such markets and other entities. Moreover, FINRA, on behalf of the Exchange, will be able to access, as needed, trade information for certain debt securities held by each Fund reported to FINRA's TRACE, or the MSRB.

In addition, the Exchange will communicate as needed and may obtain information regarding trading in the Shares and exchange-traded securities and instruments held by a Fund from markets and other entities that are

[28] *See* 17 CFR 240.10A–3.

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

[30] For a list of the current members of ISG, *see www.isgportal.org.*

members of ISG, which includes securities exchanges, or with which the Exchange has in place a comprehensive surveillance sharing agreement.[31]

In addition, the Exchange also has a general policy prohibiting the distribution of material, non-public information by its employees.

In addition, the Exchange represents that the Shares will comply with all other requirements applicable to Index Fund Shares, which includes requirements relating to the dissemination of key information such as the Underlying Index value, the NAV, and the IIV, rules governing the trading of equity securities, trading hours, trading halts, fire walls for the Index Provider and Adviser, surveillance, and the Information Bulletin, as set forth in Exchange rules applicable to Index Fund Shares and the orders approving such rules.

Information Circular

Prior to the commencement of trading, the Exchange will inform its members in an Information Circular of the special characteristics and risks associated with trading the Shares. Specifically, the Information Circular will discuss the following: (1) The procedures for purchases and redemptions of Shares in Creation Units (and that Shares are not individually redeemable); (2) Nasdaq Rule 2111A, which imposes suitability obligations on Nasdaq members with respect to recommending transactions in the Shares to customers; (3) how information regarding the IIV and the Disclosed Portfolio is disseminated; (4) the risks involved in trading the Shares during the Pre-Market and Post-Market Sessions when an updated IIV will not be calculated or publicly disseminated; (5) the requirement that members purchasing Shares from the Funds for resale to investors deliver a prospectus to investors purchasing newly issued Shares prior to or concurrently with the confirmation of a transaction; and (6) trading information.

In addition, the Information Circular will advise members, prior to the commencement of trading, of the prospectus delivery requirements applicable to each Fund. Members purchasing Shares from the Funds for resale to investors will deliver a prospectus to such investors. The Information Circular will also discuss any exemptive, no-action and interpretive relief granted by the Commission from any rules under the Exchange Act.

Additionally, the Information Circular will reference that each Fund is subject to various fees and expenses. The Information Circular will also disclose the trading hours of the Shares and the applicable NAV calculation time for the Funds. The Information Circular will disclose that information about the Shares will be publicly available on the Funds' website.

Continued Listing Representations

All statements and representations made in this filing regarding (a) index composition; (b) the description of the portfolios; (c) limitations on portfolio holdings or reference assets, (d) dissemination and availability of the indexes or intraday indicative values, or (e) the applicability of Exchange listing rules specified in this rule filing shall constitute continued listing requirements for listing the Shares on the Exchange. In addition, the issuer has represented to the Exchange that it will advise the Exchange of any failure by a Fund to comply with the continued listing requirements, and, pursuant to its obligations under Section 19(g)(1) of the Act, the Exchange will monitor for compliance with the continued listing requirements. If a Fund is not in compliance with the applicable listing requirements, the Exchange will commence delisting procedures under the Nasdaq 5800 Series.

2. Statutory Basis

Nasdaq believes that the proposal is consistent with Section 6(b) of the Exchange Act, in general, and Section 6(b)(5)[32] of the Exchange Act, 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, and to remove impediments to, and perfect the mechanism of a free and open market 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 will be listed and traded on the Exchange pursuant to the initial and continued listing criteria in Nasdaq Rule 5705 (with the exception of Rule 5705(b)(4)(A)(ii)). The Exchange represents that trading in the Shares will be subject to the existing trading surveillances, administered by the Exchange and also by FINRA, on behalf of the Exchange. Such trading surveillances are designed to deter and detect violations of Exchange rules and applicable federal securities laws and are adequate to properly monitor trading in the Shares in all trading sessions.

The Adviser is not a broker-dealer, but is affiliated with a broker-dealer and has implemented and will maintain a ''fire wall'' with respect to its broker-dealer affiliate regarding access to information concerning the composition and/or changes to each Fund's portfolio. In the event (a) the Adviser becomes newly affiliated with a different broker-dealer (or becomes a registered broker-dealer itself), or (b) any new adviser or sub-adviser to a Fund is a registered broker-dealer or becomes affiliated with a broker-dealer, each will implement and maintain a fire wall with respect to its relevant personnel and/or such broker-dealer affiliate, as applicable, regarding access to information concerning the composition and/or changes to each Fund's portfolio and will be subject to procedures designed to prevent the use and dissemination of material non-public information regarding each Fund's portfolio.

In addition, Nasdaq Rule 5705(b)(4)(B)(i) requires that if an Index Fund Share's underlying index maintained by a broker-dealer or fund advisor, the broker-dealer or fund advisor shall erect and maintain a ''fire wall'' around the personnel who have access to information concerning changes and adjustments to the index and the index shall be calculated by a third party who is not a broker-dealer or fund advisor. In addition, Nasdaq Rule 5705 further requires that any advisory committee, supervisory board, or similar entity that makes decisions on the index composition, methodology and related matters, must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the applicable index. As noted above, the Index Provider has implemented and will continue to maintain the fire wall required.

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 additional types of passively-managed exchange-traded products that will enhance competition among market participants, to the benefit of investors and the marketplace.

As addressed above, the Exchange believes that, notwithstanding that the Underlying Indexes do not satisfy the criterion in Rule 5705(b)(4)(A)(ii), the

[31] The Exchange notes that not all components of the Disclosed Portfolio for each Fund may trade on markets that are members of ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement.

[32] 15 U.S.C. 78(f)(b)(5).

Underlying Indexes are, and would remain, sufficiently broad-based to deter potential manipulation; each Underlying Index will, on a continuous basis, contain at least 500 component securities. Whereas Rule 5705(b)(4)(A)(v) requires that an index contain securities from a minimum of 13 non-affiliated issuers, as of May 31, 2019, the Underlying Indexes each include securities issued by municipal entities in at least 39 states or U.S. territories. Further, whereas the generic listing rules permit a single component fixed-income security to represent up to 30% of the fixed income securities portion of the weight of an index and the top five components to, in aggregate, represent up to 65% of the fixed income securities portion of the weight of an index, the largest component security in each Underlying Index constitutes no more than 1.18% of the weight of an Underlying Index and the largest five component securities represent no more than 5.13% of the weight of an Underlying Index.

The Exchange believes that this significant diversification and the lack of concentration among constituent securities provide each Underlying Index with a strong degree of protection against index manipulation. Each Underlying Index and Fund satisfy all of the generic listing requirements for Index Fund Shares based on a fixed income index, except for the minimum principal amount outstanding requirement of Rule 5705(b)(4)(A)(ii). With this in mind, the Exchange notes that the representations in the Descriptions of the Underlying Indexes and All Underlying Indexes sections are substantially similar to the representations made regarding the Comparable Indexes and the Comparable VRDO Index in the Comparable Filing and Comparable VRDO Filing, respectively.

The Comparable Filing included the representation that a bond must be investment-grade and must have an outstanding par value of at least $2 million in order to be included in the Comparable Indexes. Further, the Comparable Filing included a representation that each Comparable Index will have at least 500 constituents on a continuous basis. Similarly, the Comparable VRDO Filing included the representation that at least 90% of the weight of the Comparable VRDO Index would be comprised of securities that have a minimum amount outstanding of $10 million and, further, that the Comparable VRDO Index will have at least 500 constituents on a continuous basis. As noted above, each Underlying Index requires that, in order to remain in the Underlying Index, Municipal Bonds must be investment-grade and maintain a face value outstanding of over $12 million and, as the Underlying Indexes transition to VRDOs in their final year, VRDO components of the Underlying Indexes must also be investment grade and have a face value outstanding of over $10 million.

In addition, as stated above: (i) Prior to its final year, at least 90% of the weight of each Underlying Index will be comprised of Municipal Bonds that have an outstanding face amount per bond of at least $10 million and were issued as part of a larger Municipal Bond offering with a total minimum original principal amount outstanding of $100 million or more for all bonds within the offering in aggregate; and (ii) during its final year, as each Underlying Index transitions to VRDOs, at least 90% of the weight of the VRDO components of each Underlying Index will have an outstanding face amount per VRDO of at least $10 million and at least 40% of the weight of the VRDO components of each Underlying Index will have been issued as part of a larger VRDO offering with a total minimum original principal amount outstanding of $100 million or more for all VRDOs within the offering in aggregate. Further, the Adviser has represented that each Underlying Index will have at least 500 constituents on a continuous basis.

As such, the Exchange believes that the proposal is consistent with the Exchange Act because the representations regarding the quality and size of the issuances included in each Underlying Index provide a strong degree of protection against index manipulation that is consistent with other proposals that have either been approved for listing and trading by the Commission or were effective upon filing.

The proposed rule change is designed to promote just and equitable principles of trade and to protect investors and the public interest in that the Exchange will obtain a representation from the issuer of the Shares that the NAV per Share will be calculated daily every day that the Funds are traded, and that the NAV and the Disclosed Portfolio will be made available to all market participants at the same time. In addition, a large amount of information will be publicly available regarding the Funds and the Shares, thereby promoting market transparency. Moreover, the IIV, available on the Nasdaq Information LLC proprietary index data service, will be widely disseminated by one or more major market data vendors at least every 15 seconds during the Exchange's Regular Market Session. On each Business Day, before commencement of trading in Shares in the Regular Market Session on the Exchange, the Adviser will disclose on the Funds' website the Disclosed Portfolios of the Funds that will form the basis for each Fund's calculation of NAV at the end of the Business 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 for the Shares will be available via Nasdaq proprietary quote and trade services, as well as in accordance with the UTP plan and the CTA plans for the Shares.

The Funds' website will include a form of the prospectus for each Fund and additional data relating to NAV and other applicable quantitative information. Moreover, prior to the commencement of trading, the Exchange will inform its members in an Information Circular of the special characteristics and risks associated with trading the Shares. Trading in Shares of the Funds will be halted under the conditions specified in Nasdaq Rules 4120 and 4121 or because of market conditions or for reasons that, in the view of the Exchange, make trading in the Shares inadvisable. In addition, as noted above, investors will have ready access to information regarding each Fund's holdings, the IIV, the Disclosed Portfolio, and quotation and last sale information for the Shares.

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

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 purposes of the Exchange Act. The Exchange believes that the proposed rule change will facilitate the listing and trading of additional types of passively-managed exchange-traded products 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 either solicited or received.

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

Because the foregoing 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 for 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 Act [33] and Rule 19b–4(f)(6) thereunder.[34]

A proposed rule change filed under Rule 19b–4(f)(6) [35] normally does not become operative for 30 days after the date of the filing. However, pursuant to Rule 19b–4(f)(6)(iii),[36] the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay to allow the Funds to begin listing and trading on the Exchange without delay. The Exchange states that its representations regarding the requirements for each Underlying Index are substantially similar to those included in relation to the Comparable Indexes and Comparable VRDO Index in the Comparable Filing and Comparable VRDO Filing, respectively. Moreover, according to the Exchange, waiver of the 30-day operative delay will more quickly facilitate the listing and trading of additional exchange-traded products that will enhance competition among market participants, to the benefit of investors and the marketplace. For these reasons, the Commission believes that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. Accordingly, the Commission waives the 30-day operative delay and designates the proposed rule change operative upon filing.[37]

At any time within 60 days of the filing of such 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. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule change should be approved or 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–2019–070 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–2019–070. 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 such 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–NASDAQ–2019–070, and should be submitted on or before October 7, 2019.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[38]

Jill M. Peterson,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–86920; File No. SR–CBOE–2019–056]

Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to the Cboe Trade Match System

September 10, 2019.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the ''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on September 5, 2019, Cboe Exchange, Inc. (the ''Exchange'' or ''Cboe Options'') filed with the Securities and Exchange Commission (the ''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Exchange filed the proposal as a ''non-controversial'' proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act [3] and Rule 19b–4(f)(6) thereunder.[4] 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

Cboe Exchange, Inc. (the ''Exchange'' or ''Cboe Options'') proposes to update the Exchange's Rules regarding the Cboe Trade Match System (''CTM'') and move those Rules from the currently effective Rulebook (''current Rulebook'') to the shell structure for the Exchange's Rulebook that will become effective upon the migration of the Exchange's trading platform to the same system used by the Cboe Affiliated Exchanges (as defined below) (''shell Rulebook''). The text of the proposed rule change is provided in Exhibit 5.

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[33] 15 U.S.C. 78s(b)(3)(A).

[34] 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.

[35] 17 CFR 240.19b–4(f)(6).

[36] 17 CFR 240.19b–4(f)(6)(iii).

[37] 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).

[38] 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)(iii).

[4] 17 CFR 240.19b–4(f)(6).