

improve the ability of DTC to react to a Major Event allowing DTC to protect itself and its Participants and their ability to promptly and accurately clear and settle securities transactions, and allow DTC to safeguard securities and funds that are in its custody or control, consistent with the requirements of Section 17A(b)(3)(F) of the Act,<sup>41</sup> (ii) provide clear guidelines with respect to Major Events that would allow Participants to understand the rights and obligations of the Participants and DTC in the event of a Major Event, consistent with Rule 17Ad-22(e)(1) promulgated under the Act,<sup>42</sup> (iii) identify the officers that have the ability to determine if there is a Major Event, and provide for the ability of any management committee on which all of such officers serve, and the Board of Directors, to ratify, modify or rescind any determination of a Major Event by an officer, which would make such governance procedures clear and transparent, and specify clear and direct lines of responsibility with respect to the determination of a Major Event, consistent with Rule 17Ad-22(e)(2) promulgated under the Act,<sup>43</sup> (iv) improve the ability of DTC to act quickly, efficiently and effectively in the event of a Major Event, and mitigate any impact from such event by providing clear, efficient procedures of DTC and its Participants with respect to such event, consistent with the requirements of Rule 17Ad-22(e)(17)(i) promulgated under the Act<sup>44</sup> and (v) establish procedures designed to improve DTC's ability to act quickly, efficiently and effectively in the event of a Major Event, consistent with the requirements of Rule 17Ad-22(e)(21) promulgated under the Act.<sup>45</sup>

In addition, DTC believes that the proposed changes to add the Systems Disconnect Rule are appropriate in furtherance of the Act. Such changes have been designed to improve the ability of DTC to act quickly, efficiently and effectively in the event of a Major Event, and mitigate any impact from such event while also providing the Participants clear guidelines with respect to such event to allow Participants to understand their rights and obligations. Such changes have also been designed to apply uniformly to all Participants in the event of a Major Event and should not affect DTC's day-to-day operations under normal circumstances, or in the management of

a typical Participant default scenario or non-default event.

Therefore, DTC does not believe that the proposed rule change would impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.<sup>46</sup>

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

DTC has not received or solicited any written comments relating to this proposal. DTC will notify the Commission of any written comments received by DTC.

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

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

- (A) By order approve or disapprove such proposed rule change, or
- (B) institute proceedings to determine whether the proposed rule change should be disapproved.

**IV. Solicitation of Comments**

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

*Electronic Comments*

- Use the Commission's internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-DTC-2021-011 on the subject line.

*Paper Comments*

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549.
- All submissions should refer to File Number SR-DTC-2021-011. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<http://www.sec.gov/>

[rules/sro.shtml](#)). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of DTC and on DTCC's website (<http://dtcc.com/legal/sec-rule-filings.aspx>). 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-DTC-2021-011 and should be submitted on or before August 3, 2021.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>47</sup>

**J. Matthew DeLesDernier,**  
Assistant Secretary.

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**SECURITIES AND EXCHANGE COMMISSION**

**[Investment Company Act Release No. 34324, File No. 812-15232]**

**Hartford Funds Exchange-Traded Trust, et al.**

July 7, 2021.

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

**ACTION:** Notice.

Notice of an application for an order under section 6(c) of the Investment Company Act of 1940 ("Act") for an exemption from sections 2(a)(32), 5(a)(1), 22(d) and 22(e) of the Act and rule 22c-1 under the Act, and under sections 6(c) and 17(b) of the Act for an exemption from sections 17(a)(1) and 17(a)(2) of the Act, and under Section 12(d)(1)(f) of the Act for an exemption from sections 12(d)(1)(A) and 12(d)(1)(B) of the Act.

<sup>41</sup> 15 U.S.C. 78q-1(b)(3)(F).

<sup>42</sup> 17 CFR 240.17Ad-22(e)(1).

<sup>43</sup> 17 CFR 240.17Ad-22(e)(2).

<sup>44</sup> 17 CFR 240.17Ad-22(e)(17)(i).

<sup>45</sup> 17 CFR 240.17Ad-22(e)(21).

<sup>46</sup> 15 U.S.C. 78q-1(b)(3)(I).

<sup>47</sup> 17 CFR 200.30-3(a)(12).

**APPLICANTS:** Hartford Funds Exchange-Traded Trust (the “Trust”), Hartford Funds Management Company, LLC (the “Adviser”), and ALPS Distributors, Inc. (the “Distributor”).

**SUMMARY OF APPLICATION:** Applicants request an order (“Order”) that permits: (a) The Funds (defined below) to issue shares (“Shares”) redeemable in large aggregations only (“creation units”); (b) secondary market transactions in Shares to occur at negotiated market prices rather than at net asset value; (c) certain Funds to pay redemption proceeds, under certain circumstances, more than seven days after the tender of Shares for redemption; and (d) certain affiliated persons of a Fund to deposit securities into, and receive securities from, the Fund in connection with the purchase and redemption of creation units. The relief in the Order would incorporate by reference terms and conditions of the same relief of a previous order granting the same relief sought by applicants, as that order may be amended from time to time (“Reference Order”).<sup>1</sup>

**FILING DATE:** The application was filed on May 25, 2021.

**HEARING OR NOTIFICATION OF HEARING:** An order granting the requested relief will be issued unless the Commission orders a hearing. Interested persons may request a hearing by emailing the Commission’s Secretary at *Secretaries-Office@sec.gov* and serving applicants with a copy of the request by email. Hearing requests should be received by the Commission by 5:30 p.m. on August 2, 2021, 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 emailing the Commission’s Secretary at *Secretaries-Office@sec.gov*.

**ADDRESSES:** Secretary, U.S. Securities and Exchange Commission, *Secretaries-Office@sec.gov*. Applicants: Thomas R. Phillips, Esq., Hartford Funds Management Company, LLC, *thomas.phillips@hartfordfunds.com*.

**FOR FURTHER INFORMATION CONTACT:** Jean E. Minarick, Senior Counsel, at (202) 551–6811 or Kaitlin C. Bottock, Branch Chief, at (202) 551–6825 (Division of Investment Management, Chief Counsel’s Office).

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

### Applicants

1. The Trust is a statutory trust organized under the laws of Delaware and consists of, among other series, one or more series operating as a Fund. The Trust is registered as an open-end management investment company under the Act. Applicants seek relief with respect to Funds (as defined below), including the initial Fund (the “Initial Fund”). The Initial Fund will offer exchange-traded shares utilizing active management investment strategies as contemplated by the Reference Order.<sup>2</sup>

2. The Adviser, a Delaware limited liability company, will be the investment adviser to the Initial Fund. Subject to approval by the Trust’s board of trustees, the Adviser (as defined below) will serve as investment adviser to the Funds. The Adviser is, and any other Adviser will be, registered as an investment adviser under the Investment Advisers Act of 1940 (“Advisers Act”). The Adviser may enter into sub-advisory agreements with other investment advisers to act as sub-advisers with respect to a Fund (each a “Sub-Adviser”). Any Sub-Adviser to a Fund will be registered under the Advisers Act.

3. The Distributor is a Colorado corporation and a broker-dealer registered under the Securities Exchange Act of 1934, as amended, and will act as the principal underwriter of Shares of the Funds. Applicants request that the requested relief apply to any distributor of Shares, whether affiliated or unaffiliated with the Adviser and/or Sub-Adviser (included in the term

“Distributor”). Any Distributor will comply with the terms and conditions of the Order.

### Applicants’ Requested Exemptive Relief

4. Applicants seek the requested Order under section 6(c) of the Act for an exemption from sections 2(a)(32), 5(a)(1), 22(d) and 22(e) of the Act and rule 22c–1 under the Act, under sections 6(c) and 17(b) of the Act for an exemption from sections 17(a)(1) and 17(a)(2) of the Act and under Section 12(d)(1)(J) of the Act for an exemption from Sections 12(d)(1)(A) and 12(d)(1)(B) of the Act. The requested Order would permit applicants to offer Funds that operate as contemplated by the Reference Order. Because the relief requested is the same as certain of the relief granted by the Commission under the Reference Order and because the Adviser has entered into a licensing agreement with Fidelity Management & Research Company, or an affiliate thereof, in order to offer Funds that operate as contemplated by the Reference Order,<sup>3</sup> the Order would incorporate by reference the terms and conditions of the same relief of the Reference Order.

5. Applicants request that the Order apply to the Initial Fund and to any other existing or future registered open-end management investment company or series thereof that: (a) Is advised by the Adviser or any entity controlling, controlled by, or under common control with the Adviser (any such entity included in the term “Adviser”); (b) offers exchange-traded shares utilizing active management investment strategies as contemplated by the Reference Order; and (c) complies with the terms and conditions of the Order and the terms and conditions of the Reference Order that are incorporated by reference into the Order (each such company or series and the Initial Fund, a “Fund”).<sup>4</sup>

6. Section 6(c) of the Act provides that the Commission may exempt any person, security or transaction, or any class of persons, securities or transactions, from any provisions of the Act, if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy

<sup>1</sup> Fidelity Beach Street Trust, et al., Investment Company Act Rel. Nos. 33683 (Nov. 14, 2019) (notice) and 33712 (Dec. 10, 2019) (order). Applicants are not seeking relief under Section 12(d)(1)(J) of the Act for an exemption from Sections 12(d)(1)(A) and 12(d)(1)(B) of the Act (the “Section 12(d)(1) Relief”), and relief under Sections 6(c) and 17(b) of the Act for an exemption from Sections 17(a)(1) and 17(a)(2) of the Act relating to the Section 12(d)(1) Relief, except as necessary to allow a Fund’s receipt of Representative ETFs included in its Tracking Basket solely for purposes of effecting transactions in Creation Units (as these terms are defined in the Reference Order), notwithstanding the limits of Rule 12d1–4(b)(3). Accordingly, to the extent the terms and conditions of the Reference Order relate to such relief, they are not incorporated by reference herein other than with respect to such limited exception.

<sup>2</sup> To facilitate arbitrage, among other things, each day a Fund will publish a basket of securities and cash that, while different from the Fund’s portfolio, is designed to closely track its daily performance.

<sup>3</sup> Certain aspects of how the Funds will operate (as described in the Reference Order) are the intellectual property of Fidelity Management & Research Company (or its affiliates).

<sup>4</sup> All entities that currently intend to rely on the Order are named as applicants. Any other entity that relies on the Order in the future will comply with the terms and conditions of the Order and the terms and conditions of the Reference Order that are incorporated by reference into the Order.

and provisions of the Act. Section 17(b) of the Act authorizes the Commission to exempt a proposed transaction from section 17(a) of the Act if evidence establishes that the terms of the transaction, including the consideration to be paid or received, are reasonable and fair and do not involve overreaching on the part of any person concerned, and the transaction is consistent with the policies of the registered investment company and the general purposes of the Act. Section 12(d)(1)(J) of the Act provides that the Commission may exempt any person, security, or transaction, or any class or classes of persons, securities or transactions, from any provision of section 12(d)(1) if the exemption is consistent with the public interest and the protection of investors. Applicants submit that for the reasons stated in the Reference Order the requested relief meets the exemptive standards under sections 6(c), 17(b) and 12(d)(1)(J) of the Act.

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

**J. Matthew DeLesDernier,**  
Assistant Secretary.

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-92344; File No. SR-NASDAQ-2021-054]

### Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing of Proposed Rule Change To Modify Listing Rule IM-5101-2 To Permit an Acquisition Company To Contribute a Portion of Its Deposit Account to Another Entity in a Spin-Off or Similar Corporate Transaction

July 7, 2021.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on June 24, 2021, The Nasdaq Stock Market LLC (“Nasdaq” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The 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 modify Listing Rule IM-5101-2 to permit a SPAC to contribute a portion of the amount held in its deposit account to a deposit account of a new SPAC and spin off the new SPAC to its shareholders.

The text of the proposed rule change is available on the Exchange's website at <https://listingcenter.nasdaq.com/rulebook/nasdaq/rules>, 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.

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

###### 1. Purpose

Nasdaq proposes to modify IM-5101-2 to allow an acquisition company listed under that rule to contribute a portion of the amount held in its deposit account to a deposit account of a new acquisition company and spin off the new acquisition company to its shareholders in certain situations where the new acquisition company will be subject to all of the same requirements as the original acquisition company.

Generally, Nasdaq will not permit the initial or continued listing of a company that has no specific business plan or that has indicated that its business plan is to engage in a merger or acquisition with an unidentified company or companies. In 2008, Nasdaq adopted a rule to allow such companies to list if they meet all applicable initial listing requirements, as well as additional conditions designed to provide investor protections to address specific concerns about the structure of such companies (“acquisition companies” or “SPACs”).<sup>3</sup> These additional conditions generally

require, among other things, that at least 90% of the gross proceeds from the initial public offering must be deposited in a “deposit account,” as that term is defined in the rule, and that the SPAC complete within 36 months, or a shorter period identified by the SPAC, one or more business combinations having an aggregate fair market value of at least 80% of the value of the deposit account at the time of the agreement to enter into the initial combination.

When a SPAC conducts its initial public offering, it raises the amount of capital that it estimates will be necessary to finance a subsequent business combination with its ultimate target. However, because a SPAC cannot identify or select a specific business combination target at the time of its IPO, it often turns out that the amount raised is not optimal for the needs of a specific target. This has resulted in the inefficient, current practice of SPAC sponsors creating multiple SPACs of different sizes at the same time, with the intention to use the SPAC that is closest in size to the amount a particular target needs. This practice creates the potential for conflicts between the multiple SPACs (each of which has different shareholders) and still fails to optimize the amount of capital that would benefit the SPAC's public shareholders and a business combination target. Moreover, this creates the need for repetitive action throughout the ecosystem, including the filing and SEC review of multiple registration statements and periodic reports, formation of multiple boards of directors, multiple audits and multiple company listings. This practice also can lead to confusion amongst investors.

Accordingly, Nasdaq proposes to modify IM-5101-2 to permit a more efficient structure whereby an acquisition company can raise in its initial public offering the maximum amount of capital it anticipates it may need for a business combination transaction and then “rightsized” itself by contributing any amounts not needed to a new SPAC (the “SpinCo SPAC”), and spinning off this SpinCo SPAC to its shareholders. The SpinCo SPAC will be subject to all the provisions of IM-5101-2 in the same manner, and subject to the same timeframes, as the original SPAC.

It is expected that the new structure will be implemented in the following manner. If the listed SPAC (the “Original SPAC”) determines that it will not need all of the cash in its deposit account for its initial business combination, it will designate the excess cash for a new deposit account held by a new SPAC, the SpinCo SPAC (such

<sup>3</sup> IM-5101-2. See Securities Exchange Act Release No. 58228 (July 25, 2008), 73 FR 44794 (July 31, 2008) (adopting the predecessor to IM-5101-2).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.