

connection with certain services, transactions, and underwritings, (ii) excessive layering of fees, and (iii) overly complex fund structures, which are the concerns underlying the limits in sections 12(d)(1)(A) and (B) of the Act.

8. Applicants request an exemption from sections 17(a)(1) and 17(a)(2) of the Act to permit persons that are Affiliated Persons, or Second-Tier Affiliates, of the Funds, solely by virtue of certain ownership interests, to effectuate purchases and redemptions in-kind. The deposit procedures for in-kind purchases of Creation Units and the redemption procedures for in-kind redemptions of Creation Units will be the same for all purchases and redemptions, and Deposit Instruments and Redemption Instruments will be valued in the same manner as those investment positions currently held by the Funds. Applicants also seek relief from the prohibitions on affiliated transactions in section 17(a) to permit a Fund to sell its shares to and redeem its shares from a Fund of Funds, and to engage in the accompanying in-kind transactions with the Fund of Funds.³ The purchase of Creation Units by a Fund of Funds directly from a Fund will be accomplished in accordance with the policies of the Fund of Funds and will be based on the NAVs of the Funds.

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

proposed transaction is consistent with the policies of each registered investment company involved; and (c) the proposed transaction is consistent with the general purposes of the Act.

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

Eduardo A. Aleman,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

Submission for OMB Review; Comment Request

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE, Washington, DC 20549-2736

Extension:

Rule 19h-1, SEC File No. 270-247, OMB Control No. 3235-0259

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 ("PRA") (44 U.S.C. 3501 *et seq.*) the Securities and Exchange Commission ("Commission") has submitted to the Office of Management and Budget ("OMB") a request for approval of extension of the previously approved collection of information provided for in Rule 19h-1 (17 CFR 240.19h-1), under the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*).

Rule 19h-1 prescribes the form and content of notices and applications by self-regulatory organizations ("SROs") regarding proposed admissions to, or continuances in, membership, participation or association with a member of any person subject to a statutory disqualification.

The Commission uses the information provided in the submissions filed pursuant to Rule 19h-1 to review decisions by SROs to permit the entry into or continuance in the securities business of persons who have committed serious misconduct. The filings submitted pursuant to the Rule also permit inclusion of an application to the Commission for consent to associate with a member of an SRO notwithstanding a Commission order barring such association.

The Commission reviews filings made pursuant to the Rule to ascertain whether it is in the public interest to permit the employment in the securities business of persons subject to statutory disqualification. The filings contain information that is essential to the staff's

review and ultimate determination on whether an association or employment is in the public interest and consistent with investor protection.

It is estimated that approximately 20 respondents will make submissions pursuant to this Rule annually. With respect to submissions for Rule 19h-1(a) notices, and based upon past submissions, the staff estimates that respondents will make a total of 11 submissions per year. The staff estimates that the average number of hours necessary to complete a submission pursuant to Rule 19h-1(a) notices is 80 hours (for a total annual burden for all respondents in the amount of 17,600 hours). With respect to submissions for Rule 19h-1(a)(4) notifications, and based upon past submissions, the staff estimates that respondents will make a total of 9 submissions per year. The staff estimates that the average number of hours necessary to complete a submission pursuant to Rule 19h-1(a)(4) notifications is 80 hours (for a total annual burden for all respondents in the amount of 14,400 hours). With respect to submissions for Rule 19h-1(b), and based upon past submissions, the staff estimates that respondents will make a total of 28 submissions per year. The staff estimates that the average number of hours necessary to complete a submission pursuant to Rule 19h-1(b) is 13 hours (for a total annual burden for all respondents in the amount of 7,280 hours). With respect to submissions for Rule 19h-1(d), and based upon past submissions, the staff estimates that respondents will make a total of 5 submissions per year. The staff estimates that the average number of hours necessary to complete a submission pursuant to Rule 19h-1(d) is 80 hours (for a total annual burden for all respondents in the amount of 8,000 hours). The aggregate annual burden for all respondents is thus 47,280 hours (17,600 + 14,400 + 7,280 + 8,000).

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information under the PRA unless it displays a currently valid OMB control number.

The public may view 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

³ The requested relief would apply to direct sales of shares in Creation Units by a Fund to a Fund of Funds and redemptions of those shares. Applicants are not seeking relief from section 17(a) for, and the requested relief will not apply to, transactions where a Fund could be deemed an Affiliated Person, or a Second-Tier Affiliate, of a Fund of Funds because an Adviser or an entity controlling, controlled by or under common control with an Adviser provides investment advisory services to that Fund of Funds.

Information Officer, Securities and Exchange Commission, c/o Candace Kenner, 100 F Street NE, Washington, DC 20549, or by sending an email to: PRA_Mailbox@sec.gov. Comments must be submitted to OMB within 30 days of this notice.

Dated: April 23, 2019.

Eduardo A. Aleman,

Deputy Secretary.

[FR Doc. 2019-08469 Filed 4-25-19; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-85701; File No. SR-CboeBZX-2019-016]

Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Filing of Amendment No. 1 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1, To Allow the JPMorgan Core Plus Bond ETF of the J.P. Morgan Exchange-Traded Fund Trust To Hold Certain Instruments in a Manner That May Not Comply With Rule 14.11(i), Managed Fund Shares

April 22, 2019.

I. Introduction

On March 5, 2019, Cboe BZX Exchange, Inc. (“Exchange” or “BZX”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”) ¹ and Rule

19b-4 thereunder,² a proposed rule change to amend the listing requirements applicable to shares (“Shares”) of the JPMorgan Core Plus Bond ETF (“Fund”), which Shares are currently listed on the Exchange pursuant to the generic listing standards applicable to Managed Fund Shares under BZX Rule 14.11(i) (Managed Fund Shares). The proposed rule change was published for comment in the **Federal Register** on March 22, 2019.³ On March 28, 2019, the Exchange filed Amendment No. 1 to the proposed rule change, which amended and replaced the proposed rule change as originally filed.⁴ The Commission has received no comments on the proposed rule change. The Commission is publishing this notice to solicit comments on Amendment No. 1 from interested persons, and is approving the proposed rule change, as modified by Amendment No. 1, on an accelerated basis.

II. Description of the Proposal, as Modified by Amendment No. 1 ⁵

The Shares are currently listed on the Exchange pursuant to the Generic Listing Standards and began trading on January 30, 2019. The Shares are offered by the J.P. Morgan Exchange-Traded Fund Trust (“Trust”), which is

registered as an open-end management investment company under the Investment Company Act of 1940 (“1940 Act”).⁶ J.P. Morgan Investment Management, Inc. is the investment adviser (“Adviser”) to the Fund.⁷ JPMorgan Chase Bank, N.A. is the administrator, custodian, and transfer agent for the Trust. JPMorgan Distribution Services, Inc. serves as the distributor for the Trust.

The Exchange states that the Fund is an actively managed exchange-traded fund that seeks a high level of current income by investing primarily in a diversified portfolio of high-, medium-, and low-grade debt securities.⁸ The Exchange states that, while the Fund currently meets all of the Generic Listing Standards, the Adviser would like to increase the flexibility of the Fund’s holdings in a way that might not meet such requirements. As such, the Exchange has submitted this proposal in order to allow the Shares to continue listing and trading on the Exchange while holding certain instruments in a manner that may not comply with the Generic Listing Standards, as further described below.

A. The Fund’s Primary Investments

The Fund seeks to achieve its investment objective by investing, under

and that both listed and OTC derivative instruments will be in compliance with the limitations of BZX Rule 14.11(i)(4)(C)(vi); (g) clarified that because the Fund will not purchase Equity Holdings (as defined below) and will only hold such instruments if they are issued to the Fund by virtue of its holdings in Bonds (as defined below), Equity Holdings are excluded from the description of the Fund’s permitted investments; (h) clarified that while listed derivatives positions are limited to 20% of the Fund’s net assets, the gross notional exposure related to such positions can be significantly larger, and thus, the Fund may have gross notional exposure to Eurodollar and G-7 Sovereign Futures and Options (as defined below) in excess of 65%; (i) provided updated data on open interest in Eurodollar and G-7 Sovereign Futures and Options; (j) represented that the Fund will adhere to its stated investment objective under Normal Market Conditions (as defined below); (k) represented that the Exchange, the Financial Industry Regulatory Authority, Inc. (“FINRA”), on behalf of the Exchange, or both may obtain information regarding trading in the Shares and the underlying listed instruments held by the Fund with the Intermarket Surveillance Group (“ISG”), other markets or entities who are members or affiliates of the ISG, or with which the Exchange has entered into a comprehensive surveillance sharing agreement; (l) provided additional justification as to why the proposed changes to the Fund’s investments are consistent with the Act even though the Fund’s proposed holdings would no longer meet certain of the Generic Listing Standards; and (m) made other clarifications, corrections, and technical changes to the proposal. Amendment No. 1 to the proposed rule change is available at: <https://www.sec.gov/comments/sr-cboebzx-2019-016/srcboebzx2019016-5299386-183807.pdf>.

⁵ Additional information regarding the Fund, the Trust (as defined below), and the Shares can be found in Amendment No. 1 and the Registration Statement. See *supra* note 4 and *infra* note 6.

⁶ According to the Exchange, on January 23, 2019, the Trust filed with the Commission its registration statement on Form N-1A under the Securities Act of 1933 (15 U.S.C. 77a), and under the 1940 Act relating to the Fund (File Nos. 333-191837 and 811-22903) (“Registration Statement”). In addition, according to the Exchange, the Commission has issued an order granting certain exemptive relief to the Trust under the 1940 Act. See Investment Company Act Release No.31990 (February 9, 2016) (File No. 812-13761).

⁷ The Exchange represents that the Adviser is not a registered broker-dealer but is affiliated with multiple broker-dealers and has implemented and will maintain “fire walls” with respect to such broker-dealers regarding access to information concerning the composition of and/or changes to the Fund’s portfolio. In addition, the Exchange represents that the Adviser’s personnel who make decisions regarding the Fund’s portfolio are subject to procedures designed to prevent the use and dissemination of material nonpublic information regarding the Fund’s portfolio. In the event that (a) the Adviser becomes registered as a broker-dealer or newly affiliated with another broker-dealer, or (b) any new adviser or sub-adviser is a registered broker-dealer or becomes affiliated with a broker-dealer, it will implement and maintain a fire wall with respect to its relevant personnel or such broker-dealer affiliate, as applicable, regarding access to information concerning the composition of and/or changes to the portfolio, and will be subject to procedures designed to prevent the use and dissemination of material non-public information regarding such portfolio.

⁸ The Exchange states that the Fund plans to employ a strategy very similar to that currently employed by JPMorgan Core Plus Bond Fund, a mutual fund operated by the Adviser since March 5, 1993.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 85349 (March 18, 2019), 84 FR 10874.

⁴ In Amendment No. 1, the Exchange: (a) Clarified that (i) the Shares are currently listed and traded on the Exchange pursuant to the generic listing standards applicable to Managed Fund Shares under BZX Rule 14.11(i) (“Generic Listing Standards”), (ii) the Fund currently meets the Generic Listing Standards, and (iii) the Fund will continue to meet the Generic Listing Standards unless and until the proposed rule change is approved; (b) clarified that the Exchange will measure derivatives holdings using gross notional value of the derivatives as required by the Generic Listing Standards (rather than using mark-to-market value of derivatives); (c) stated that in response to adverse market, economic, or political conditions, the Fund reserves the right to invest in cash and Cash Equivalents (as defined below), without limitation, as determined by the Adviser; (d) clarified the types of mortgage-backed securities that are permitted investments of the Fund; (e) clarified that, consistent with the requirements of BZX Rule 14.11(i)(4)(C)(ii)(e), the Fund will limit aggregate investments in asset-backed securities and Private MBS (as defined below) to 20% of the weight of the fixed income portion of the Fund’s portfolio; (f) represented that the Fund’s holdings in Cash Equivalents and over-the-counter (“OTC”) derivative instruments will be in compliance with the limitations provided in BZX Rules 14.11(i)(4)(C)(iii) and 14.11(i)(4)(C)(v), respectively,