

filing will also be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File No. SR-EDGA-2014-28 and should be submitted on or before December 31, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁶

Kevin M. O'Neill,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-73747; File No. SR-EDGX-2014-27]

Self-Regulatory Organizations; EDGX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Rule 14.1(c)(5) of EDGX Exchange, Inc. To Harmonize Its Restrictions on Market Makers in UTP Derivative Securities With NYSE Arca, Inc. and Nasdaq Stock Market LLC

December 4, 2014.

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 November 21, 2014, EDGX Exchange, Inc. (the "Exchange" or "EDGX") 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 Exchange has designated this proposal as a "non-controversial" proposed rule change pursuant to Section 19(b)(3)(A) of the Act³ and Rule 19b-4(f)(6)(iii) thereunder,⁴ which renders it effective upon filing with the Commission. 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 filed a proposal to amend Rule 14.1(c)(5) to harmonize its

restrictions on Market Makers⁵ in UTP Derivative Securities⁶ with NYSE Arca, Inc. ("NYSE Arca") Rule 5.1(a)(2)(v)⁷ and the Nasdaq Stock Market LLC ("Nasdaq") Rule 4630(e).⁸

The text of the proposed rule change is available at the Exchange's Web site at <http://www.directedge.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 parts of such statements.

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

1. Purpose

The Exchange proposes to amend Rule 14.1(c)(5) to harmonize its restrictions on Market Makers in UTP Derivative Securities with NYSE Arca Rule 5.1(a)(2)(v)⁹ and Nasdaq Rule 4630(e).¹⁰ The purpose of the proposed rule change is to permit a Member acting as a registered Market Maker in a UTP Derivative Security on the Exchange the flexibility to act or register

as a market maker in any Reference Asset¹¹ that a UTP Derivative Security derives its value from consistent with Commission and Exchange Rules.

Exchange Rule 14.1(c)(5) prohibits a Market Maker in a UTP Derivative Security from acting or registering as a market maker on another exchange in any Reference Asset of that UTP Derivative Security, or any derivative instrument based on a Reference Asset of that UTP Derivative Security. NYSE Arca Rule 5.1(a)(2)(v) and Nasdaq Rule 4630(e) recently amended their respective rules to permit market makers to trade in securities underlying the derivative security so long as that market maker discloses to NYSE Arca or Nasdaq all accounts within which it trades the underlying securities.¹² As amended, Exchange Rule 14.1(c)(5), would similarly remove this prohibition, which states that a Market Maker in a UTP Derivative Security is prohibited from acting or registering as a market maker on another exchange in any Related Instruments.

Similar to NYSE Arca Rule 5.1(a)(2)(v) and Nasdaq Rule 4630(e), amended Rule 14.1(c)(5) would require a Member acting as a registered Market Maker in a UTP Derivative Security to file with the Exchange, in a manner prescribed by the Exchange, and to keep a current list identifying all accounts for trading the underlying physical asset or commodity, related futures or options on futures, or any other related derivatives (collectively with Reference Assets, "Related Instruments"), which the Member acting as registered Market Maker may have or over which it may exercise investment discretion. Rule 14.1(c)(5) would also prohibit a Member from acting as registered Market Maker in the UTP Derivative Security from trading in the underlying physical asset or commodity, related futures or options on futures, or any other related derivatives, in an account in which a Member acting as a registered Market Maker, directly or indirectly, controls trading activities, or has a direct interest in the profits or losses thereof, that has not been reported to the Exchange.

Exchange Rules¹³ ensure that Market Makers in UTP Derivative Securities would continue to have in place reasonably designed policies and procedures to prevent the misuse of material non-public information with

⁵ The term "Market Maker" is defined as "a Member that acts as a Market Maker pursuant to Chapter XI." See Exchange Rule 1.5(l).

⁶ The term "UTP Derivative Security" is defined as "[a]ny UTP Security that is a 'new derivative securities product' as defined in Rule 19b-4(e) under the Exchange Act . . . and traded pursuant to Rule 19b-4(e) under the Exchange Act." See Exchange Rule 14.1(c).

⁷ See Securities Exchange Act Release No. 67066 (May 29, 2012), 77 FR 33010 (June 4, 2012) (SR-NYSEArca-2012-46) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change Regarding the Extension of Unlisted Trading Privileges to New Derivative Securities Products That Are Listed on Another Exchange and to Make Other Conforming and Technical Amendments). The Commission also waived the 30-day operative delay for SR-NYSEArca-2012-46 under Rule 19b-4(f)(6) of the Act. *Id.*

⁸ See Securities Exchange Act Release No. 69858 (June 25, 2013), 78 FR 39432 (July 1, 2013) (SR-Nasdaq-2013-085) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change [sic] Rule 4630 to Remove a Restriction on a Member Acting as a Registered Market Maker in a Commodity-Related Security).

⁹ See *supra* note 7.

¹⁰ See *supra* note 8.

¹¹ A "Reference Asset" is defined as one or more currencies, or commodities, or derivatives based on one or more currencies, or commodities, or is based on a basket or index comprised of currencies or commodities that a UTP Derivative Security derives its value from. See Exchange Rule 14.1(c)(5).

¹² See *supra* notes 7 and 8.

¹³ See Exchange Rules 5.5 and 14.1(c)(5)(D).

²⁶ 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).

⁴ 17 CFR 240.19b-4(f)(6)(iii).

regard to also acting as a Market Maker in any Related Instruments.¹⁴ In the context of approving a more flexible, principled-based approach to information barriers by NYSE Arca, the Commission stated that, “while information barriers are not specifically required under the proposal, a [firm’s] business model or business activities may dictate that an information barrier or a functional separation be part of the appropriate set of policies and procedures that would be reasonably designed to achieve compliance with applicable securities law and regulations, and with applicable Exchange rules.”¹⁵ Rule 14.1(c)(5)(D) will continue to prohibit Market Makers from using material non-public information in connection with trading a Related Instrument. Rule 14.1(c)(5)(C) will also continue to require that, in addition to the existing obligations under Exchange rules regarding the production of books and records, a Market Maker shall, upon request by the Exchange, make available to the Exchange any books, records or other information pertaining to any Related Instrument trading account or to the account of any registered or non-registered employee affiliated with the Market Maker for which Related Instruments are traded. Lastly, under Exchange Rule 14.1(c)(6) the Exchange will enter into comprehensive surveillance sharing agreement with other markets that offer trading in Related Instruments to the same extent as the listing exchange’s rules require the listing exchange to enter into a comprehensive surveillance sharing agreement with such markets. This amendment does not lessen the protection of Members from the risks associated with integrated market making and any possible misuse of non-public information.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act¹⁶ and furthers the objectives of Section 6(b)(5) of the Act,¹⁷ in that it is designed promote just and equitable principles of trade, remove impediments to, and perfect the mechanism of, a free and open market and a national market system, and, in general, protect investors and the public interest. In addition, the Exchange believes that the proposed rule change

is not designed to permit unfair discrimination between customers, issuers, brokers or dealers. The proposed rule change is substantially similar to the existing NYSE Arca Rule 5.1(a)(2)(v) and Nasdaq Rule 4630(e).¹⁸ In addition, the Exchange believes that amending Exchange Rule 14.1(c)(5) to permit a Member acting as a registered Market Maker in a UTP Derivative Security on the Exchange the flexibility to act or register as a market maker in any Reference Asset that a UTP Derivative Security derives its value from consistent with Commission and Exchange Rules will remove impediments to and perfect the mechanism of a free and open market by providing the same flexibility to the Exchange that is already available to NYSE Arca and Nasdaq regarding the market maker activities for derivative-related Securities. Additionally, Exchange Rule 14.1(c)(5), as amended, would continue to serve to prevent fraudulent and manipulative acts and practices, as well as to protect investors and the public interest from concerns that may be associated with integrated market making and any possible misuse of non-public information.

(B) Self-Regulatory Organization’s Statement on Burden on Competition

The proposed rule change would not impose any burden on competition. On the contrary, the Exchange believes that the proposal will promote competition because it is a competitive response to recently amended NYSE Arca and Nasdaq rules which permit market makers to trade in the reference assets or components underlying the derivative security on the same terms as that proposed by the Exchange.¹⁹ Thus, the Exchange believes this proposed rule change is necessary to permit fair competition among national securities exchanges.

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

The Exchange has neither solicited nor received written comments on the proposed rule change.

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

Because the proposed rule change does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become

operative prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act²⁰ and Rule 19b-4(f)(6)(iii) thereunder.²¹

The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Commission believes that waiver of the 30-day operative delay period is consistent with the protection of investors and the public interest. The Commission notes that the proposal would allow Market Makers in a UTP Derivative Security on the Exchange to act or register as a Market Maker in any Related Instruments. The Commission believes that proposal could allow the Exchange to attract more Market Makers to the Exchange, thereby potentially increasing liquidity in UTP Derivative Securities, provide more price competition, and enhance the markets for those securities. The Commission further notes that the proposal is similar to the rules of other national securities exchanges.²² Therefore, the Commission designates the proposed rule change to be operative upon filing.²³

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 under Section 19(b)(2)(B)²⁴ of the Act 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 proposal is

²⁰ 15 U.S.C. 78s(b)(3)(A).

²¹ 17 CFR 240.19b-4(f)(6)(iii). As required under Rule 19b-4(f)(6)(iii), the Exchange provided the Commission with written notice of its intent to file the proposed rule change, along with a brief description and the text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change.

²² See NYSE Arca Equities Rule 5.1(a)(2)(v) and Nasdaq Rule 4630(e).

²³ For purposes only of waiving the 30-day operative delay, the Commission has considered the proposed rule’s impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

²⁴ 15 U.S.C. 78s(b)(2)(B).

¹⁴ 15 U.S.C. 78o(g).

¹⁵ See Securities Exchange Act Release No. 60604 (September 1, 2009), 74 FR 46272 (September 8, 2009) (SR-NYSEArca-2009-78).

¹⁶ 15 U.S.C. 78f(b).

¹⁷ 15 U.S.C. 78f(b)(5).

¹⁸ See *supra* notes 7 and 8.

¹⁹ See *supra* notes 7 and 8.

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 No. SR-EDGX-2014-27 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 No. SR-EDGX-2014-27. 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 Web site (<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 Web site 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 will also be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File No. SR-EDGX-2014-27 and should be submitted on or before December 31, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁵

Kevin M. O'Neill,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-73741; File No. SR-NYSEArca-2014-30]

Self-Regulatory Organizations; NYSE Arca, Inc.; Order Granting Approval of Proposed Rule Change, as Modified by Amendment No. 1, To List and Trade Shares of Hull Tactical US ETF Under NYSE Arca Equities Rule 8.600

December 4, 2014.

I. Introduction

On March 24, 2014, NYSE Arca, Inc. ("Exchange" or "NYSE Arca") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² a proposed rule change to list and trade shares ("Shares") of Hull Tactical US ETF ("Fund") under NYSE Arca Equities Rule 8.600. The proposed rule change was published for comment in the **Federal Register** on April 11, 2014.³ On May 21, 2014, pursuant to Section 19(b)(2) of the Act,⁴ the Commission designated a longer period within which to either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.⁵ On July 9, 2014, the Commission instituted proceedings to determine whether to approve or disapprove the proposed rule change.⁶ The Commission received one comment letter.⁷ On October 8, 2014, the Commission designated a longer period of time for Commission action on the proposed rule change.⁸ On October 23, 2014, the Exchange filed Amendment

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 71894 (Apr. 7, 2014), 79 FR 20273 ("Notice").

⁴ 15 U.S.C. 78s(b)(2).

⁵ Securities Exchange Act Release No. 72214 (May 21, 2014), 79 FR 30672 (May 28, 2014). The Commission determined that it was appropriate to designate a longer period within which to take action on the proposed rule change so that it would have sufficient time to consider the proposed rule change. Accordingly, the Commission designated July 10, 2014 as the date by which it should approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

⁶ Securities Exchange Act Release No. 72571 (July 9, 2014), 79 FR 41330 (July 15, 2014).

⁷ See Letter from Christopher S. Jones, Associate Professor, University of Southern California to Elizabeth M. Murphy, Secretary, Commission (Sept. 16, 2014) ("Jones Letter").

⁸ See Securities Exchange Act Release No. 73320, 79 FR 61911 (Oct. 15, 2014) (designating December 5, 2014 as the date by which the Commission must either approve or disapprove the proposed rule change).

No. 1 to the proposal.⁹ This order grants approval of the proposed rule change, as modified by Amendment No. 1.

II. Description of Proposed Rule Change

The Exchange proposes to list and trade Shares of the Fund pursuant to NYSE Arca Equities Rule 8.600, which governs the listing and trading of Managed Fund Shares on the Exchange. The Shares will be offered by the Exchange Traded Concepts Trust ("Trust"), a Delaware statutory trust. The Trust is registered with the Commission as an investment company.¹⁰ Exchange Traded Concepts, LLC will be the investment adviser ("Adviser") to the Fund. HTAA, LLC will be the sub-adviser to the Fund ("Sub-Adviser").¹¹ SEI Investments Co. will serve as the administrator of the Fund ("Administrator"). JP Morgan Chase Bank N.A. will serve as the custodian, transfer agent and dividend disbursing agent of the Fund. SEI Investments Distribution Co. will serve as the distributor for the Trust.

The Exchange has made the following representations and statements in describing the Fund and its investment

⁹ In Amendment No. 1, the Exchange clarified that the Sub-Adviser will utilize more than one proprietary, analytical investment model to make investment decisions for the Fund, that the Sub-Adviser's determination whether to take certain long or short positions in S&P 500-related ETFs and S&P 500-related futures will depend on the investment signals delivered by the models and on the judgment of the Sub-Adviser, and that the Sub-Adviser may adjust the Fund's long and short positions when necessary to take into account new market conditions as well as data from the models. Because Amendment No. 1 provides clarification to the proposed rule change and does not materially affect the substance of the proposed rule change or raise any unique or novel regulatory issues, Amendment No. 1 does not require notice and comment.

¹⁰ The Trust is registered under the Investment Company Act of 1940 ("1940 Act"). The Exchange states that on July 26, 2013, the Trust filed with the Commission a post-effective amendment to its registration statement on Form N-1A relating to the Fund (File Nos. 333-156529 and 811-22263) ("Registration Statement"). In addition, the Exchange states that the Commission has issued an order granting certain exemptive relief to the Trust under the 1940 Act. See Investment Company Act Release No. 30445 (Apr. 2, 2013) (File No. 812-13969) ("Exemptive Order").

¹¹ The Exchange states that neither the Adviser nor the Sub-Adviser is, or is affiliated with, a broker-dealer. The Exchange states that, in the event (a) the Adviser or Sub-Adviser becomes, or becomes newly affiliated with, a broker-dealer, or (b) any new manager, adviser or sub-adviser is, or becomes affiliated with, a broker-dealer, the adviser or sub-adviser will implement a fire wall with respect to its relevant personnel or broker-dealer affiliate, as applicable, regarding access to information concerning the composition of or changes to the portfolio, and that adviser or sub-adviser will be subject to procedures designed to prevent the use and dissemination of material non-public information regarding such portfolio.

²⁵ 17 CFR 200.30-3(a)(12).