

risk across ISE and ISE Gemini. The Exchange also provides that the proposal will protect market makers from inadvertent exposure to excessive risk and thereby allow them to quote aggressively and provide more liquidity with greater size to both markets. The Exchange further represents that its proposal will operate consistently with the firm quote obligations of a broker-dealer pursuant to Rule 602 of Regulation NMS and that the functionality is not mandatory.

III. Summary of Comment Letters

As noted above, the Commission received five comment letters in response to the Order Instituting Proceedings.¹⁰ All of the commenters support the proposal. Three of the five commenters are registered options market makers on ISE,¹¹ while the other two are registered options market makers on both ISE and ISE Gemini.¹²

The commenters note that, while the current risk protections on the Exchange help manage risk, systems and other issues that trigger such risk parameters are normally not confined to a member firm's activity on a single exchange.¹³ Accordingly, the commenters believe that the Exchange's proposal to aggregate curtailment events across both ISE and ISE Gemini would allow market makers to more effectively manage risk.¹⁴ The commenters state that the proposed rule change would allow market makers to continue to actively provide liquidity, while facilitating effective management of the risks associated with quoting a large number of option series across multiple exchanges.¹⁵ Further, the commenters believe that allowing market makers to better manage their risk would benefit the broader market, as it would reduce disruptive trading events.¹⁶

Two commenters who are registered market makers on ISE but not on ISE Gemini also believe that the proposal is not unfairly discriminatory in violation of Section 6(b)(5) of the Act.¹⁷ These two commenters note that the proposal is optional to market makers and is not

unfairly discriminatory to firms who simply have no need for the proposal's additional protections by virtue of only trading on either ISE or ISE Gemini.¹⁸

IV. Discussion and Commission Findings

After careful review, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.¹⁹ Specifically, the Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act,²⁰ which requires, among other things, that the rules of a national securities exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system and, not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Commission believes that the proposal could assist ISE market makers manage and reduce inadvertent exposure to excessive risk across both ISE and ISE Gemini. The Commission notes that the proposed functionality is not mandatory and must operate consistent with the firm quote obligations of Rule 602 of Regulation NMS. The Commission also notes that all five commenters expressed support for the proposal.

For the foregoing reasons, the Commission believes that the proposed rule change is consistent with the Act.

V. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act²¹ that the proposed rule change (SR-ISE-2014-09) be, and it hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²²

Kevin M. O'Neill,

Deputy Secretary.

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¹⁸ *Id.* One commenter also states that it does not believe the proposal places any undue burden on competition between options exchanges. See Group One Letter at 2, *supra* note 7.

¹⁹ In approving this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

²⁰ 15 U.S.C. 78f(b)(5).

²¹ 15 U.S.C. 78s(b)(2).

²² 17 CFR 200.30-3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-73149; File No. SR-NYSEArca-2014-102]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing of Proposed Rule Change, as Modified by Amendment No. 1 Thereto, To List and Trade Shares of the Greenhaven Coal Fund Under NYSE Arca Equities Rule 8.200, Commentary .02

September 19, 2014.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (the "Act")² and Rule 19b-4 thereunder,³ notice is hereby given that, on September 5, 2014, NYSE Arca, Inc. ("Exchange" or "NYSE Arca") 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 self-regulatory organization. On September 18, 2014, the Exchange filed Amendment No. 1, which replaced and superseded the proposal in its entirety. The Commission is publishing this notice to solicit comments on the proposed rule change, as modified by Amendment No. 1, 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 shares of the Greenhaven Coal Fund under NYSE Arca Equities Rule 8.200, Commentary .02. The text of the proposed rule change is available on the Exchange's Web site at www.nyse.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 self-regulatory organization 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 those 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.

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

¹⁰ See *supra* note 7.

¹¹ See Akuna Letter; Hardcastle Letter; and Group One Letter, *supra* note 7.

¹² See Optiver Letter and IMC Letter, *supra* note 7.

¹³ See Akuna Letter; Group One Letter, Hardcastle Letter; IMC Letter; and Optiver Letter, *supra* note 7.

¹⁴ See, e.g., Akuna Letter at 2; Hardcastle Letter at 2; and Optiver Letter, *supra* note 7.

¹⁵ See Optiver Letter and IMC Letter, *supra* note 7.

¹⁶ See Akuna Letter at 2; Hardcastle Letter at 2; and Optiver Letter, *supra* note 7.

¹⁷ See Akuna Letter at 2 and Hardcastle Letter at 2, *supra* note 7.

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

1. Purpose

NYSE Arca Equities Rule 8.200, Commentary .02 permits the trading of Trust Issued Receipts ("TIRs") either by listing or pursuant to unlisted trading privileges.⁴ The Exchange proposes to list and trade shares ("Shares") of the Greenhaven Coal Fund (the "Fund"), pursuant to NYSE Arca Equities Rule 8.200, Commentary .02.⁵

The Exchange notes that the Commission has previously approved the listing and trading of other issues of TIRs on the American Stock Exchange LLC,⁶ and listing on NYSE Arca.⁷ Among these are the Teucrium Corn Fund, Teucrium Wheat Fund, Teucrium Soybean Fund and Teucrium Sugar Fund, each a series of the Teucrium Commodity Trust.⁸ In addition, the Commission has approved other exchange traded fund-like products linked to the performance of underlying commodities.⁹

⁴ Commentary .02 to NYSE Arca Equities Rule 8.200 applies to TIRs that invest in "Financial Instruments". The term "Financial Instruments", as defined in Commentary .02(b)(4) to NYSE Arca Equities Rule 8.200, means any combination of investments, including cash; securities; options on securities and indices; futures contracts; options on futures contracts; forward contracts; equity caps, collars and floors; and swap agreements.

⁵ This Amendment No. 1 to SR-NYSEArca-2014-102 replaces SR-NYSEArca-2014-102 as originally filed and supersedes such filing in its entirety.

⁶ See, e.g., Securities Exchange Act Release No. 58161 (July 15, 2008), 73 FR 42380 (July 21, 2008) (SR-Amex-2008-39).

⁷ See, e.g., Securities Exchange Act Release No. 58457 (September 3, 2008), 73 FR 52711 (September 10, 2008) (SR-NYSEArca-2008-91).

⁸ See Securities Exchange Act Release Nos. 62213 (June 3, 2010), 75 FR 32828 (June 9, 2010) (SR-NYSEArca-2010-22) (order approving listing on the Exchange of Teucrium Corn Fund); 65344 (September 15, 2011), 76 FR 58549 (September 21, 2011) (SR-NYSEArca-2011-48) (order approving listing on the Exchange of the Teucrium Wheat Fund, Teucrium Soybean Fund, and Teucrium Sugar Fund).

⁹ See, e.g., Securities Exchange Act Release Nos. 57456 (March 7, 2008), 73 FR 13599 (March 13, 2008) (SR-NYSEArca-2007-91) (order granting accelerated approval for listing and trading on NYSE Arca of the iShares GS Commodity Trusts); 58983 (November 20, 2008), 73 FR 73368 (December 2, 2008) (SR-NYSEArca-2008-126) (order approving listing and trading on NYSE Arca of GreenHaven Continuous Commodity Index Fund); 59781 (April 17, 2009), 74 FR 18771 (April 24, 2009) (SR-NYSEArca-2009-28) (order granting accelerated approval for NYSE Arca listing and trading of the ETFs Silver Trust); 59895 (May 8, 2009), 74 FR 22993 (May 15, 2009) (SR-NYSEArca-2009-40) (order granting accelerated approval for NYSE Arca listing and trading of the ETFs Gold Trust); 61219 (December 22, 2009), 74 FR 68886 (December 29, 2009) (SR-NYSEArca-2009-95) (order approving listing and trading on NYSE Arca of the ETFs Platinum Trust).

The Fund is a commodity pool that is organized as a Delaware statutory trust.¹⁰ The Fund's trustee is Christiana Trust, a division of Wilmington Savings Fund Society, FSB (the "Trustee"), and the Fund's sponsor is GreenHaven Coal Services, LLC (the "Sponsor"). Under the Fund's trust agreement, the Trustee has delegated to the Sponsor the exclusive power and authority to manage the business and affairs of the Fund. The Sponsor is registered with the Commodity Futures Trading Commission (the "CFTC") as a commodity pool operator, and approved as a member of the National Futures Association. The Sponsor is a wholly-owned subsidiary of GreenHaven Group, LLC and affiliated with GreenHaven Commodity Services, LLC, a commodities trading firm. ALPS Distributors, Inc. will be the Fund's marketing agent and distributor ("Marketing Agent"). Bank of New York Mellon will be the Fund's administrator and transfer agent ("Administrator").

The business of the Fund will be limited to (i) creating and redeeming Baskets (as defined below) of Shares on a continuous basis, and (ii) investing proceeds in a portfolio of coal futures and U.S. Treasuries (as further described below).

Investment Objective

According to the Registration Statement and as further described below, the Fund will seek to provide investors with exposure to the daily change in the price of coal futures, before expenses and liabilities of the Fund. The Fund intends to achieve this objective by investing substantially all of its assets in a three month strip¹¹ of the nearest calendar quarter of Rotterdam coal futures contracts ("Coal Futures") traded via the CME Group, Inc. ("CME") (i) Globex ("CME Globex") and (ii) CME ClearPort clearing services ("CME ClearPort") trading platforms (collectively, the "CME Facilities") depending on liquidity and otherwise at the Sponsor's discretion. The Fund will invest in Coal Futures on a non-

discretionary basis (i.e., without regard to whether the value of the Fund is rising or falling over any particular period). The Fund may also realize interest income from its holdings in three month U.S. Treasuries.

According to the Registration Statement, it is not the intent of the Fund to be operated in a fashion such that its net asset value ("NAV") will equal, in dollar terms, the coal spot price, any spot price coal indexes, or any particular coal futures contract. It is also not the intent of the Fund to be operated in a fashion such that its NAV will reflect the percentage change of the price of any particular coal futures contract as measured over a period greater than one day.

Investments in Coal Futures

Subject to margin and certain other requirements and conditions described below and in the Registration Statement, the Fund, under normal market conditions,¹² will use available offering proceeds to purchase Coal Futures that are traded on CME Facilities, including smaller sized "mini" contracts (if they are available) to the greatest extent possible, without being leveraged or exceeding relevant position limits. The Fund will place purchase or sale orders for Coal Futures with a "Commodity Broker"¹³ and may use an "Execution Broker"¹⁴ to execute trades on CME ClearPort. If the CME does not accept the transaction for any reason, the transaction will be considered null and void and of no legal effect. As a result, all of the Fund's positions in Coal Futures will be cleared by CME clearing member firms, thereby minimizing counterparty risk.

The Fund intends to hold the three month strip of the nearest calendar quarter of Coal Futures contracts traded

¹² The term "under normal market conditions" includes, but is not limited to, the absence of extreme volatility or trading halts in the coal futures markets or the financial markets generally; operational issues causing dissemination of inaccurate market information; or *force majeure* events such as systems failure, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labor disruption or any similar intervening circumstance.

¹³ The Commodity Broker will execute and clear trades via CME Facilities, whereby it becomes a cleared futures transaction with the CME as the counterparty.

¹⁴ The Execution Broker will execute trades of block traded coal futures traded on CME ClearPort, and the Commodity Broker will clear such trades. A block trade is executed by an Execution Broker who facilitates two parties reaching an agreement on a price to buy and sell futures contracts. Once the price is agreed upon the Execution Broker then submits the block trade information to the CME via the CME ClearPort order entry systems whereby it becomes a cleared futures transaction with the CME as the counterparty for the parties entering said trade.

¹⁰ On September 5, 2014, the Fund filed with the Commission a pre-effective amendment to its registration statement on Form S-1 under the Securities Act of 1933 (15 U.S.C. 77a) relating to the Fund. (File No. 333-182301) (the "Registration Statement"). The description of the Fund and the Shares herein is based, in part, on the Registration Statement.

¹¹ With respect to reference to a "three month strip", "strip" is a term used in futures markets to describe a series of delivery months for an individual futures contract. A calendar strip would be a three month strip of one of the four calendar quarters. For example, a three month calendar strip for the third quarter 2014 would include July 2014, August 2014, and September 2014 coal futures contracts.

on the CME Facilities. The four calendar quarters are January, February, and March ("Q1"); April, May, and June ("Q2"); July, August, and September ("Q3"); and October, November, and December ("Q4"). The Fund intends to invest an equal tonnage (equal number of futures contracts) in each of the three months comprising the nearby calendar quarter.

Four times a year, the Fund will attempt to roll its positions in the nearby calendar quarter to the next calendar quarter over 5 business days on a pro-rata basis. The first roll day is the second Monday of the month prior to the nearby calendar quarter. For example, if the Fund was currently holding the Q1 calendar quarter it would roll over a 5 business day period starting on the second Monday in December. Each day during the roll period, the Fund would decrease the percentage of its portfolio that is in Q1 by 20% and increase its percentage in Q2 by 20%.

The Sponsor estimates that (i) approximately 10% of the Fund's NAV will be held as margin deposits in segregated accounts with the Commodity Broker, in accordance with applicable CFTC rules, and (ii) approximately 90% of the Fund's NAV will be held to pay current obligations and as reserves in the form of U.S. Treasuries, cash and/or cash equivalents in segregated accounts with the Commodity Broker. The Fund will be credited with all interest earned on its deposits. All interest income earned on these investments will be retained for the Fund's benefit.

The Sponsor does not anticipate that the Fund's Coal Futures positions will be held until expiration, and does not expect the Fund to take or make delivery of any physical commodities. Instead, the Sponsor expects to sell near to expiry Coal Futures and reinvest the proceeds in new Coal Futures to achieve the Fund's investment objective. Positions may also be closed out to meet orders for the redemption of Baskets (as defined below), in which case the proceeds from closing the positions will not be reinvested.

Margin; Composition of Portfolio

According to the Registration Statement, when the Fund purchases Coal Futures, the Fund will be required to deposit a portion of the value of the contract or other interest as security to ensure payment for the underlying obligation. This deposit is known as initial margin. Transactions traded through CME ClearPort have the same collateral requirements as CME Globex futures transactions.

For example, the purchase of a notional \$10 million of Coal Futures would require the Fund to make an initial margin deposit representing only a fraction of the notional amount. The Fund would deposit the required initial margin with a Commodity Broker in the form of a mix of cash and U.S. Treasuries. Fund assets in an amount equal to the difference between the initial margin and the notional value of the Coal Futures will be held in U.S. Treasuries, cash and/or cash equivalents in a segregated account with a Commodity Broker and used to meet future margin payments, if any.

The Sponsor has the sole authority to determine the percentage of assets that will be held as margin or collateral and held in U.S. Treasuries, cash and/or cash equivalents to pay current obligations and as reserves.

The assets deposited by the Fund with a Commodity Broker as margin must be segregated pursuant to the regulations of the CFTC. Such segregated funds may be invested only in instruments approved by the CFTC, which include (i) U.S. government securities, (ii) municipal securities, (iii) U.S. agency obligations, (iv) certificates of deposit, (v) commercial paper guaranteed by the U.S. government, (vi) corporate notes or bonds guaranteed by the U.S. government, and (vii) interests in money market mutual funds; however, the Sponsor anticipates that the Fund's margin deposit assets will be invested only in U.S. Treasuries or otherwise held as cash and/or cash equivalents.

The Coal Market

General. According to the Registration Statement, the following is a brief introduction to the global coal industry. The data presented below is derived from information released by various third-party sources, including the World Coal Association, the U.S. Energy Information Administration, the American Coal Foundation and the American Geosciences Institute.

Coal is a safe, reliable, easily stored and readily available source of energy produced in over 50 countries, consumed in over 70 countries and traded globally. Coal is a low-cost fossil fuel used primarily for electric power generation, and is typically significantly less expensive than oil and generally competitive with natural gas and nuclear power generation. Coal is also used to produce steel (coal is used in nearly 70% of global steel production) and by a variety of other industrial consumers to heat and power foundries, cement plants, paper mills, chemical plants and other manufacturing and

processing facilities. In general, coal is characterized by end use as either steam coal or metallurgical coal. Steam coal is used primarily as fuel by utilities to generate electrical power. It is also used by industrial facilities to produce steam, electricity or both. Metallurgical coal is refined into coke, which is used in the production of steel.

Coal is classified into four general categories, or "ranks," based on carbon content. Carbon is the source of coal's heating value, but other factors also influence the amount of coal's energy per unit of weight. The amount of energy in coal is often expressed in British thermal units ("BTU") per pound. A BTU is the amount of heat required to raise the temperature of one pound of water by one degree Fahrenheit. The four ranks of coal include:

- *Lignite.* Lignite is geologically young coal that has the lowest carbon content (approximately 25% to 35%), and consequently the lowest energy content, of the four ranks of coal. Lignite has a heat value ranging between 4,000 and 8,300 BTUs-per-pound. Sometimes called brown coal, lignite is mainly used for electric power generation primarily in power plants close in proximity to the source.

- *Sub-Bituminous.* Sub-bituminous coal contains about 35% to 45% carbon and has a heat value between 8,300 and 13,000 BTUs-per-pound. Approximately half of the coal produced within North America is sub-bituminous. Although the heat value of sub-bituminous coal is lower than bituminous, it tends to be lower in sulfur content and cleaner burning.

- *Bituminous.* Bituminous, or black coal, is the most abundant type of coal. Bituminous contains approximately 45% to 86% carbon and has a heat value between 10,500 and 15,500 BTUs-per-pound. Bituminous has little water content or other impurities except for sulfur, and is easily ignited.

- *Anthracite.* Anthracite coal contains approximately 92% to 98% carbon and has a heat value of nearly 15,000 BTUs-per-pound. Anthracite has a heat value greater than that of Bituminous, but is hard to light, scarcer and more expensive.

Production and Supply. China remains the largest producer of coal in the world, with an estimated production of 3.991 billion metric tonnes ("mt") in 2012. The United States and India follow China with estimated hard coal production of approximately 1.016 billion mt and 694 million mt,

respectively, in 2012.¹⁵ Among the nations principally supplying coal to the global power and steel markets are Australia, historically the world's largest coal exporter with exports of approximately 332 million mt in 2012, as well as Indonesia, Russia, United States, Colombia and South Africa. Total United States exports of coal decreased in 2013 by approximately 6% over 2012 to 118 million mt.¹⁶

Coal supply can be influenced by changes in coal mining capacity, productivity and depletion rates, changes in government subsidization, regulation, new capacity, climate events (i.e., floods, rains), availability of mining equipment and availability and cost of skilled labor and railroad/river barge/ocean bulk services.

Demand. Global coal consumption grew by 3.0% in 2013 over 2012.¹⁷ In 2011, China, the United States and India were the world's largest consumers of coal (ranked 1st, 2nd and 3rd, respectively). In 2012 China was the largest consumer of coal with consumption of 4.151 billion mt. The United States and India consumed 889 and 745 million mt in 2012, respectively.¹⁸

Factors impacting coal demand include the demand for electricity, governmental regulation impacting power generation, technological developments, transportation costs, climate events (i.e., floods and rains), exchange rates and the location, availability and cost of other fuels such as natural gas, oil, nuclear and hydroelectric power.

European Coal Markets. European coal is often classified into two broad categories: Hard coal and lignite or brown coal. Hard coal is further subdivided into two types of coal as steam (or thermal) coal, used for power generation and for industrial applications; and coking coal which is used by the iron and steel industry to make coke. Hard coal has an energy content above 4,500 kilocalories/kilogram ("kcal/kg") and water content lower than 35%. Only hard coal is

traded internationally because of its higher energy content relative to freight costs. The other broad category, lignite or brown coal, has an energy content of less than 4,500 kcal/kg, and water content above 35%. It is mostly used in local markets for power generation.¹⁹

Although coal is mined in many European coal countries, as of 2013 only about 35% of hard coal consumption was covered by production in the European Union (the "EU"). Coal consumption of hard coal in the EU reached its lowest level in 2009 at 715 million tons. Since then, consumption has resumed growing and the most recent figures indicate an increase of 4.7% was recorded in 2013 from 2009 levels.²⁰

Although economic slowdowns in the EU in 2011 and 2012 reduced overall electricity demand, coal demand by utilities actually increased during this period replacing the relatively more expensive natural gas. This is thought to be largely a result of relatively high priced natural gas in Europe and low priced coal as well as the collapse of the price of carbon credits. The low priced coal was in part caused by the "shale revolution" of cheap natural gas in the United States, which resulted in a surge in coal imports from the United States and Colombia that pressured coal prices downward in Europe.

Within Europe, Germany is one of the largest producers and importers of coal, importing some 45 million tons of hard coal in 2012 which represented 79% of Germany's national consumption.²¹ In addition to Germany, major European importing countries of coal also include the United Kingdom, Spain, and Italy.²²

One of the largest ports in Europe in terms of total cargo is the port of Rotterdam²³ which also often provides benchmark prices for coal transactions across Europe. The largest exporting countries to Europe in order of tons

exported are Russia, Colombia, and the United States as of 2013.²⁴

Rotterdam Coal Futures. The CME lists "Rotterdam Coal Futures" under the symbol "MTF". The trading unit for the Rotterdam contract is 1,000 tons. Rotterdam Coal Futures are financially settled against the Argus/McCloskey Coal Price Index ("API 2 Index")²⁵ as published in the Argus/McCloskey Coal Price Index Report and are subject to CME position and accountability limits. The API 2 Index is calculated by Argus Media.²⁶ Coal included in the API 2 Index calculation must generally be delivered to the ports of Antwerp, Rotterdam, or Amsterdam with certain exceptions for coal that is delivered to North West European countries and netted back to a Rotterdam delivery equivalent using freight differentials between discharge ports. Coal included in the API 2 Index must be bituminous and meet several criteria to qualify including having an energy value of 6,000 kcal/kg, a maximum sulfur content of 1.00%, and be part of a cargo with a minimum quantity of 50,000 tons of coal on the most economic vessel from the port of origin.²⁷

Trading of Rotterdam Coal Futures contracts terminates on the last Friday of the delivery month. Trading can occur in any of up to 84 consecutive months. Contracts for each new year are added following the termination of trading in the December contract of the current year.

The Fund's Investments

According to the Registration Statement, the Fund will attempt to invest in an equal amount of contracts (an equal amount of tonnage) across the nearest calendar quarter of Coal Futures resulting in three delivery months of Coal Futures price exposure. The Sponsor will seek to invest the Fund's cash collateral in 13 week U.S. Treasury Bills.

Currently, due to liquidity concerns with respect to futures contracts for other "types" of coal (such as Central Appalachian or "CAPP"), the Sponsor anticipates that the Fund will only

¹⁵ Source: U.S. Energy Information Administration: (<http://www.eia.gov/cfapps/ipdbproject/IEDIndex3.cfm?tid=1&pid=1&aid=24>).

¹⁶ Source: U.S. Energy Information Association: (<http://www.eia.gov/beta/coal/data/browser/#/topic/41?agg=0,2,1&rank=g&freq=A&start=2001&end=2012&ctype=map<ype=pin&rtype=s&maptype=0&rse=0&pin=>).

¹⁷ Source: BP Statistical Review of World Energy, 2013, page 33: (<http://www.bp.com/content/dam/bp/pdf/Energy-economics/statistical-review-2014/BP-statistical-review-of-world-energy-2014-full-report.pdf>).

¹⁸ Source: US Energy Information Administration, 2014: (<http://www.eia.gov/cfapps/ipdbproject/IEDIndex3.cfm?tid=1&pid=1&aid=24>).

¹⁹ Source: Cornot-Gandolphe, Sylvie. "Global Coal Trade From Tightness to Oversupply." February 2013. Institut Français des Relations Internationales, page 11. (<http://www.ifri.org/?page=contribution-detail&id=7570&lang=uk>).

²⁰ Source: EuroStat, February 2014: (http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Coal_consumption_statistics).

²¹ Source: "Coal Industry Across Europe." 5th Edition 2013. European Association for Coal and Lignite, page 31. (<http://www.euracoal.org/pages/medien.php?idpage=1410>).

²² Source: Cornot-Gandolphe, Sylvie. "Global Coal Trade From Tightness to Oversupply." February 2013. Institut Français des Relations Internationales, page 32. (<http://www.ifri.org/?page=contribution-detail&id=7570&lang=uk>).

²³ Source: Port of Rotterdam Web site. February 2014: (<http://www.portofrotterdam.com/en/Port/port-in-general/Pages/default.aspx>).

²⁴ Source: EuroStat, February 2014: ([http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/File:Hard_coal_imports_into_EU-28_by_country_of_origin_2013_\(%25_based_on_kt\).png](http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/File:Hard_coal_imports_into_EU-28_by_country_of_origin_2013_(%25_based_on_kt).png)).

²⁵ Neither the Fund, the Sponsor, nor any of their affiliates are sponsored, endorsed or promoted by, or otherwise associated with, Argus Media Inc., IHS Global Ltd., or the CME Group.

²⁶ Source: Argus Media: (<http://www.argusmedia.com/Coal/Argus-McCloskeys-Coal-Price-Index-Report>).

²⁷ Source: IHS McCloskey, November 2010: ([http://cr.mccloskeycoal.com/journals/McCloskey/McCloskeyCR/Issue_249_-_26_November_2010/attachments/Methodology_May%202012_\(October%202013%20Edited%20Version\).pdf](http://cr.mccloskeycoal.com/journals/McCloskey/McCloskeyCR/Issue_249_-_26_November_2010/attachments/Methodology_May%202012_(October%202013%20Edited%20Version).pdf)).

invest in Coal Futures. However, if the liquidity of other exchange-traded coal futures increases in the future, the Sponsor may consider amending the Registration Statement and to revise the description of the Fund's investment strategy to include futures contracts for other types of coal.²⁸

Commodity futures contracts normally specify a certain date for the delivery of the underlying physical commodity. To avoid expiration and maintain a long futures position, contracts nearing a delivery date must be sold and contracts that have not yet reached delivery must be purchased. This process is known as "rolling" a futures position. The Fund will employ the strategy of rolling futures as it will replace futures contracts as they approach maturity by notionally selling and purchasing offsetting contracts to avoid delivery and maintain long futures positions. Four times each year, the Fund will roll the nearby calendar quarter contracts over five days on a pro rata basis. The five day rolling period starts on the second Monday of the month just prior to the nearby full calendar quarter with an equal amount of tonnage, or $\frac{1}{5}$ th of the contracts in the portfolio, rolled each of the five days from the front month calendar quarter to the next available calendar quarter. For example, the Fund would start rolling out of the first calendar quarter (January, February, March) on the second Monday of December into the second calendar quarter consisting of April, May, and June.

The Sponsor anticipates that the Fund's position in each of the Coal Futures contract months represented, outside of roll periods, will contain an equal number of contracts (an equal tonnage per coal future delivery month).

Net Asset Value

The NAV for the Shares will equal the market value of the Fund's total assets less total liabilities calculated in accordance with Generally Accepted Accounting Principles ("GAAP"). Under the Fund's proposed operational procedures, the Administrator will calculate the NAV once each NYSE Arca trading day. To calculate the NAV, the Administrator will use the CME settlement prices (typically determined after 5:00 p.m. Eastern Time ("E.T.)) for the Coal Futures traded on the CME Facilities plus the value of any United States Treasury Bills and cash equivalents. The NAV for a particular

trading day will be released after 5:00 p.m. E.T. and will be posted at www.greenhavenfunds.com.

Creation and Redemption Procedures

On any business day, an "Authorized Participant" may place an order with the Fund's "Marketing Agent" ²⁹ to create one or more aggregations of 25,000 Shares (each, a "Basket").³⁰ Creation orders will be accepted only on a business day during which the NYSE Arca is open for regular trading. Purchase orders must be placed no later than 10:00 a.m. E.T., on each business day the NYSE Arca is open for regular trading. The day on which the Marketing Agent receives a valid purchase order is the purchase order date. Purchase orders are irrevocable. By placing a purchase order, and prior to delivery of the applicable Baskets, an Authorized Participant's DTC account will be charged a non-refundable transaction fee due for the purchase order.³¹

²⁹ The Marketing Agent will be a broker-dealer registered with FINRA and a member of the Securities Investor Protection Corporation.

³⁰ Baskets may be created or redeemed only by Authorized Participants. Each Authorized Participant must (1) be a registered broker-dealer or other securities market participant, such as a bank or other financial institution that is not required to register as a broker-dealer to engage in securities transactions, (2) be a participant in the Depository Trust Company ("DTC"), and (3) have entered into a "Participant Agreement" with the Fund and the Sponsor, a form of which is available from the Sponsor, Administrator or Marketing Agent. The Participant Agreement sets forth the procedures for the creation and redemption of Baskets and the delivery of cash required for such creations or redemptions.

³¹ The Exchange notes that the Commission previously has approved representations relating to issues of Trust Issued Receipts whereby the cut-off time for placing orders to create or redeem shares of an issue of Trust Issued Receipts is earlier than 4:00 p.m. E.T. See, e.g., Securities Exchange Act Release Nos. 63915 (February 15, 2011), 76 FR 9843 (February 22, 2011) (SR-NYSEArca-2010-121) (order approving listing and trading on the Exchange of FactorShares Funds); 63753 (January 21, 2011), 76 FR 4963 (January 27, 2011) (SR-NYSEArca-2010-110) (order approving listing and trading of shares of Teucrium Natural Gas Fund under NYSE Arca Equities Rule 8.200); 63869 (February 8, 2011), 76 FR 8799 (February 15, 2011) (SR-NYSEArca-2010-119) (order approving listing and trading of shares of Teucrium WTI Crude Oil Fund). See also Securities Exchange Act Release No. 71909 (April 9, 2014), 79 FR 21337 (April 15, 2014) (SR-NYSEArca-2014-28) (notice of filing and immediate effectiveness of proposed rule change to change to 11:00 a.m. E.T. the time by which purchase and redemptions orders must be placed with respect to the Market Vectors Low Volatility Commodity ETF and Market Vectors Long/Short Commodity ETF). The Sponsor represents that a 10:00 a.m. E.T. cut-off time for purchase and redemption orders could permit the Sponsor to more efficiently engage in transactions in Coal Futures in connection with orders to create or redeem Shares, which may help reduce the premium or discount on the Shares, and reduce the difference between the price of the Shares and the NAV of such Shares.

The total payment required to create each Basket will be the NAV of 25,000 Shares on the purchase order date, but only if the required payment is timely received. Because orders to purchase Baskets must be placed no later than 10:00 a.m. E.T., but the total payment required to create a Basket typically will not be determined until after 5:00 p.m. E.T., on the date the purchase order is received, Authorized Participants will not know the total amount of the payment required to create a Basket at the time they submit an irrevocable purchase order.

An Authorized Participant who places a purchase order shall transfer to the Administrator the required amount of U.S. Treasuries and/or cash by the end of the next business day following the purchase order date. Upon receipt of the deposit amount, the Administrator will direct DTC to credit the number of Baskets ordered to the Authorized Participant's DTC account on the next business day following the purchase order date.

The Sponsor acting by itself or through the Administrator or the Marketing Agent may suspend the right of purchase, or postpone the purchase settlement date, for any period during which the NYSE Arca is closed other than customary weekend or holiday closings, or for any period when trading on the NYSE Arca is suspended.

The Sponsor acting by itself or through the Administrator or the Marketing Agent may reject a purchase order if (1) it determines that the purchase order is not in proper form, (2) circumstances outside the control of the Sponsor make it, for all practical purposes, not feasible to process creations of Baskets such as during force majeure events, or (3) the Sponsor believes that it or the Fund would be in violation of any securities or commodities rules or regulations regarding position limits or otherwise by accepting a creation.

Redemption Procedures

According to the Registration Statement, the procedures by which an Authorized Participant can redeem one or more Baskets will mirror in reverse the procedures for the creation of Baskets. On any business day, an Authorized Participant may place an order with the Marketing Agent to redeem one or more Baskets. Redemption orders must be placed no later than 10:00 a.m. E.T., on each business day. The day on which the Marketing Agent receives a valid redemption order is the redemption order date. Redemption orders are irrevocable.

²⁸ In such event, the Exchange would file a proposed rule change pursuant to Rule 19b-4 under the Act to permit the Fund to invest in other exchange-traded coal futures contracts.

By placing a redemption order, an Authorized Participant agrees to deliver the Baskets to be redeemed through DTC's book-entry system to the Fund not later than 12:00 p.m. E.T., on the next business day immediately following the redemption order date. By placing a redemption order, and prior to receipt of the redemption proceeds, an Authorized Participant's DTC account will be charged the non-refundable transaction fee due for the redemption order.

The redemption proceeds from the Fund will consist of a cash redemption amount equal to the NAV of the number of Baskets requested in the Authorized Participant's redemption order on the redemption order date.

Because orders to redeem Baskets must be placed no later than 10:00 a.m. E.T., but the total amount of redemption proceeds typically will not be determined until after 5:00 p.m. E.T., on the date the redemption order is received, Authorized Participants will not know the total amount of the redemption proceeds at the time they submit an irrevocable redemption order.

The redemption proceeds due from the Fund will be delivered to the Authorized Participant at 12:00 p.m. E.T., on the next business day immediately following the redemption order date if, by such time, the Fund's DTC account has been credited with the Baskets to be redeemed. If the Fund's DTC account has not been credited with all of the Baskets to be redeemed by such time, the redemption distribution will be delivered to the extent of whole Baskets are received.

The Sponsor, acting by itself or through the Administrator or the Marketing Agent, may suspend the right of redemption, or postpone the redemption settlement date, (1) for any period during which the NYSE Arca is closed other than customary weekend or holiday closings, or trading on the NYSE Arca is suspended or restricted, (2) for any period during which an emergency exists as a result of which the redemption distribution is not reasonably practicable, or (3) in the event any price limits imposed by the CME or the CFTC are reached and the Sponsor believes that permitting redemptions under such circumstances may adversely impact investors.

The Sponsor acting by itself or through the Marketing Agent or the Administrator may reject a redemption order if the order is not in proper form as described in the Participant Agreement or if the fulfillment of the order, in the opinion of the Sponsor's counsel, might be unlawful.

Availability of Information

According to the Registration Statement, to provide updated information relating to the Fund for use by investors and market professionals, NYSE Arca will calculate and disseminate during the NYSE Arca Core Trading Session (normally, 9:30 a.m. E.T. to 4:00 p.m. E.T.) an updated "Indicative Fund Value" ("IFV").³² The IFV will be calculated by using the prior day's closing NAV per Share as a base and updating that value during the NYSE Arca Core Trading Session to reflect changes in the value of the Fund's Coal Futures during the trading day. The IFV disseminated during NYSE Arca trading hours should not be viewed as an actual real time update of the NAV, which will be calculated only once at the end of each trading day.

The IFV will be widely disseminated on a per Share basis every 15 seconds during the NYSE Arca Core Trading Session by one or more major market data vendors. The normal trading hours for Coal Futures on the CME Facilities are 6:00 p.m. E.T. Sunday through 6:00 p.m. E.T. Friday, with a 45 minute break each day from 5:15 p.m. E.T. to 6:00 p.m. E.T. In addition, the IFV will be published on the NYSE Euronext Global Index Feed and will be available through on-line information services such as Bloomberg and Reuters.

The Fund will meet the initial and continued listing requirements applicable to TIRs in NYSE Arca Equities Rule 8.200 and Commentary .02 thereto. With respect to application of Rule 10A-3³³ under the Act, the Trust will rely on the exception contained in Rule 10A-3(c)(7).³⁴ A minimum of 100,000 Shares for the Fund will be outstanding as of the start of trading on the Exchange.

The Web site for the Fund and/or the Exchange, which will be publicly accessible at no charge, will contain the following information: (a) The current NAV per Share daily and the prior business day's NAV and the reported closing price; (b) the midpoint of the bid-ask price in relation to the NAV as of the time the NAV is calculated (the "Bid-Ask Price"); (c) calculation of the premium or discount of such price against such NAV; (d) the bid-ask price of Shares determined using the highest bid and lowest offer as of the time of calculation of the NAV; (e) data in chart

form displaying the frequency distribution of discounts and premiums of the Bid-Ask Price against the NAV, within appropriate ranges for each of the four (4) previous calendar quarters; (f) the prospectus; and (g) other applicable quantitative information. The Fund will also disseminate the Fund's holdings on a daily basis on the Fund's Web site. The combined value of the applicable three month strip and U.S. Treasuries, will be made available by one or more major market data vendors, updated at least every 15 seconds during the Exchange's Core Trading Session.

The NAV for the Fund will be calculated by the Administrator once a day and will be disseminated daily to all market participants at the same time. The Exchange will also make available on its Web site daily trading volume of the Shares, closing prices of the Shares, and the corresponding NAV for the Fund. The closing price and settlement prices of Coal Futures are also readily available from the CME. In addition, such prices are available from automated quotation systems, published or other public sources, or on-line information services such as Bloomberg or Reuters. Quotation and last-sale information regarding the Shares will be disseminated through the facilities of the CTA.

The Exchange represents that quotation and last sale information for the Coal Futures will be widely disseminated through a variety of major market data vendors worldwide, including Bloomberg and Reuters. In addition, the Exchange further represents that complete real-time price (and volume) data for such contracts is available by subscription from Reuters and Bloomberg. The CME also provides delayed futures price (and volume) information on current and past trading sessions and market news free of charge on its Web site for Coal Futures. The specific contract specifications for such contracts are also available at the CME Web site, as well as other financial informational sources. CME also makes available real time futures pricing information for a fee. The spot price of coal also is available on a 24-hour basis from major market data vendors. Information relating to trading, including price and volume information, in Coal Futures will be available from major market data vendors and from the exchanges on which Coal Futures trade.

The Fund will provide Web site disclosure of its portfolio holdings daily and will include the names, quantity, price and market value of the Coal Futures held by the Fund and other

³² Currently, it is the Exchange's understanding that several major market data vendors display and/or make widely available IFVs taken from Consolidated Tape Association ("CTA") or other data feeds.

³³ 17 CFR 240.10A-3.

³⁴ 17 CFR 240.10A-3(c)(7).

financial instruments such as Treasury Bills, if any, and the characteristics of such instruments and cash equivalents, and amount of cash held in the portfolio of the Fund. The Web site disclosure of the portfolio composition of the Fund will occur at the same time as the disclosure by the Sponsor of the portfolio composition to Authorized Participants so that all market participants are provided portfolio composition information at the same time. Therefore, the same portfolio information will be provided on the public Web site as well as in electronic files provided to Authorized Participants. Accordingly, each investor will have access to the current portfolio composition of the Fund through the Fund's Web site.

A more detailed description of the Fund, Coal Futures and other aspects of the applicable commodities markets, as well as investment risks, are set forth in the Registration Statement. All terms relating to the Fund that are referred to, but not defined in, this proposed rule change are defined in the Registration Statement.

Trading Rules

The Exchange deems the Shares to be equity securities, thus rendering trading in the Shares subject to the Exchange's existing rules governing the trading of equity securities. Shares will trade on the NYSE Arca Marketplace from 4:00 a.m. to 8:00 p.m. E.T. The Exchange has appropriate rules to facilitate transactions in the Shares during all trading sessions. As provided in NYSE Arca Equities Rule 7.6, Commentary .03, the minimum price variation ("MPV") for quoting and entry of orders in equity securities traded on the NYSE Arca Marketplace is \$0.01, with the exception of securities that are priced less than \$1.00 for which the MPV for order entry is \$0.0001.

The trading of the Shares will be subject to NYSE Arca Equities Rule 8.200, Commentary .02(e), which sets forth certain restrictions on Equity Trading Permit ("ETP") Holders acting as registered Market Makers in TIRs to facilitate surveillance.

With respect to trading halts, the Exchange may consider all relevant factors in exercising its discretion to halt or suspend trading in the Shares. Trading 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 Coal Futures, (2) if the creation or redemption of Shares is suspended for a period that, in the judgment of the Exchange, may

detrimentally impact Exchange trading of the Shares, or (3) whether other unusual conditions or circumstances detrimental to the maintenance of a fair and orderly market are present. In addition, trading in Shares will be subject to trading halts caused by extraordinary market volatility pursuant to the Exchange's "circuit breaker" rule³⁵ or by the halt or suspension of trading of the Coal Futures.

The Exchange represents that the Exchange may halt trading during the day in which an interruption to the dissemination of the IFV or the value of Coal Futures occurs. If the interruption to the dissemination of the IFV or the value of Coal Futures persists past the trading day in which it occurred, the Exchange will halt trading no later than the beginning of the trading day following the interruption.³⁶ In addition, if the Exchange becomes aware that the NAV with respect to the Shares is not disseminated to all market participants at the same time, it will halt trading in the Shares until such time as the NAV is available to all market participants.

Surveillance

The Exchange represents that trading in the Shares will be subject to the existing trading surveillances, administered by the Financial Industry Regulatory Authority ("FINRA") on behalf of the Exchange, which are designed to detect violations of Exchange rules and applicable federal securities laws.³⁷ 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 federal securities laws applicable to trading on the Exchange.

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 Coal Futures with other markets that are members of the Intermarket Surveillance Group ("ISG"), and FINRA may obtain trading information regarding trading in the Shares and Coal Futures from such markets. In addition, the Exchange may obtain information regarding trading in the Shares, and Coal Futures from markets that are members of ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement. CME is a member of the ISG. A list of ISG members is available at www.isgportal.org.

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

Information Bulletin

Prior to the commencement of trading, the Exchange will inform its ETP Holders in an Information Bulletin of the special characteristics and risks associated with trading the Shares. Specifically, the Information Bulletin will discuss the following: (1) The risks involved in trading the Shares during the Opening and Late Trading Sessions, or a portion of the Core Trading Session, when an updated IFV will not be calculated or publicly disseminated; (2) the procedures for purchases and redemptions of Shares in Basket size (and that Shares are not individually redeemable); (3) NYSE Arca Equities Rule 9.2(a), which imposes a duty of due diligence on its ETP Holders to learn the essential facts relating to every customer prior to trading the Shares; (4) how information regarding the IFV is disseminated; (5) the requirement that ETP Holders 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 Bulletin will advise ETP Holders, prior to the commencement of trading, of the prospectus delivery requirements applicable to the Fund. The Exchange notes that investors purchasing Shares directly from the Fund will receive a prospectus. ETP Holders purchasing Shares from the Fund for resale to investors will deliver a prospectus to such investors. The Information Bulletin will also discuss any exemptive, no-action and interpretive relief granted by the Commission from any rules under the Act.

In addition, the Information Bulletin will reference that the Fund is subject to various fees and expenses described in the Registration Statement. The Information Bulletin will also reference that the CFTC has regulatory

³⁵ See NYSE Arca Equities Rule 7.12.

³⁶ The Exchange notes that the Exchange may halt trading during the day in which an interruption to the dissemination of the IFV or the value of the applicable futures contracts occurs.

³⁷ 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.

jurisdiction over the trading of coal futures contracts traded on U.S. markets.

The Information Bulletin will also disclose the trading hours of the Shares of the Fund and that the NAV for the Shares is calculated after 5:00 p.m. E.T. each trading day. The Bulletin will disclose that information about the Shares of the Fund is publicly available on the Fund's Web site.

2. Statutory Basis

The basis under the Act for this proposed rule change is the requirement under Section 6(b)(5)³⁸ that an exchange have rules that are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, 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 NYSE Arca Equities Rule 8.200 and Commentary .02 thereto. The Exchange has in place surveillance procedures that are adequate to properly monitor trading in the Shares in all trading sessions and to deter and detect violations of Exchange rules and applicable federal securities laws. FINRA, on behalf of the Exchange, will communicate as needed regarding trading in the Shares and Coal Futures with other markets that are members of the ISG, and FINRA may obtain trading information regarding trading in the Shares and Coal Futures from such markets. In addition, the Exchange may obtain information regarding trading in the Shares and Coal Futures from markets that are members of ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement. CME is a member of the ISG.

The closing price and settlement prices of Coal Futures are readily available from the CME. In addition, such prices are available from automated quotation systems, published or other public sources, or on-line information services such as Bloomberg or Reuters. The Fund will provide Web site disclosure of its portfolio holdings daily. Quotation and last-sale information regarding the Shares will be disseminated through the facilities of the CTA. The IFV will be widely disseminated on a per Share basis every 15 seconds during the NYSE Arca Core

Trading Session (normally 9:30 a.m. E.T. to 4:00 p.m. E.T.) by one or more major market data vendors. In addition, the IFV will be published on the NYSE Euronext Global Index Feed and will be available through on-line information services such as Bloomberg and Reuters. The Exchange represents that the Exchange may halt trading during the day in which an interruption to the dissemination of the IFV or the value of Coal Futures occurs. If the interruption to the dissemination of the IFV or the value of Coal Futures persists past the trading day in which it occurred, the Exchange will halt trading no later than the beginning of the trading day following the interruption. In addition, if the Exchange becomes aware that the NAV with respect to the Shares is not disseminated to all market participants at the same time, it will halt trading in the Shares until such time as the NAV is available to all market participants.

The proposed rule change is designed to promote just and equitable principles of trade and to protect investors and the public interest in that a large amount of information is publicly available regarding the Fund and the Shares, thereby promoting market transparency. The NAV per Share will be calculated daily and made available to all market participants at the same time. One or more major market data vendors will disseminate for the Fund on a daily basis information with respect to the recent NAV per Share and Shares outstanding.

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 an additional type of commodity futures-related exchange-traded product that will enhance competition among market participants, to the benefit of investors and the marketplace. As noted above, the Exchange has in place surveillance procedures relating to trading in the Shares and may obtain information via ISG from other exchanges that are members of ISG or with which the Exchange has entered into a comprehensive surveillance sharing agreement. In addition, as noted above, investors will have ready access to information regarding the Fund's holdings, IFV, and quotation and last sale information for the Shares.

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 Act. The

Exchange notes that the proposed rule change will facilitate the listing and trading of an additional type of commodity futures-related exchange-traded product, and the first such product based on coal futures, which 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 solicited or received with respect to the proposed rule change.

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 of such date (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 the 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, as modified by Amendment No. 1 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-NYSEArca-2014-102 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-NYSEArca-2014-102. 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

³⁸ 15 U.S.C. 78f(b)(5).

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 the filing also will 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 Number SR–NYSEArca–2014–102, and should be submitted on or before October 16, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³⁹

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–22786 Filed 9–24–14; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73145; File No. SR–SCCP–2014–01]

Self-Regulatory Organizations; Stock Clearing Corporation of Philadelphia; Notice of Filing of Proposed Rule Change To Amend the Amended and Restated Certificate of Incorporation and By-Laws of The NASDAQ OMX Group, Inc.

September 19, 2014.

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 September 10, 2014, Stock Clearing Corporation of Philadelphia (“SCCP”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II and III below, which Items

have been prepared by SSCP. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Clearing Agency's Statement of the Terms of Substance of the Proposed Rule Change

SCCP is filing this proposed rule change with respect to amendments of the Amended and Restated Certificate of Incorporation (the “Charter”) and By-Laws (the “By-Laws”) of its parent corporation, The NASDAQ OMX Group, Inc. (“NASDAQ OMX” or the “Company”). The proposed amendments will be implemented on a date designated by NASDAQ OMX following approval by the Commission. The text of the proposed rule change is available on SSCP's Web site at <http://nasdaqomxphlx.cchwallstreet.com/nasdaqomxphlx/sccp/>, at the principal office of SSCP, and at the Commission's Public Reference Room.

II. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, SSCP 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. SSCP has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

(A) Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

NASDAQ OMX is proposing to make certain amendments to its Charter and By-Laws.

(i) Background

Article Fourth, Paragraph C of NASDAQ OMX's Charter includes a voting limitation that generally prohibits a stockholder from voting shares beneficially owned, directly or indirectly, by such stockholder in excess of 5% of the then-outstanding shares of capital stock of NASDAQ OMX entitled to vote as of the record date in respect of any matter. Pursuant to Article Fourth, Paragraph C(6) of the Charter, NASDAQ OMX's Board may grant exemptions to this limitation prior to the time a stockholder beneficially owns more than 5% of the outstanding shares of stock entitled to vote on the election of a majority of directors at such time. NASDAQ OMX's Board has never granted an exemption to the 5%

voting limitation and has no current plans to do so. However, in the event the Board decides to grant such an exemption in the future, Article Fourth, Paragraph C(6) of the Charter and Section 12.5 of the By-Laws limit the Board's authority to grant the exemption. These provisions, which are intended to be substantively identical, currently contain some language differences. Following discussions with the SEC staff,³ NASDAQ OMX proposes the amendments described below to the Charter and By-Laws to conform these provisions and remove any ambiguity that may exist because of the current language differences.

(ii) Proposed Amendments to Charter

First, unlike the Charter, the By-Laws state that for so long as NASDAQ OMX shall control, directly or indirectly, any self-regulatory subsidiary, a resolution of the Board to approve an exemption for any person under Article Fourth, Paragraph C(6) of the Charter shall not be permitted to become effective until such resolution has been filed with and approved by the SEC under Section 19 of the Act. NASDAQ OMX proposes that this requirement be added to the Charter and that “self-regulatory subsidiary,” which is currently not a defined term in the Charter, be defined as any subsidiary of NASDAQ OMX that is a “self-regulatory organization” as defined under Section 3(a)(26) of the Act.⁴ At present, this defined term would include NASDAQ, BX and Phlx, which are national securities exchanges, and BSECC and SSCP, which are registered clearing agencies that are both currently dormant.

Second, both the Charter and the By-Laws state that the Board may not approve an exemption to the 5% voting limitation for: (i) a registered broker or dealer or an affiliate thereof or (ii) an individual or entity that is subject to a statutory disqualification under Section 3(a)(39) of the Act. The By-Laws include a further proviso stating that, for these purposes, an “affiliate” shall not be deemed to include an entity that either owns 10% or less of the equity of a broker or dealer, or receives 1% or less of its consolidated gross revenues from a broker or dealer. This proviso, which is not currently included in the Charter, allows NASDAQ OMX's Board to grant

³ See Securities Exchange Act Release No. 71353 (January 17, 2014), 79 FR 4209 (January 24, 2014) (SR–BSECC–2013–001, SR–BX–2013–057, SR–NASDAQ–2013–148, SR–Phlx–2013–115, SR–SCCP–2013–01), at note 14.

⁴ Under Section 3(a)(26) of the Act, a “self-regulatory organization” is “any national securities exchange, registered securities association, or registered clearing agency . . .” 15 U.S.C. 78c(a)(26).

³⁹ 17 CFR 200.30–3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.