

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-87040; File No. SR-NYSEARCA-2019-65]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to a Change in the Name and Benchmark Index for the SPDR Nuveen S&P High Yield Municipal Bond ETF

September 20, 2019.

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 12, 2019, NYSE Arca, Inc. (“NYSE Arca” or the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to reflect a change in the name of the SPDR Nuveen S&P High Yield Municipal Bond ETF (“Fund”) and a change in the benchmark index for the Fund, shares of which are currently listed and traded on the Exchange pursuant to NYSE Arca Rule 5.2-E(j)(3), Commentary .02. The proposed rule change is available on the Exchange’s website 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.

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

1. Purpose

The Exchange proposes to reflect a change in the name of the SPDR Nuveen S&P High Yield Municipal Bond ETF and a change to the benchmark index for the Fund, shares (“Shares”) of which are currently listed and traded on the Exchange pursuant to NYSE Arca Rule 5.2-E(j)(3), Commentary .02, which governs the listing and trading of Investment Company Units (“Units”)⁴ based on fixed income securities indexes.⁵ The Fund is a series of the SPDR Series Trust (“Trust”).

As discussed below, the Exchange is submitting this proposed rule change to reflect a change to the name of the Fund and to change the listing requirements applicable to the Fund as set forth in the Approval Order. The name of the Fund going forward will be the SPDR Nuveen Bloomberg Barclays High Yield Municipal Bond ETF. In addition, the

⁴ An open-end investment company that issues Units, listed and traded on the Exchange under NYSE Arca Rule 5.2-E(j)(3), seeks to provide investment results that correspond generally to the price and yield performance of a specific foreign or domestic stock index, fixed income securities index or combination thereof.

⁵ The Commission previously approved a proposed rule change to facilitate listing and trading of Shares of the Fund on the Exchange in Securities Exchange Act Release No. 63881 (February 9, 2011), 76 FR 9065 (February 16, 2011) (SR-NYSEArca-2010-120) (Order Approving a Proposed Rule Change to List and Trade Shares of the SPDR Nuveen S&P High Yield Municipal Bond ETF) (“Approval Order”). In addition, the Commission also has approved or issued a notice of effectiveness for other proposed rule changes relating to listing and trading of funds based on municipal bond indexes. *See, e.g.*, Securities Exchange Act Release Nos. 84396 (October 10, 2018), 83 FR 52266 (October 16, 2018) (SR-NYSEArca-34e5542018-70) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating To Listing and Trading of Shares of the iShares iBond Dec 2026 Term Muni Bond ETF Under Commentary .02 to NYSE Arca Rule 5.2-E(j)(3)); 84107 (September 13, 2018), 83 FR 47210 (September 18, 2018) (SR-CboeBZX-2018-070) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to List and Trade Shares of the iShares iBonds Dec 2025 Term Muni Bond ETF of iShares Trust Under BZX Rule 14.11(c)(4)); 85370 (March 20, 2019), 84 FR 11364 (March 26, 2019) (SR-Cboe BZX-2019-017) (Notice of Filing and Immediate Effectiveness of a Proposed Rule to List and Trade Shares of the iShares iBonds Dec 2026 Term Muni Bond ETF, iShares iBonds Dec 2027 Term Muni Bond ETF, and iShares iBonds Dec 2028 Term Muni Bond ETF Under BZX Rule 14.11(c)(4)). *See also* Securities Exchange Act Release No. 82295 (December 12, 2017), 82 FR 60056 (December 18, 2017) (SR-NYSEArca-2017-56) (Notice of Filing of Amendment No. 3 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 3, to List and Trade Shares of Twelve Series of Investment Company Units Pursuant to NYSE Arca Rule 5.2-E(j)(3)).

Exchange proposes to reflect a change to the benchmark index for the Fund to the “New Index” (as defined below). As discussed below, the New Index does not meet the requirement set forth in Commentary .02(a)(2).⁶ As of June 30, 2019, 58.07% of the weight of the New Index components had a minimum principal amount outstanding of \$100 million or more.

Description of the Shares and the Fund

As stated in the Approval Order, the Fund seeks to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the S&P Municipal Yield Index (“Current Index”) which tracks the U.S. municipal bond market. Going forward, the new benchmark index for the Fund will be the Bloomberg Barclays Municipal Yield Index (“New Index”).⁷ The Exchange believes it is appropriate to facilitate the continued listing and trading of Shares of the Fund because, as described below, the Fund will be based on a broad-based index of fixed income municipal bond securities that is not readily susceptible to manipulation.

For informational purposes, as of June 30, 2019, the New Index included component fixed income municipal bond securities from issuers in 50 different states or U.S. territories. There were approximately 19,617 issues included in the New Index and the total dollar amount outstanding of issues in the New Index was approximately \$228.4 billion. The most heavily weighted security in the New Index represented 2.07% of the total weight of the New Index and the aggregate weight of the top five most heavily weighted securities in the New Index represented approximately 5.03% of the total weight

⁶ Commentary .02(a)(2) to NYSE Arca Rule 5.2-E(j)(3) provides that Fixed Income Security components that in the aggregate account for at least 75% of the Fixed Income Securities portion of the weight of the index or portfolio each shall have a minimum original principal amount outstanding of \$100 million or more.

⁷ The Trust is registered under the Investment Company Act of 1940 (15 U.S.C. 80a-1) (“1940 Act”). See the Trust’s current registration statement on Form N-1A under the Securities Act of 1933 (15 U.S.C. 77a) (“Securities Act”), and under the 1940 Act relating to the Fund (File Nos. 333-57793 and 811-08839) (“Registration Statement”). The Trust will file with the Commission an amendment to its Registration Statement relating to the name of the Fund and the New Index. The description of the operation of the Trust and the Fund herein is based, in part, on the Registration Statement. In addition, the Commission has issued an order granting certain exemptive relief under the 1940 Act to the Trust and SSGA Funds Management, Inc. (the “Adviser”). See Investment Company Act Release Nos. 27839 (May 25, 2007) (File No. 812-13356) (“Exemptive Order”) and 27809, (File No. 812-13356, (April 30, 2007) (the “Notice” and, together with the Exemptive Order, the “Exemptive Relief”).

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

of the New Index. Approximately 58.07% of the weight of the components in the New Index had a minimum original principal amount outstanding of \$100 million or more. In addition, the total dollar amount outstanding of issues in the New Index was approximately \$228.4 billion and the average dollar amount outstanding of issues in the New Index was approximately \$11.6 million.

Principal Investments

Under normal market conditions,⁸ the Fund will invest substantially all, but at least 80%, of its total assets in the securities comprising the New Index.

Non-Principal Investments

With respect to the remaining 20% of its assets, the Fund may invest in the securities and financial instruments described below.

The Fund may invest in securities that the Adviser or any sub-adviser determines have economic characteristics that are substantially identical to the economic characteristics of the securities that comprise the New Index.⁹

The Fund may hold cash and cash equivalents, including, without limitation, money market instruments repurchase agreements, reverse repurchase agreements, money market funds and commercial paper.

The Fund may hold securities of other investment companies, consistent with the requirements of Section 12(d)(1) of the 1940 Act.

The Fund may hold exchange-traded futures on Treasuries or Eurodollars,¹⁰ U.S. exchange-traded or OTC put and call options contracts and exchange-traded or OTC swap agreements (including interest rate swaps, total return swaps, excess return swaps and credit default swaps).

The Fund may hold treasury-inflation protected securities ("TIPs") of the U.S. Treasury as well as major governments and emerging market countries.

The Fund may engage in foreign currency transactions.

The New Index does not meet the requirement set forth in Commentary

.02(a)(2).¹¹ Specifically, as of June 30, 2019, 58.07% of the weight of the New Index components had a minimum principal amount outstanding of \$100 million or more.

Requirement for New Index Constituents

On a continuous basis, the New Index will be comprised of securities that have an outstanding par value of at least \$3 million and will include at least 500 components.

The Exchange represents that: (1) Except for Commentary .02(a)(2) to Rule 5.2-E(j)(3),¹² the New Index and the Fund, as applicable, currently satisfy all of the generic listing standards under Commentary .02(a) to NYSE Arca Rule 5.2-E(j)(3) and all other applicable initial listing standards under Rule 5.2-E(j)(3); (2) the continued listing standards under Commentary .02 to NYSE Arca Rule 5.2-E(j)(3) and all other continued listing standards applicable to Units based on fixed income securities set forth in Rule 5.2-E(3) [sic] will apply to the Shares of the Fund; and (3) the issuer of the Fund is required to comply with Rule 10A-3¹³ under the Act for the initial and continued listing of the Shares. The Exchange represents that the Fund will comply with all other requirements applicable to Units, including, but not limited to, requirements relating to the dissemination of key information such as the value of the New Index and the Intraday Indicative Value ("IIV"),¹⁴ rules governing the trading of equity securities, trading hours, trading halts, surveillance, information barriers and the Information Bulletin, as set forth in the Exchange rules applicable to Units and prior Commission orders approving the generic listing rules applicable to the listing and trading of Units.¹⁵

¹¹ See note 6, *supra*.

¹² See note 6, *supra*.

¹³ 17 CFR 240.10A-3.

¹⁴ The IIV will be widely disseminated by one or more major market data vendors at least every 15 seconds during the Exchange's Core Trading Session (normally, 9:30 a.m. to 4:00 p.m., E.T. Currently, it is the Exchange's understanding that several major market data vendors display and/or make widely available IIV taken from CTA or other data feeds.

¹⁵ See, e.g., Securities Exchange Act Release Nos. 80189 (March 9, 2017), 82 FR 13889 (March 15, 2017) (SR-NYSEArca-2017-01) (order approving amendments to NYSE Arca Equities Rule 5 and Rule 8 Series); 55783 (May 17, 2007), 72 FR 29194 (May 24, 2007) (SR-NYSEArca-2007-36) (order approving NYSE Arca generic listing standards for Units based on a fixed income index); 44551 (July 12, 2001), 66 FR 37716 (July 19, 2001) (SR-PCX-2001-14) (order approving generic listing standards for Units and Portfolio Depositary Receipts); 41983 (October 6, 1999), 64 FR 56008 (October 15, 1999) (SR-PCX-98-29) (order approving rules for listing and trading of Units).

Additional Information

The current value of the New Index will be widely disseminated by one or more major market data vendors at least once per day, as required by Commentary .02(b)(ii) to NYSE Arca Rule 5.2-E(j)(3). The portfolio of securities held by the Fund will be disclosed daily on the Fund's website www.spdrs.com.

Availability of Information

On each business day, the Fund discloses on its website (www.spdrs.com) the portfolio that will form the basis for the Fund's calculation of NAV at the end of the business day.

On a daily basis, the Fund discloses for each portfolio security or other financial instrument of the Fund the following information on the Fund's website: Ticker symbol (if applicable); name of security and financial instrument; a common identifier such as CUSIP or ISIN (if applicable); number of shares (if applicable); strike price (if applicable); number of contracts for options and futures; notional value (if applicable); dollar value of securities and financial instruments held in the portfolio; percentage weighting of the security and financial instrument in the portfolio; and identity of the security, index or other asset on which futures, options or swaps are based. The website information is publicly available at no charge. The current value of the New Index will be widely disseminated by one or more major market data vendors at least once per day, as required by NYSE Arca Rule 5.2-E(j)(3), Commentary .02 (b)(ii).

Investors can also obtain the Trust's Statement of Additional Information ("SAI"), the Fund's Shareholder Reports, and its Form N-CSR and Form N-PORT. The Trust's SAI and Shareholder Reports are available free upon request from the Trust, and those documents and the Form N-CSR and Form N-PORT may be viewed on-screen or downloaded from the Commission's website at www.sec.gov. Information regarding market price and trading volume of the Shares will be continually available on a real-time basis throughout the day on brokers' computer screens and other electronic services. Information regarding the previous day's closing price and trading volume information for the Shares will be published daily in the financial section of newspapers.

Quotation and last sale information for the Shares of the Fund will be available via the Consolidated Tape Association ("CTA") high speed line. Quotation information for investment

⁸ The term "normal market conditions" is defined in NYSE Arca Rule 8.600-E(c)(5).

⁹ The Adviser represents that the Exemptive Relief (see note 7, *supra*) permits a fund of the Trust to have at least 80% of its total assets in component securities of an index and investments that have economic characteristics that are substantially identical to the economic characteristics of the component securities of such index.

¹⁰ All futures contracts held by the Fund will be traded on an exchange that is a member of the Intermarket Surveillance Group ("ISG") or with which the Exchange has in place a comprehensive surveillance sharing agreement.

company securities may be obtained through nationally recognized pricing services through subscription agreements or from brokers and dealers who make markets in such securities. Price information regarding municipal bonds is available from third party pricing services and major market data vendors. Trade price and other information relating to municipal bonds is available through the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") system.

Price information for OTC swaps agreements, OTC options, cash equivalents, foreign currencies, and other debt securities may be obtained from brokers and dealers who make markets in such instruments or major market data vendors. Quotation information for exchange-traded swaps, futures and options will be available from the applicable exchange and/or major market data vendors.

Surveillance

The Exchange represents that trading in the Shares of the Fund will be subject to the existing trading surveillances, administered by the Financial Industry Regulatory Authority ("FINRA") on behalf of the Exchange, or by regulatory staff of the Exchange, which are designed to detect violations of Exchange rules and applicable federal securities laws. The Exchange represents that these procedures are adequate to properly monitor Exchange trading of the Shares of the Fund in all trading sessions and to deter and detect violations of Exchange rules and federal securities laws applicable to trading on the Exchange.¹⁶ 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.

The Exchange or FINRA, on behalf of the Exchange, or both, will communicate as needed regarding trading in the Shares, futures and certain options with other markets and other entities that are members of the ISG, and the Exchange or FINRA, on behalf of the Exchange, or both, may obtain trading information regarding trading in the Shares, futures and

certain options from such markets and other entities. In addition, the Exchange may obtain information regarding trading in the Shares, futures and certain options from markets and other entities that are members of ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement.

In addition, FINRA, on behalf of the Exchange, is able to access, as needed, trade information for certain fixed income securities held by the Fund reported to FINRA's Trade Reporting and Compliance Engine ("TRACE"). FINRA also can access data obtained from the Municipal Securities Rulemaking Board relating to municipal bond trading activity for surveillance purposes in connection with trading in the Shares.

2. Statutory Basis

The Exchange believes that the proposal is consistent with Section 6(b) of the Act¹⁷ in general and Section 6(b)(5) of the Act¹⁸ in particular in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system 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 of the Fund will be listed and traded on the Exchange pursuant to the initial and continued listing criteria in NYSE Arca Rule 5.2-E(j)(3), except for the requirement in Commentary .02(a)(2) that Fixed Income Security components that, in the aggregate, account for at least 75% of the Fixed Income Securities portion of the weight of the index or portfolio each shall have a minimum original principal amount outstanding of \$100 million or more.

The Exchange represents that trading in the Shares will be subject to the existing trading surveillances administered by the Exchange as well as cross-market surveillances administered by FINRA on behalf of the Exchange, which are designed to detect violations of Exchange rules and federal securities laws applicable to trading on the Exchange.¹⁹ 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 Exchange or FINRA, on behalf of the Exchange, or both, will communicate as needed regarding trading in the Shares, futures and certain options with other markets that are members of the ISG. In addition, the Exchange will communicate as needed regarding trading in the Shares, futures and certain options with other markets that are members of the ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement. In addition, FINRA, on behalf of the Exchange, is able to access, as needed, trade information for certain fixed income securities held by the Fund reported to FINRA's TRACE. FINRA also can access data obtained from the Municipal Securities Rulemaking Board relating to municipal bond trading activity for surveillance purposes in connection with trading in the Shares.

As discussed above, the Exchange believes that the New Index is sufficiently broad-based to deter potential manipulation. For informational purposes, as of June 30, 2019, the New Index included component fixed income municipal bond securities from issuers in 50 different states or U.S. territories. There were approximately 19,617 issues included in the New Index and the total dollar amount outstanding of issues in the New Index was approximately \$228.4 billion. The most heavily weighted security in the index represented 2.07% of the total weight of the New Index and the aggregate weight of the top five most heavily weighted securities in the New Index represented approximately 5.03% of the total weight of the New Index.²⁰ Approximately 58.07% of the weight of the components in the New Index had a minimum original principal amount outstanding of \$100 million or more. In addition, the total dollar amount outstanding of issues in the New Index was approximately \$ 228.4 billion and the average dollar amount outstanding of issues in the New Index was approximately \$11.6 million. Therefore,

²⁰ Commentary .02(a)(4) to NYSE Arca Rule 5.2-E(j)(3) provides that no component fixed-income security (excluding Treasury Securities and GSE Securities, as defined therein) shall represent more than 30% of the Fixed Income Securities portion of the weight of the index or portfolio, and the five most heavily weighted component fixed-income securities in the index or portfolio shall not in the aggregate account for more than 65% of the Fixed Income Securities portion of the weight of the index or portfolio.

¹⁶ FINRA conducts cross-market surveillances on behalf of the Exchange pursuant to a regulatory services agreement. The Exchange is responsible for FINRA's performance under this regulatory services agreement.

¹⁷ 15 U.S.C. 78f.

¹⁸ 15 U.S.C. 78f(b)(5).

¹⁹ See note 16, *supra*.

the Exchange believes that the New Index is sufficiently broad-based to deter potential manipulation, given that it is comprised of approximately 19,617 issues.

On a continuous basis, the New Index will be comprised of securities that have an outstanding par value of at least \$3 million and will include at least 500 components.

The Exchange represents that, except for Commentary .02(a)(2) to Rule 5.2–E(j)(3),²¹ the New Index and the Fund, as applicable, currently satisfies all of the generic listing standards under Commentary .02(a) to NYSE Arca Rule 5.2–E(j)(3) and all other applicable initial listing standards under Rule 5.2–E(j)(3). In addition, the continued listing standards under Commentary .02 to NYSE Arca Rule 5.2–E(j)(3) and all other continued listing standards applicable to Units based on fixed income securities will apply to the Shares of the Fund.

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 will be publicly available regarding the Fund and the Shares, thereby promoting market transparency. The Fund's portfolio holdings will be disclosed on the Fund's website daily after the close of trading on the Exchange. Moreover, the IIV will be widely disseminated by one or more major market data vendors at least every 15 seconds during the Exchange's Core Trading Session. The current value of the New Index will be disseminated by one or more major market data vendors at least once per day. Information regarding market price and trading volume of the Shares will be continually available on a real-time basis throughout the day on brokers' computer screens and other electronic services, and quotation and last sale information will be available via the CTA high-speed line. The website for the Fund will include the prospectus for the Fund and additional data relating to NAV and other applicable quantitative information. Moreover, 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.

If the Exchange becomes aware that the NAV is not being 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. With respect to trading halts, the Exchange may

consider all relevant factors in exercising its discretion to halt or suspend trading in the Shares of the Fund. Trading also may be halted because of market conditions or for reasons that, in the view of the Exchange, make trading in the Shares inadvisable. If the IIV or the New Index values are not being disseminated as required, the Exchange may halt trading during the day in which the interruption to the dissemination of the IIV or New Index value occurs. If the interruption to the dissemination of the IIV or New Index value persists past the trading day in which it occurred, the Exchange will halt trading. Trading in Shares of the Fund will be halted if the circuit breaker parameters in NYSE Arca Rule 7.12–E have been reached or because of market conditions or for reasons that, in the view of the Exchange, make trading in the Shares inadvisable, and trading in the Shares will be subject to NYSE Arca Rule 7.34–E, which sets forth circumstances under which Shares of the Fund may be halted. In addition, investors will have ready access to information regarding the IIV, and quotation and last sale information for the Shares.

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 continued listing and trading of an exchange-traded fund that holds municipal bonds and 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, investors will have ready access to information regarding the IIV and quotation and last sale information for the Shares.

For the above reasons, the Exchange believes that the proposed rule change is consistent with the requirements of Section 6(b)(5) of the Act.²²

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 purpose of the Act. The Exchange notes that the proposed rule change will facilitate the continued listing and trading of the Fund, 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

Because the foregoing proposed rule change does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act²³ and subparagraph (f)(6) of Rule 19b–4 thereunder.²⁴

A proposed rule change filed under Rule 19b–4(f)(6)²⁵ normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b–4(f)(6)(iii),²⁶ the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange requests that the Commission waive the 30-day operative delay to permit the continued listing and trading of the Shares on the Exchange. The Exchange asserts that the proposal does not raise novel regulatory issues because the Commission has previously approved or issued notices of effectiveness with respect to the listing and trading of Units based on indexes with similar characteristics as those of the New Index.²⁷ For the foregoing reasons, the Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest. Accordingly, the Commission hereby waives the 30-day operative delay and designates the proposed rule change operative upon filing.²⁸

²³ 15 U.S.C. 78s(b)(3)(A).

²⁴ 17 CFR 240.19b–4(f)(6). In addition, Rule 19b–4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

²⁵ 17 CFR 240.19b–4(f)(6).

²⁶ 17 CFR 240.19b–4(f)(6)(iii).

²⁷ See note 5, *supra*.

²⁸ For purposes only of waiving the 30-day operative delay, the Commission has considered the

²¹ See note 6, *supra*.

²² 15 U.S.C. 78f(b)(5).

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.

IV. Solicitation of Comments

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

Electronic Comments

- Use the Commission's internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include File Number SR-NYSEARCA-2019-65 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-2019-65. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit

proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NYSEARCA-2019-65 and should be submitted on or before October 17, 2019.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁹

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 2019-20872 Filed 9-25-19; 8:45 am]

BILLING CODE 8011-01-P

SMALL BUSINESS ADMINISTRATION

Change to SBA Secondary Market Program

AGENCY: U.S. Small Business Administration.

ACTION: Notice of change to Secondary Market Program.

SUMMARY: The purpose of this Notice is to inform the public that the Small Business Administration (SBA) is making a change to its Secondary Market Loan Pooling Program. SBA is decreasing the minimum maturity ratio for both SBA Standard Pools and Weighted-Average Coupon (WAC) Pools by 100 basis points, to 94.0%. The change described in this Notice is being made to ensure that there are sufficient funds to cover the estimated cost of the timely payment guaranty for newly formed SBA 7(a) loan pools. This change will be incorporated, as needed, into the SBA Secondary Market Program Guide and all other appropriate SBA Secondary Market documents.

DATES: This change will apply to SBA 7(a) loan pools with an issue date on or after October 1, 2019.

ADDRESSES: Address comments concerning this Notice to John M. Wade, Chief Secondary Market Division, U.S. Small Business Administration, 409 3rd Street SW, Washington, DC 20416; or, john.wade@sba.gov.

FOR FURTHER INFORMATION CONTACT: John M. Wade, Chief, Secondary Market Division at 202-205-3647 or john.wade@sba.gov.

SUPPLEMENTARY INFORMATION: The Secondary Market Improvements Act of 1984, 15 U.S.C. 634(f) through (h), authorized SBA to guarantee the timely payment of principal and interest on Pool Certificates. A Pool Certificate represents a fractional undivided interest in a "Pool," which is an

aggregation of SBA guaranteed portions of loans made by SBA Lenders under section 7(a) of the Small Business Act, 15 U.S.C. 636(a). In order to support the timely payment guaranty requirement, SBA established the Master Reserve Fund (MRF), which serves as a mechanism to cover the cost of SBA's timely payment guaranty. Borrower payments on the guaranteed portions of pooled loans, as well as SBA guaranty payments on defaulted pooled loans, are deposited into the MRF. Funds are held in the MRF until distributions are made to investors (Registered Holders) of Pool Certificates. The interest earned on the borrower payments and the SBA guaranty payments deposited into the MRF supports the timely payments made to Registered Holders.

From time to time, SBA provides guidance to SBA Pool Assemblers on the required loan and pool characteristics necessary to form a Pool. These characteristics include, among other things, the minimum number of guaranteed portions of loans required to form a Pool, the allowable difference between the highest and lowest gross and net note rates of the guaranteed portions of loans in a Pool, and the minimum maturity ratio of the guaranteed portions of loans in a Pool. The minimum maturity ratio is equal to the ratio of the shortest and the longest remaining term to maturity of the guaranteed portions of loans in a Pool.

Based on SBA's expectations as to the performance of future Pools, SBA has determined that SBA Pool Assemblers may increase the difference between the shortest and the longest remaining term of the guaranteed portions of loans in a Pool by 1 percentage point (*i.e.*, decreasing the minimum maturity ratio by 100 basis points). SBA does not expect a 1 percentage point reduction in the minimum maturity ratio to have an adverse impact on either the program or the participants in the program. Pools formed over the last fiscal year were required by SBA to have a minimum maturity ratio of at least 95.0%. SBA is now lowering the requirement so that Pools formed may have a minimum maturity ratio of at least 94.0%. Therefore, effective October 1, 2019, all guaranteed portions of loans in Standard Pools and WAC Pools presented for settlement with SBA's Fiscal Transfer Agent will be required to have a minimum maturity ratio of at least 94.0%. SBA is making this change pursuant to Section 5(g)(2) of the Small Business Act, 15 U.S.C. 634(g)(2).

SBA will continue to monitor loan and pool characteristics and will provide notification of additional changes as necessary. It is important to

²⁹ 17 CFR 200.30-3(a)(12).