



## SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-73199; File No. SR-BATS-2014-018)

September 24, 2014

Self-Regulatory Organizations; BATS Exchange, Inc.; Notice of Designation of a Longer Period for Commission Action on Proposed Rule Change to Adopt Rule 14.11(k) to Permit BATS Exchange, Inc. to List Managed Portfolio Shares and to List and Trade Shares of Certain Funds of the Spruce ETF Trust

On August 4, 2014, BATS Exchange, Inc. (“Exchange” or “BATS”) filed with the Securities and Exchange Commission (“SEC” or “Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> a proposed rule change to adopt new BATS Rule 14.11(k), which would permit the Exchange to list Managed Portfolio Shares, which are shares of actively managed exchange-traded funds (“ETFs”) for which the portfolio is disclosed quarterly, and to list and trade shares of certain funds of the Spruce ETF Trust (“Trust”) under proposed BATS Rule 14.11(k). The proposed rule change was published for comment in the Federal Register on August 13, 2014.<sup>3</sup> The Commission received one comment letter on the proposal.<sup>4</sup>

Section 19(b)(2) of the Act<sup>5</sup> provides that, within 45 days of the publication of notice of the filing of a proposed rule change, or within such longer period up to 90 days as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or as to which the self-regulatory organization consents, the Commission

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

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

<sup>3</sup> See Securities Exchange Act Release No. 72787 (Aug. 7, 2014), 79 FR 47488.

<sup>4</sup> See Letter from Gary L. Gastineau, President, ETF Consultants.com, Inc., to Elizabeth M. Murphy, Secretary, Commission, dated Aug. 30, 2014.

<sup>5</sup> 15 U.S.C. 78s(b)(2).

shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved. The Commission is extending this 45-day time period.

The Commission finds that it is appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider the proposed rule change, the comment received, and any response to the comments submitted by the Exchange. The proposed rule change would, among other things, permit the Exchange to adopt new BATS Rule 14.11(k), which would set forth the initial and continued listing standards applicable to Managed Portfolio Shares. In addition, the proposed rule change would permit the listing and trading of shares of certain funds of the Trust pursuant to proposed BATS Rule 14.11(k).

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,<sup>6</sup> designates November 11, 2014, as the date by which the Commission shall either approve or disapprove or

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<sup>6</sup> 15 U.S.C. 78s(b)(2).

institute proceedings to determine whether to disapprove the proposed rule change (File Number SR-BATS-2014-018).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>7</sup>

Kevin M. O'Neill,  
Deputy Secretary.

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<sup>7</sup> 17 CFR 200.30-3(a)(31).