



8011-01

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-85244; File No. SR-NYSEArca-2018-82]

Self-Regulatory Organizations; NYSE Arca, Inc.; Order Granting Approval of a Proposed Rule Change, as Modified by Amendment Nos. 1 and 2, Regarding Certain Changes Relating to Investments of the PGIM Active High Yield Bond ETF

March 4, 2019

I. Introduction

On November 16, 2018, NYSE Arca, Inc. (“Exchange” or “NYSE Arca”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² a proposed rule change to continue to list and trade shares (“Shares”) of the PGIM Active High Yield Bond ETF (“Fund”), a series of PGIM ETF Trust (“Trust”), under NYSE Arca Rule 8.600-E. The proposed rule change was published for comment in the Federal Register on December 6, 2018.³ On January 17, 2019, the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.⁴ On February 6, 2019, the Exchange filed Amendment No. 1 to the proposed rule change, which replaced and superseded the proposed rule change as originally filed.⁵ On February 21, 2019, the Exchange filed Amendment No. 2 to the proposed

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 84696 (Nov. 30, 2018), 83 FR 62915.

⁴ See Securities Exchange Act Release No. 84987, 84 FR 0855 (Jan. 31, 2019). The Commission designated March 6, 2019, as the date by which the Commission shall approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change.

⁵ Amendment No. 1 to the proposed rule change is available at: <https://www.sec.gov/comments/sr-nysearca-2018-82/srnysearca201882-4891452-177603.pdf>.

rule change, which replaced and superseded the proposed rule change as modified by Amendment No. 1.⁶ The Commission has received no comments on the proposal. This order grants approval of the proposed rule change, as modified by Amendment Nos. 1 and 2.

II. Description of the Proposal, as Modified by Amendment Nos. 1 and 2⁷

The Trust is registered under the 1940 Act.⁸ The Shares⁹ are currently listed and traded on the Exchange under Commentary .01 to NYSE Arca Rule 8.600-E,¹⁰ which provides generic

⁶ In Amendment No. 2, which replaced and superseded the proposed rule change as modified by Amendment No. 1, the Exchange: (1) provided additional information regarding certain of the Fund’s permitted investments; (2) changed references to “affiliated short-term bond funds” to the “Affiliated Short Term Bond Fund”; (3) added as permitted “Non-Principal Investments” repurchase agreements and reverse repurchase agreements other than those included as cash equivalents under Commentary .01(c) to NYSE Arca Rule 8.600-E; (4) clarified that the Fund’s investments will be consistent with the Fund’s investment objective and will not be used to enhance leverage; (5) described the availability of price information for certain of the Fund’s permitted investments; (6) specified when the NAV for the Shares will be calculated and disseminated; and (7) made changes of a technical nature. Because Amendment No. 2 does not materially alter the substance of the proposed rule change or raise unique or novel regulatory issues under the Act, Amendment No. 2 is not subject to notice and comment. Amendment No. 2 to the proposed rule change is available at: <https://www.sec.gov/comments/sr-nysearca-2018-82/srnysearca201882-4962016-178627.pdf>.

⁷ Additional information regarding, among other things, the Shares, the Fund, investment objective, permitted investments, investment restrictions, investment adviser and subadviser, creation and redemption procedures, availability of information, trading halts and rules, and surveillance procedures can be found in Amendment No. 2 and in the Registration Statement. See Amendment No. 2, supra note 6, and Registration Statement, infra note 8, respectively.

⁸ On June 28, 2018, the Trust filed with the Commission an amendment to its 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. 333-222469 and 811-23324) (“Registration Statement”). The Commission has issued an order granting certain exemptive relief to the Trust under the 1940 Act. See Investment Company Act Release No. 31095 (Jun. 24, 2014) (File No. 812-14267).

⁹ 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.

¹⁰ The Shares commenced trading on the Exchange on April 10, 2018. See Amendment No. 2, supra note 6, at 4, n.1.

criteria applicable to the listing and trading of Managed Fund Shares.¹¹ However, the Fund intends to change its investment strategy such that the Shares would no longer qualify for generic listing on the Exchange. Specifically, the Fund's portfolio would continue to satisfy all of the generic listing requirements except that:

- investments in non-agency, non-government sponsored entity and privately issued mortgage-related and other asset-backed securities ("Private ABS/MBS") may account for up to 20% of the total assets of the Fund (rather than 20% of the weight of the fixed income portion of the portfolio, as required under Commentary .01(b)(5));
- fixed income securities that do not meet any of the criteria in Commentary .01(b)(4) will not exceed 10% of the total assets of the Fund (rather than such securities not comprising more than 10% of the fixed income weight of the portfolio, as prescribed by that criterion);
- the Fund's investments in shares of the Affiliated Short Term Bond Fund¹² and other non-exchange-traded open-end management investment company securities would not meet the requirements of Commentary .01(a)(1)(A) through (E) to Rule 8.600-E.¹³

¹¹ A Managed Fund Share is a security that: (1) represents an interest in a registered investment company ("Investment Company") organized as an open-end management investment company or similar entity, that invests in a portfolio of securities selected by the Investment Company's investment adviser consistent with the Investment Company's investment objectives and policies; (b) is issued in a specified aggregate minimum number in return for a deposit of a specified portfolio of securities and/or a cash amount with a value equal to the next determined net asset value; and (c) when aggregated in the same specified minimum number, may be redeemed at a holder's request, which holder will be paid a specified portfolio of securities and/or cash with a value equal to the next determined net asset value. See NYSE Arca Rule 8.600-E(c)(1).

¹² Shares of the "Affiliated Short Term Bond Fund" are shares of the PGIM Core Ultra Short Bond Fund or, if the PGIM Core Ultra Short Bond Fund is no longer offered with the same investment objective, shares of any successor fund or other affiliated open-end investment company registered under the 1940 Act with a substantially similar investment objective. See Amendment No. 2, supra note 6, at 6-7.

- the Fund’s investments in convertible and non-convertible preferred stocks, warrants, and Work Out Securities¹⁴ may account for up to 10% of the Fund’s assets in the aggregate, and would not meet the requirements of Commentary .01(a)(1) to NYSE Arca Rule 8.600-E and/or Commentary .01(a)(2) to NYSE Arca Rule 8.600-E with respect to the Fund’s equity securities holdings.

According to the Exchange, these deviations from the generic requirements are necessary for the Fund to achieve its investment objective in a manner that is cost-effective and that maximizes investors’ returns.¹⁵

III. Discussion and Commission Findings

After careful review, the Commission finds that the Exchange’s proposal to list and trade the Shares, as modified by Amendment Nos. 1 and 2, is consistent with the Act and the rules and regulations thereunder applicable to a national securities exchange.¹⁶ In particular, the Commission finds that the proposed rule change, as modified by Amendment Nos. 1 and 2, is consistent with Section 6(b)(5) of the Act,¹⁷ which requires, among other things, that the Exchange’s rules be designed to prevent fraudulent and manipulative acts and practices, to

¹³ Investments in shares of the Affiliated Short Term Bond Fund will not exceed 25% of the total assets of the Fund, and investments in other non-exchange-traded open-end management investment company securities will not exceed 10% of the total assets of the Fund. See id. at 9.

¹⁴ For purposes of this proposed rule change, Work Out Securities include U.S. or foreign equity securities of any type acquired in connection with restructurings or incidental to the purchase or ownership related to issuers of Principal Investment Instruments held by the Fund. Work Out Securities are generally traded over-the-counter (“OTC”), but may be traded on a U.S. or foreign exchange. See id. at 8. The term “Principal Investment Instruments” is defined in Amendment No. 2, supra note 6, at 6.

¹⁵ See id. at 14.

¹⁶ 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).

¹⁷ 15 U.S.C. 78f(b)(5).

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, in general, to protect investors and the public interest. As mentioned above, the Fund's portfolio would continue to meet all of the generic listing criteria except for the requirements of: (1) Commentary .01(a)(1)¹⁸ and/or Commentary .01(a)(2)¹⁹ to Rule 8.600-E; (2) Commentary .01(a)(1)(A) through (E) to

¹⁸ Commentary .01(a)(1) to Rule 8.600-E provides that the component stocks of the equity portion of a portfolio that are U.S. Component Stocks shall meet the following criteria initially and on a continuing basis: (A) Component stocks (excluding Derivative Securities Products and Index-Linked Securities) that in the aggregate account for at least 90% of the equity weight of the portfolio (excluding such Derivative Securities Products and Index-Linked Securities) each shall have a minimum market value of at least \$75 million; (B) Component stocks (excluding Derivative Securities Products and Index-Linked Securities) that in the aggregate account for at least 70% of the equity weight of the portfolio (excluding such Derivative Securities Products and Index-Linked Securities) each shall have a minimum monthly trading volume of 250,000 shares, or minimum notional volume traded per month of \$25,000,000, averaged over the last six months; (C) The most heavily weighted component stock (excluding Derivative Securities Products and Index-Linked Securities) shall not exceed 30% of the equity weight of the portfolio, and, to the extent applicable, the five most heavily weighted component stocks (excluding Derivative Securities Products and Index-Linked Securities) shall not exceed 65% of the equity weight of the portfolio; (D) Where the equity portion of the portfolio does not include Non-U.S. Component Stocks, the equity portion of the portfolio shall include a minimum of 13 component stocks; provided, however, that there shall be no minimum number of component stocks if (i) one or more series of Derivative Securities Products or Index-Linked Securities constitute, at least in part, components underlying a series of Managed Fund Shares, or (ii) one or more series of Derivative Securities Products or Index-Linked Securities account for 100% of the equity weight of the portfolio of a series of Managed Fund Shares; (E) Except as provided herein, equity securities in the portfolio shall be U.S. Component Stocks listed on a national securities exchange and shall be NMS Stocks as defined in Rule 600 of Regulation NMS under the Securities Exchange Act of 1934; and (F) American Depositary Receipts ("ADRs") in a portfolio may be exchange-traded or non-exchange-traded. However, no more than 10% of the equity weight of a portfolio shall consist of non-exchange-traded ADRs.

¹⁹ Commentary .01(a)(2) to Rule 8.600-E provides that the component stocks of the equity portion of a portfolio that are Non-U.S. Component Stocks shall meet the following criteria initially and on a continuing basis: (A) Non-U.S. Component Stocks each shall have a minimum market value of at least \$100 million; (B) Non-U.S. Component Stocks each shall have a minimum global monthly trading volume of 250,000 shares, or minimum global notional volume traded per month of \$25,000,000, averaged over the last six months; (C) The most heavily weighted Non-U.S. Component stock shall not

NYSE Arca Rule 8.600-E;²⁰ (3) Commentary .01(b)(4) to NYSE Arca Rule 8.600-E;²¹ and (4) Commentary .01(b)(5) to NYSE Arca Rule 8.600-E.²² The Commission believes that the Fund's proposed maximum level of investment in private ABS/MBS is consistent with the Commission's previous approval of the listing of shares of other actively managed ETFs that could invest up to 20% of their total assets in non-U.S. Government, non-agency, non-GSE and other privately issued ABS and MBS.²³

With respect to the Fund's investments in shares of the "Affiliated Short Term Bond Fund" and other non-exchange traded open-end management investment company securities, the

exceed 25% of the equity weight of the portfolio, and, to the extent applicable, the five most heavily weighted Non-U.S. Component Stocks shall not exceed 60% of the equity weight of the portfolio; (D) Where the equity portion of the portfolio includes Non-U.S. Component Stocks, the equity portion of the portfolio shall include a minimum of 20 component stocks; provided, however, that there shall be no minimum number of component stocks if (i) one or more series of Derivative Securities Products or Index-Linked Securities constitute, at least in part, components underlying a series of Managed Fund Shares, or (ii) one or more series of Derivative Securities Products or Index-Linked Securities account for 100% of the equity weight of the portfolio of a series of Managed Fund Shares; and (E) Each Non-U.S. Component Stock shall be listed and traded on an exchange that has last-sale reporting.

²⁰ See supra note 18.

²¹ Commentary .01(b)(4) provides that component securities that in the aggregate account for at least 90% of the fixed income weight of the portfolio must be either: (a) from issuers that are required to file reports pursuant to Sections 13 and 15(d) of the Act; (b) from issuers that have a worldwide market value of its outstanding common equity held by non-affiliates of \$700 million or more; (c) from issuers that have outstanding securities that are notes, bonds debentures, or evidence of indebtedness having a total remaining principal amount of at least \$1 billion; (d) exempted securities as defined in Section 3(a)(12) of the Act; or (e) from issuers that are a government of a foreign country or a political subdivision of a foreign country.

²² Commentary .01(b)(5) to NYSE Arca Rule 8.600-E provides that non-agency, non-government sponsored entity and privately issued mortgage-related and other asset-backed securities components of a portfolio may not account, in the aggregate, for more than 20% of the weight of the fixed income portion of the portfolio.

²³ See, e.g., Securities Exchange Act Release No. 80946 (Jun. 15, 2017) 82 FR 28126 (Jun. 20, 2017) (SR-NASDAQ-2017-039); Securities Exchange Act Release No. 76412 (Nov. 10, 2015), 80 FR 71880 (Nov. 17, 2015) (SR-NYSEArca-2015-111).

Commission notes that: (1) such securities must satisfy applicable 1940 Act diversification requirements; and (2) the value of such securities is based on the value of securities and financial assets held by those investment companies.²⁴ The Commission therefore believes that the Fund's investments in shares of the Affiliated Short Term Bond Fund and non-exchange-traded open-end management investment company securities²⁵ would not make the Shares susceptible to fraudulent or manipulative acts and practices. Similarly, the Commission believes that the level of investment by the Fund in securities that do not satisfy the requirements of Commentary .01(b)(4) to NYSE Arca Rule 8.600-E, and Commentary .01(a)(1) to NYSE Arca Rule 8.600-E and/or Commentary .01(a)(2) to NYSE Arca Rule 8.600-E – i.e., no more than 10% of the Fund's total assets – would not make the Shares susceptible to fraudulent or manipulative acts and practices.

The Exchange states that it has a general policy prohibiting the distribution of material, non-public information by its employees. The Exchange represents that the Fund's Adviser and Subadviser are not registered as broker-dealers, but the Adviser and Subadviser are affiliated with the Fund's Distributor, which is a broker-dealer, and have implemented and will maintain a "fire wall" with respect to such broker-dealer regarding access to information concerning the composition and/or changes to the Fund's portfolio.²⁶

²⁴ See Amendment No. 2, supra note 6, at 17.

²⁵ See supra note 13.

²⁶ See Amendment No. 2, supra note 6, at 5. Additionally, the Exchange represents that, in the event (a) the Adviser or the Subadviser becomes registered as a broker-dealer or newly affiliated with a broker-dealer, or (b) any new adviser or sub-adviser is a registered broker-dealer or becomes affiliated with a broker-dealer, it will implement and maintain a "fire wall" with respect to its relevant personnel or broker-dealer affiliate regarding access to information concerning the composition and/or changes to the portfolio, and will be subject to procedures, each designed to prevent the use and dissemination of material non-public information regarding such portfolio. See id.

Trading in the Shares will be subject to the existing trading surveillances administered by the Exchange, as well as cross-market surveillances administered by Financial Industry Regulatory Authority (“FINRA”) on behalf of the Exchange, which are designed to detect violations of Exchange rules and applicable federal securities laws. The Exchange, or FINRA, or both, may obtain information regarding trading in the Shares, ETFs, certain exchange-traded options and certain futures from markets and other entities that are members of Intermarket Surveillance Group (“ISG”) or with which the Exchange has in place a comprehensive surveillance sharing agreement. The Exchange is able to access from FINRA, as needed, trade information for certain fixed income securities held by the Fund reported to the Trade Reporting and Compliance Engine (“TRACE”) of FINRA. FINRA also can access data obtained from the Municipal Securities Rulemaking Board relating to certain municipal bond trading activity for surveillance purposes in connection with trading in the Shares.

The Commission also finds that the proposal to list and trade the Shares on the Exchange is consistent with Section 11A(a)(1)(C)(iii) of the Exchange Act,²⁷ which sets forth Congress’ finding that it is in the public interest and appropriate for the protection of investors and the maintenance of fair and orderly markets to assure the availability to brokers, dealers, and investors of information with respect to quotations for and transactions in securities. Quotation and last sale information for the Shares, ETFs, and U.S. exchange-listed Work Out Securities, convertible and non-convertible securities, warrants, and preferred securities will be available via the Consolidated Tape Association (“CTA”) high-speed line. Intraday price quotations will generally be available from broker-dealers and major market data vendors for OTC Work Out Securities, OTC convertible and non-convertible securities, OTC warrants, and OTC preferred

²⁷ 15 U.S.C. 78k-1(a)(1)(C)(iii).

securities. Exchange-traded options quotation and last sale information for options cleared via the Options Clearing Corporation are available via the Options Price Reporting Authority. In addition, the Portfolio Indicative Value, as defined in NYSE Arca Rule 8.600-E(c)(3), will be widely disseminated by one or more major market data vendors at least every 15 seconds during the Core Trading Session.

Intra-day and closing price information regarding futures, exchange-traded options, exchange-traded swaps and exchange-traded Work Out Securities will be available from the exchanges on which such instruments are traded. Intra-day and closing price information regarding the Principal Investment Instruments²⁸ will be available from major market data vendors. Price information relating to forwards, OTC options and swaps, OTC Work Out Securities, OTC convertible and non-convertible securities, OTC warrants, and OTC preferred securities will also be available from major market data vendors. Intra-day and closing price information for exchange-traded derivative instruments will be available from the applicable exchange and from major market data vendors. For exchange-listed securities (including ETFs), intraday price quotations will generally be available from broker-dealers and trading platforms (as applicable). Intraday and other price information for the fixed income securities in which the Fund invests will be available through subscription services, such as Bloomberg, Markit and Thomson Reuters, which can be accessed by Authorized Participants and other market participants. Additionally, TRACE will be a source of price information for corporate bonds, privately-issued securities, MBS and ABS, to the extent transactions in such securities are reported to TRACE.²⁹ Money Market Funds and the Affiliated Short Term Bond Fund are

²⁸ See supra note 14.

²⁹ Broker-dealers that are FINRA member firms have an obligation to report transactions in specified debt securities to TRACE to the extent required under applicable FINRA rules.

typically priced once each Business Day and their prices will be available through the applicable fund's website or from major market data vendors. Electronic Municipal Market Access ("EMMA") will be a source of price information for municipal bonds. Price information regarding U.S. government securities, repurchase agreements, reverse repurchase agreements and cash equivalents generally may be obtained from brokers and dealers who make markets in such securities or through nationally recognized pricing services through subscription agreements.

The Commission believes that the proposal to list and trade the Shares is reasonably designed to promote fair disclosure of information that may be necessary to price the Shares appropriately and to prevent trading when a reasonable degree of transparency cannot be assured. On each Business Day, before commencement of trading in Shares in the Core Trading Session on the Exchange,³⁰ the Fund discloses on its website the Disclosed Portfolio as defined in NYSE Arca Rule 8.600-E(c)(2) that forms the basis for the Fund's calculation of the net asset value ("NAV") at the end of the Business Day.³¹ The Exchange has obtained a representation from the issuer of the Shares that the NAV per Share will be calculated daily and that the NAV and the Disclosed Portfolio will be made available to all market participants at the same time.

Generally, such debt securities will have at issuance a maturity that exceeds one calendar year. For fixed income securities that are not reported to TRACE, (i) intraday price quotations will generally be available from broker-dealers and trading platforms (as applicable) and (ii) price information will be available from feeds from market data vendors, published or other public sources, or online information services, as described above.

³⁰ The "Core Trading Session" is defined in NYSE Arca Rule 7.34-E(a)(2).

³¹ Under accounting procedures followed by the Fund, trades made on the prior Business Day ("T") will be booked and reflected in NAV on the current Business Day ("T+1"). Accordingly, the Fund will be able to disclose at the beginning of the Business Day the portfolio that will form the basis for the NAV calculation at the end of the Business Day.

In addition, the Portfolio Indicative Value, as defined in NYSE Arca Rule 8.600-E(c)(3), will be widely disseminated by one or more major market data vendors at least every 15 seconds during the Core Trading Session. The Transfer Agent, through the National Securities Clearing Corporation, makes available on each Business Day, immediately prior to the opening of business on the Exchange (currently 9:30 a.m. E.T.), the list of the names and the required number of securities for each Deposit Instrument to be included in the current Portfolio Deposit (based on information at the end of the previous Business Day), as well as information regarding the Cash Amount for the Fund. Such Portfolio Deposit is applicable, subject to any adjustments as described below, in order to effect creations of Creation Units of the Fund until such time as the next-announced Portfolio Deposit composition is made available.

The Exchange represents that trading in Shares will be halted if the circuit breaker parameters in NYSE Arca Rule 7.12-E have been reached. 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.³² NYSE Arca Rule 8.600-E(d)(2)(D) also sets forth circumstances under which trading in the Shares may be halted.

In support of this proposal, the Exchange has also made the following representations:

- (1) The Shares will be subject to NYSE Arca Rule 8.600-E, which sets forth the initial and continued listing criteria applicable to Managed Fund Shares.³³
- (2) All statements and representations made in this filing regarding (a) the description of the portfolio, (b) limitations on portfolio holdings or reference assets, or (c) the

³² These may include: (1) the extent to which trading is not occurring in the securities and/or the financial instruments comprising the Disclosed Portfolio of the Fund; or (2) whether other unusual conditions or circumstances detrimental to the maintenance of a fair and orderly market are present. See Amendment No. 2, supra note 6, at 22.

³³ See id.

applicability of Exchange listing rules specified in this rule filing shall constitute continued listing requirements for listing the Shares on the Exchange.³⁴

- (3) The issuer will advise the Exchange of any failure by the Fund to comply with the continued listing requirements, and, pursuant to its obligations under Section 19(g)(1) of the Act, the Exchange will monitor for compliance with the continued listing requirements. If the Fund is not in compliance with the applicable listing requirements, the Exchange will commence delisting procedures under NYSE Arca Rule 5.5(m)-E.³⁵
- (4) The Exchange has appropriate rules to facilitate transactions in the Shares during all trading sessions.³⁶
- (5) 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 federal securities laws applicable to trading on the Exchange.³⁷
- (6) For initial and continued listing, the Fund will be in compliance with Rule 10A-3 under the Act, as provided by NYSE Arca Rule 5.3-E.³⁸
- (7) A minimum of 100,000 Shares will be outstanding at the commencement of trading on the Exchange.³⁹

³⁴ See id. at 23.

³⁵ See id.

³⁶ See id. at 22.

³⁷ See id. at 22–23.

³⁸ See id. at 22. See also 17 CFR 240.10A-3.

³⁹ See Amendment No. 2, supra note 6, at 22.

- (8) Investments in shares of the Affiliated Short Term Bond Fund will not exceed 25% of the total assets of the Fund.⁴⁰
- (9) Investments in non-exchange-traded open-end management investment company securities will not exceed 10% of the total assets of the Fund.⁴¹
- (10) Investments in private ABS/MBS will, in the aggregate, not exceed more than 20% of the total assets of the Fund.⁴²
- (11) Fixed income securities that do not meet any of the criteria in Commentary .01(b)(4) to NYSE Arca Rule 8.600-E will not exceed 10% of the total assets of the Fund.⁴³
- (12) Not more than 10% of the Fund's assets in the aggregate will be held in convertible and non-convertible preferred stocks, warrants and Work Out Securities.⁴⁴

This approval order is based on all of the Exchange's representations, including those set forth above and in Amendment Nos. 1 and 2.

For the foregoing reasons, the Commission finds that the proposed rule change, as modified by Amendment Nos. 1 and 2, is consistent with Section 6(b)(5) of the Act⁴⁵ and the rules and regulations thereunder applicable to a national securities exchange.

⁴⁰ See id. at 16.

⁴¹ See id.

⁴² See id. at 15.

⁴³ See id.

⁴⁴ See id. at 19.

⁴⁵ 15 U.S.C. 78f(b)(5).

IV. Conclusion

IT IS THEREFORE ORDERED, pursuant to Section 19(b)(2) of the Act,⁴⁶ that the proposed rule change (SR-NYSEArca-2018-82), as modified by Amendment Nos. 1 and 2, be, and it hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁴⁷

Eduardo A. Aleman
Deputy Secretary

⁴⁶ 15 U.S.C. 78s(b)(2).

⁴⁷ 17 CFR 200.30-3(a)(12).

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