

The Commission believes that the Exchange has provided a sufficient basis for its different treatment of Eligible New Listings that list prior to October 1, 2017 and that this portion of the Exchange's proposal meets the requirements of the Act. In making this determination, the Commission notes that the provision of services under Section 146 of the Company Guide is for a limited duration and that the Exchange has provided a reasonable basis for deciding to treat Eligible New Listings that list prior to October 1, 2017 differently from other listed companies going forward. The Commission notes that at the time such companies listed, they had an expectation, if they intended to utilize the corporate governance tools, to be able to do so for the entire 24 month period as set forth in the current rule. To allow such companies listed prior to October 1, 2017 to finish utilizing corporate governance tools for any remainder of their 24 month period appears to be reasonable, equitable, and not unfairly discriminatory. In addition, the Commission notes that the October 1, 2017 date, to curtail the offering of corporate governance tools for Eligible New Listings that list on or after that date, was transparent and published for comment in advance of approval by the Commission in the order discussed herein. As noted above, the Commission received no comments on the proposal. Finally, the Commission has also previously approved proposals providing different services to newly-listed issuers, including those transferring their listing from another exchange, and has found this consistent with Sections 6(b)(4) and 6(b)(5) of the Act.¹⁶

Accordingly, the Commission finds that the proposed rule change is consistent with the requirements of the Act and, in particular, that the products and services provided under Section 146 of the Company Guide are equitably allocated among issuers consistent with Section 6(b)(4) of the Act, the proposed rule change does not unfairly discriminate among issuers consistent with Section 6(b)(5) of the Act, and the proposed rule change is appropriate and consistent with Section 6(b)(8) of the Act in that it does not impose any burden on competition not necessary or

appropriate in furtherance of the purposes of the Act.¹⁷

IV. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹⁸ that the proposed rule change (SR-NYSEAMER-2017-05), be, and hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁹

Eduardo A. Aleman,
Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-81772; File No. SR-ISE-2017-84]

Self-Regulatory Organizations; Nasdaq ISE, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Rule 716(c) on the Block Order Mechanism

September 29, 2017.

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 18, 2017, Nasdaq ISE, LLC ("ISE" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II, below, which Items have been prepared by the Exchange. The 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 amend Rule 716(c) to more accurately describe the allocation methodology used in the Block Order Mechanism, add language regarding how the block execution price is determined, and describe the content of the broadcast message disseminated to members upon the entry of an order into the mechanism.

The text of the proposed rule change is available on the Exchange's Web site at www.ise.com, at the principal office of the Exchange, and at the Commission's Public Reference Room.

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

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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

1. Purpose

The Block Order Mechanism is a process by which a member can obtain liquidity for the execution of block-sized orders,³ defined as orders for fifty contracts or more.⁴ When an order is entered in the Block Order Mechanism, that order is exposed to members who are given an opportunity to respond with the prices and sizes at which they would be willing to trade with the block-sized order.⁵ The exposure period is designated by the Exchange via circular, but must be no less than 100 milliseconds and no more than 1 second.⁶ At the conclusion of the exposure period, either an execution will occur at a single block execution price,⁷ or the order will be cancelled.⁸ The purpose of the proposed rule change is to amend Rule 716(c) to more accurately describe the allocation methodology used in the Block Order Mechanism, add language regarding how the block execution price is determined, and describe the content of the broadcast message disseminated to members upon the entry of an order into the mechanism. The Exchange believes that these changes will increase transparency around the operation of the Block Order Mechanism to the benefit of members and market participants.

Currently, Rule 716(c)(2)(ii) provides that Responses, quotes, and Professional

³ See Rule 716(c).

⁴ See Rule 716(a).

⁵ A "Response" is an electronic message that is sent by members in response to a broadcast message. See Rule 716(b).

⁶ See Supplementary Material .04 to Rule 716.

⁷ Responses and orders and quotes on the order book at the time the block order is executed that are priced better than the block execution price are executed at the block execution price. See Rule 716(c)(2)(i).

⁸ See Rule 716(c)(2).

¹⁶ See Securities Exchange Act Release Nos. 76127 (October 9, 2015), 80 FR 62584 (October 16, 2015) (order approving SR-NYSE-2015-36); 72669 (July 24, 2014), 79 FR 44234 (July 30, 2014) (order approving SR-NASDAQ-2014-058); 65963 (December 15, 2011), 76 FR 79262 (December 21, 2011) (order approving SR-NASDAQ-2011-122).

¹⁷ 15 U.S.C. 78f(b)(4), (5), and (8).

¹⁸ 15 U.S.C. 78s(b)(2).

¹⁹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

Orders⁹ at the block execution price will participate in the execution of the block-size order according to Rule 713(e)—*i.e.*, the Exchange's regular allocation rule. As implemented today, however, interest that is executed in the Block Order Mechanism follows the customer priority pro-rata allocation methodology designed for the Exchange's auction mechanisms, including, for example, the Facilitation Mechanism,¹⁰ Solicited Order Mechanism,¹¹ and Price Improvement Mechanism,¹² with the exception that those two-sided auction mechanisms also allocate contracts against the contra order. This auction allocation methodology is similar to the Exchange's regular allocation methodology but does not provide enhanced allocations to the Primary Market Maker ("PMM") pursuant to Rule 713(e) and Supplementary Material .01(b) to Rule 713.¹³ The Exchange therefore proposes to amend Rule 716(c)(2)(ii) to provide that, at the block execution price, Priority Customer Orders and Priority Customer Responses will be executed first in time priority, and then quotes, Professional Orders, and Professional Responses will participate in the execution of the block-size order based upon the percentage of the total number of contracts available at the block execution price that is represented by the size of the quote, Professional Order, or Professional Response. In addition, the Exchange proposes to specify in Rule 716(c)(2)(i) that interest that is priced better than the block execution price is executed in full. In particular, the Exchange proposes to amend this rule to state that bids (offers) on the Exchange at the time the block order is executed that are priced higher (lower) than the block execution price, as well as Responses that are priced higher (lower) than the block execution price, will be executed in full at the block execution price. Although Rule 716(c)(2)(ii) described above explains how allocations are handled at the block execution price, the Exchange believes that the additional clarity that interest that is priced better than the block execution

price is executed in full would be helpful to members. With these two proposed changes, Rule 716(c) will more accurately describe the allocation methodology used in the Block Order Mechanism.

Furthermore, the Exchange proposes to add language to Rule 716(c)(2)(i) that explains the price at which orders entered into the Block Order Mechanism are executed. In particular, the Exchange proposes to state that Responses, orders, and quotes will be executed at a single block execution price that is the price for the block-size order at which the maximum number of contracts can be executed consistent with the member's instruction. For example, if a member enters a block-sized order to buy 100 contracts at \$1.00 into the Block Order Mechanism, and members enter Response A to sell 50 contracts at \$0.90 and Response B to sell 40 contracts at \$0.95, the block execution price would be \$0.95 as this is the price at which the maximum number of contracts could be executed. The block-sized order and both Responses would then be executed at this single block execution price. Responses A and B would be executed in full since there is sufficient size to execute both Responses against the block-size order. In addition, if two other members also enter Responses C (Priority Customer) and D (non-Priority Customer) to sell at \$0.98 for 10 contracts each, the block execution price would be \$0.98 as additional contracts could be executed at that price. In that instance, Responses A and B, which are priced better than the block execution price, would be executed in full, while Responses C and D, which are priced at the block execution price, would participate in accordance with the allocation methodology described in this proposed rule change—*i.e.*, the remaining 10 contracts would go to Response C, which is a Priority Customer Response. The Block Order Mechanism is designed to provide an opportunity for members to receive liquidity for their block-sized orders and therefore trades at a price that allows the maximum number of contracts of such order to be executed against Responses entered to trade against the block-size order and interest on the Exchange's order book. The Exchange believes that describing how the block execution price is determined in Rule 716(c)(2)(i) will increase transparency around pricing of executions in the Block Order Mechanism.

Finally, the Exchange proposes to add language to Rule 716(c)(1) to describe the content of the broadcast message

sent to members upon the entry of an order into the Block Order Mechanism. In particular, the Exchange proposes to specify that this broadcast message includes the series, and may include price, size and/or side, as specified by the member entering the order. Similar language is included in the Block Order Mechanism Rule on the Exchange's affiliates, Nasdaq GEMX, LLC ("GEMX") and Nasdaq MRX, LLC ("MRX"), which operate in the same way as ISE's Block Order Mechanism.¹⁴ The Exchange therefore believes that this change will increase transparency around the content of the broadcast message and promote consistency across the rulebooks of its affiliated exchanges that offer identical functionality.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder that are applicable to a national securities exchange, and, in particular, with the requirements of Section 6(b) of the Act.¹⁵ In particular, the proposal is consistent with Section 6(b)(5) of the Act,¹⁶ because it is designed to promote just and equitable principles of trade, remove impediments to and perfect the mechanisms 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 changes to the allocation language in Rule 716(c)(2)(i)–(ii) are consistent with the protection of investors and the public interest as the proposed allocation language more accurately reflects the Exchange's process for allocating contracts executed in the Block Order Mechanism. Although the Exchange's allocation rule for the Block Order Mechanism currently references the allocation process for regular trading, the allocation methodology does not include certain parts of the regular allocation procedure. In particular, the Exchange does not grant any special allocation to the PMM for interest executed in the Block Order Mechanism. The Exchange believes that it is appropriate to not provide an enhanced allocation entitlement to the PMM for interest executed in the Block Order Mechanism, as the Block Order Mechanism provides an auction process that does not rely on market maker quoting and other obligations to source liquidity. Furthermore, the Exchange

⁹ The term "Professional Order" means an order that is for the account of a person or entity that is not a Priority Customer. See Rule 100(a)(37C).

¹⁰ See Rule 716(d).

¹¹ See Rule 716(e).

¹² See Rule 723.

¹³ Supplementary Material .01(b) to Rule 713 provides that, if the PMM is quoting at the best price, it has participation rights equal to the greater of the proportion of the total size at the best price represented by the size of its quote, or a percentage allocation entitlement based on the number of other Professional Orders and market maker quotations at the best price.

¹⁴ See GEMX and MRX Rule 716(c)(1).

¹⁵ 15 U.S.C. 78f(b).

¹⁶ 15 U.S.C. 78f(b)(5).

believes that it is helpful to explain in this rule that interest that is priced better than the block execution price would be executed in full. The allocation process used for the Block Order Mechanism is similar to how the Exchange allocates contracts in other auction mechanisms, including, for example, the Facilitation Mechanism, Solicited Order Mechanism, and Price Improvement Mechanism, with the exception that those two-sided auction mechanisms also allocate contracts against the contra order.¹⁷

The Exchange also believes that the proposed changes to describe how the block execution price is determined is consistent with the protection of investors and the public interest as this change will increase transparency around the price at which interest is executed in the Block Order Mechanism. As explained above, the Block Order Mechanism is designed to provide an opportunity for members to receive liquidity for their block-sized orders and therefore trades at a price that allows the maximum number of contracts of such order to be executed against Responses entered to trade against the block-size order and interest on the Exchange's order book. The Exchange believes that describing how the block execution price is determined in Rule 716(c)(2)(i) will increase transparency around pricing of executions in the Block Order Mechanism.

Finally, the Exchange believes that the proposed change to Rule 716(c)(1) is consistent with the protection of investors and the public interest as it will provide transparency to members about the content of the broadcast message sent to members upon the entry of an order into the Block Order Mechanism. Currently, the broadcast message includes the series, and may include price, size and/or side, as specified by the member entering the order. The Exchange is not proposing any changes to the content of the broadcast message but wants to make this clear in its rules, which, with this change, will be consistent with the rules of its affiliates, GEMX and MRX.¹⁸

B. Self-Regulatory Organization's Statement on Burden on Competition

In accordance with Section 6(b)(8) of the Act,¹⁹ the Exchange does not believe that the proposed rule change will impose any burden on intermarket or intramarket competition that is not necessary or appropriate in furtherance

of the purposes of the Act. The proposed rule change is designed to correct the Exchange's rules to more accurately reflect the handling of auctions in the Block Order Mechanism. No changes are proposed to the operation of the Exchange's trading system, and no members will be impacted by the proposed rule, which merely reflects current functionality offered to members that trade in the Block Order Mechanism. The proposed rule change is therefore not designed to impose any significant burden on competition.

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

No written comments were either solicited or received.

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)(iii) of the Act²⁰ and subparagraph (f)(6) of Rule 19b-4 thereunder.²¹

A proposed rule change filed under Rule 19b-4(f)(6)²² normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),²³ 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. The Exchange notes that a waiver is consistent with the protection of investors and the public interest because it will allow the Exchange to correct its Block Order Mechanism rules to reflect the current functionality of the system without undue delay. 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.²⁴

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is: (i) Necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the 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-ISE-2017-84 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-ISE-2017-84. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE.,

²⁴ For purposes only of waiving the 30-day operative delay, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

²⁰ 15 U.S.C. 78s(b)(3)(A)(iii).

²¹ 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.

²² 17 CFR 240.19b-4(f)(6).

²³ 17 CFR 240.19b-4(f)(6)(iii).

¹⁷ See supra notes 10-12 and accompanying text.

¹⁸ See supra note 14 and accompanying text.

¹⁹ 15 U.S.C. 78f(b)(8).

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-ISE-2017-84 and should be submitted on or before October 26, 2017.

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

Eduardo A. Aleman,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 32845; File No. 812-14726]

Olden Lane Securities LLC and Olden Lane Trust; Notice of Application

September 29, 2017.

AGENCY: Securities and Exchange Commission (“Commission”).

ACTION: Notice of an application for an order under section 12(d)(1)(J) of the Investment Company Act of 1940 (the “Act”) for an exemption from sections 12(d)(1)(A), (B), and (C) of the Act and under sections 6(c) and 17(b) of the Act for an exemption from sections 17(a)(1) and (2) of the Act. The requested order would permit certain registered unit investment trusts (“UITs”) to acquire shares of certain registered open-end investment companies, registered closed-end investment companies and registered UITs (collectively, the “Underlying Funds”) that are within and outside the same group of investment companies as the acquiring UITs, in excess of the limits in section 12(d)(1) of the Act.

APPLICANTS: Olden Lane Trust (the “Trust”), a UIT that is registered under the Act, and Olden Lane Securities (“Olden Lane”), a Delaware limited liability company registered as a broker-dealer under the Securities Exchange Act of 1934 (the “Exchange Act”).

FILING DATES: The application was filed on December 9, 2016 and amended on April 10, 2017, July 25, 2017 and September 15, 2017.

HEARING OR NOTIFICATION OF HEARING: An order granting the requested relief will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Commission’s Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on October 24, 2017 and should be accompanied by proof of service on the applicants, in the form of an affidavit, or, for lawyers, a certificate of service. Pursuant to Rule 0-5 under the Act, hearing requests should state the nature of the writer’s interest, any facts bearing upon the desirability of a hearing on the matter, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the Commission’s Secretary.

ADDRESSES: Secretary, U.S. Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-1090. Applicants: Olden Lane Securities LLC and Olden Lane Trust, 200 Forrestal Road, Suite 3B, Princeton, NJ 08540.

FOR FURTHER INFORMATION CONTACT: Andrea Ottomaneli Magovern, Acting Branch Chief, at (202) 551-6768 or Nadya Roytblat, Assistant Chief Counsel, at (202) 551-6821 (Division of Investment Management, Chief Counsel’s Office).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained via the Commission’s Web site by searching for the file number, or for an applicant using the Company name box, at <http://www.sec.gov/search/search.htm>, or by calling (202) 551-8090.

Summary of the Application

1. Applicants request an order to permit (a) a Series¹ to acquire shares of Underlying Funds² in excess of the limits in sections 12(d)(1)(A) and (C) of the Act and (b) the Underlying Funds that are registered open-end investment companies, their principal underwriters and any broker or dealer registered under the Exchange Act to sell shares of the Underlying Funds to the Series in excess of the limits in section

¹ Applicants request that the order apply to each existing and future series of the Trust and to any future registered UIT and series thereof sponsored by Olden Lane or an entity controlling, controlled by or under common control with Olden Lane (the “Series”).

² Certain of the Underlying Funds may be registered as an open-end investment company or a UIT, but have received exemptive relief from the Commission to permit their shares to be listed and traded on a national securities exchange at negotiated prices and to operate as exchange-traded funds (“ETFs”).

12(d)(1)(B) of the Act.³ Applicants also request an order of exemption under sections 6(c) and 17(b) of the Act from the prohibition on certain affiliated transactions in section 17(a) of the Act to the extent necessary to permit the Underlying Funds to sell their shares to, and redeem their shares from, the Series.⁴ Applicants state that such transactions will be consistent with the policies of each Series and each Underlying Fund and with the general purposes of the Act and will be based on the net asset values of the Underlying Funds.

2. Applicants agree that any order granting the requested relief will be subject to the terms and conditions stated in the application. Such terms and conditions are designed to, among other things, help prevent any potential (i) undue influence over an Underlying Fund that is not in the same “group of investment companies” as the UIT through control or voting power, or in connection with certain services, transactions, and underwritings, (ii) excessive layering of fees, and (iii) overly complex fund structures, which are the concerns underlying the limits in sections 12(d)(1)(A), (B), and (C) of the Act.

3. Section 12(d)(1)(J) of the Act provides that the Commission may exempt any person, security, or transaction, or any class or classes of persons, securities, or transactions, from any provision of section 12(d)(1) if the exemption is consistent with the public interest and the protection of investors. Section 17(b) of the Act authorizes the Commission to grant an order permitting a transaction otherwise prohibited by section 17(a) if it finds that (a) the terms of the proposed transaction are fair and reasonable and do not involve overreaching on the part of any person concerned; (b) the proposed transaction is consistent with the policies of each registered investment company involved; and (c) the proposed transaction is consistent with the general purposes of the Act.

³ Applicants do not request relief for the Series to invest in reliance on the order in closed-end investment companies that are not listed and traded on a national securities exchange.

⁴ A Series generally would purchase and sell shares of an Underlying Fund that operates as an ETF through secondary market transactions rather than through principal transactions with the Underlying Fund. Applicants nevertheless request relief from section 17(a) to permit a Series to purchase or redeem shares from the ETF. A Series will purchase and sell shares of an Underlying Fund that is a closed-end fund through secondary market transactions at market prices rather than through principal transactions with the closed-end fund. Accordingly, applicants are not requesting section 17(a) relief with respect to transactions in shares of closed-end funds.

²⁵ 17 CFR 200.30-3(a)(12).