

Commission, 100 F Street NE., Washington, DC 20549-1090.

*Applicants:* Causeway ETMF Trust, Causeway Capital Management LLC, 11111 Santa Monica Boulevard, 15th Floor, Los Angeles, CA 90025; SEI Investments Distribution Co., One Freedom Valley Drive, Oaks, PA 19456.

**FOR FURTHER INFORMATION CONTACT:**

Deepak T. Pai, Senior Counsel, or Daniele Marchesani, 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.

**Applicants**

1. The Trust will be registered as an open-end management investment company under the Act and is a statutory trust organized under the laws of the State of Delaware. Applicants seek relief with respect to three Funds (as defined below, and those Funds, the "Initial Funds"). The portfolio positions of each Fund will consist of securities and other assets selected and managed by its Adviser or Subadviser (as defined below) to pursue the Fund's investment objective.

2. The Adviser, a Delaware limited liability company, will be the investment adviser to the Initial Funds. An Adviser (as defined below) will serve as investment adviser to each Fund. The Adviser is, and any other Adviser will be, registered as an investment adviser under the Investment Advisers Act of 1940 ("Advisers Act"). The Adviser and the Trust may retain one or more subadvisers (each a "Subadviser") to manage the portfolios of the Funds. Any Subadviser will be registered, or not subject to registration, under the Advisers Act.

3. The Distributor is a Pennsylvania corporation and a broker-dealer registered under the Securities Exchange Act of 1934 and will act as the principal underwriter of Shares of the Funds. Applicants request that the requested relief apply to any distributor of Shares, whether affiliated or unaffiliated with the Adviser (included in the term "Distributor"). Any Distributor will comply with the terms and conditions of the Order.

**Applicants' Requested Exemptive Relief**

4. Applicants seek the requested Order under section 6(c) of the Act for an exemption from sections 2(a)(32), 5(a)(1), 22(d) and 22(e) of the Act and rule 22c-1 under the Act, under sections 6(c) and 17(b) of the Act for an exemption from sections 17(a)(1) and 17(a)(2) of the Act, and under section 12(d)(1)(J) of the Act for an exemption from sections 12(d)(1)(A) and (B) of the Act. The requested Order would permit applicants to offer exchange-traded managed funds. Because the relief requested is the same as the relief granted by the Commission under the Reference Order and because the Adviser has entered into, or anticipates entering into, a licensing agreement with Eaton Vance Management, or an affiliate thereof in order to offer exchange-traded managed funds,<sup>2</sup> the Order would incorporate by reference the terms and conditions of the Reference Order.

5. Applicants request that the Order apply to the Initial Funds and to any other existing or future open-end management investment company or series thereof that: (a) Is advised by the Adviser or any entity controlling, controlled by, or under common control with the Adviser (any such entity included in the term "Adviser"); and (b) operates as an exchange-traded managed fund as described in the Reference Order; and (c) complies with the terms and conditions of the Order and of the Reference Order, which is incorporated by reference herein (each such company or series and Initial Fund, a "Fund").<sup>3</sup>

6. Section 6(c) of the Act provides that the Commission may exempt any person, security or transaction, or any class of persons, securities or transactions, from any provisions of the Act, if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act. Section 17(b) of the Act authorizes the Commission to exempt a proposed transaction from section 17(a) of the Act if evidence establishes that the terms of the transaction, including the consideration to be paid or received, are reasonable and fair and do not involve overreaching on the part of any person

<sup>2</sup> Eaton Vance Management has obtained patents with respect to certain aspects of the Funds' method of operation as exchange-traded managed funds.

<sup>3</sup> All entities that currently intend to rely on the Order are named as applicants. Any other entity that relies on the Order in the future will comply with the terms and conditions of the Order and of the Reference Order, which is incorporated by reference herein.

concerned, and the proposed transaction is consistent with the policies of the registered investment company and the general purposes of the Act. 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.

7. Applicants submit that for the reasons stated in the Reference Order: (1) With respect to the relief requested pursuant to section 6(c) of the Act, the relief is appropriate, in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act; (2) with respect to the relief request pursuant to section 17(b) of the Act, the proposed transactions are reasonable and fair and do not involve overreaching on the part of any person concerned, are consistent with the policies of each registered investment company concerned and consistent with the general purposes of the Act; and (3) with respect to the relief requested pursuant to section 12(d)(1)(J) of the Act, the relief is consistent with the public interest and the protection of investors.

By the Division of Investment Management, pursuant to delegated authority.

**Eduardo A. Aleman,**  
Assistant Secretary.

[FR Doc. 2017-01998 Filed 1-30-17; 8:45 am]

**BILLING CODE 8011-01-P**

**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-79874; File No. SR-NASDAQ-2016-141]

**Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Withdrawal of a Proposed Rule Change To Amend Rule 4702 To Adopt a New Retail Post-Only Order**

January 25, 2017.

On October 13, 2016, The Nasdaq Stock Market LLC ("Exchange") filed with the Securities and Exchange Commission ("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 amend Exchange Rule 4702 to adopt a new Retail Post-Only Order. The proposed rule change was published for comment in the **Federal Register** on

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

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

November 1, 2016.<sup>3</sup> On December 14, 2016, pursuant to Section 19(b)(2) of the Act,<sup>4</sup> 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.<sup>5</sup> The Commission received one comment letter on the proposed rule change.<sup>6</sup> On January 20, 2017, the Exchange withdrew the proposed rule change (SR-NASDAQ-2016-141).

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

**Eduardo A. Aleman,**

*Assistant Secretary.*

[FR Doc. 2017-02000 Filed 1-30-17; 8:45 am]

BILLING CODE 8011-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-79876; File No. SR-NASDAQ-2016-131]

### Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Order Granting Approval of Proposed Rule Change, as Modified by Amendment Nos. 2 and 3, To Enhance the Reopening Auction Process Following a Trading Halt Declared Pursuant to the Plan To Address Extraordinary Market Volatility

January 25, 2017.

#### I. Introduction

On October 13, 2016, The Nasdaq Stock Market LLC (“Nasdaq” or “Exchange”) filed with the Securities and Exchange Commission (“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 related to the Exchange’s re-opening process following a trading halt declared pursuant to the National Market System Plan to Address Extraordinary Market Volatility (“Plan”). The proposed rule change was published for comment in the **Federal**

**Register** on November 1, 2016.<sup>3</sup> On December 5, 2016, the Exchange filed Amendment No. 1 to the proposed rule change. On December 14, 2016, the Commission extended the time 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 to January 30, 2017.<sup>4</sup> On December 21, 2016, the Exchange withdrew Amendment No. 1 and filed Amendment No. 2 to the proposed rule change. On January 19, 2017, the Exchange filed Amendment No. 3 to the proposed rule change.<sup>5</sup> The Commission received no comments on the proposed rule change. This order approves the proposed rule change, as modified by Amendment Nos. 2 and 3.

#### II. Description of the Proposed Rule Change, as Modified by Amendment Nos. 2 and 3

In conjunction with the Twelfth Amendment to the Plan,<sup>6</sup> the Exchange proposes to revise its re-opening process following a trading halt declared pursuant to the Plan (“Trading Pause”) and to make related changes.

##### *Auction Reference Price and Auction Collar for the Re-Opening Process Following a Trading Pause*

The Exchange proposes to establish an “Auction Reference Price” and an “Auction Collar” for the re-opening process following a Trading Pause. Specifically, for a Limit Down triggered pause, the Auction Reference Price would be the Lower Band price of the LULD Band in place at the time the

Trading Pause was triggered.<sup>7</sup> For a Limit Up triggered pause, the Auction Reference Price would be the Upper Band price of the LULD Band in place at the time the Trading Pause was triggered.<sup>8</sup> With respect to Auction Collars, for a Limit Down triggered pause, the lower Auction Collar price would be derived by subtracting 5% of the Auction Reference Price, rounded to the nearest minimum price increment, or in the case of securities with an Auction Reference Price of \$3 or less, \$0.15, from the Auction Reference Price, and the upper Auction Collar price would be the Upper Band price of the LULD Band in place at the time the Trading Pause was triggered.<sup>9</sup> For a Limit Up triggered pause, the upper Auction Collar price would be derived by adding 5% of the Auction Reference Price, rounded to the nearest minimum price increment, or in the case of securities with an Auction Reference Price of \$3 or less, \$0.15, to the Auction Reference Price, and the lower Auction Collar price would be the Lower Band price of the LULD Band in place at the time the Trading Pause was triggered.<sup>10</sup>

##### *Extension of Re-Opening Time and Expansion of Auction Collars*

As proposed, for any security listed on the Exchange, prior to terminating a Trading Pause, there would be a 5-minute “Initial Display Only Period” during which market participants may enter quotations and orders in that security in Nasdaq systems.<sup>11</sup> At the conclusion of the Initial Display Only Period, the security would be released for trading unless, at the end of the Initial Display Only Period, the Exchange detects an order imbalance in the security.<sup>12</sup> In that case, the Exchange would extend the Display Only Period for an additional 5-minute period

<sup>3</sup> See Securities Exchange Act Release No. 79158 (October 26, 2016), 81 FR 75879 (“Notice”).

<sup>4</sup> See Securities Exchange Act Release No. 79551, 81 FR 92885 (December 20, 2016).

<sup>5</sup> In Amendment No. 2, the Exchange proposed to use the Auction Reference Price to determine whether a security subject to a Trading Pause is priced at \$3 or less, which would determine the method of calculating the Auction Collars. The Exchange also made a conforming change to Nasdaq Rule 4754(b)(6) relating to Trading Pauses that exist at or after 3:50 p.m. In Amendment No. 3, the Exchange proposed to implement the proposed rule change in the third quarter of 2017, following the Commission’s approval of the Twelfth Amendment to the Plan. The Exchange also explained that this implementation is contingent on the Securities Information Processors successfully implementing changes to their systems to allow for the new re-opening process, and the other Primary Listing Exchanges gaining approval of their related filings and their ability to implement the changes concurrent with Nasdaq. Because Amendment Nos. 2 and 3 do not materially alter the substance of the proposed rule change or raise unique or novel regulatory issues, they are not subject to notice and comment. Both amendments are available at: <https://www.sec.gov/comments/sr-nasdaq-2016-131/nasdaq2016131.shtml>.

<sup>6</sup> See Securities Exchange Act Release No. 79845 (January 19, 2017) (File No. 4-631).

<sup>7</sup> See proposed Nasdaq Rule 4120(c)(10)(A)(i)(a).

<sup>8</sup> See proposed Nasdaq Rule 4120(c)(10)(A)(i)(b). The proposed definition of Auction Reference Price for a Trading Pause is designed to be consistent across listing exchanges.

<sup>9</sup> See proposed Nasdaq Rule 4120(c)(10)(A)(ii)(a).

<sup>10</sup> See proposed Nasdaq Rule 4120(c)(10)(A)(ii)(b). The proposed Auction Collars for a Trading Pause are designed to be consistent across listing exchanges.

<sup>11</sup> See proposed Nasdaq Rule 4120(c)(10). The proposed rule would also provide that the Trading Pause shall be terminated when Nasdaq releases the security for trading. See *id.* The Exchange proposes a conforming change in Nasdaq Rule 4120(c)(7)(A).

<sup>12</sup> See proposed Nasdaq Rule 4120(c)(10)(B). According to proposed Nasdaq Rule 4120(c)(10)(E), upon completion of the cross calculation, an order imbalance shall be established as follows: (i) The calculated price at which the security would be released for trading is above (below) the upper (lower) Auction Collar price calculated under paragraphs (A), (B), or (C) of Nasdaq Rule 4120(c)(10); or (ii) all market orders would not be executed in the cross.

<sup>3</sup> See Securities Exchange Act Release No. 79163 (October 26, 2016), 81 FR 75862.

<sup>4</sup> 15 U.S.C. 78s(b)(2).

<sup>5</sup> See Securities Exchange Act Release No. 79554, 81 FR 92927 (December 20, 2016). The Commission designated January 30, 2017, as the date by which it shall approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

<sup>6</sup> See Letter from Joseph Saluzzi and Sal Arnuk, Partners, Themis Trading LLC, to Brent J. Fields, Secretary, Commission, dated November 7, 2016.

<sup>7</sup> 17 CFR 200.30-3(a)(12).

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

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