will be posted no later than 10 days prior to the meeting.

Dated at Rockville, Maryland, this 10th day of July, 2015.

For the Nuclear Regulatory Commission.

Andrew Persinko,
Deputy Director, Division of Decommissioning, Uranium Recovery, and Waste Programs, Office of Nuclear Material Safety and Safeguards.

[FR Doc. 2015–17763 Filed 7–17–15; 8:45 am]
BILLING CODE 7590–01–P

POSTAL REGULATORY COMMISSION
[Docket Nos. MC2015–68 and CP2015–99; Order No. 2581]

New Postal Product

AGENCY: Postal Regulatory Commission.

ACTION: Notice.

SUMMARY: The Commission is noticing a recent Postal Service filing concerning the addition of International Merchandise Return Service Agreements with Foreign Postal Operators Non-Published Rates to the competitive product list. This notice informs the public of the filing, invites public comment, and takes other administrative steps.

DATES: Comments are due: July 21, 2015.

ADDRESSES: Submit comments electronically via the Commission’s Filing Online system at http://www.prc.gov. Those who cannot submit comments electronically should contact the person identified in the FOR FURTHER INFORMATION CONTACT section by telephone for advice on filing alternatives.

FOR FURTHER INFORMATION CONTACT: David A. Trissell, General Counsel, at 202–789–6820.

SUPPLEMENTARY INFORMATION:

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I. Introduction

In accordance with 39 U.S.C. 3642 and 39 CFR 3020.30 et seq., the United States Postal Service (Postal Service) filed a formal request and associated supporting information to add Competitive International Merchandise Return Service Agreements with Foreign Postal Operators (IMRS–FPO) to the competitive products list. If the proposed product is approved by the Commission, the Postal Service intends to file each new IMRS–FPO agreement in this docket on or before its effective date, pursuant to 39 U.S.C. 407(d).

II. Notice of Commission Action

The Commission establishes Docket Nos. MC2015–68 and CP2015–99 to consider the Request pertaining to the addition of IMRS–FPO to the competitive products list. The Commission invites comments on whether the Postal Service’s filings in the captioned dockets are consistent with the policies of 39 U.S.C. 3632, 3633, or 3642, 39 CFR part 3015, and 39 CFR part 3020, subpart B. Comments are due no later than July 21, 2015. The public portions of these filings can be accessed via the Commission’s Web site (http://www.prc.gov).

The Commission appoints James F. Callow to serve as an officer of the Commission to represent the interests of the general public in these proceedings (Public Representative).

III. Ordering Paragraphs

It is ordered:


2. Pursuant to 39 U.S.C. 505, James F. Callow is appointed to serve as Public Representative in these dockets.

3. Comments are due no later than July 21, 2015.

4. The Secretary shall arrange for publication of this order in the Federal Register.

By the Commission.

Ruth Ann Abrams,
Acting Secretary.

[FR Doc. 2015–17686 Filed 7–17–15; 8:45 am]
BILLING CODE 7710–FW–P

SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing of Proposed Rule Change Relating to the Listing and Trading of Shares of the First Trust SSI Strategic Convertible Securities ETF of First Trust Exchange-Traded Fund IV

July 14, 2015.

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 July 2, 2015, The NASDAQ Stock Market LLC (“Nasdaq” or the “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 Nasdaq. 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

Nasdaq proposes to list and trade the shares of the First Trust SSI Strategic Convertible Securities ETF (the “Fund”) of First Trust Exchange-Traded Fund IV (the “Trust”) under Nasdaq Rule 5735 (“Managed Fund Shares”).3 The shares


Continued
of the Fund are collectively referred to herein as the “Shares.”

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

In its filing with the Commission, Nasdaq included statements concerning the purpose of, and basis for, the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. Nasdaq 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 Exchange proposes to list and trade the Shares of the Fund under Nasdaq Rule 5735, which governs the listing and trading of Managed Fund Shares on the Exchange. The Fund will be an actively-managed exchange-traded fund (“ETF”). The Shares will be offered by the Trust, which was established as a Massachusetts business trust on September 15, 2010. The Trust is registered with the Commission as an investment company and has filed a registration statement on Form N–1A (“Registration Statement”) with the Commission. The Trust will be a series of the Trust. The Fund intends to qualify each year as a regulated investment company (“RIC”) under Subchapter M of the Internal Revenue Code of 1986, as amended.

First Trust Advisors L.P. will be the investment adviser (“Adviser”) to the Fund. SSI Investment Management Inc. will serve as investment sub-adviser (“Sub-Adviser”) to the Fund and provide day-to-day portfolio management. First Trust Portfolios L.P. (“the Distributor”) will be the principal underwriter and distributor of the Fund’s Shares. The Bank of New York Mellon Corporation (“BNY”) will act as the administrator, accounting agent, custodian and transfer agent to the Fund.

Paragraph (g) of Rule 5735 provides that if the investment adviser to the investment company issuing Managed Fund Shares is affiliated with a broker-dealer, such adviser shall erect a “fire wall” between the investment adviser and the broker-dealer with respect to access to information concerning the composition and/or changes to such investment company portfolio. In addition, paragraph (g) further requires that personnel who make decisions on the open-end fund’s portfolio composition must be subject to procedures designed to prevent the use and dissemination of material non-public information.

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

2. Discussion

The Exchange believes the proposed rule change raises no significant issues not previously addressed in those prior Commission orders.

4 A Managed Fund Share is a security that represents an interest in an investment company registered under the Investment Company Act of 1940 (15 U.S.C. 80a–1) (the “1940 Act”) organized as an open-end investment company or similar entity that invests in a portfolio of securities selected by its investment adviser consistent with its investment objectives and policies. In contrast, an open-end investment company that issues Index Shares, listed and traded on the Exchange under Nasdaq Rule 5705, 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.

The investment objective of the Fund is to seek total return. To achieve its objective, the Fund will invest, under normal market conditions, at least 80% of its net assets (including investment

The term “under normal market conditions” as used herein includes, but is not limited to, the absence of adverse market, economic, political, or other conditions, including extreme volatility or trading halts in the fixed income markets or the financial markets generally; operational issues affecting dissemination of material non-public information; or force majeure type events such as systems failure, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labor disruption or any similar intervening circumstance. On a temporary basis, including for defensive purposes, during the initial invest-up period and during periods of high cash inflows or outflows, the Fund may depart from its principal investment strategies; for example, it may hold a higher than normal proportion of its assets in cash. During such periods, the Fund may not be able to achieve its investment objective. The Fund may adopt a defensive strategy when the Adviser believes market conditions in which the Fund normally invests have elevated risks due to political or economic factors and in other extraordinary circumstances.
borrowings) in the following convertible securities: 9 convertible notes, bonds and debentures; convertible preferred securities; mandatory convertible securities; 10 contingent convertible securities; synthetic convertible securities; 12 corporate bonds and preferred securities with attached warrants; 13 and convertible Rule 144A securities 14 (collectively, “Convertible Securities”).

Through its investment process, the Sub-Adviser will attempt to identify attractive Convertible Securities based on its positive view of the Underlying Security or its view of the company’s potential for credit improvement. The Sub-Adviser will begin its investment process by evaluating a large universe of available Convertible Securities and screening for liquidity and convexity. Convexity is the ratio of upside move in the Convertible Security in conjunction with appreciation of the Underlying Security relative to the downside move in the Convertible Security in conjunction with depreciation of the Underlying Security. The screening process will rely on the Sub-Adviser’s fundamental credit evaluation of the issuers. This credit analysis will allow the Sub-Adviser to attempt to identify the downside risk of the Convertible Security, assess the value of the embedded equity and understand the amount of participation expected with a change in the price of the Underlying Security. Once attractive Convertible Securities (i.e., Convertible Securities that are most highly ranked, based on a ranking system incorporating target characteristics) have been identified, the Sub-Adviser will use fundamental equity analysis to determine which of the attractive Convertible Securities it believes have a sound Underlying Security with potential for increase in value. In conjunction with its analysis, the Sub-Adviser will review the overall economic situation. In this regard, the Fund will be actively managed, whereby, the Sub-Adviser will assess the position of the economic cycle and the performance outlook for certain economic sectors. The Sub-Adviser will, at times, overweight or underweight different economic sectors, market capitalizations, and credit quality exposures relative to the available universe of Convertible Securities. The Sub-Adviser may also adjust the sensitiveness of Utility to movements in the equity market and to interest rates based on the macroeconomic outlook. The Fund may manage the market exposure defensively during periods of market distress.

The Fund will invest in Convertible Securities of any credit quality, including unrated securities, and with effective or final maturities of any length. Convertible Securities may be issued by domestic or foreign entities. The Fund will hold debt securities (including, but not limited to Convertible Securities and the debt securities described below) of at least 13 non-affiliated issuers.

Other Investments of the Fund

The Fund may invest up to 20% of its net assets in short-term debt securities and other short-term debt instruments (described below), as well as cash equivalents, or it may hold cash. The percentage of the Fund invested in such holdings will vary and will depend on several factors, including market conditions.

Short-term debt instruments are issued by issuers having a long-term debt rating of at least A by Standard & Poor’s Ratings Services (“S&P Ratings”), Moody’s Investors Service, Inc. (“Moody’s”) or Fitch Ratings (“Fitch”) and have a maturity of one year or less. The Fund may invest in the following short-term debt instruments: (1) Fixed rate and floating rate U.S. government securities, including bills, notes and bonds differing as to maturity and rates of interest, which are either issued or guaranteed by the U.S. Treasury or by U.S. government agencies or instrumentalities; (2) certificates of deposit issued against funds deposited in a bank or savings and loan association; (3) banks’ acceptances, which are short-term credit instruments used to finance commercial transactions; (4) repurchase agreements, 16 which involve purchases of debt securities; (5) bank time deposits, which are monies kept on deposit with banks or savings and loan associations for a stated period of time at a fixed rate of interest; (6) commercial paper, which is short-term unsecured promissory notes; 17 and (7) corporate debt obligations.

The Fund may invest up to 20% of its net assets in exchange-traded notes (“ETNs”). The Fund may invest up to 20% of its net assets in exchange-listed equity securities (referred to collectively as “Equity Securities”). 18 In addition to U.S. exchange-listed equity securities of domestic issuers, Equity Securities may include securities of foreign issuers that are listed on U.S. or foreign exchanges as well as investments in equity securities that are in the form of American Depositary Receipts (“ADR”) or Global Depositary Receipts (“GDRs”, and together with ADRs, “Depositary Receipts”).

16 The Fund intends to enter into repurchase agreements only with financial institutions and dealers believed by the Adviser and/or the Sub-Adviser to present minimal credit risks in accordance with criteria approved by the Board of Trustees of the Trust ("Trust Board"). The Adviser and/or the Sub-Adviser will review and monitor the creditworthiness of such institutions. The Adviser and/or the Sub-Adviser will monitor the value of the collateral at the time the transaction is entered into and at all times during the term of the repurchase agreement.

17 The Fund may only invest in commercial paper rated A–1 or higher by S&P Ratings, Prime–1 or higher by Moody’s or P1 or higher by Fitch.

18 The Fund may hold Equity Securities either through direct investment or upon conversion of a Convertible Security into its corresponding Underlying Security (referred to as a “Post- Conversion Underlying Security”).
The Fund may invest up to 20% of its net assets in exchange-listed equity index futures contracts, in exchange-listed and over-the-counter (“OTC”) index credit default swaps, and in forward foreign currency exchange contracts. The use of futures contracts may allow the Fund to obtain net long or short exposures to selected equity indexes. Index credit default swaps may be used to gain exposure to a basket of credit risk by “selling protection” against default or other credit events, or to hedge a broad market credit risk by “buying protection.” Forward foreign currency exchange contracts may be used to protect the value of the Fund’s portfolio against uncertainty in the level of future currency exchange rates. The Fund’s investments in derivative instruments will be consistent with the Fund’s investment objective and the Fund’s investment policy and may include, but are not limited to, OTC index credit default swaps and forward foreign currency exchange contracts with counterparties that the Adviser and/or the Sub-Adviser reasonably believes are capable of performing under the applicable agreement.

Investment Restrictions

The Fund may not invest 25% or more of the value of its total assets in securities of issuers in any one industry. This restriction does not apply to (a) obligations issued or guaranteed by the U.S. government, its agencies or instrumentalities or (b) securities of other investment companies.

The Fund may hold up to an aggregate amount of 15% of its net assets in illiquid assets (calculated at the time of investment), including Rule 144A exchange-listed equity securities of business development companies (“BDCs”).

23 In reaching liquidity decisions, the Adviser and the Sub-Adviser may consider the following factors: the frequency of trades and quotes for the security; the number of dealers wishing to purchase or sell the security and the number of other potential purchasers; dealer undertakings to make a market in the security; and the nature of the marketplace in which it trades (e.g., the time needed to dispose of the security, the method of soliciting offers and the mechanics of transfer).

Creation and Redemption of Shares

The Fund will issue and redeem Shares on a continuous basis at net asset value (“NAV”) only in large blocks of Shares (“Creation Units”) in transactions with authorized participants, generally including brokers-dealers and large institutional investors (“Authorized Participants”). Creation Units generally will consist of 50,000 Shares, although this may change from time to time. Creation Units, however, are not expected to consist of less than 50,000 Shares. As described in the Registration Statement and consistent with the Exemptive Relief, the Fund will issue and redeem Creation Units in exchange for an in-kind portfolio of instruments and/or cash in lieu of such instruments (the “Creation Basket”). In addition, if there is a difference between the NAV attributable to a Creation Unit and the market value of the Creation Basket exchanged for the Creation Unit, the party conveying instruments with the lower value will pay to the other an amount in cash equal to the difference (referred to as the “Cash Component”). Creations and redemptions must be made by or through an Authorized Participant that has executed an agreement that has been agreed to by the Distributor and BNY with respect to creations and redemptions of Creation Units. All standard orders to create Creation Units must be received by the transfer agent no later than the closing time of the regular trading session on the NYSE (ordinarily 4:00 p.m., Eastern Time) (the “Closing Time”) in each case on the date such order is placed in order for the creation of Creation Units to be affected based on the NAV of Shares as next determined on such date after receipt of the order in proper form. Shares may be redeemed only in Creation Units at their NAV next determined after receipt not later than the Closing Time of a redemption request in proper form by the Fund through the transfer agent and only on a business day.

The Fund’s custodian, through the National Securities Clearing Corporation, will make available on each business day prior to the opening of business of the Exchange, the list of the names and quantities of the instruments comprising the Creation Basket, as well as the estimated Cash Component (if any), for that day. The published Creation Basket will apply until a new Creation Basket is announced on the following business day prior to commencement of trading in the Shares.

Net Asset Value

The Fund’s NAV will be determined as of the close of regular trading on theNYSE on each day the NYSE is open for trading. If the NYSE closes early on a valuation day, the NAV will be determined as of that time. NAV per Share will be calculated for the Fund by taking the market price of the Fund’s total assets, including interest or dividends accrued but not yet collected, less all liabilities, and dividing such amount by the total number of Shares outstanding. The result, rounded to the nearest cent, will be the NAV per Share. All valuations will be subject to review by the Trust Board or its delegate.
The Fund’s investments will be valued daily at market value or, in the absence of market value with respect to any investments, at fair value. Market value prices represent last sale or official closing prices from a national or foreign exchange (i.e., a regulated market) and will primarily be obtained from third party pricing services (each, a “Pricing Service”). Fair value prices represent any prices not considered market value prices and will either be obtained from a Pricing Service or determined by the pricing committee of the Adviser (the “Pricing Committee”), in accordance with valuation procedures (which may be revised from time to time) adopted by the Trust Board (the “Valuation Procedures”), and in accordance with provisions of the 1940 Act. The information summarized below is based on the Valuation Procedures as currently in effect; however, as noted above, the Valuation Procedures are amended from time to time and, therefore, such information is subject to change.

Certain securities, including in particular Convertible Securities, in which the Fund may invest will not be listed on any securities exchange or board of trade. Such securities will typically be bought and sold by institutional investors in individually negotiated private transactions that function in many respects like an OTC secondary market, although typically no formal market makers will exist. Certain securities, particularly debt securities, will have few or no trades, or trade infrequently, and information regarding a specific security may not be widely available or may be incomplete. Accordingly, determinations of the fair value of debt securities may be based on infrequent and dated information. Because there is less reliable, objective data available, elements of judgment may play a greater role in valuation of debt securities than for other types of securities.

The following investments will typically be valued using information provided by a Pricing Service or obtained from broker-dealer quotations: (a) Convertible Securities (including convertible notes, bonds and debentures; convertible preferred securities; mandatory convertible securities; contingent convertible securities; synthetic convertible securities; corporate bonds and preferred securities with attached

warrants;\(^{27}\) and convertible Rule 144A securities); \(^{28}\) (b) except as provided below, short-term U.S. government securities, commercial paper, bankers’ acceptances and short-term corporate debt obligations, all as set forth under “Other Investments of the Fund” (collectively, “Short-Term Debt Instruments”); and (c) OTC index credit default swaps. Debt instruments may be valued at evaluated bid prices, as provided by Pricing Services. Pricing Services typically value non-exchange-traded instruments utilizing a range of market-based inputs and assumptions, including readily available market quotations obtained from broker-dealers making markets in such instruments, cash flows, and transactions for comparable instruments. In pricing certain instruments, the Pricing Services may consider information about an instrument’s issuer or market activity provided by the Adviser or the Sub-Adviser.

Short-Term Debt Instruments having a remaining maturity of 60 days or less when purchased will typically be valued at cost adjusted for amortization of premiums and accretion of discounts, provided the Pricing Committee has determined that the use of amortized cost is an appropriate reflection of fair value given market and issuer-specific conditions existing at the time of the determination.

Repurchase agreements will typically be valued as follows: Overnight repurchase agreements will be fair valued at cost. Term repurchase agreements (i.e., those whose maturity exceeds seven days) will be valued at the average of the bid quotations obtained daily from at least two recognized dealers.

Common stocks and other equity securities (including Depositary Receipts, BDCs, Post-Conversion Underlying Securities, and other Equity Securities), as well as ETNs, listed on any exchange other than the Exchange and the London Stock Exchange Alternative Investment Market (“AIM”) will typically be valued at the last sale price on the exchange on which they are principally traded on the business day as of which such value is being determined. Such equity securities and ETNs listed on the Exchange or the AIM will typically be valued at the official closing price on the business day as of which such value is being determined. If there has been no sale on such day, or no official closing price in the case of securities traded on the Exchange or the AIM, such equity securities and ETNs will typically be valued using fair value pricing. Such equity securities and ETNs traded on more than one securities exchange will be valued at the last sale price or official closing price, as applicable, on the business day as of which such value is being determined at the close of the exchange representing the principal market for such securities.

Exchange-Listed Convertible Securities, exchange-listed equity index futures contracts and exchange-listed index credit default swaps will typically be valued at the closing price in the market where such instruments are principally traded. If no official closing price is available, such instruments will be fairly valued at the mean of their most recent bid and asked price on the exchange on which they are principally traded, if available, and otherwise at their closing bid price.

Forward foreign currency exchange contracts will typically be fair valued at the current day’s interpolated foreign exchange rate, as calculated using the current day’s spot rate, and the thirty, sixty, ninety and one-hundred-eighty day forward rates provided by a Pricing Service or by certain independent dealers in such contracts.

Because foreign exchanges may be open on different days than the days during which an investor may purchase or sell Shares, the value of the Fund’s assets may change on days when investors are not able to purchase or sell Shares. Assets denominated in foreign currencies will be translated into U.S. dollars at the exchange rate of such currencies against the U.S. dollar as provided by a Pricing Service. The value of assets denominated in foreign currencies will be converted into U.S. dollars at the exchange rates in effect at the time of valuation.

Valuing the Fund’s assets using fair value pricing can result in using prices for those assets (particularly assets that trade in foreign markets) that may differ from current market valuations.

Availability of Information

The Fund’s Web site (www.ftportfolios.com), which will be publicly available prior to the public offering of Shares, will include a form of the prospectus for the Fund that may be downloaded. The Web site will include the Shares’ ticker, CUSIP and exchange information along with additional quantitative information.

\(^{27}\) Although the attached warrants will be exchange-listed, for purposes of valuation, these Convertible Securities will typically be treated as single non-exchange-listed instruments.

\(^{28}\) Convertible Securities are generally not expected to be exchange-listed. However, to the extent the Fund invests in any Convertible Securities that are exchange-listed (referred to as “Exchange-Listed Convertible Securities”), they will be valued as provided below.
updated on a daily basis, including, for the Fund: (1) Daily trading volume, the prior business day’s reported NAV and closing price, mid-point of the bid/ask spread at the time of calculation of such NAV (the “Bid/Ask Price”), and a calculation of the premium and discount of the Bid/Ask Price against the NAV; and (2) data in chart format displaying the frequency distribution of discounts and premiums of the daily Bid/Ask Price against the NAV, within appropriate ranges, for each of the four previous calendar quarters. On each business day, before commencement of trading in Shares in the Regular Market Session on the Exchange, the Fund will disclose on its Web site the identities and quantities of the portfolio of securities, and other assets (the “Disclosed Portfolio” as defined in Nasdaq Rule 5735(c)(2)) held by the Fund that will form the basis for the Fund’s calculation of NAV at the end of the business day. The Fund’s disclosure of derivative positions in the Disclosed Portfolio will include information that market participants can use to value these positions intraday. On a daily basis, the Fund will disclose on the Fund’s Web site the following information regarding each portfolio holding, as applicable to the type of holding: ticker symbol, CUSIP number or other identifier, if any; a description of the holding (including the type of holding, such as the type of swap), the identity of the security or other asset or instrument underlying the holding, if any; quantity held (as measured by, for example, par value, notional value or number of contracts or units); maturity date, if any; coupon rate, if any; effective date, if any; market value of the holding; and percentage weighting of the holding in the Fund’s portfolio. The Web site information will be publicly available at no charge.

In addition, for the Fund, an estimated value, defined in Rule 5735(c)(3) as the “Intraday Indicative Value,” that reflects an estimated intraday value of the Fund’s Disclosed Portfolio, will be disseminated. Moreover, the Intraday Indicative Value, available on the NASDAQ OMX Information LLC proprietary index data service, will be based upon the current value for the components of the Disclosed Portfolio and will be updated and widely disseminated by one or more major market data vendors and broadly displayed at least every 15 seconds during the Regular Market Session. The Intraday Indicative Value will be based on quotes and closing prices from the securities’ local market and may not reflect events that occur subsequent to the local market’s close. Premiums and discounts between the Intraday Indicative Value and the market price may occur. This should not be viewed as a “real time” update of the NAV per Share of the Fund, which is calculated only once a day.

The dissemination of the Intraday Indicative Value, together with the Disclosed Portfolio, will allow investors to determine the value of the underlying portfolio of the Fund on a daily basis and will provide a close estimate of that value throughout the trading day. Investors will also be able to obtain the Fund’s Statement of Additional Information (“SAI”), the Fund’s annual and semi-annual reports (together, “Shareholder Reports”), and its Form N-CSR and Form N-SAR, filed twice a year. The Fund’s SAI and Shareholder Reports will be available free upon request from the Fund, and those documents and the Form N-CSR and Form N-SAR may be viewed on-screen or downloaded from the Commission’s Web site 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 will be available via Nasdaq proprietary quote and trade services, as well as in accordance with the Unlisted Trading Privileges and the Consolidated Tape Association ("CTA") plans for the NASDAQ OMX indexes, listed ETFs, or third-party partner indexes and ETFs.

Quotation and last sale information for U.S. exchange-listed equity securities will be available from the exchanges on which they are traded as well as in accordance with any applicable CTA plans. Pricing information for Exchange-Listed Convertible Securities; ETNs; Depositary Receipts, BDCs, Post-Conversion Underlying Securities, and other Equity Securities; exchange-listed equity index futures contracts; and exchange-listed index credit default swaps will be available from the applicable listing exchange and from major market data vendors. Pricing information for OTC Convertible Securities (including convertible notes, bonds and debentures; convertible preferred securities; mandatory convertible securities; contingent convertible securities; synthetic convertible securities; corporate bonds and preferred securities with attached warrants; and convertible Rule 144A securities); Short-Term Debt Instruments (including short-term U.S. government securities, commercial paper, bankers’ acceptances and short-term corporate debt obligations, all as set forth under “Other Investments of the Fund”); repurchase agreements; OTC index credit default swaps; and forward foreign currency exchange contracts will be available from major broker-dealer firms and/or major market data vendors and/or Pricing Services.

Additional information regarding the Fund and the Shares, including investment strategies, risks, creation and redemption procedures, fees, Fund holdings disclosure policies, distributions and taxes will be included in the Registration Statement.

Initial and Continued Listing

The Shares will be subject to Rule 5735, which sets forth the initial and continued listing criteria applicable to Managed Fund Shares. The Exchange represents that, for initial and/or continued listing, the Fund must be in compliance with Rule 10A–3 under the Act. A minimum of 100,000 Shares will be outstanding at the commencement of trading on the Exchange. The Exchange will obtain 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

32 The Bid/Ask Price of the Fund will be determined using the midpoint of the highest bid and the lowest offer on the Exchange as of the time of calculation of the Fund’s NAV. The records relating to Bid/Ask Prices will be retained by the Fund and its service providers.

33 Although the attached warrants will be exchange-listed, for purposes of obtaining pricing information, these Convertible Securities will typically be treated as single non-exchange-listed instruments.

34 Currently, the NASDAQ OMX Global Index Data Service (“GIDS”) is the NASDAQ OMX global index data feed service, offering real-time updates, daily summary messages, and access to widely followed indexes and Intraday Indicative Values for ETFs. GIDS provides investment professionals with the daily information needed to track or trade NASDAQ OMX indexes, listed ETFs, or third-party partner indexes and ETFs.

35 Under accounting procedures to be followed by the Fund, trades made on the prior business day ("T-1") 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.

36 See Nasdaq Rule 4120(b)(4) (describing the three trading sessions on the Exchange: (1) Pre-Market Session from 4 a.m. to 9:30 a.m., Eastern Time; (2) Regular Market Session from 9:30 a.m. to 4 p.m. or 4:15 p.m., Eastern Time; and (3) Post-Market Session from 4 p.m. or 4:15 p.m. to 8 p.m., Eastern Time).

available to all market participants at the same time.

Trading Halts

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. Nasdaq will halt trading in the Shares under the conditions specified in Nasdaq Rules 4120 and 4121, including the trading pauses under Nasdaq Rules 4120(a)(11) and (12). Trading may be halted because of market conditions or for reasons that, in the view of the Exchange, make trading in the Shares inadvisable. These may include: (1) The extent to which trading is not occurring in the securities and/or the other assets constituting 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. Trading in the Shares also may be subject to Rule 5735(b)(3), which sets forth circumstances under which Shares of the Fund may be halted.

Trading Rules

Nasdaq deems the Shares to be equity securities, thus rendering trading in the Shares subject to Nasdaq’s existing rules governing the trading of equity securities. Nasdaq will allow trading in the Shares from 4:00 a.m. until 8:00 p.m., Eastern Time. The Exchange has appropriate rules to facilitate transactions in the Shares during all trading sessions. As provided in Nasdaq Rule 5735(b)(3), the minimum price variation for quoting and entry of orders in Managed Fund Shares traded on the Exchange is $.01.

Surveillance

The Exchange represents that trading in the Shares will be subject to the existing trading surveillances, administered by both Nasdaq and also the Financial Industry Regulatory Authority (“FINRA”) on behalf of the Exchange, which are designed to detect violations of Exchange rules and applicable federal securities laws.35 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 applicable federal securities laws.

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.

FINRA, on behalf of the Exchange, will communicate as needed regarding trading in the Shares and the exchange-traded securities and instruments held by the Fund (including Exchange-Listed Convertible Securities; ETNs; Depositary Receipts, BDCs, Post-Conversion Underlying Securities, and other Equity Securities; exchange-listed equity index futures contracts; and exchange-listed index credit default swaps) with other markets and other entities that are members of the Intermarket Surveillance Group ("ISG").36 and FINRA may obtain trading information regarding trading in the Shares and the exchange-traded securities and instruments held by the Fund from such markets and other entities. In addition, the Exchange may obtain information regarding trading in the Shares and the exchange-traded securities and instruments held by the Fund from markets and other entities that are members of ISG, which includes securities and futures exchanges, or with which the Exchange has in place a comprehensive surveillance sharing agreement. Moreover, FINRA, on behalf of the Exchange, will be 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").

At least 90% of the Fund’s net assets that are invested in Exchange-Listed Convertible Securities; ETNs; Depositary Receipts, BDCs, Post-Conversion Underlying Securities, and other Equity Securities; exchange-listed equity index futures contracts; and exchange-listed index credit default swaps (in the aggregate) will be invested in investments that trade in markets that are members of ISG or are parties to a comprehensive surveillance sharing agreement with the Exchange. Further, at least 90% of the Underlying Securities corresponding to the pre-conversion Convertible Securities held by the Fund (measured by par value) will trade in markets that are members of ISG or are parties to a comprehensive surveillance sharing agreement with the Exchange.

In addition, the Exchange also has a general policy prohibiting the distribution of material, non-public information by its employees.

Information Circular

Prior to the commencement of trading, the Exchange will inform its members in an Information Circular of the special characteristics and risks associated with trading the Shares. Specifically, the Information Circular will discuss the following: (1) The procedures for purchases and redemptions of Shares in Creation Units (and that Shares are not individually redeemable); (2) Nasdaq Rule 2111A, which imposes suitability obligations on Nasdaq members with respect to recommending transactions in the Shares to customers; (3) how information regarding the Intraday Indicative Value and the Disclosed Portfolio is disseminated; (4) the risks involved in trading the Shares during the Pre-Market and Post-Market Sessions when an updated Intraday Indicative Value will not be calculated or publicly disseminated; (5) the requirement that members deliver a prospectus to investors purchasing newly issued Shares prior to or concurrently with the confirmation of a transaction; and (6) trading information.

The Information Circular will also discuss any exemptive, no-action and interpretive relief granted by the Commission from any rules under the Act.

Additionally, the Information Circular will reference that the Fund is subject to various fees and expenses described in the Registration Statement. The Information Circular will also disclose the trading hours of the Shares of the Fund and the applicable NAV Calculation Time for the Shares. The Information Circular will disclose that information about the Shares of the Fund will be publicly available on the Fund’s Web site.

2. Statutory Basis

Nasdaq believes that the proposal is consistent with Section 6(b) of the Act in general and Section 6(b)(5) of the Act 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, and to remove impediments to and perfect the mechanism of a free and open market and, in general, to protect investors and the public interest.

35 FINRA surveils trading on the Exchange pursuant to a regulatory services agreement. The Exchange is responsible for FINRA’s performance under this regulatory services agreement.

36 For a list of the current members of ISG, see www.isgportal.org. The Exchange notes that not all components of the Disclosed Portfolio may trade on markets that are members of ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement.
The Exchange believes that the proposed rule change is designed to prevent fraudulent and manipulative acts and practices in that the Shares will be listed and traded on the Exchange pursuant to the initial and continued listing criteria in Nasdaq Rule 5735. The Exchange represents that trading in the Shares will be subject to the existing trading surveillances, administered by both Nasdaq and also FINRA on behalf of the Exchange, which are designed to detect violations of Exchange rules and applicable federal securities laws.

Neither the Adviser nor the Sub-Adviser is a broker-dealer. The Sub-Adviser is not affiliated with a broker-dealer. The Adviser has implemented a firewall with respect to its broker-dealer affiliate regarding access to information concerning the composition and/or changes to the portfolio. In addition, paragraph (g) of Nasdaq Rule 5735 further requires that personnel of the Adviser who make decisions on the open-end fund’s portfolio composition must be subject to procedures designed to prevent the use and dissemination of material non-public information regarding the open-end fund’s portfolio.

FINRA, on behalf of the Exchange, will communicate as needed regarding trading in the Shares and the exchange-traded securities and instruments held by the Fund (including Exchange-Listed Derivative Instruments; Exchange-Listed Derivative Instruments (including forward foreign currency exchange swaps); Exchange-Listed Derivative Instruments (including forward foreign currency exchange swaps and other Equity Securities; exchange-listed Depositary Receipts, BDCs, Post-Conversion Underlying Securities; and other Equity Securities; exchange-listed convertible securities; corporate bonds and preferred securities; mandatory convertible securities; synthetic convertible securities; corporate bonds and preferred securities with attached warrants; and convertible Rule 144A securities); Short-Term Debt Instruments (including short-term U.S. government securities, commercial paper, bankers’ acceptances and short-term corporate debt obligations, all as set forth under “Other Investments of the Fund”); repurchase agreements; OTC index credit default swaps; and exchange-listed index credit default swaps (in the aggregate) will be invested in investments that trade in markets that are members of ISG or are parties to a comprehensive surveillance sharing agreement with the Exchange. Further, at least 90% of the Underlying Securities corresponding to the pre-conversion Convertible Securities held by the Fund (measured by par value) will trade in markets that are members of ISG or are parties to a comprehensive surveillance sharing agreement with the Exchange.

The investment objective of the Fund will be to seek total return. To achieve its objective, the Fund will invest, under normal market conditions, at least 80% of its net assets (including investment borrowings) in a portfolio of Convertible Securities. The Fund may invest up to 20% of its net assets in exchange-listed equity index futures contracts, in exchange-listed and OTC index credit default swaps, and in forward foreign currency exchange contracts. The Fund’s investments in derivative instruments will be consistent with the Fund’s investment objective and the 1940 Act and will not be used to seek to achieve a multiple or inverse multiple of an index. The Fund may hold up to an aggregate amount of 15% of its net assets in illiquid assets (calculated at the time of investment), including Rule 144A securities deemed illiquid by the Adviser and/or the Sub-Adviser. The Fund will monitor its portfolio liquidity on an ongoing basis to determine whether, in light of current circumstances, an adequate level of liquidity is being maintained, and will consider taking appropriate steps in order to maintain adequate liquidity if, through a change in values, net assets, or other circumstances, more than 15% of the Fund’s net assets are held in illiquid assets. Illiquid assets include securities subject to contractual or other restrictions on resale and other instruments that lack readily available markets as determined in accordance with Commission guidance.

The proposed rule change is designed to promote just and equitable principles of trade and to protect investors and the public interest in that the Exchange will obtain 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. In addition, a large amount of information will be publicly available regarding the Fund and the Shares, thereby promoting market transparency. Moreover, the Intraday Indicative Value, available on the NASDAQ OMX Information LLC proprietary index data service, will be widely disseminated by one or more major market data vendors and broadly displayed at least every 15 seconds during the Regular Market Session. On each business day, before commencement of trading in Shares in the Regular Market Session on the Exchange, the Fund will disclose on its Web site the Disclosed Portfolio that will form the basis for the Fund’s calculation of NAV at the end of the business 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 for the Shares will be available via Nasdaq proprietary quote and trade services, as well as in accordance with the Unlisted Trading Privileges and the CTA plans for the Shares. Quotation and last sale information for U.S. exchange-listed equity securities will be available from the exchanges on which they are traded as well as in accordance with any applicable CTA plans. Pricing information for Exchange-Listed Convertible Securities; ETNs; Depositary Receipts, BDCs, Post-Conversion Underlying Securities, and other Equity Securities; exchange-listed equity index futures contracts; and exchange-listed index credit default swaps will be available from the applicable listing exchange and from major market data vendors. Pricing information for OTC Convertible Securities (including convertible notes, bonds and debentures; convertible preferred securities; mandatory convertible securities; contingent convertible securities; synthetic convertible securities; corporate bonds and preferred securities with attached warrants; and convertible Rule 144A securities); Short-Term Debt Instruments (including short-term U.S. government securities, commercial paper, bankers’ acceptances and short-term corporate debt obligations, all as set forth under “Other Investments of the Fund”); repurchase agreements; OTC index credit default swaps; and forward foreign currency exchange contracts will be available from major broker-dealer firms and/or major market data vendors and/or Pricing Services.

The Fund’s Web site will include a form of the prospectus for the Fund and additional data relating to NAV and other applicable quantitative information. Trading in Shares of the Fund will be halted under the
conditions specified in Nasdaq Rules 4120 and 4121 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 Nasdaq Rule 5735(d)(2)(D), which sets forth circumstances under which Shares of the Fund may be halted. In addition, as noted above, investors will have ready access to information regarding the Fund’s holdings, the Intraday Indicative Value, the Disclosed Portfolio, and quotation and last sale information for the Shares.

The Fund’s investments will be valued daily at market value or, in the absence of market value with respect to any investments, at fair value. Market value prices represent last sale or official closing prices from a national or foreign exchange (i.e., a regulated market) and will primarily be obtained from Pricing Services. Fair value prices represent any prices not considered market value prices and will either be obtained from a Pricing Service or determined by the Pricing Committee, in accordance with the Valuation Procedures and in accordance with provisions of the 1940 Act. The Pricing Committee will be subject to procedures designed to prevent the use and dissemination of material non-public information regarding the Fund’s portfolio.

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 listing and trading of an additional type of actively-managed exchange-traded fund that will enhance competition among market participants, to the benefit of investors and the marketplace.

Written comments were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 45 days of the date of publication of this notice in the Federal Register or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will: (a) By order approve or disapprove such proposed rule change; or (b) institute proceedings to determine whether the proposed rule change should be 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–NASDAQ–2015–075 on the subject line.

Paper Comments
- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, Station Place, 100 F Street NE., Washington, DC 20549.

All submissions should refer to File Number SR–NASDAQ–2015–075. 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 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., 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 Nasdaq. 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–NASDAQ–2015–075 and should be submitted on or before August 10, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.37

Robert W. Errett,
Deputy Secretary.

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