Proposal to correct rule language added by a previous filing that, in part, amended Nasdaq Rule 5735.

Pursuant to the requirements of the Securities Exchange Act of 1934, has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 05/24/2017
By Edward S. Knight

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.
### Form 19b-4 Information *

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

### Exhibit 1 - Notice of Proposed Rule Change *

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

### Exhibit 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies *

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change, security-based swap submission, or advance notice being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

### Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

### Exhibit 3 - Form, Report, or Questionnaire

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

### Exhibit 4 - Marked Copies

The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

### Exhibit 5 - Proposed Rule Text

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

### Partial Amendment

If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.
1. **Text of the Proposed Rule Change**

   (a) The NASDAQ Stock Market LLC ("Nasdaq" or "Exchange"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")\(^1\) and Rule 19b-4 thereunder,\(^2\) is filing with the Securities and Exchange Commission ("SEC" or "Commission") a proposal to correct rule language added by a previous filing\(^3\) that, in part, amended Nasdaq Rule 5735 (Managed Fund Shares).

   A notice of the proposed rule change for publication in the Federal Register is attached as **Exhibit 1**. The text of the proposed rule change is attached as **Exhibit 5**.

   (b) Not applicable.

   (c) Not applicable.

2. **Procedures of the Self-Regulatory Organization**

   The proposed rule change was approved by senior management of the Exchange pursuant to authority delegated by the Board of Directors (the "Board") on August 15, 2016. Exchange staff will advise the Board of any action taken pursuant to delegated authority. No other action is necessary for the filing of the rule change.

   Questions and comments on the proposed rule change may be directed to:

   Jonathan F. Cayne  
   Senior Associate General Counsel  
   Nasdaq, Inc.  
   (301) 978-8493

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

   a. **Purpose**

      Earlier this year, the Commission approved a Nasdaq filing (the “Initial Filing”) to amend, among other things, the continued listing requirements for exchange-traded products (“ETPs”) in the Nasdaq Rule 5700 Series. Subsequently, the Exchange submitted a filing (the “Subsequent Filing”) containing a number of housekeeping and conforming changes to the Initial Filing. The proposed amendment makes a correction to language added as part of the Subsequent Filing.

      Specifically, the Exchange proposes to correct under the applicability section of Nasdaq Rule 5735(b)(1) (Managed Fund Shares) that any of the statements or representations regarding not just the description of the portfolio, but also of reference assets, among other things, will constitute continued listing requirements for listing of shares. This correction will result in the language mirroring that added by the Subsequent Filing in the initial and continued listing requirements section of Nasdaq Rule 5735 as intended.

   b. **Statutory Basis**

      The Exchange believes that its proposal is consistent with Section 6(b) of the

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5. Supra note 3.

6. See Nasdaq Rule 5735(b)(1).

Act, in general, and furthers the objectives of Section 6(b)(5) of the Act, in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest.

The Exchange believes that the proposed rule change to correct Nasdaq Rule 5735(b)(1) to require that any of the statements or representations regarding not just the description of the portfolio, but also of reference assets, will constitute continued listing requirements for listing of shares will provide clarity and accurately reflect the intent of the rule to the benefit of investors and the public interest.

For these reasons, Nasdaq believes the proposed rule change is consistent with the requirements of Section 6(b)(5) of the Act.

4. **Self-Regulatory Organization’s Statement on Burden on Competition**

   The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act, as amended. The Exchange believes that the proposed rule change may enhance competition since it corrects and makes more consistent the applicability of listing requirements for ETPs.

5. **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.

6. **Extension of Time Period for Commission Action**

   Not applicable.

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7. **Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)**

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act and Rule 19b-4(f)(6) thereunder in that it effects a change that: (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) by its terms, does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest.

The Exchange believes that this proposal does not significantly affect the protection of investors or the public interest, and does not impose any significant burden on competition, because it will lead to a more consistent initial and continued listing standard across the exchanges and thereby also enhance competition.

Furthermore, Rule 19b-4(f)(6)(iii) requires a self-regulatory organization to give the Commission written notice of its intent to file a proposed rule change under that subsection at least five business days prior to the date of filing, or such shorter time as designated by the Commission. The Exchange has provided such notice.

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

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the Commission takes such action, the Commission shall institute proceedings to
determine whether the proposed rule should be approved or disapproved.

A proposed rule change filed under Rule 19b-4(f)(6) normally does not become
operative prior to 30 days after the date of filing. Rule 19b-4(f)(6)(iii), however, permits
the Commission to 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 contained in Rule 19b-4(f)(6)(iii).

As noted above, the proposal will lead to a more consistent initial and continued
listing standard and thereby also enhance competition. Nasdaq requests that the
Commission waive the 30-day operative delay so that this proposal will be operative
immediately and its attendant benefits to investors accrue immediately as well.

or of the Commission

Not applicable.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing, and
Settlement Supervision Act

Not applicable.

11. Exhibits

1. Notice of proposed rule for publication in the Federal Register.

5. Text of the proposed rule change.
SECURITIES AND EXCHANGE COMMISSION
(Release No.                  ; File No. SR-NASDAQ-2017-052)

May __, 2017

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Rule 5735

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 May 24, 2017, The NASDAQ Stock Market LLC (“Nasdaq” or “Exchange”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II, and III, 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 correct rule language added by a previous filing³ that, in part, amended Nasdaq Rule 5735 (Managed Fund Shares).

The text of the proposed rule change is available on the Exchange’s Website at http://nasdaq.cchwallstreet.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**

Earlier this year, the Commission approved a Nasdaq filing (the “Initial Filing”) to amend, among other things, the continued listing requirements for exchange-traded products (“ETPs”) in the Nasdaq Rule 5700 Series.\(^4\) Subsequently, the Exchange submitted a filing\(^5\) (the “Subsequent Filing”) containing a number of housekeeping and conforming changes to the Initial Filing. The proposed amendment makes a correction to language added as part of the Subsequent Filing.

Specifically, the Exchange proposes to correct under the applicability section of Nasdaq Rule 5735(b)(1) (Managed Fund Shares)\(^6\) that any of the statements or representations regarding not just the description of the portfolio, but also of reference assets, among other things, will constitute continued listing requirements for listing of shares. This correction will result in the language mirroring that added by the

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\(^5\) Supra note 3.

\(^6\) See Nasdaq Rule 5735(b)(1).
Subsequent Filing in the initial and continued listing requirements section of Nasdaq Rule 5735\textsuperscript{7} as intended.

2. **Statutory Basis**

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,\textsuperscript{8} in general, and furthers the objectives of Section 6(b)(5) of the Act,\textsuperscript{9} in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest.

The Exchange believes that the proposed rule change to correct Nasdaq Rule 5735(b)(1) to require that any of the statements or representations regarding not just the description of the portfolio, but also of reference assets, will constitute continued listing requirements for listing of shares will provide clarity and accurately reflect the intent of the rule to the benefit of investors and the public interest.

For these reasons, Nasdaq believes the proposed rule change is consistent with the requirements of Section 6(b)(5) of the Act.

B. **Self-Regulatory Organization’s Statement on Burden on Competition**

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act, as amended. The Exchange believes that the proposed rule change may enhance

\textsuperscript{7} See Nasdaq Rule 5735(d)(2)(C)(iv).

\textsuperscript{8} 15 U.S.C. 78f(b).

\textsuperscript{9} 15 U.S.C. 78f(b)(5).
competition since it corrects and makes more consistent the applicability of listing
requirements for ETPs.

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 Act\textsuperscript{10} and subparagraph (f)(6) of Rule 19b-4
thereunder.\textsuperscript{11}

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.


\textsuperscript{11} 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.
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 e-mail to rule-comments@sec.gov. Please include File Number SR-NASDAQ-2017-052 on the subject line.

Paper comments:

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-NASDAQ-2017-052. This file number should be included on the subject line if e-mail 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 website 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 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-NASDAQ-2017-052 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.12

Robert W. Errett
Deputy Secretary

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The text of the proposed rule change is below. Proposed new language is underlined.

NASDAQ Stock Market Rules

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5700. Other Securities

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5735. Managed Fund Shares

(a) No Change.

(b) No Change.

(1) Nasdaq may approve Managed Fund Shares for listing and/or trading (including pursuant to unlisted trading privileges) pursuant to Rule 19b-4(e) under the Securities Exchange Act of 1934. Components of a series of Managed Fund Shares listed pursuant to Rule 19b-4(e) shall satisfy the criteria set forth in this Rule 5735 upon initial listing and on a continual basis. Nasdaq will file separate proposals under Section 19(b) of the Securities Exchange Act of 1934 before the listing and trading of a series of Managed Fund Shares with components that do not satisfy the criteria set forth in this Rule 5735(b)(1) or components other than those specified below. Any of the statements or representations regarding (a) the description of the portfolio or reference assets; (b) limitations on portfolio holdings or reference assets; (c) dissemination and availability of the reference asset or intraday indicative values, or (d) the applicability of Nasdaq rules and surveillance procedures shall constitute continued listing standards.

(A) – (F) No Change.

(2) – (5) No Change.

(c) - (g) No Change.

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