

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

No written comments were solicited or received with respect to the proposed rule change.

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

Because the proposed rule change does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; or (iii) become operative prior to 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) of the Act¹² and Rule 19b-4(f)(6) thereunder.¹³

The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing. Because the vote on the Reorganization will occur before the end of the operative delay, waiver of the operative delay would allow the Exchange to begin implementing the two organizational and administrative changes described above to immediately upon shareholder approval of the Reorganization. The Commission believes that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest and hereby waives the 30-day operative delay and designates the proposed rule change to be operative upon filing.¹⁴

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 necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

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-NYSEArca-2018-35 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-NYSEArca-2018-35. 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 website (<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. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NYSEArca-2018-35 and should be submitted on or before June 21, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁵

Eduardo A. Aleman,
Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-83322; File No. SR-Phlx-2018-41]

Self-Regulatory Organizations; Nasdaq PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Related to Risk Protections

May 24, 2018

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 16, 2018, Nasdaq PHLX LLC ("Phlx" 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 1095, entitled "Automated Removal of Quotes" and Rule 1099, entitled "Order Protections."

The text of the proposed rule change is available on the Exchange's website at <http://nasdaqphlx.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

¹² 15 U.S.C. 78s(b)(3)(A).

¹³ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6)(iii) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of 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.

¹⁴ For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

¹⁵ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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 purpose of the proposed rule change is to amend Rule 1099, entitled "Order Protections" and reorganize the Rulebook. The Exchange proposes to rename Rule 1099 "Risk Protections" and relocate all the risk protections into a single rule. The Exchange also proposes to categorize the risk protections as order protections, order and quote protections or Specialist³ and Registered Options Trader⁴ protections. The Exchange believes that reorganizing the various risk protection rules into a single rule and providing labels for the different types of protections will provide an easy reference for market participants. The Exchange is not amending the text of the existing rules, rather the Exchange proposes to reletter and renumber the rule as well to provide a more organized structure. The Exchange believes that categorizing the various protections provides more information to market participants as to each of the risk protections.

Order Price Protection

The Exchange proposes to relocate Order Price Protection from Rule 1099(c) to proposed Rule 1099(a)(1) under the title of order protections.

Market Order Spread Protection

The Exchange proposes to relocate Market Order Spread Protection from Rule 1099(d) to proposed Rule 1099(a)(2) under the title of order protections.

Acceptable Trade Range

The Exchange proposes to renumber the Acceptable Trade Protection rule text as Rule 1099(b)(1) under the title for order and quote protections.

Anti-Internalization

The Exchange proposes to renumber the Anti-Internalization rule from Rule [sic] 1099(b) to 1099(c)(1) under the title Specialist and Registered Options Traders protections.

³ A Specialist is an Exchange member who is registered as an options Specialist. See Phlx Rule 1020(a).

⁴ Rule 1014(b) defines a ROT as "a regular member or a foreign currency options participant of the Exchange located on the trading floor who has received permission from the Exchange to trade in options for his own account." For purposes of Rule 1014, the term "ROT" shall include a Streaming Quote Trader and a Remote Streaming Quote Trader, as defined in Rule 1014.

Automated Removal of Quotes and Orders

The Exchange proposes to relocate the Automated Removal of Quotes rule from Rule 1095 to Rule 1099(c)(2) under the title Specialist and Registered Options Traders protections. The Exchange proposes to reserve Rule 1095.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,⁵ in general, and furthers the objectives of Section 6(b)(5) of the Act,⁶ 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, by grouping the various risk protections into a single rule for ease of reference and adding headers to the rule to make clear whether the risk protection is an order, quote or order protection or a protection applicable to Specialists and Registered Options Traders. The Exchange believes the reorganization of the existing rule and relocation of various rules into Rule 1099 is a non-substantive rule change. The Exchange believes that this rule change is consistent with the protection of investors and the public interest because it will bring greater transparency to the protections offered on Phlx.

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. The proposal does not impose an intra-market burden on competition with respect to the reorganization and relocation of the various rules into Rule 1099 because the various risk protections will continue to apply uniformly to all market participants.

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

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

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) of the Act⁷ and Rule 19b-4(f)(6) thereunder.⁸

A proposed rule change filed pursuant to Rule 19b-4(f)(6) under the Act⁹ normally does not become operative for 30 days after the date of its filing. However, Rule 19b-4(f)(6)(iii)¹⁰ permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has requested that the Commission waive the 30-day operative delay so that the proposed rule change may become operative upon filing. Waiver of the operative delay would allow the Exchange to reorganize its rules without delay to provide market participants with a single point of reference for the risk protections offered by the Exchange. Therefore, the Commission believes that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. Accordingly, the Commission hereby waives the operative delay and designates the proposed rule change operative upon filing.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 necessary or appropriate in the public interest, for the protection of investors, or 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 change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing,

⁷ 15 U.S.C. 78s(b)(3)(A).

⁸ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6)(iii) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of 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.

⁹ 17 CFR 240.19b-4(f)(6).

¹⁰ 17 CFR 240.19b-4(f)(6)(iii).

¹¹ For purposes only of waiving the 30-day operative delay, the Commission also has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

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-Phlx-2018-41 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-Phlx-2018-41. 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 website (<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. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-Phlx-2018-41, and should be submitted on or before June 21, 2018.

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

Eduardo A. Aleman,
Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-83319; File No. SR-NYSEArca-2018-15]

Self-Regulatory Organizations; NYSE Arca, Inc.; Order Approving a Proposed Rule Change, As Modified by Amendment No. 1 Thereto, To Continue Listing and Trading Shares of the PGIM Ultra Short Bond ETF Under NYSE Arca Rule 8.600-E

May 24, 2018.

I. Introduction

On March 6, 2018, NYSE Arca, Inc. ("Exchange" or "NYSE Arca") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² a proposed rule change to list and trade shares ("Shares") of the PGIM Ultra Short Bond ETF ("Fund"), a series of PGIM ETF Trust ("Trust"), under NYSE Arca Rule 8.600-E. The proposed rule change was published for comment in the **Federal Register** on March 23, 2018.³ On April 25, 2018, the Exchange filed Amendment No. 1 to the proposal, which replaced and superseded the proposed rule change in its entirety.⁴ On May 4, 2018, the Commission extended the time 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.⁵ The Commission has received no comments on the proposal. This order approves the proposed rule

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 82899 (Mar. 19, 2018), 83 FR 12824.

⁴ In Amendment No. 1, the Exchange: (1) Provided additional information regarding certain of the Fund's permitted investments; (2) clarified that the Fund may invest up to 25% of its total assets in the Affiliated Short Term Bond Fund Shares (defined below) and 10% of its total assets in other non-exchange-traded open-end management investment company securities; (3) described the availability of price information for certain of the Fund's permitted investments; and (4) made changes of a technical nature. Amendment No. 1 is not subject to notice and comment because it does not materially alter the substance of the proposed rule change or raise unique or novel regulatory issues. Amendment No. 1 is available at: <https://www.sec.gov/comments/sr-nysearca-2018-15/nysearca201815-3510337-162292.pdf>.

⁵ See Exchange Act Release No. 83174, 83 FR 21794 (May 10, 2018). The Commission designated June 21, 2018, as the date by which the Commission shall approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change.

change as modified by Amendment No. 1.

II. Description of the Proposal⁶

The Trust is registered under the 1940 Act.⁷ The Shares⁸ are listed and traded on the Exchange under Commentary .01 to NYSE Arca Rule 8.600-E,⁹ which provides generic criteria applicable to the listing and trading of Managed Fund Shares.¹⁰ However, the Fund intends to change its investment strategy such that the Shares would no longer qualify for generic listing on the Exchange. Specifically, the Fund's portfolio would continue to satisfy all of the generic listing requirements except that:

- Investments in non-agency, non-government sponsored entity and privately issued mortgage-related and other asset-backed securities ("Private ABS/MBBS") may account for up to 20% of the total assets of the Fund (rather than 20% of the weight of the fixed income portion of the portfolio, as required under Commentary .01(b)(5));
- fixed income securities that do not meet any of the criteria in Commentary .01(b)(4) will not exceed 10% of the total assets of the Fund (rather than

⁶ Additional information regarding, among other things, the Shares, the Fund, its investment objective, its permitted investments, its investment strategies and methodology, its investment restrictions, its investment adviser and subadviser, its fees, its creation and redemption procedures, availability of information, trading rules and halts, and surveillance procedures can be found in Amendment No. 1 and in the Registration Statement. See Amendment No. 1, *supra* note 4, and Registration Statement, *infra* note 7, respectively.

⁷ On January 8, 2018, the Trust filed with the Commission its registration statement on Form N-1A under the Securities Act of 1933 (15 U.S.C. 77a), and under the 1940 Act relating to the Fund (File Nos. 333-222469 and 811-23324) ("Registration Statement"). The Commission has issued an order granting certain exemptive relief to the Trust under the 1940 Act. See Investment Company Act Release No. 31095 (Jun. 24, 2014) (File No. 812-14267).

⁸ The Exchange deems the Shares to be equity securities, thus rendering trading in the Shares subject to the Exchange's existing rules governing the trading of equity securities.

⁹ The Shares commenced trading on the Exchange on April 10, 2018. See Amendment No. 1, *supra* note 4, at 3, n.1.

¹⁰ A Managed Fund Share is a security that: (1) Represents an interest in a registered investment company ("Investment Company") organized as an open-end management investment company or similar entity, that invests in a portfolio of securities selected by the Investment Company's investment adviser consistent with the Investment Company's investment objectives and policies; (b) is issued in a specified aggregate minimum number in return for a deposit of a specified portfolio of securities and/or a cash amount with a value equal to the next determined net asset value; and (c) when aggregated in the same specified minimum number, may be redeemed at a holder's request, which holder will be paid a specified portfolio of securities and/or cash with a value equal to the next determined net asset value. See NYSE Arca Rule 8.600-E(c)(1).

¹² 17 CFR 200.30-3(a)(12).