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SECURITIES AND EXCHANGE COMMISSION
 WASHINGTON, D.C. 20549
 Form 19b-4

File No. * SR - 2017 - * 46
 Amendment No. (req. for Amendments *)

Filing by NYSE MKT LLC

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * ☒ Amendment * ☐ Withdrawal ☐

Section 19(b)(2) * ☐ Section 19(b)(3)(A) * ☒ Section 19(b)(3)(B) * ☐

Rule

Pilot ☐ Extension of Time Period
 for Commission Action * Date Expires *

☐ 19b-4(f)(1) ☐ 19b-4(f)(4)
☐ 19b-4(f)(2) ☐ 19b-4(f)(5)
☐ 19b-4(f)(3) ☒ 19b-4(f)(6)

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Security-Based Swap Submission pursuant
 to the Securities Exchange Act of 1934

Section 806(e)(1) * ☐

Section 806(e)(2) * ☐

Section 3C(b)(2) * ☐

Exhibit 2 Sent As Paper Document
☐

Exhibit 3 Sent As Paper Document
☐

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Proposal to amend Supplementary Material .01 and .02 to NYSE MKT Rule 5.2Ej3

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Michael Last Name * Cavalier
 Title * Counsel NYSE Group Inc
 E-mail * Michael.Cavalier@theice.com
 Telephone * (212) 656-2474 Fax (212) 656-8101

Signature

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.

(Title *)

Date 07/19/2017

By Martha Redding

(Name *)

Assistant Secretary

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.

Martha Redding, mredding@nyx.com

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFT website.

Form 19b-4 Information *

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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 *

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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 *

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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

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Exhibit Sent As Paper Document

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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

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Exhibit Sent As Paper Document

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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

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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

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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

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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) Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder², NYSE MKT LLC (“NYSE MKT” or the “Exchange”) proposes to amend Supplementary Material .01 and .02 to NYSE MKT Rule 5.2E(j)(3) to provide for the inclusion of cash in an index underlying a series of Investment Company Units, which amendments conform to amendments to NYSE Arca Equities Rule 5.2(j)(3) previously approved by the Securities and Exchange Commission (“Commission”).

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1.

- (b) The Exchange does not believe that the proposed rule change will have any direct effect, or any significant indirect effect, on any other Exchange rule in effect at the time of this filing.
- (c) Not applicable.

2. Procedures of the Self-Regulatory Organization

Senior management has approved the proposed rule change pursuant to authority delegated to it by the Board of the Exchange. No further action is required under the Exchange’s governing documents. Therefore, the Exchange’s internal procedures with respect to the proposed rule change are complete.

The person on the Exchange staff prepared to respond to questions and comments on the proposed rule change is:

Michael Cavalier
Counsel
NYSE Group, Inc.
(212) 656-2474

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

- (a) Purpose

The Exchange proposes (1) to amend Supplementary Material .01 and .02 to NYSE MKT Rule 5.2E(j)(3) to provide for the inclusion of cash in an index underlying a series of Investment Company Units (“Units”), which amendments

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

conform to amendments to NYSE Arca Equities Rule 5.2(j)(3) previously approved by the Commission.³

Amendments to NYSE MKT Rule 5.2E(j)(3)

NYSE MKT Rule 5.2E(j)(3) permits the trading of Units pursuant to unlisted trading privileges (“UTP”). The Exchange proposes to amend Commentaries .01 and .02 to NYSE MKT Rule 5.2E(j)(3) to permit trading of Units based on an index or portfolio that includes cash as a component. While Units, like mutual funds, will generally hold an amount of cash, NYSE MKT Rule 5.2E(j)(3) currently provides that components of an index or portfolio underlying a series of Units consist of securities—namely, US Component Stocks, Non-US Component Stocks, Fixed Income Securities or a combination thereof. As described below, the proposed amendments to Supplementary Material .01 and .02 to Rule 5.2E(j)(3) would permit inclusion of cash as an index or portfolio component.

Currently, Supplementary Material .01(a)(A) to NYSE MKT Rule 5.2E(j)(3) provides that an underlying index or portfolio of US Component Stocks⁴ must meet specified criteria. The Exchange proposes to amend Supplementary Material .01(a)(A) to provide that the components of an index or portfolio underlying a series of Units may also include cash. In addition, the percentage weighting criteria in Supplementary Material .01(a)(A)(1) through (4) each would be amended to make clear that such criteria would be applied only to the US Component Stocks portion of an index or portfolio. For example, in applying the criteria in proposed Supplementary Material .01(a)(A)(1),⁵ if 85% of the weight of an index consists of US Component Stocks and 15 % of the index weight is cash, the requirement that component stocks (excluding Exchange Traded Products) that in the aggregate account for at least 90% of the weight of the US Component Stocks portion of the index or portfolio (excluding such Exchange

³ See Securities Exchange Act Release No. 80777 (May 25, 2017) (SR-NYSEArca-2017-30) (order approving amendments to Commentary .01 and Commentary.02 to NYSE Arca Equities Rule 5.2(j)(3) to provide for the inclusion of cash in an index underlying a series of Investment Company Units).

⁴ Rule 5.2E(j)(3) defines "US Component Stock" as an equity security that is registered under Sections 12(b) or 12(g) of the Act or an American Depositary Receipt, the underlying equity security of which is registered under Sections 12(b) or 12(g) of the Act.

⁵ Supplementary Material .01(a)(A)(1) provides that component stocks (excluding Units and securities defined in Section 2 of Rule 8E, collectively, "Exchange Traded Products") that in the aggregate account for at least 90% of the weight of the US Component Stocks portion of the index or portfolio (excluding such Exchange Traded Products) each shall have a minimum market value of at least \$75 million.

Traded Products) each will have a minimum market value of \$75 million minimum would be applied only to the 85% portion consisting of US Component Stocks.

Supplementary Material .01 (a)(B) to NYSE MKT Rule 5.2E(j)(3), which relates to international or global indexes or portfolios, would be amended to provide that components of an index or portfolio underlying a series of Units may consist of (a) only Non-US Component Stocks, (b) Non-US Component Stocks and cash, (c) both US Component Stocks and Non-US Component Stocks, or (d) US Component Stocks, Non-US Component Stocks and cash. In addition, the percentage weighting criteria in Supplementary Material .01(a)(B)(1) through (4) each would be amended to make clear that such criteria would be applied only to the combined US and Non-US Component Stocks portions of an index or portfolio.

Supplementary Material .02 to NYSE MKT Rule 5.2E(j)(3) provides generic criteria applicable to trading of Units whose underlying index or portfolio includes Fixed Income Securities.⁶ Currently, Commentary .02(a)(1) provides that an underlying index or portfolio must consist of Fixed Income Securities. The Exchange proposes to amend Commentary .02(a)(1) to provide that the index or portfolio may also include cash. In addition, the percentage weighting criteria in Supplementary Material .02(a)(2), (a)(4) and (a)(6) each would be amended to make clear that such criteria would be applied only to the Fixed Income Securities portion of an index or portfolio. For example, in applying the criteria in proposed Supplementary Material .02(a)(2),⁷ if 90% of the weight of an index or portfolio consists of Fixed Income Securities and 10% of the index weight is cash, the requirement that Fixed Income Security components accounting for at least 75% of the Fixed Income Securities portion of the weight of the index or portfolio each will have a minimum original principal amount outstanding of \$100 million would be applied only to the 90% portion consisting of Fixed Income Securities.

The Exchange notes that the Commission has previously approved Exchange rules allowing portfolios held by issues of Managed Fund Shares (actively-managed exchange-traded funds) under Commentary .01 to NYSE Arca Equities

⁶ As defined in Supplementary Material .02 to NYSE MKT Rule 5.2E(j)(3), Fixed Income Securities are debt securities that are notes, bonds, debentures or evidence of indebtedness that include, but are not limited to, U.S. Department of Treasury securities ("Treasury Securities"), government-sponsored entity securities ("GSE Securities"), municipal securities, trust preferred securities, supranational debt and debt of a foreign country or a subdivision thereof.

⁷ Supplementary Material .02(a)(2) provides that Fixed Income Security components that in aggregate account for at least 75% of the Fixed Income Securities portion of the weight of the index or portfolio each shall have a minimum original principal amount outstanding of \$100 million or more.

Rule 8.600 to include cash.⁸ Like the provision in Supplementary Material .01(c) to Rule 8.600, which states that there is no limit to cash holdings by an issue of Managed Fund Shares traded under Supplementary Material .01 to Rule 8.600, there is no proposed limit to the weighting of cash in an index underlying a series of Units. The Exchange believes this is appropriate in that cash does not, in itself, impose investment or market risk.

The Exchange believes the proposed amendments, by permitting inclusion of cash as a component of indexes underlying series of Units, would provide issuers of Units with additional choice in indexes permitted to underlie Units that are permitted to trade on the Exchange pursuant to the Rule 19b-4(e), which would enhance competition among market participants, to the benefit of investors and the marketplace. In addition, the proposed amendments would provide investors with greater ability to hold Units based on underlying indexes that may accord more closely with an investor's assessment of market risk, in that some investors may view cash as a desirable component of an underlying index under certain market conditions.

(b) Statutory Basis

The basis under the Act for this proposed rule change is the requirement under Section 6(b)(5)⁹ that an exchange have rules that are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to, and perfect the mechanism of a free and open market and, in general, to protect investors and the public interest.

The proposed rule changes are designed to perfect the mechanism of a free and open market and, in general, to protect investors and the public interest. The basis under the Exchange Act for this proposed rule change is the requirement under Section 6(b)(5) that an exchange have rules that are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to, and perfect the mechanism of a free and open market and, in general, to protect investors and the public interest.

With respect to the proposed amendments to Supplementary Material .01(a)(B)(1) through (4) to Rule 5.2E(j)(3), as described above, the percentage weighting criteria in Supplementary Material .01(a)(B)(1) through (4) to Rule 5.2E(j)(3) each would be amended to make clear that such criteria would be applied only to the combined US and Non-US Component Stocks portions of an index or portfolio. The percentage weighting criteria in Supplementary Material .02(a)(2), (a)(4) and (a)(6) to Rule 5.2E(j)(3) each would be amended to make clear that such criteria would be applied only to the Fixed Income Securities portion of an

⁸ See Commentary .01(c) to NYSE Arca Equities Rule 8.600.

⁹ 15 U.S.C. 78f(b)(5).

index or portfolio. Such applications of the proposed amendments would assure that the weighting requirements in Supplementary Material .01 and .02 would continue to be applied only to securities in an index or portfolio, and would not be diluted as a result of inclusion of a cash component. In addition, the addition of cash as a permitted component of indexes underlying Units traded on the Exchange pursuant to Rule 19b-4(e) does not raise regulatory issues because cash does not, in itself, impose investment or market risk and is not susceptible to manipulation.

The Exchange believes these proposed amendments, by permitting inclusion of cash as a component of indexes underlying series of Units, would provide issuers of Units with additional choice in indexes permitted to underlie Units that are permitted to trade on the Exchange pursuant to UTP, which would enhance competition among market participants, to the benefit of investors and the marketplace. In addition, the proposed amendments would provide investors with greater ability to hold Units based on underlying indexes that may accord more closely with an investor's assessment of market risk.

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 that is not necessary or appropriate in furtherance of the purpose of the Act. The Exchange believes the proposed rule change will enhance intermarket competition by allowing trading on the Exchange pursuant to UTP of the above-described securities pursuant to rules that have been previously approved by the Commission for NYSE Arca, Inc.

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

The Exchange has neither solicited nor received written comments on the proposed rule change.

6. Extension of Time Period for Commission Action

The Exchange does not consent at this time to an extension of any time period for Commission action.

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

The proposed rule change is filed pursuant to Section 19(b)(3)(A)¹⁰ of the Act and Rule 19b-4(f)(6)¹¹ thereunder. A proposed rule change may be filed pursuant to Rule 19b-4(f)(6) if it effects a change that:

¹⁰ 15 U.S.C. 78s(b)(3)(A).

- 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; provided that the self-regulatory organization has given 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 proposed rule change does not significantly affect the protection of investors or the public interest and does not impose any significant burden on competition. NYSE believes that the proposed rule change is noncontroversial in that the proposed changes to Supplementary Material .01 and .02 to NYSE Rule 5.2E(j)(3) are substantially identical to Commentaries .01 and .02 to NYSE Arca Equities Rule 5.2(j)(3) approved by the Commission for issues of Investment Company Units listed and traded on NYSE Arca, Inc.¹²

The Exchange gave 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 this filing. Pursuant to Rule 19b-4(f)(6)(iii), the Commission may designate a shorter time than the 30-day delayed operative date if such action is consistent with the protection of investors and the public interest. The Exchange requests that the Commission waive the 30-day delayed operative date, so that the proposed rule change may take effect upon filing with the Commission pursuant to Section 19(b)(3)(A) and Rule 19b-4(f)(6) thereunder, and also become operative on that same date to accommodate trading in the Shares on the Exchange prior to such 30-day period. Waiver of the 30-day delayed operative date is consistent with the protection of investors and the public interest in that the proposed rule changes are substantially identical to rule changes previously approved for NYSE Arca, as described above. In addition, such waiver will not adversely impact investors or Exchange trading and will accommodate trading on the Exchange pursuant to UTP of issues of Investment Company Units that conform to the requirements of the amended rules prior to such delayed operative date, which would further competition among exchange markets. The proposed rule change, therefore, raises no novel regulatory issues. For the foregoing reasons, this rule filing qualifies for

¹¹ 17 CFR 240.19b-4(f)(6).

¹² See note 3, supra.

immediate effectiveness as a “non-controversial” rule change under paragraph (f)(6) of Rule 19b-4.¹³

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.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

The proposed changes to Supplementary Material .01 and .02 to NYSE Rule 5.2E(j)(3) are substantially identical to Commentaries .01 and .02 to NYSE Arca Equities Rule 5.2(j)(3).

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

Exhibit 1 - Form of Notice of Proposed Rule Change for Federal Register

Exhibit 5- Text of Proposed Rule Changes

¹³

17 CFR 240.19b-4(f)(6).

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-NYSEMKT-2017-46)

[Date]

Self-Regulatory Organizations; NYSE MKT LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Supplementary Material .01 and .02 to NYSE MKT Rule 5.2E(j)(3)

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (the “Act”)² and Rule 19b-4 thereunder,³ notice is hereby given that on July 19, 2017, NYSE MKT LLC (the “Exchange” or “NYSE MKT”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. 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 Supplementary Material .01 and .02 to NYSE MKT Rule 5.2E(j)(3) to provide for the inclusion of cash in an index underlying a series of Investment Company Units, which amendments conform to amendments to NYSE Arca Equities Rule 5.2(j)(3) previously approved by the Securities and Exchange Commission (“Commission”). The proposed rule change is available on the Exchange’s website at www.nyse.com, at the principal office of the Exchange, and at the

¹ 15 U.S.C.78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

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 self-regulatory organization 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 those 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 parts of such statements.

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

1. Purpose

The Exchange proposes (1) to amend Supplementary Material .01 and .02 to NYSE MKT Rule 5.2E(j)(3) to provide for the inclusion of cash in an index underlying a series of Investment Company Units ("Units"), which amendments conform to amendments to NYSE Arca Equities Rule 5.2(j)(3) previously approved by the Commission.⁴

Amendments to NYSE MKT Rule 5.2E(j)(3)

NYSE MKT Rule 5.2E(j)(3) permits the trading of Units pursuant to unlisted trading privileges ("UTP"). The Exchange proposes to amend Commentaries .01 and .02 to NYSE MKT Rule 5.2E(j)(3) to permit trading of Units based on an index or portfolio that includes cash as a component. While Units, like mutual funds, will generally hold an

⁴ See Securities Exchange Act Release No. 80777 (May 25, 2017) (SR-NYSEArca-2017-30) (order approving amendments to Commentary .01 and Commentary.02 to NYSE Arca Equities Rule 5.2(j)(3) to provide for the inclusion of cash in an index underlying a series of Investment Company Units).

amount of cash, NYSE MKT Rule 5.2E(j)(3) currently provides that components of an index or portfolio underlying a series of Units consist of securities—namely, US Component Stocks, Non-US Component Stocks, Fixed Income Securities or a combination thereof. As described below, the proposed amendments to Supplementary Material .01 and .02 to Rule 5.2E(j)(3) would permit inclusion of cash as an index or portfolio component.

Currently, Supplementary Material .01(a)(A) to NYSE MKT Rule 5.2E(j)(3) provides that an underlying index or portfolio of US Component Stocks⁵ must meet specified criteria. The Exchange proposes to amend Supplementary Material .01(a)(A) to provide that the components of an index or portfolio underlying a series of Units may also include cash. In addition, the percentage weighting criteria in Supplementary Material .01(a)(A)(1) through (4) each would be amended to make clear that such criteria would be applied only to the US Component Stocks portion of an index or portfolio. For example, in applying the criteria in proposed Supplementary Material .01(a)(A)(1),⁶ if 85% of the weight of an index consists of US Component Stocks and 15 % of the index weight is cash, the requirement that component stocks (excluding Exchange Traded Products) that in the aggregate account for at least 90% of the weight of the US

⁵ Rule 5.2E(j)(3) defines "US Component Stock" as an equity security that is registered under Sections 12(b) or 12(g) of the Act or an American Depositary Receipt, the underlying equity security of which is registered under Sections 12(b) or 12(g) of the Act.

⁶ Supplementary Material .01(a)(A)(1) provides that component stocks (excluding Units and securities defined in Section 2 of Rule 8E, collectively, "Exchange Traded Products") that in the aggregate account for at least 90% of the weight of the US Component Stocks portion of the index or portfolio (excluding such Exchange Traded Products) each shall have a minimum market value of at least \$75 million.

Component Stocks portion of the index or portfolio (excluding such Exchange Traded Products) each will have a minimum market value of \$75 million minimum would be applied only to the 85% portion consisting of US Component Stocks.

Supplementary Material .01 (a)(B) to NYSE MKT Rule 5.2E(j)(3), which relates to international or global indexes or portfolios, would be amended to provide that components of an index or portfolio underlying a series of Units may consist of (a) only Non-US Component Stocks, (b) Non-US Component Stocks and cash, (c) both US Component Stocks and Non-US Component Stocks, or (d) US Component Stocks, Non-US Component Stocks and cash. In addition, the percentage weighting criteria in Supplementary Material .01(a)(B)(1) through (4) each would be amended to make clear that such criteria would be applied only to the combined US and Non-US Component Stocks portions of an index or portfolio.

Supplementary Material .02 to NYSE MKT Rule 5.2E(j)(3) provides generic criteria applicable to trading of Units whose underlying index or portfolio includes Fixed Income Securities.⁷ Currently, Commentary .02(a)(1) provides that an underlying index or portfolio must consist of Fixed Income Securities. The Exchange proposes to amend Commentary .02(a)(1) to provide that the index or portfolio may also include cash. In addition, the percentage weighting criteria in Supplementary Material .02(a)(2), (a)(4) and (a)(6) each would be amended to make clear that such criteria would be applied only to the Fixed Income Securities portion of an index or portfolio. For example, in applying

⁷ As defined in Supplementary Material .02 to NYSE MKT Rule 5.2E(j)(3), Fixed Income Securities are debt securities that are notes, bonds, debentures or evidence of indebtedness that include, but are not limited to, U.S. Department of Treasury securities ("Treasury Securities"), government-sponsored entity securities ("GSE Securities"), municipal securities, trust preferred securities, supranational debt and debt of a foreign country or a subdivision thereof.

the criteria in proposed Supplementary Material .02(a)(2),⁸ if 90% of the weight of an index or portfolio consists of Fixed Income Securities and 10% of the index weight is cash, the requirement that Fixed Income Security components accounting for at least 75% of the Fixed Income Securities portion of the weight of the index or portfolio each will have a minimum original principal amount outstanding of \$100 million would be applied only to the 90% portion consisting of Fixed Income Securities.

The Exchange notes that the Commission has previously approved Exchange rules allowing portfolios held by issues of Managed Fund Shares (actively-managed exchange-traded funds) under Commentary .01 to NYSE Arca Equities Rule 8.600 to include cash.⁹ Like the provision in Supplementary Material .01(c) to Rule 8.600, which states that there is no limit to cash holdings by an issue of Managed Fund Shares traded under Supplementary Material .01 to Rule 8.600, there is no proposed limit to the weighting of cash in an index underlying a series of Units. The Exchange believes this is appropriate in that cash does not, in itself, impose investment or market risk.

The Exchange believes the proposed amendments, by permitting inclusion of cash as a component of indexes underlying series of Units, would provide issuers of Units with additional choice in indexes permitted to underlie Units that are permitted to trade on the Exchange pursuant to the Rule 19b-4(e), which would enhance competition among market participants, to the benefit of investors and the marketplace. In addition, the proposed amendments would provide investors with greater ability to hold Units based on

⁸ Supplementary Material .02(a)(2) provides that Fixed Income Security components that in aggregate account for at least 75% of the Fixed Income Securities portion of the weight of the index or portfolio each shall have a minimum original principal amount outstanding of \$100 million or more.

⁹ See Commentary .01(c) to NYSE Arca Equities Rule 8.600.

underlying indexes that may accord more closely with an investor's assessment of market risk, in that some investors may view cash as a desirable component of an underlying index under certain

2. Statutory Basis

The basis under the Act for this proposed rule change is the requirement under Section 6(b)(5)¹⁰ that an exchange have rules that are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to, and perfect the mechanism of a free and open market and, in general, to protect investors and the public interest.

The proposed rule changes are designed to perfect the mechanism of a free and open market and, in general, to protect investors and the public interest. The basis under the Exchange Act for this proposed rule change is the requirement under Section 6(b)(5) that an exchange have rules that are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to, and perfect the mechanism of a free and open market and, in general, to protect investors and the public interest.

With respect to the proposed amendments to Supplementary Material .01(a)(B)(1) through (4) to Rule 5.2E(j)(3), as described above, the percentage weighting criteria in Supplementary Material .01(a)(B)(1) through (4) to Rule 5.2E(j)(3) each would be amended to make clear that such criteria would be applied only to the combined US and Non-US Component Stocks portions of an index or portfolio. The percentage weighting criteria in Supplementary Material .02(a)(2), (a)(4) and (a)(6) to Rule 5.2E(j)(3) each

¹⁰ 15 U.S.C. 78f(b)(5).

would be amended to make clear that such criteria would be applied only to the Fixed Income Securities portion of an index or portfolio. Such applications of the proposed amendments would assure that the weighting requirements in Supplementary Material .01 and .02 would continue to be applied only to securities in an index or portfolio, and would not be diluted as a result of inclusion of a cash component. In addition, the addition of cash as a permitted component of indexes underlying Units traded on the Exchange pursuant to Rule 19b-4(e) does not raise regulatory issues because cash does not, in itself, impose investment or market risk and is not susceptible to manipulation.

The Exchange believes these proposed amendments, by permitting inclusion of cash as a component of indexes underlying series of Units, would provide issuers of Units with additional choice in indexes permitted to underlie Units that are permitted to trade on the Exchange pursuant to UTP, which would enhance competition among market participants, to the benefit of investors and the marketplace. In addition, the proposed amendments would provide investors with greater ability to hold Units based on underlying indexes that may accord more closely with an investor's assessment of market risk.

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 that is not necessary or appropriate in furtherance of the purpose of the Act. The Exchange believes the proposed rule change will enhance intermarket competition by allowing trading on the Exchange pursuant to UTP of the above-described securities pursuant to rules that have been previously approved by the Commission for NYSE Arca, Inc.

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

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act¹¹ and Rule 19b-4(f)(6) thereunder.¹² 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; and (iii) become operative prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(f)(6)(iii) thereunder.

A proposed rule change filed under Rule 19b-4(f)(6)¹³ normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),¹⁴ the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing.

At any time within 60 days of the filing of such proposed rule change, the

¹¹ 15 U.S.C. 78s(b)(3)(A)(iii).

¹² 17 CFR 240.19b-4(f)(6).

¹³ 17 CFR 240.19b-4(f)(6).

¹⁴ 17 CFR 240.19b-4(f)(6)(iii).

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 under Section 19(b)(2)(B)¹⁵ of the Act 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, 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-NYSEMKT-2017-46 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-NYSEMKT-2017-46. 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 website

¹⁵ 15 U.S.C. 78s(b)(2)(B).

(<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-NYSEMKT-2017-46 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.¹⁶

Robert W. Errett
Deputy Secretary

¹⁶ 17 CFR 200.30-3(a)(12).

Additions underscored

Deletions [bracketed]

Rules of NYSE MKT LLC

Cash Equities Pillar Platform Rules (Rules 1E – 13E)

SECURITIES TRADED (Rule 5E)

Rule 5.2E

(j) Exchange Traded Products

(3) Investment Company Units

Supplementary Material:

.01 Equity. The Exchange may approve a series of Units for listing and/or trading (including pursuant to unlisted trading privileges) pursuant to Rule 19b-4(e) under the Securities Exchange Act of 1934. Units listed pursuant to Rule 19b-4(e) will satisfy the criteria set forth in (a)(A), (B) or (C) and (b), (c) and (f) through (h) below on an initial and continued listing basis, provided further, that the Exchange may not so approve a series of Units that are issued by an open-end management investment company that seeks to provide investment results, before fees and expenses, in an amount that exceeds -300% of the percentage performance on a given day of a particular domestic equity, international or global equity securities index.

(a) Eligibility Criteria for Index Components.

(A) US index or portfolio. Components of an index or portfolio of (a) only US Component Stocks or (b) US Component Stocks and cash underlying a series of Units listed pursuant to Rule 19b-4(e) under the Securities Exchange Act of 1934 will meet the following criteria on an initial and continued listing basis:

- (1) Component stocks (excluding Units and securities defined in Section 2 of Rule 8E, collectively, "Exchange Traded Products") that in the aggregate account for at least 90% of the weight of the US Component Stocks portion of the index or portfolio (excluding such Exchange Traded Products) each will have a minimum market value of at least \$75 million;
- (2) Component stocks (excluding Exchange Traded Products) that in the aggregate account for at least 70% of the US Component Stocks portion of the weight of the index or portfolio (excluding such Exchange Traded Products) each will have a minimum monthly trading volume of 250,000 shares, or minimum notional volume traded per month of \$25,000,000, averaged over the last six months;
- (3) The most heavily weighted component stock (excluding Exchange Traded Products) will not exceed 30% of the US Component Stocks portion of the weight of the index or portfolio, and, to the extent applicable, the five most heavily weighted component stocks (excluding Exchange Traded Products) will not exceed 65% of the U.S. Component Stocks portion of the weight of the index or portfolio;
- (4) The index or portfolio will include a minimum of 13 component stocks; provided, however, that there will be no minimum number of component stocks if (a) one or more series of Units or Portfolio Depositary Receipts (as defined in Section 2 of Rule 8E) constitute, at least in part, components underlying a series of Units, or (b) one or more series of Exchange Traded Products account for 100% of the US Component Stocks portion of the weight of the index or portfolio; and
- (5) All securities in the index or portfolio will be US Component Stocks listed on a national securities exchange and will be NMS Stocks as defined in Rule 600 of Regulation NMS under the Securities Exchange Act of 1934.

(B) International or global index or portfolio. Components of an index or portfolio underlying a series of Units listed pursuant to Rule 19b-4(e) under the Securities Exchange Act of 1934 that consist of [either] (a) only Non-US Component Stocks [or], (b) [both US Component Stocks and] Non-US Component Stocks and cash, (c) both US Component Stocks and Non-US Component Stocks, or (d) US Component Stocks, Non-US Component Stocks and cash will meet the following criteria on an initial and continued listing basis:

- (1) Component stocks (excluding Exchange Traded Products) that in the aggregate account for at least 90% of the weight of the combined US and Non-US Component Stocks portions of the index or portfolio (excluding such Exchange Traded Products) each will have a minimum market value of at least \$100 million;
- (2) Component stocks (excluding Exchange Traded Products) that in the aggregate account for at least 70% of the combined US and Non-US Component Stocks portions of the weight of the index or portfolio (excluding such Exchange Traded Products) each will have a minimum global monthly trading volume of 250,000 shares, or minimum global notional volume traded per month of \$25,000,000, averaged over the last six months;
- (3) The most heavily weighted component stock (excluding Exchange Traded Products) will not exceed 25% of the combined US and Non-US Component Stocks portions of the weight of the index or portfolio, and, to the extent applicable, the five most heavily weighted component stocks (excluding Exchange Traded Products) will not exceed 60% of the combined US and Non-US Component Stocks portions of the weight of the index or portfolio;
- (4) The index or portfolio will include a minimum of 20 component stocks; provided, however, that there will be no minimum number of component stocks if (a) one or more series of Units or Portfolio Depositary Receipts constitute, at least in part, components underlying a series of Units, or (b) one or more series of Exchange Traded Products account for 100% of the weight of the combined US and Non-US Component Stocks portions of the index or portfolio; and

.02 Fixed Income. Fixed Income Securities are debt securities that are notes, bonds, debentures or evidence of indebtedness that include, but are not limited to, U.S. Department of Treasury securities ("Treasury Securities"), government-sponsored entity securities ("GSE Securities"), municipal securities, trust preferred securities, supranational debt and debt of a foreign country or a subdivision thereof. The Exchange may approve a series of Units based on Fixed Income Securities for listing and pursuant to Rule 19b-4(e) under the Securities Exchange Act of 1934 provided such portfolio or index (i) has been reviewed and approved for the trading of options, Units, Portfolio Depositary Receipts, Index-Linked Exchangeable Notes or Index-Linked Securities by the Commission under Section 19(b) of the Securities Exchange Act of 1934 and rules thereunder and the conditions set forth in the Commission's approval order, continue to be satisfied or (ii) satisfy the following criteria, and provided further, that the Exchange may not so approve a series of Units that are issued

by an open-end management investment company that seeks to provide investment results, before fees and expenses, in an amount that exceeds -300% of the percentage performance on a given day of a particular Fixed Income Securities index. Units listed pursuant to Rule 19b-4(e) will satisfy the criteria set forth in (a) through (c), (f) and (g) below on an initial and continued listing basis.

((a) *Eligibility Criteria for Index Components.* Components of an index or portfolio underlying a series of Units listed pursuant to Rule 19b-4(e) under the Securities Exchange Act of 1934 will meet the following criteria on an initial and continued listing basis:

- (1) The index or portfolio must consist of (a) only Fixed Income Securities or (b) Fixed Income Securities and cash;
- (2) Fixed Income Security [C]components that in aggregate account for at least 75% of the Fixed Income Securities portion of the weight of the index or portfolio each will have a minimum original principal amount outstanding of \$100 million or more;
- (3) A component may be a convertible security, however, once the convertible security component converts to the underlying equity security, the component is removed from the index or portfolio;
- (4) No component fixed-income security (excluding Treasury Securities and GSE Securities) will represent more than 30% of the Fixed Income Securities portion of the weight of the index or portfolio, and the five most heavily weighted component fixed-income securities in the index or portfolio will not in the aggregate account for more than 65% of the Fixed Income Securities portion of the weight of the index or portfolio;
- (5) An underlying index or portfolio (excluding one consisting entirely of exempted securities) must include a minimum of 13 non-affiliated issuers; and
- (6) Component securities that in aggregate account for at least 90% of the Fixed Income Securities portion of the weight of the index or portfolio must be either a) from issuers that are required to file reports pursuant to Sections 13 and 15(d) of the Securities Exchange Act of 1934; b) from issuers that have a worldwide market value of its outstanding common equity held by non-affiliates of \$700 million or more; c) from issuers that have outstanding securities that are notes, bonds debentures, or evidence of indebtedness having a total remaining principal amount of at least \$1 billion; d) exempted securities as defined in Section 3(a)(12) of the Securities Exchange Act of 1934; or e) from issuers that are a government of a foreign country or a political subdivision of a foreign country.
