



| asset management group

October 20, 2017

Submitted via e-mail: [rule-comments@sec.gov](mailto:rule-comments@sec.gov)

Mr. Brent J. Fields  
Secretary  
U.S. Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090

**Re: Proposal to facilitate the listing and trading of certain series of Investment Company Units listed pursuant to NYSE Arca Rule 5.2-E(j)(3) (Amendment No. 1 to SR-NYSEArca-2017-56) File No. SR-NYSEArca-2017-56**

Dear Mr. Fields:

The Asset Management Group of the Securities Industry and Financial Markets Association (“SIFMA AMG”) appreciates the opportunity to comment in support of the proposed rule change filed by NYSE Arca, Inc. (“NYSE”) to list and trade twelve series of Investment Company Units (the “Funds”) listed pursuant to NYSE Arca Rule 5.2-E(j)(3) (the “Proposal”), which collectively represent over \$20 billion in client assets with investment exposure to municipal bond securities.<sup>1</sup> In response to the Securities and Exchange Commission’s (“SEC” or “Commission”) approval of continued listing standards applicable to exchange-traded funds (“ETFs”), NYSE submitted the Proposal to provide for alternative continued listing standards, which would permit the continued listing and trading of the Funds.

SIFMA AMG is the voice for the buy-side within the securities industry and broader financial markets, which serve millions of individual and institutional investors as they save for retirement, education, emergencies, and other investment needs and goals. Our members represent U.S. asset management firms whose combined global assets under management exceed \$34 trillion. The clients of SIFMA AMG member firms include, among others, tens of millions of individual investors, registered investment companies, endowments, public and private pension funds, UCITS and private funds such as hedge funds and private equity funds. The Funds in question have been providing low cost and diversified exposures to municipal bond markets for

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<sup>1</sup> See Securities Exchange Act Release No. 81400, 82 FR 39643 (August 21, 2017).

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their investors for many years. As such, several of AMG's members and their investors would be significantly harmed if the Commission does not approve the Proposal by the January 1, 2018 deadline.

SIFMA AMG believes that the Commission should approve the Proposal because it is consistent with the Securities Exchange Act of 1934 (the "Act"). We also agree with NYSE that the Commission's action related to the PowerShares Build America Bond Portfolio (the "PowerShares Fund")<sup>2</sup> in January of this year is directly relevant to the current Proposal, and that based on this precedent, the Commission should approve the Proposal. As NYSE notes in their letter in support of the Proposal, this Proposal makes identical representations with respect to continued listing requirements that the Commission relied upon in approving the continued listing of the PowerShares Fund.<sup>3</sup> Accordingly, given that the Commission has already determined that PowerShares Fund's actions are consistent with the Act and NYSE has committed to ensuring the Funds comply with the specified continued listing standards, it follows that this Proposal is consistent as well and should be expeditiously approved to avoid any delisting proceedings, which would be harmful to investors.

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SIFMA AMG appreciates the opportunity to provide the SEC with our members' views in support of NYSE's Proposal. Please do not hesitate to contact either Timothy Cameron at [REDACTED] or [REDACTED] or Lindsey Keljo at [REDACTED] or [REDACTED] if you have any questions or if we can be of any further assistance.

Sincerely,



Timothy W. Cameron, Esq.  
Asset Management Group – Head  
Securities Industry and Financial Markets  
Association



Lindsey W. Keljo, Esq.  
Asset Management Group – Managing  
Director and Associate General Counsel  
Securities Industry and Financial Markets  
Association

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<sup>2</sup> See Securities Exchange Act Release No. 79767, 82 FR 4950 (January 17, 2017) (order approving PowerShares Muni ETF).

<sup>3</sup> See NYSE Arca, Comment Letter, Proposal to facilitate the listing and trading of certain series of Investment Company Units based on an index of municipal bond securities listed pursuant to NYSE Arca Rule 5.2E(j)(3) (October 6, 2017), available at <https://www.sec.gov/comments/sr-nysearca-2017-56/nysearca201756-2627821-161189.pdf>.