

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-83302; File No. SR-CboeBZX-2018-034)

May 22, 2018

Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to the Listing and Trading of the iShares Gold Strategy ETF, a Series of the iShares U.S. ETF Trust

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 9, 2018, Cboe BZX Exchange, Inc. (“Exchange” or “BZX”) 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 Exchange has designated this proposal as a “non-controversial” proposed rule change pursuant to Section 19(b)(3)(A) of the Act³ and Rule 19b-4(f)(6)(iii)⁴ thereunder, which renders it effective upon filing with the Commission. 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 filed a proposal to amend a representation made in a rule change previously approved by the Commission relating to the listing and trading of the iShares Gold Strategy ETF (the “Fund”), a series of the iShares U.S. ETF Trust (the “Trust”).

The text of the proposed rule change is available at the Exchange’s website at www.markets.cboe.com, at the principal office of the Exchange, and at the Commission’s Public Reference Room.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(6)(iii).

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 parts of such statements.

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

1. Purpose

The shares of the Fund (the “Shares”) were approved for listing and trading on the Exchange under Exchange Rule 14.11(i), which governs the listing and trading of Managed Fund Shares.⁵ The Shares have not yet commenced trading on the Exchange. The Fund is a series of the Trust, which was established as a Delaware statutory trust on June 21, 2011. BlackRock Fund Advisors (the “Adviser”) will serve as the investment adviser to the Fund. The Trust is registered with the Commission as an open-end management investment company and has filed a registration statement on behalf of the Fund on Form N-1A (“Registration Statement”) with the Commission.⁶

The Exchange proposes to amend the Approval Order in order to make clear that the

⁵ See Securities Exchange Act Release No. 83014 (April 9, 2018), 83 FR 16150 (April 13, 2018) (SR-CboeBZX-2017-023) (the “Approval Order”).

⁶ See Registration Statement on Form N-1A for the Trust, filed with the Commission on November 1, 2017 (File Nos. 333-179904 and 811-22649). The descriptions of the Fund and the Shares contained herein are based, in part, on information in the Registration Statement. The Commission has issued an order granting certain exemptive relief to the Adviser and open-end management companies advised by the Adviser under the Investment Company Act of 1940 (15 U.S.C. 80a-1). See Investment Company Act Release No. 29571 (January 24, 2011) (File No. 812-13601).

representation that limits Fund holdings in the Subsidiary⁷ to 25% of the Fund's total assets (the "25% Limitation") was made to indicate that the Fund will comply with Sub-Chapter M of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), and as such, the 25% Limitation was intended to be measured on a quarterly basis. Specifically, the Exchange is proposing to change the sentence that reads:

References below to the holdings of the Fund, including any restrictions thereon that are described within this proposal, are inclusive of the direct holdings of the Fund as well as the indirect holdings of the Fund through the Subsidiary, which may constitute up to 25% of the total assets of the Fund.

The Exchange is proposing to replace that sentence with the following:

References below to the holdings of the Fund, including any restrictions thereon that are described within this proposal, are inclusive of the direct holdings of the Fund as well as the indirect holdings of the Fund through the Subsidiary, which, in compliance with Sub-Chapter M of the Internal Revenue Code of 1986, as amended, may constitute up to 25% of the total assets of the Fund, as determined at the end of each of the Fund's fiscal quarters.

The Exchange believes that this proposed change is a non-controversial change because it is only to clarify that the 25% Limitation is measured on a quarterly basis in compliance with Sub-Chapter M of the Internal Revenue Code. This proposed change regarding the 25%

⁷ The "Subsidiary" is a wholly owned subsidiary of the Fund that is organized in the Cayman Islands and has the same investment objective as the Fund.

Limitation is the only change covered by this proposal, and all other representations in the Approval Order, including both initial listing requirements and Continued Listing Representations,⁸ remain true and will apply on a continuous basis, as applicable, consistent with Exchange Rule 14.11.

2. Statutory Basis

The Exchange believes that the proposal is consistent with Section 6(b) of the Act⁹ in general and Section 6(b)(5) of the Act¹⁰ in particular in that it is 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.

As described above, all of the Continued Listing Representations which formed the basis for the Commission in approving the Approval Order remain true and will continue to constitute listing requirements for the Fund with the exception of the single representation that the Exchange is proposing to make clearer. This proposed change will only make clear the basis for and timing of the calculation of the 25% Limitation and is not proposing to make any substantive changes to the types or amounts of any particular instrument that the Fund can hold. As such, the Exchange believes that the proposal is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to, and

⁸ As defined in Rule 14.11(a), the term “Continued Listing Representations” means any of the statements or representations regarding the index composition, the description of the portfolio or reference assets, limitations on portfolio holdings or reference assets, dissemination and availability of index, reference asset, and intraday indicative values (as applicable), or the applicability of Exchange listing rules specified in any filing to list a series of securities under Rule 14.11.

⁹ 15 U.S.C. 78f(b).

¹⁰ 15 U.S.C. 78f(b)(5).

perfect the mechanism of, a free and open market and a national market system, and, in general, to protect investors and the public interest.

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 purposes of the Act. The Exchange believes that making clear the timing of the calculation of and the basis for the 25% Limitation will have no impact on competition.

C. 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.

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) of the Act¹¹ and Rule 19b-4(f)(6) thereunder.¹²

A proposed rule change filed pursuant to Rule 19b-4(f)(6) under the Act¹³ normally does not become operative for 30 days after the date of its filing. However, Rule 19b-4(f)(6)(iii)¹⁴

¹¹ 15 U.S.C. 78s(b)(3)(A).

¹² 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.

¹³ 17 CFR 240.19b-4(f)(6).

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. The Commission notes that waiver of the 30-day operative delay will allow the Fund to immediately operate under the certainty of the application of the 25% Limitation proposed in this proposal and provide the same clarity to investors. The Commission does not believe that there is any reason for delay when the proposal is only designed to make clear that the 25% Limitation will be measured on a quarterly basis and is designed to comply with Sub-Chapter M of the Internal Revenue Code. Accordingly, 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 operative delay and designates the proposed rule change operative upon filing.¹⁵

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:

¹⁴ 17 CFR 240.19b-4(f)(6)(iii).

¹⁵ 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).

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-CboeBZX-2018-034 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-CboeBZX-2018-034. 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 (<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-CboeBZX-2018-034, 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

Jill M. Peterson
Assistant Secretary

¹⁶ 17 CFR 200.30-3(a)(12).