

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-75475; File No. SR-NYSEArca-2015-63)

July 16, 2015

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to a Change in the Size of a Creation Unit Applicable to Shares of the PIMCO Total Return Active Exchange-Traded Fund

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 10, 2015, NYSE Arca, Inc. (the “Exchange” or “NYSE Arca”) filed with the Securities and Exchange Commission (the “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 the Substance of the Proposed Rule Change

The Exchange proposes to reflect a change in the size of a Creation Unit applicable to shares of the PIMCO Total Return Active Exchange-Traded Fund from 100,000 Shares to at least 50,000 Shares. The Fund is currently listed and traded on the Exchange under NYSE Arca Equities Rule 8.600. The text of 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 Commission’s Public Reference Room.

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

¹ 15 U.S.C.78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

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 Statutory Basis for, the Proposed Rule Change

1. Purpose

The Commission has approved a proposed rule change relating to listing and trading on the Exchange of shares ("Shares") of the PIMCO Total Return Active Exchange-Traded Fund ("Fund") under NYSE Arca Equities Rule 8.600⁴, which governs the listing and trading of Managed Fund Shares.⁵ The Shares are offered by PIMCO ETF Trust (the "Trust"), a statutory trust organized under the laws of the State of Delaware and registered with the Commission as an

⁴ See Securities Exchange Act Release No. 65988 (December 16, 2011), 76 FR 79741 (December 22, 2011) (SR-NYSEArca-2011-95) (notice of filing of proposed rule change relating to listing and trading of Shares of the Fund on the Exchange) ("Prior Notice"); 66321 (February 3, 2012), 77 FR 6850 (February 9, 2012) (SR-NYSEArca-2011-95) (order approving listing and trading of Shares of the Fund on the Exchange) ("Prior Order" and, together with the Prior Notice, the "Prior Release"). See also Securities Exchange Act Release No. 72666 (July 24, 2014), 79 FR 44224 (July 30, 2014) (SR-NYSEArca-2013-122) (order approving proposed rule change relating to use of derivatives by the Fund).

⁵ A Managed Fund Share is a security that represents an interest in an investment company registered under the Investment Company Act of 1940 (15 U.S.C. 80a-1) ("1940 Act") organized as an open-end investment company or similar entity that invests in a portfolio of securities selected by its investment adviser consistent with its investment objectives and policies. In contrast, an open-end investment company that issues Investment Company Units, listed and traded on the Exchange under NYSE Arca Equities Rule 5.2(j)(3), seeks to provide investment results that correspond generally to the price and yield performance of a specific foreign or domestic stock index, fixed income securities index or combination thereof.

open-end management investment company.⁶ The investment manager to the Fund is Pacific Investment Management Company LLC (“PIMCO” or the “Adviser”). The Fund’s Shares are currently listed and traded on the Exchange under NYSE Arca Equities Rule 8.600.⁷

According to the Registration Statement and the Prior Release, Shares of the Fund that trade in the secondary market are created at net asset value (“NAV”) by Authorized Participants only in block-size Creation Units of 100,000 Shares or multiples thereof.

The Exchange proposes to reflect a change in the size of a Creation Unit from 100,000 Shares to at least 50,000 Shares.⁸ The size of a Creation Unit will be subject to change. The Exchange believes that the change to the size of a Creation Unit will not adversely impact investors or Exchange trading. A reduction in the size of a Creation Unit may provide potential benefits to investors by facilitating additional creation and redemption activity in the Shares,

⁶ The Trust is registered under the Investment Company Act of 1940 (“1940 Act”). On October 27, 2014, the Trust filed with the Commission the most recent post-effective amendment to its registration statement under the Securities Act of 1933 (15 U.S.C. 77a) (“1933 Act”) and under the 1940 Act relating to the Fund (File Nos. 333-155395 and 811-22250) (the “Registration Statement”). The description of the operation of the Trust and the Fund herein is based, in part, on the Registration Statement. A change to the name of the Fund from PIMCO Total Return Exchange-Traded Fund to PIMCO Total Return Active Exchange-Traded Fund was reflected in such amendment to the Registration Statement. In addition, the Commission has issued an order granting certain exemptive relief to the Trust under the 1940 Act. See Investment Company Act Release No. 28993 (November 10, 2009) (File No. 812-13571) (“Exemptive Order”).

⁷ The Trust implemented a change in the name of the Fund from PIMCO Total Return Exchange-Traded Fund to PIMCO Total Return Active Exchange-Traded Fund on October 31, 2014.

⁸ The change to size of a Creation Unit will be effective upon filing with the Commission of an amendment to the Trust’s Registration Statement on Form N-1A, and shareholders will be notified of such change by means of such amendment.

thereby potentially resulting in increased secondary market trading activity, tighter bid/ask spreads and narrower premiums or discounts to NAV.⁹

The Adviser represents that the proposed change to reduce the size of a Creation Unit, as described above, is consistent with the Fund's investment objective, and will further assist the Adviser to achieve such investment objective. Except for the change noted above, all other representations made in the Prior Release remain unchanged.¹⁰ The Fund will continue to comply with all initial and continued listing requirements under NYSE Arca Equities Rule 8.600. The Adviser represents that the investment objective of the Fund is not changing.

2. Statutory Basis

The basis under the Act for this proposed rule change is the requirement under Section 6(b)(5)¹¹ 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 change is designed to perfect the mechanism of a free and open market and, in general, to protect investors and the public interest. The Exchange believes that the change to the size of a Creation Unit to at least 50,000 Shares will not adversely impact investors

⁹ The Exchange notes that the Commission has approved the listing and trading of other issues of Managed Fund Shares that have applied a minimum Creation Unit size of 50,000 shares or greater. See, e.g., Securities Exchange Act Release Nos. 65458 (September 30, 2011), 76 FR 62112 (October 6, 2011) (SR-NYSEArca-2011-54) (order approving listing and trading of WisdomTree Dreyfus Australia and New Zealand Debt Fund); 66112 (January 5, 2012), 77 FR 1761 (January 11, 2012) (SR-NYSEArca-2011-80) (order approving listing and trading of Rockledge SectorSAM ETF).

¹⁰ See note 4, supra. All terms referenced but not defined herein are defined in the Prior Release.

¹¹ 15 U.S.C. 78f(b)(5).

or Exchange trading. In addition, a reduction in the size of a Creation Unit may provide potential benefits to investors by facilitating additional creation and redemption activity in the Shares, thereby potentially resulting in increased secondary market trading activity, tighter bid/ask spreads and narrower premiums or discounts to NAV.

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, because of the potential increase in secondary market trading activity that may result from a decrease in the Creation Unit size for Shares of the Fund, will enhance competition among issues of exchange-traded funds that invest in fixed income securities.

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 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, 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 Act¹² and Rule 19b-4(f)(6) thereunder.¹³

¹² 15 U.S.C. 78s(b)(3)(A).

¹³ 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,

At any time within 60 days of the filing of the proposed rule change, the Commission 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, 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-NYSE-Arca-2015-63 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-2015-63. 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

or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

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 such filing also will be available for inspection and copying at the principal offices 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-NYSEArca-2015-63, 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.¹⁴

Robert W. Errett
Deputy Secretary

¹⁴ 17 CFR 200.30-3(a)(12).