

For the Commission, by the Division of Investment Management, under delegated authority.

**Eduardo A. Aleman,**

*Assistant Secretary.*

[FR Doc. 2018-00626 Filed 1-16-18; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-82482; File No. SR-BatsBZX-2017-30]

### Self-Regulatory Organizations; Bats BZX Exchange, Inc.; Notice of Withdrawal of a Proposed Rule Change To Permit the Listing and Trading of Managed Portfolio Shares and To List and Trade Shares of the Following Under Proposed Rule 14.11(k): ClearBridge Appreciation ETF, ClearBridge Large Cap ETF, ClearBridge MidCap Growth ETF, ClearBridge Select ETF, and ClearBridge All Cap Value ETF

January 10, 2018.

On June 1, 2017, Bats BZX Exchange, Inc. ("Exchange") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> a proposed rule change to: (1) Adopt Rule 14.11(k) (Managed Portfolio Shares); and (2) list and trade shares of the ClearBridge Appreciation ETF, ClearBridge Large Cap ETF, ClearBridge MidCap Growth ETF, ClearBridge Select ETF, and ClearBridge All Cap Value ETF under proposed Rule 14.11(k). The proposed rule change was published for comment in the **Federal Register** on June 19, 2017.<sup>3</sup> On July 28, 2017, pursuant to Section 19(b)(2) of the Act,<sup>4</sup> 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.<sup>5</sup> The Commission received four comment letters on the proposed rule change.<sup>6</sup> On

September 13, 2017, the Commission instituted proceedings under Section 19(b)(2)(B) of the Act<sup>7</sup> to determine whether to approve or disapprove the proposed rule change.<sup>8</sup> The Commission subsequently received one comment letter on the proposed rule change.<sup>9</sup> On December 12, 2017, the Commission designated a longer period for action on the proposed rule change.<sup>10</sup>

On January 10, 2018, the Exchange withdrew the proposed rule change (SR-BatsBZX-2017-30).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>11</sup>

**Eduardo A. Aleman,**

*Assistant Secretary.*

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-82480; File No. SR-FINRA-2018-001]

### Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Extend the Expiration Date of FINRA Rule 0180 (Application of Rules to Security-Based Swaps)

January 10, 2018.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on January 4, 2018, Financial Industry Regulatory Authority, Inc. ("FINRA") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II,

Commission, dated July 10, 2017; Letter from James J. Angel, Associate Professor of Finance, Georgetown University, McDonough School of Business, to the Commission, dated July 10, 2017; and Letter from Terence W. Norman, Founder, Blue Tractor Group, LLC, to Brent J. Fields, Secretary, Commission, dated August 1, 2017. The comment letters are available on the Commission's website at: <https://www.sec.gov/comments/sr-batsbzx-2017-30/batsbzx201730.htm>.

<sup>1</sup> 15 U.S.C. 78s(b)(2)(B).

<sup>2</sup> See Securities Exchange Act Release No. 81599, 82 FR 43621 (September 18, 2017).

<sup>3</sup> See Letter from Terence W. Norman, Founder, Blue Tractor Group, LLC, to Brent J. Fields, Secretary, Commission, dated December 5, 2017. The comment letter is available on the Commission's website at: <https://www.sec.gov/comments/sr-batsbzx-2017-30/batsbzx201730.htm>.

<sup>4</sup> See Securities Exchange Act Release No. 82301, 82 FR 60073 (December 18, 2017). The Commission designated February 14, 2018 as the date by which the Commission must either approve or disapprove the proposed rule change.

<sup>5</sup> 17 CFR 200.30-3(a)(12).

<sup>6</sup> 15 U.S.C. 78s(b)(1).

<sup>7</sup> 17 CFR 240.19b-4.

and III below, which Items have been prepared by FINRA. FINRA has designated the proposed rule change as constituting a "non-controversial" rule change under paragraph (f)(6) of Rule 19b-4 under the Act,<sup>3</sup> which renders the proposal effective upon receipt of this filing by 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

FINRA is proposing to extend the expiration date of FINRA Rule 0180 (Application of Rules to Security-Based Swaps) to February 12, 2019. FINRA Rule 0180 temporarily limits, with certain exceptions, the application of FINRA rules with respect to security-based swaps.

The text of the proposed rule change is available on FINRA's website at <http://www.finra.org>, at the principal office of FINRA 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, FINRA 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. FINRA has prepared summaries, set forth in sections A, B, and C below, of 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

On July 1, 2011, the SEC issued an Order granting temporary exemptive relief (the "Temporary Exemptions") from compliance with certain provisions of the Exchange Act in connection with the revision, pursuant to Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"),<sup>4</sup> of the Exchange Act definition of "security" to encompass security-based swaps.<sup>5</sup>

<sup>3</sup> 17 CFR 240.19b-4(f)(6).

<sup>4</sup> Public Law 111-203, 124 Stat. 1376 (2010).

<sup>5</sup> See Securities Exchange Act Release No. 64795 (July 1, 2011), 76 FR 39927 (July 7, 2011) (Order Granting Temporary Exemptions Under the Securities Exchange Act of 1934 in Connection With the Pending Revision of the Definition of "Security" To Encompass Security-Based Swaps,

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> See Securities Exchange Act Release No. 80911 (June 13, 2017), 82 FR 27925.

<sup>4</sup> 15 U.S.C. 78s(b)(2).

<sup>5</sup> See Securities Exchange Act Release No. 81247, 82 FR 36031 (August 2, 2017). The Commission designated September 17, 2017 as the date by which the Commission shall approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change.

<sup>6</sup> See Letter from Gary L. Gastineau, President, ETF Consultants.com, Inc., to Brent J. Fields, Secretary, Commission, dated July 7, 2017; Letter from Todd J. Broms, Chief Executive Officer, Broms & Company LLC, to Brent J. Fields, Secretary,

Consistent with the Commission's action, on July 8, 2011, FINRA filed for immediate effectiveness FINRA Rule 0180,<sup>6</sup> which, with certain exceptions, is intended to temporarily limit the application of FINRA rules<sup>7</sup> with respect to security-based swaps, thereby helping to avoid undue market disruptions resulting from the change to the definition of "security" under the Act.<sup>8</sup>

The Commission, noting the need to avoid a potential unnecessary disruption to the security-based swap market in the absence of an extension of the Temporary Exemptions, and the need for additional time to consider the potential impact of the revision of the Exchange Act definition of "security" in light of ongoing Commission rulemaking efforts under Title VII of the Dodd-Frank Act, issued an Order which extended and refined the applicable expiration dates for the previously granted Temporary Exemptions.<sup>9</sup> The

and Request for Comment) (the "Exemptive Release"). The term "security-based swap" is defined in Section 761 of the Dodd-Frank Act. *See also* Securities Exchange Act Release No. 67453 (July 18, 2012), 77 FR 48207 (August 13, 2012) (Further Definition of "Swap," "Security-Based Swap," and "Security-Based Swap Agreement"; Mixed Swaps; Security-Based Swap Agreement Recordkeeping).

<sup>6</sup> *See* Securities Exchange Act Release No. 64884 (July 14, 2011), 76 FR 42755 (July 19, 2011) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change; File No. SR-FINRA-2011-033) ("FINRA Rule 0180 Notice of Filing"). *See also* Securities Exchange Act Release No. 79752 (January 6, 2017), 82 FR 3824 (January 12, 2017) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change; File No. SR-FINRA-2017-001) (extending the expiration date of FINRA Rule 0180 to February 12, 2018).

<sup>7</sup> The current FINRA rulebook consists of: (1) FINRA Rules; (2) NASD Rules; and (3) rules incorporated from NYSE ("Incorporated NYSE Rules"). While the NASD Rules generally apply to all FINRA members, the Incorporated NYSE Rules apply only to those members of FINRA that are also members of the NYSE. The FINRA Rules apply to all FINRA members, unless such rules have a more limited application by their terms. For more information about the rulebook consolidation process, *see Information Notice*, March 12, 2008 (Rulebook Consolidation Process).

<sup>8</sup> In its Exemptive Release, the Commission noted that the relief is targeted and does not include, for instance, relief from the Act's antifraud and anti-manipulation provisions. FINRA has noted that FINRA Rule 0180 is similarly targeted. For instance, paragraph (a) of FINRA Rule 0180 provides that FINRA rules shall not apply to members' activities and positions with respect to security-based swaps, except for FINRA Rules 2010 (Standards of Commercial Honor and Principles of Trade), 2020 (Use of Manipulative, Deceptive or Other Fraudulent Devices), 3310 (Anti-Money Laundering Compliance Program) and 4240 (Margin Requirements for Credit Default Swaps). *See also* paragraphs (b) and (c) of FINRA Rule 0180 (addressing the applicability of additional rules) and FINRA Rule 0180 Notice of Filing.

<sup>9</sup> *See* Securities Exchange Act Release No. 71485 (February 5, 2014), 79 FR 7731 (February 10, 2014) (Order Extending Temporary Exemptions Under the Securities Exchange Act of 1934 in Connection

Commission previously noted that extending the Temporary Exemptions would facilitate a coordinated consideration of these issues with the relief provided pursuant to FINRA Rule 0180.<sup>10</sup> In establishing Rule 0180, and in extending the rule's expiration date, FINRA noted its intent, pending the implementation of any SEC rules and guidance that would provide greater regulatory clarity in relation to security-based swap activities, to align the expiration date of FINRA Rule 0180 with the termination of relevant provisions of the Temporary Exemptions.<sup>11</sup>

The Commission's rulemaking and development of guidance in relation to security-based swap activities is ongoing. As such, FINRA believes it is appropriate and in the public interest, in light of the Commission's goals as set forth in the Exemptive Release, the 2014 Extension Release and the 2017 Extension Release, to extend FINRA Rule 0180 for a limited period, to February 12, 2019, so as to avoid undue market disruptions resulting from the change to the definition of "security" under the Act.<sup>12</sup>

FINRA has filed the proposed rule change for immediate effectiveness. FINRA is proposing that the

With the Revision of the Definition of "Security" to Encompass Security-Based Swaps, and Request for Comment) ("2014 Extension Release") stating that, for those expiring Temporary Exemptions "that are not directly linked to pending security-based swap rulemakings, the Commission is extending the expiration date until the earlier of such time as the Commission issues an order or rule determining whether any continuing exemptive relief is appropriate for security-based swap activities with respect to any of these Exchange Act provisions or until three years following the effective date of this Order." The 2014 Extension Release further stated that for each expiring Temporary Exemption "that is related to pending security-based swap rulemakings, the Commission is extending the expiration date until the compliance date for the related security-based swap-specific rulemaking." On January 18, 2017, the Commission further extended the Temporary Exemptions that are not directly linked to a security-based swap rulemaking, which otherwise would have expired on February 5, 2017, three years from the effective date of the 2014 Extension Release. *See* Securities Exchange Act Release No. 79833 (January 18, 2017), 82 FR 8467 (January 25, 2017) (Order Extending Certain Temporary Exemptions Under the Securities Exchange Act of 1934 in Connection With the Revision of the Definition of "Security" to Encompass Security-Based Swaps and Request for Comment) ("2017 Extension Release").

<sup>10</sup> *See* Securities Exchange Act Release No. 68864 (February 7, 2013), 78 FR 10218 (February 13, 2013) (Order Extending Temporary Exemptions Under the Securities Exchange Act of 1934 in Connection With the Revision of the Definition of "Security" to Encompass Security-Based Swaps, and Request for Comment).

<sup>11</sup> *See* note 6 *supra*.

<sup>12</sup> FINRA may amend the expiration date of FINRA Rule 0180 based on any related Commission action.

implementation date of the proposed rule change will be February 12, 2018.

## 2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,<sup>13</sup> which requires, among other things, that FINRA rules must be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest. FINRA believes that the proposed rule change would further the purposes of the Act because, consistent with the goals set forth by the Commission in the Exemptive Release, the 2014 Extension Release and the 2017 Extension Release, the proposed rule change will help to avoid undue market disruption that could result if FINRA Rule 0180 expires before the implementation of any SEC rules and guidance that would provide greater regulatory clarity in relation to security-based swap activities.

### B. Self-Regulatory Organization's Statement on Burden on Competition

FINRA does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. FINRA believes that the proposed rule change would prevent undue market disruption that would otherwise result if security-based swaps were, by virtue of the expansion of the Act's definition of "security" to encompass security-based swaps, subject to the application of all FINRA rules before the implementation of any SEC rules and guidance that would provide greater regulatory clarity in relation to security-based swap activities. FINRA believes that, by extending the expiration of FINRA Rule 0180, the proposed rule change will serve to promote regulatory clarity and consistency, thereby reducing burdens on the marketplace and facilitating investor protection.

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

Written comments were neither solicited nor 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 the protection of investors or the public

<sup>13</sup> 15 U.S.C. 78o-3(b)(6).

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 Act <sup>14</sup> and Rule 19b-4(f)(6) thereunder.<sup>15</sup>

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 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 email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-FINRA-2018-001 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-FINRA-2018-001. 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 such filing also will be available for inspection and copying at the principal office of FINRA. 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-FINRA-2018-001 and should be submitted on or before February 7, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>16</sup>

**Eduardo Aleman,**  
*Assistant Secretary.*

[FR Doc. 2018-00635 Filed 1-16-18; 8:45 am]  
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#### DEPARTMENT OF STATE

##### [Public Notice 10268]

##### **Notice of Change of Ownership of Permit Holder of Presidential Permit for Express Pipeline Facilities on the Border of the United States and Canada**

**AGENCY:** Department of State.

**ACTION:** Notice.

**SUMMARY:** Notice is hereby given of a change in ownership of Express Pipeline LLC ("Express US"), which owns, operates, and maintains pipeline facilities ("Express Pipeline") authorized under a Presidential permit issued on July 9, 2015 (80 FR 45695).

**SUPPLEMENTARY INFORMATION:** On May 25, 2017, the Department published a **Federal Register** Notice providing notice of its receipt of a notification from the current permit holder regarding this change in ownership (82 FR 24200). Consistent with the procedures set forth in Public Notice 10111 (82 FR 42410, Sept. 7, 2017), the Department has reviewed that notification and has determined that the change in ownership does not affect the prior national interest determination that resulted in issuance of the Presidential permit issued to Express US on July 9, 2015. That permit, therefore, remains valid, subject to its terms and conditions. Additional information concerning the Express

Pipeline is available at <https://www.state.gov/e/enr/applicant/>.

##### **FOR FURTHER INFORMATION CONTACT:**

Marcus Lee, Presidential Permit Coordinator, Energy Resources Bureau, Office of Policy Analysis and Public Diplomacy, United States Department of State, 2201 C St. NW, Suite 4422, Washington, DC 20520. Tel: 202-485-1522.

**Richard W. Westerdale II,**

*Senior Advisor, Bureau of Energy Resources, Department of State.*

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#### DEPARTMENT OF STATE

##### [Public Notice 10269]

##### **Notice of Determinations; Culturally Significant Objects Imported for Exhibition Determinations: "Adrian Piper: A Synthesis of Intuitions 1965-2016" Exhibition**

**SUMMARY:** Notice is hereby given of the following determinations: I hereby determine that certain objects to be included in the exhibition "Adrian Piper: A Synthesis of Intuitions 1965-2016," imported from abroad for temporary exhibition within the United States, are of cultural significance. The objects are imported pursuant to loan agreements with the foreign owners or custodians. I also determine that the exhibition or display of the exhibit objects at The Museum of Modern Art, New York, New York, from on or about March 31, 2018, until on or about July 22, 2018, at the Hammer Museum, Los Angeles, California, from on or about September 30, 2018, until on or about January 6, 2019, and at possible additional exhibitions or venues yet to be determined, is in the national interest.

##### **FOR FURTHER INFORMATION CONTACT:**

Elliot Chiu in the Office of the Legal Adviser, U.S. Department of State (telephone: 202-632-6471; email: [section2459@state.gov](mailto:section2459@state.gov)). The mailing address is U.S. Department of State, L/PD, SA-5, Suite 5H03, Washington, DC 20522-0505.

**SUPPLEMENTARY INFORMATION:** The foregoing determinations were made pursuant to the authority vested in me by the Act of October 19, 1965 (79 Stat. 985; 22 U.S.C. 2459), E.O. 12047 of March 27, 1978, the Foreign Affairs Reform and Restructuring Act of 1998 (112 Stat. 2681, *et seq.*; 22 U.S.C. 6501 note, *et seq.*), Delegation of Authority No. 234 of October 1, 1999, Delegation of Authority No. 236-3 of August 28,

<sup>14</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>15</sup> 17 CFR 240.19b-4(f)(6).

<sup>16</sup> 17 CFR 200.30-3(a)(12).