

W. John McGuire
Partner
202-373-6799
john.mcguire@bingham.com

November 12, 2012

Ms. Michele M. Anderson
Chief, Office of Mergers and Acquisitions
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E. Washington, D.C. 20549

**Re: Request of SSgA Active ETF Trust for Exemptive,
Interpretive or No-Action Relief from Rule 14e-5 and Rule
10b-17 under the Securities Exchange Act of 1934**

Dear Ms. Anderson:

SSgA Active ETF Trust (the "Trust") is an open-end management investment company organized on March 30, 2011 as a Massachusetts business trust. The Trust is currently comprised of multiple series, including the SPDR SSgA Multi-Asset Real Return ETF ("Real Return ETF"), SPDR SSgA Income Allocation ETF ("Income Allocation ETF") and SPDR SSgA Global Allocation ETF ("Global ETF") (individually, a "Fund" and, collectively the "Funds"). The Funds will operate in a master-feeder structure, whereby each Fund will invest substantially all of its assets in a series of the SSgA Master Trust, whose investment objectives mirror those of the Funds.¹ The Trust and the

Beijing
Boston
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San Francisco
Santa Monica
Silicon Valley
Tokyo
Washington

Bingham McCutchen LLP
2020 K Street NW
Washington, DC
20006-1806
+1.202.373.6000
+1.202.373.6001
bingham.com

¹ For ease of understanding, when this letter refers to a Fund's investment objective, portfolio holdings, etc., the reference relates to the characteristics of the applicable master portfolio in which a Fund will invest substantially all of its assets.

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SSgA Master Trust are registered under the Investment Company Act of 1940, as amended ("1940 Act").

The Trust on behalf of itself, the Funds, and any national securities exchange or national securities association on or through which the shares subsequently trade and persons or entities engaging in transactions in shares issued by a Fund ("Shares"), as applicable, requests that the Securities and Exchange Commission (the "Commission" or the "SEC") grant exemptive and no-action relief from Rule 14e-5 under the Securities Exchange Act of 1934 (the "Exchange Act") in connection with secondary market transactions in Shares and the creation and redemption of Creation Units, as discussed below.

The Trust expects to issue and redeem Shares of the Fund in aggregations of at least 50,000 Shares, referred to as Creation Units. The Trust has an effective registration statement on Form N-1A . Shares of the Real Return, Income Allocation and Global ETFs are listed on the NYSE Arca and may, in the future also be listed on another exchange ("Exchange") as defined in Section 2(a)(26) of the 1940 Act. Each of the Funds will be a fund of exchange-traded funds ("ETFs") and intends to invest substantially all of its portfolio² in shares of other ETFs ("Underlying ETFs"), including Underlying

² The remainder of the portfolio will generally consist of short-term U.S. Government securities, short-term debt securities and money market instruments including shares of other mutual funds, commercial paper, certificates of deposit, bankers' acceptances and repurchase

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ETFs managed by the Adviser, as defined below, and certain other exchange-traded products, including, but not limited to, exchange-traded notes, exchange-traded closed-end investment companies and real estate investment trusts ("REITs"). The Underlying ETFs will be organized in the United States, registered under the 1940 Act and listed on an Exchange. The other exchange-traded products in which the Funds invest will issue equity securities and be listed on an Exchange. In addition, all Underlying ETFs and exchange traded products, other than closed-end investment companies and REITs, will either meet all conditions set forth in the Equity ETF Class Relief Letter³ and the SIA Letter,⁴ or the ETV Class Relief Letter,⁵ respectively, or will have received individual relief from the Commission, or will be able to rely on individual relief even though they are not named parties ("Prior ETFs"). Other than Underlying ETFs, no single holding will represent more than 20% of the assets of a Fund, except in a period when a Fund adopts a temporary defensive position, during which a Fund may invest more than 20% of its assets in the

agreements. In the future, the Funds might invest directly in equity securities in addition to Underlying ETFs and other exchange-traded products.

³ Letter from James A. Brigagliano, Acting Associate Director, Division of Market Regulation, to Clifford Chance US LLP, dated October 24, 2006.

⁴ Letter from Catherine McGuire, Esq., Chief Counsel, Division of Market Regulation, to the Securities Industry Association Derivative Products Committee, dated November 21, 2005 (the "SIA Letter").

⁵ Letter from Racquet L. Russell, Branch Chief, Office of Trading Practices and Processes, Division of Market Regulation, to George T. Simon, Esq., Foley & Lardner LLP, dated June 21, 2006.

securities of a single issuer provided the securities are government securities as defined in Section 3(a)(42)(A), (B), or (C) of the Exchange Act.

The Funds and Their Investment Objectives

SSgA Funds Management, Inc. (the "Adviser") serves as the investment adviser to each Fund and the corresponding series of the Master Trust.

The Real Return ETF seeks to achieve real return consisting of capital appreciation and current income. The Real Return ETF invests in four primary asset classes: (i) inflation protected securities issued by the United States government, its agencies and/or instrumentalities, as well as inflation protected securities issued by foreign governments, agencies, and/or instrumentalities; (ii) domestic and international real estate securities; (iii) commodities; and (iv) publicly-traded companies in natural resources and/or commodities businesses.

The Income Allocation ETF seeks to provide total return by focusing on investments in income and yield-generating assets in the following four asset classes: (i) domestic and international equity securities; (ii) investment grade and high yield debt securities; (iii) hybrid equity/debt (such as preferred stock and convertible bonds); and (iv) REITs.

The Global ETF seeks to provide capital appreciation. The Global ETF's portfolio will have balanced exposure to domestic and international debt and equity securities. The allocations to each asset class will change over time as the Adviser's expectations of each asset class shift.

Availability of Information

On each day the Funds are open (a "Business Day"),⁶ before commencement of trading in Shares on the Exchange, the Funds will disclose on their website the identities and quantities of the securities and other assets (collectively, "Portfolio Securities") held by the Funds that will form the basis for their calculation of net asset value ("NAV") at the end of the Business Day. The website and information will be publicly available at no charge. The Exchange or other market information provider will disseminate every 15 seconds throughout the trading day through the facilities of the Consolidated Tape Association an amount (the "IIV") representing on a per Share basis, the sum of the current value of the Portfolio Securities to be used in calculating the Funds' NAVs at the end of the Business Day.

⁶ A Business Day is any day on which the Exchange is open for business.

Arbitrage Process

The Shares will be listed and traded on the Exchange. Shares will be freely tradable on the Exchange throughout the trading session. The price of Shares trading on the Exchange will be based on a current bid/offer market. The trading market on the Exchange affords investors the opportunity to assume and liquidate positions in Shares at their discretion, permitting them to take advantage of prices at any time during the trading day. This combination of intraday liquidity with the Creation Unit purchase and redemption features creates potential arbitrage opportunities that, in turn, should and historically have proven to mitigate pricing inefficiencies. Indeed, the high degree of historical and expected correlation between ETFs' NAVs and their share prices contrasts with the case of shares of closed-end equity funds which, not having the ability to create and redeem at the fund level, typically trade at a material discount (or premium) to their underlying NAVs.

The arbitrage mechanism will be facilitated by the transparency of the Funds' portfolios and the availability of the IIV, the liquidity of their Portfolio Securities and the ability to access those securities, as well as the arbitrageurs' ability to create workable hedges. As discussed above, there will be disclosure on each Business Day of the Funds' Portfolio Securities and the IIV will be disseminated every 15 seconds throughout the trading session. The Funds will

invest in Portfolio Securities with liquidity levels that will facilitate an effective and efficient arbitrage mechanism and the ability to create workable hedges. For these reasons, we expect arbitrageurs to be able to take advantage of price variations between the Funds' market prices and their NAVs. Thus, we expect a close alignment between their respective market prices and NAVs.

Precedents

The SEC staff ("Staff") has previously issued the relief requested herein to other actively-managed ETFs⁷ and to index-based ETFs.⁸ These letters provided relief specific to the funds or classes of funds described therein and, therefore, the Trust and the Funds are not entitled to rely on them for relief. The Trust and the Funds note, however, that their proposal--the creation and issuance by an actively-managed investment company of shares that individually trade on an Exchange, but that can only be purchased from and redeemed with the issuing investment company in large aggregations--is no longer novel. The Commission has in the past sixteen years considered and approved many similar proposals. Some of the index-based products for which relief has been granted have been trading publicly for years, and the Trust is not aware of any abuses associated

⁷ See Letter from James A. Brigagliano to Clifford Chance US LLP regarding PowerShares Actively Managed Exchange Traded Fund Trust, dated April 4, 2008 and Letter from Josephine Tao, Assistant Director, Division of Market Regulation, to Jack P. Drogin, Esq. Schiff Hardin LLP re WisdomTree Global Real Return Fund (Aug. 29, 2011).

⁸ See Letter from James A. Brigagliano, Assistant Director, Division of Market Regulation, to Clair P. McGrath, Vice President and Special Counsel, The American Stock Exchange, dated August 17, 2001 (re: Exemptive Relief for Exchange-Traded Index Funds).

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with them. Indeed, several of the index-based products have been so embraced by investors that they are routinely among the highest volume securities on the exchanges on which they trade.

We also do not believe that the use of a master-feeder structure presents any issues which the Staff has not previously considered. In this regard, we note that the Adviser and the Trust have received an exemptive order (File No. 812-13487) granting certain exemptions, including any exemptive relief required to operate in a master-feeder structure. In addition, the Vanguard Group has for over a decade used a similar multi-class structure as a means to offer multiple investment choices whose performance is based on the same pool of securities.

Creation and Redemption Process

Unlike typical mutual funds, the Funds do not sell their shares directly to, or redeem their Shares directly from, individual investors. Rather, like other ETFs, they sell and redeem their shares in large aggregations referred to as Creation Units. Transactions in Creation Units take place between the Funds and persons, typically broker-dealers, who have entered into contractual agreements with the Funds setting forth the terms under which these persons can purchase and redeem Shares in Creation Unit sized aggregations. These persons are known as Authorized Participants. Also, unlike mutual funds whose purchase and redemption transactions are almost always in cash, Creation Unit transactions are

typically in-kind transactions. Each day before trading begins, each Fund will make publicly available the list of securities (the Creation/Redemption Basket) that Authorized Participants must deliver to purchase a Creation Unit and will receive if they redeem a Creation Unit. It is the fact that most Authorized Participants are broker-dealers that implicates Rule 14e-5.

Authorized Participants purchase Creation Units for a variety of reasons. The simplest example involves an individual investor who wants to buy a Creation Unit. The Authorized Participant will purchase on an Exchange or other trading market the Creation Basket, tender the securities to the Fund in return for the Creation Unit and transfer the Creation Unit to the investor. A more complicated example would be if the investor did not want to buy a full Creation Unit, but the Authorized Participant believed there was interest in the marketplace for additional Shares. The Authorized Participant would use the additional Shares to fulfill market demand and hold the remaining Shares in inventory pending sale to other investors.

Redemption transactions are mirror images of purchase transactions. An Authorized Participant might receive a full or partial Creation Unit from an investor, buy additional Shares, if necessary, tender the Creation Unit and receive the Redemption Basket, all or part of which would be transferred to the investor or sold on an Exchange with the cash proceeds provided to the investor. When

buying the individual securities comprising a Creation Basket or tendering a Creation Unit in return for the Redemption Basket, the Authorized Participant will or could be deemed to be directly or indirectly purchasing securities which would implicate Rule 14e-5 if the Authorized Participant is a dealer-manager for a tender offer for an individual security in the Creation or Redemption Basket.

Rule 14e-5

Rule 14e-5 prohibits a "covered person" from directly or indirectly purchasing or arranging to purchase any subject securities of a tender offer (or related security) except as part of such tender offer. The dealer-manager of a tender offer, in these facts also a broker-dealer and an Authorized Participant, is a "covered person" subject to the Rule and will comply with all provisions of Rule 14e-5 except for those from which this letter requests the exemption described below.

The Trust respectfully requests that the Commission grant exemptive relief from Rule 14e-5 to permit any person (including a member or member organization of the NYSE Arca or another Exchange) acting as a dealer-manager of a tender offer for a security that is part of the group of securities that is received by an ETF when it issues a Creation Unit or part of the group of securities an ETF distributes when it redeems a Creation Unit, *i.e.*, a security that

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is part of a Creation Basket or Redemption Basket, during the existence of such offer, to: (1) redeem Shares of a Fund in Creation Units to the Trust for a Redemption Basket that may include a security subject to the tender offer; and (2) engage in secondary market transactions in Shares of a Fund during such tender offer, if such bids or purchases are not effected for the purposes of facilitating a tender offer and such transactions are in the ordinary course of business. Applicants believe that redemptions of Shares would not result in the abuses that Rule 14e-5 was designed to prevent. The acquisition of individual securities held by a Fund by means of redemptions of Shares of such Fund would be impractical and extremely inefficient in view of the relatively small number of shares of any one security included in a Redemption Basket and that a minimum of 50,000 Shares of a Fund (*i.e.*, the minimum size of a Creation Unit), or multiples thereof, be redeemed.

The Trust similarly believes that it would be equally inefficient to facilitate a tender offer in a particular security included in a Deposit Basket by means of purchasing all of the specific Portfolio Securities comprising such Deposit Basket. Rule 14e-5(b) excepts certain activities from the Rule's prohibitions. In particular, Rule 14e-5(b)(5) excepts basket transactions subject to the following conditions:

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- (i) The purchase or arrangement to purchase is made in the ordinary course of business and not to facilitate the tender offer;
- (ii) The basket contains 20 or more securities; and
- (iii) Covered securities and related securities do not comprise more than 5% of the value of the basket.

The dealer-managers will comply with the initial condition. In addition, the Funds are diversified investment companies as defined in Section 5(b)(1) of the 1940 Act, which provides, as relevant, that at least 75% of a Fund's assets will consist of cash and cash items, securities of other investment companies and holdings of other securities that are less than 5% of the Fund's assets. However, there are not any specific investment limitations set forth in the registration statement for the Funds that would prohibit a Fund from having fewer than 20 securities in its portfolio or having more than 5% of its portfolio in one security. As a result, the Funds are unable to rely on the existing exception for basket transactions.

In addition, application of the Rule's prohibition would impede the valid and useful market and arbitrage activity which would assist secondary market trading and improve the Shares' pricing efficiency. For example, an Authorized Participant who held Shares in inventory pending sale to investors might hedge its

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exposure by selling short Portfolio Securities, in which case the Authorized Participant's subsequent purchase of the Portfolio Securities to cover the short sale might implicate Rule 14e-5.

Therefore, the Trust also respectfully requests that the Commission take a no-action position under Rule 14e-5 if a broker-dealer, including a member or member organization of the NYSE Arca or another Exchange, acting as a dealer-manager of a tender offer for a Portfolio Security held by a Fund purchases or arranges to purchase shares of such Portfolio Security in the secondary market for the purpose of tendering them to purchase one or more Creation Units of Shares of a Fund, if such transactions are not effected for the purposes of facilitating a tender offer. Applicants represent that all purchases of a Portfolio Security by a dealer-manager during the existence of a tender offer will be in the ordinary course of business as a result of the composition of a Fund's portfolio and believe that the purchase of a Portfolio Security during the existence of a tender offer would not result in the abuses that Rule 14e-5 was designed to prevent.⁹

⁹ The Commission has previously granted Rule 14e-5 exemptive and no-action relief. *See* fn. 3 *supra*. Although the ETFs which are the subject of this request are actively managed ETFs, we do not believe there are any policy or analytical reasons warranting a different conclusion.

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Conclusion

Based on the foregoing, we respectfully request that the Commission and the Staff grant the relief requested herein from Rule 14e-5. The relief requested is substantially similar to those actions that the Commission and the Staff have taken in similar circumstances. If you have any questions please call me at (202) 373-6799 or my colleague Michael Berenson at (202) 373-6036.

Sincerely,



W. John McGuire

cc: Michael Berenson, Esq.

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