

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34-82301; File No. SR-BatsBZX-2017-30)

December 12, 2017

Self-Regulatory Organizations; Bats BZX Exchange, Inc.; Notice of Designation of a Longer Period for Commission Action on Proceedings to Determine Whether to Approve or Disapprove 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

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 (“Exchange 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 Exchange 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

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<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 it shall approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change.

Commission initially 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 Exchange 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>

Section 19(b)(2) of the Act<sup>10</sup> provides that, after initiating proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing of the proposed rule change. The Commission, however, may extend the period for issuing an order approving or disapproving the proposed rule change by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The proposed rule change was published for notice and comment in the Federal Register on June 19, 2017.<sup>11</sup> December 16, 2017 is 180 days from that date, and February 14, 2018 is an additional 60 days from that date.

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<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, 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>7</sup> 15 U.S.C. 78s(b)(2)(B).

<sup>8</sup> See Securities Exchange Act Release No. 81599, 82 FR 43621 (September 18, 2017).

<sup>9</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>10</sup> 15 U.S.C. 78s(b)(2).

<sup>11</sup> See supra note 3 and accompanying text.

The Commission finds it appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change so that it has sufficient time to consider the proposed rule change and the issues raised in the comment letters that have been submitted in connection therewith. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,<sup>12</sup> designates February 14, 2018 as the date by which the Commission shall either approve or disapprove the proposed rule change (File No. SR-BatsBZX-2017-30).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>13</sup>

Robert W. Errett  
Deputy Secretary

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<sup>12</sup> 15 U.S.C. 78s(b)(2).

<sup>13</sup> 17 CFR 200.30-3(a)(57).