8011-01p
SECURITIES AND EXCHANGE COMMISSION
[Release No. 34-74338; File No. SR-NYSEArca-2014-143]

Self-Regulatory Organizations; NYSE Arca, Inc.; Order Granting Approval of Proposed Rule Change Relating to the Listing and Trading of Shares of the SPDR® DoubleLine Total Return Tactical ETF under NYSE Arca Equities Rule 8.600
February 20, 2015.

I. Introduction

On December 30, 2014, NYSE Arca, Inc. ("Exchange" or "NYSE Arca") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act" or "Exchange Act")[1] and Rule 19b-4 thereunder,[2] a proposed rule change to list and trade shares ("Shares") of the SPDR® DoubleLine Total Return Tactical ETF ("Fund") under NYSE Arca Equities Rule 8.600. The proposed rule change was published for comment in the Federal Register on January 6, 2015.[3] The Commission received no comments on the proposal. This order grants approval of the proposed rule change.

II. Description of the Proposal

A. In General

NYSE Arca proposes to list and trade Shares of the Fund under NYSE Arca Equities Rule 8.600, which governs the listing and trading of Managed Fund Shares on the Exchange. The Shares will be offered by SSgA Active ETF Trust ("Trust"), which is organized as a Massachusetts business trust and is registered with the Commission as an open-end management

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1 15 U.S.C. 78s(b)(1).

2 17 CFR 240.19b-4.

3 See Securities Exchange Act Release No. 73958 (Dec. 30, 2014), 80 FR 572 ("Notice").

investment company.[4] SSgA Funds Management, Inc. will serve as the investment adviser to the Fund ("Adviser"), and DoubleLine Capital L.P. will be the Fund's sub-adviser ("Sub-Adviser").[5] State Street Global Markets, LLC will serve as the principal underwriter and distributor of the Fund's Shares. State Street Bank and Trust Company will serve as the administrator, custodian, and transfer agent for the Fund.

B. The Exchange's Description of the Fund

The Exchange has made the following representations and statements in describing the Fund and its investment strategy, including the Fund's portfolio holdings and investment restrictions.[6]

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4 The Trust is registered under the Investment Company Act of 1940 ("1940 Act"). The Exchange represents that, on May 30, 2014, the Trust filed an amendment to its registration statement on Form N-1A under the Securities Act of 1933 ("Securities Act") and under the 1940 Act relating to the Fund (File Nos. 333-173276 and 811-22542) ("Registration Statement"). In addition, the Exchange represents that the Trust has obtained from the Commission certain exemptive relief under the 1940 Act. See Investment Company Act Release No. 29524 (Dec. 13, 2010) (File No. 812-13487).

5 The Exchange represents that the Adviser and Sub-Adviser are not registered as broker-dealers. The Exchange further represents that, while the Sub-Adviser is not affiliated with a broker-dealer, the Adviser is affiliated with a broker-dealer and that the Adviser has implemented a "fire wall" with respect to its broker-dealer affiliate regarding access to information concerning the composition of or changes to the Fund's portfolio. In addition, in the event (a) the Adviser or Sub-Adviser becomes registered as a broker-dealer or newly affiliated with a broker-dealer, or (b) any new adviser or sub-adviser is a registered broker-dealer or becomes affiliated with a broker-dealer, the Adviser or Sub-Adviser or any new adviser or sub-adviser, as the case may be, will implement a fire wall with respect to its relevant personnel or broker-dealer affiliate, as applicable, regarding access to information concerning the composition of or changes to the portfolio and will be subject to procedures designed to prevent the use and dissemination of material non-public information regarding the portfolio.

6 The Commission notes that additional information regarding the Fund, the Trust, and the Shares, including investment strategies, risks, creation and redemption procedures, fees, portfolio holdings disclosure policies, calculation of net asset value ("NAV"), distributions, and taxes, among other things, can be found in the Notice and the Registration Statement, as applicable. See Notice and Registration Statement, supra notes 3 and 4, respectively.

1. Principal Investments of the Fund

The investment objective of the Fund will be to maximize total return. Under normal circumstances,[7] the Fund will invest all of its assets in the SSgA DoubleLine Total Return Tactical Portfolio ("Portfolio"), a separate series of the SSgA Master Trust with an identical investment objective as the Fund. As a result, the Fund will invest indirectly in all of the securities and assets owned by the Portfolio.[8]

Under normal circumstances, the Portfolio will invest at least 80% of its net assets in a diversified portfolio of fixed income securities of any credit quality. Fixed income securities in which the Portfolio principally will invest include the following: securities issued or guaranteed by the U.S. government or its agencies, instrumentalities or sponsored corporations; inflation protected public obligations of the U.S. Treasury (commonly known as "TIPS"); agency and

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[7] With respect to the Fund, the term "under normal circumstances" includes, but is not limited to, the absence of extreme volatility or trading halts in the fixed income markets or the financial markets generally; operational issues causing dissemination of inaccurate market information; or force majeure type events such as systems failure, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labor disruption, or any similar intervening circumstance.

[8] According to the Exchange, the Fund is intended to be managed in a "master-feeder" structure, under which the Fund invests substantially all of its assets in a corresponding Portfolio (i.e., a "master fund"), which is a separate mutual fund registered under the 1940 Act that has an identical investment objective. As a result, the Fund (i.e., a "feeder fund") has an indirect interest in all of the securities and assets owned by the Portfolio. Because of this indirect interest, the Fund's investment returns should be the same as those of the Portfolio, adjusted for the expenses of the Fund. In extraordinary instances, the Fund reserves the right to make direct investments in securities and other assets. The Adviser and Sub-Adviser will manage the investments of the Portfolio. Under the master-feeder arrangement, and pursuant to the Investment Advisory Agreement between the Adviser and the Trust, investment advisory fees charged at the Portfolio level are deducted from the advisory fees charged at the Fund level. This arrangement avoids a "layering" of fees, i.e., the Fund's total annual operating expenses would be no higher as a result of investing in a master-feeder arrangement than they would be if the Fund pursued its investment objective directly. In addition, the Fund may discontinue investing through the master-feeder arrangement and pursue its investment objective directly if the Fund's Board of Trustees ("Board") determines that doing so would be in the best interests of shareholders.

non-agency residential mortgage-backed securities ("RMBS"); agency and non-agency commercial mortgage-backed securities ("CMBS"); agency and non-agency asset-backed securities ("ABS");[9] domestic corporate bonds; fixed income securities issued by foreign corporations and foreign governments including emerging markets; bank loans (primarily senior loans, including loan participations or assignments whose loan syndication exceeds $300 million); municipal bonds; and other securities (such as perpetual bonds) bearing fixed interest rates of any maturity.

According to the Exchange, the Portfolio intends to invest at least 20% of its net assets in mortgage-backed securities of any maturity or type guaranteed by, or secured by collateral that is guaranteed by, the U.S. government, its agencies, instrumentalities or sponsored corporations, or in privately issued mortgage-backed securities rated at the time of investment Aa3 or higher by Moody's Investor Service, Inc. ("Moody's") or AA- or higher by Standard & Poor's Rating Service ("S&P") or the equivalent by any other nationally recognized statistical rating organization ("NRSRO") or in unrated securities that are determined by the Adviser to be of comparable quality.[10]

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[9] According to the Exchange, the term asset-backed securities is used by the Fund to describe securities backed by installment contracts, credit-card receivables, or other assets, but does not include either residential or commercial mortgage-backed securities. Both asset-backed and commercial mortgage-backed securities represent interests in "pools" of assets in which payments of both interest and principal on the securities are made on a regular basis. Asset-backed securities also include institutionally traded senior floating rate debt obligations issued by asset-backed pools and other issues, and interests therein.

[10] The Exchange represents that investments in non-agency RMBS, CMBS, and ABS (including CLOs, as defined herein) in the aggregate will not exceed 20% of the net assets of the Portfolio. See infra note 18 and accompanying text (describing CLOs).

The Portfolio may invest in corporate bonds,[11] which may be investment grade or below investment grade. The Portfolio may also invest in sovereign debt,[12] which may be either investment grade or below investment grade. The Portfolio may invest up to 25% of its net assets in corporate high yield securities (commonly known as "junk bonds"). Under normal circumstances, the combined total of corporate, sovereign, non-agency, and all other debt rated below investment grade will not exceed 40% of the Fund's net assets. The Exchange represents that the Sub-Adviser will strive to allocate below investment grade securities broadly by industry and issuer in an attempt to reduce the impact of negative events on an industry or issuer. Below investment grade securities are instruments that are rated BB+ or lower by S&P or Fitch Inc. or Ba1 or lower by Moody's or, if unrated by a NRSRO, of comparable quality in the opinion of the Sub-Adviser.

The Portfolio may invest up to 15% of its net assets in securities denominated in foreign currencies, and may invest beyond this limit in U.S. dollar-denominated securities of foreign issuers. The Portfolio may invest up to 25% of its net assets in securities and instruments that are economically tied to emerging market countries.

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[11] The investment return of corporate bonds reflects interest on the bond and changes in the market value of the bond. The market value of a corporate bond may be affected by the credit rating of the corporation, the corporation's performance, and perceptions of the corporation in the market place. The Exchange represents that the Adviser expects that, under normal circumstances, the Fund will generally seek to invest in corporate bond issuances that have at least $100,000,000 par amount outstanding in developed countries and at least $200,000,000 par amount outstanding in emerging market countries.

[12] Sovereign debt obligations are issued or guaranteed by foreign governments or their agencies. Sovereign debt may be in the form of conventional securities or other types of debt instruments, such as loans or loan participations.

The Portfolio may invest in U.S. government obligations.[13] The Portfolio may also invest in TIPS of the U.S. Treasury, as well as TIPS of major governments and emerging market countries, excluding the United States.[14]

The Portfolio may invest a substantial portion of its assets in U.S. agency mortgage pass-through securities.[15] The Portfolio will seek to obtain exposure to U.S. agency mortgage pass-through securities primarily through the use of "to-be-announced" or "TBA transactions."[16]

The Portfolio may invest in bank loans,[17] which include floating rate loans. Bank loan interests may be acquired from U.S. or foreign commercial banks, insurance companies, finance companies, or other financial institutions that have made loans or are members of a lending syndicate or from other holders of loan interests. The Portfolio may also invest in both secured and unsecured loans.

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13 U.S. government obligations are a type of bond. U.S. government obligations include securities issued or guaranteed as to principal and interest by the U.S. government, its agencies or instrumentalities.

14 TIPS are a type of security that are issued by a government and that are designed to provide inflation protection to investors.

15 The term "U.S. agency mortgage pass-through security" refers to a category of pass-through securities backed by pools of mortgages and issued by one of several U.S. government-sponsored enterprises: Ginnie Mae, Fannie Mae, or Freddie Mac.

16 "TBA" refers to a commonly used mechanism for the forward settlement of U.S. agency mortgage pass-through securities, and not to a separate type of mortgage-backed security. Most transactions in mortgage pass-through securities occur through the use of TBA transactions. TBA transactions generally are conducted in accordance with widely-accepted guidelines which establish commonly observed terms and conditions for execution, settlement and delivery. In a TBA transaction, the buyer and seller decide on general trade parameters, such as agency, settlement date, par amount, and price. The actual pools delivered generally are determined two days prior to settlement date.

17 Bank loans typically pay interest at rates which are re-determined periodically on the basis of a floating base lending rate (such as the London Inter-Bank Offered Rate) plus a premium. Bank loans are typically of below investment grade quality. Bank loans generally (but not always) hold the most senior position in the capital structure of a borrower and are often secured with collateral.

The Portfolio may invest in collateralized loan obligations ("CLOs").[18] When investing in CLOs, the Portfolio will not invest in equity tranches, which are the lowest tranche. However, the Portfolio may invest in lower debt tranches of CLOs, which typically experience a lower recovery, greater risk of loss, or greater deferral or non-payment of interest than more senior debt tranches of the CLO. In addition, the Portfolio intends to invest in CLOs consisting primarily of individual bank loans of borrowers and not repackaged CLO obligations from other high risk pools. The underlying bank loans purchased by CLOs are generally performing at the time of purchase but may become non-performing, distressed, or defaulted. CLOs with underlying assets of non-performing, distressed, or defaulted loans are not contemplated to comprise a significant portion of the Portfolio's investments in CLOs.

The Sub-Adviser will actively manage the Portfolio's asset class exposure using a top-down approach based on analysis of sector fundamentals. The Sub-Adviser will rotate Portfolio assets among sectors in various markets to attempt to maximize return. Individual securities within asset classes will be selected using a bottom up approach. Under normal circumstances, the Sub-Adviser will use a controlled risk approach in managing the Portfolio's investments. The techniques of this approach attempt to control the principal risk components of the fixed income markets and include consideration of security selection within a given sector; relative performance of the various market sectors; the shape of the yield curve; and fluctuations in the overall level of interest rates.

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[18] A CLO is a financing company (generally called a Special Purpose Vehicle or "SPV"), created to reapportion the risk and return characteristics of a pool of assets. While the assets underlying CLOs are typically bank loans, the assets may also include: (i) unsecured loans; (ii) other debt securities that are rated below investment grade; (iii) debt tranches of other CLOs; and (iv) equity securities that are incidental to investments in bank loans.

The Sub-Adviser also will monitor the duration of the securities held by the Portfolio to seek to mitigate exposure to interest rate risk.[19] Under normal circumstances, the Sub-Adviser will seek to maintain an investment portfolio with a weighted average effective duration of no less than 1 year and no more than 8 years. The duration of the portfolio may vary materially from its target, from time to time.

2. Non-Principal Investments

The Exchange represents that while the Adviser and Sub-Adviser, under normal circumstances, will invest at least 80% of the Portfolio's net assets in fixed income securities, the Adviser and Sub-Adviser may invest up to 20% of the Portfolio's net assets in other securities and financial instruments, as described below.

The Fund may (either directly or through its investments in its corresponding Portfolio) invest in money market instruments,[20] cash, and cash equivalents, on an ongoing basis to provide liquidity or for other reasons. Any of these instruments may be purchased on a current or a forward-settled basis.

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[19] Duration is a measure used to determine the sensitivity of a security's price to changes in interest rates. The longer a security's duration, the more sensitive it will be to changes in interest rates.

[20] Money market instruments are generally short-term investments that may include but are not limited to: (i) shares of money market funds (including those advised by the Adviser); (ii) obligations issued or guaranteed by the U.S. government, its agencies, or instrumentalities (including government-sponsored enterprises); (iii) negotiable certificates of deposit, bankers' acceptances, fixed time deposits, and other obligations of U.S. and foreign banks (including foreign branches) and similar institutions; (iv) commercial paper rated at the date of purchase "Prime-1" by Moody's or "A-1" by S&P, or, if unrated, of comparable quality as determined by the Adviser; (v) non-convertible corporate debt securities (e.g., bonds and debentures) that have remaining maturities at the date of purchase of not more than 397 days and that satisfy the rating requirements set forth in Rule 2a-7 under the 1940 Act; and (vi) short-term U.S. dollar-denominated obligations of foreign banks (including U.S. branches) that, in the opinion of the Adviser, are of comparable quality to obligations of U.S. banks which may be purchased by the Portfolio.

The Portfolio may invest in preferred securities traded on an exchange or over-the-counter ("OTC").[21] The Portfolio may purchase exchange-traded common stocks and exchange-traded preferred securities of foreign corporations. The Fund's investments in common stock of foreign corporations may also be in the form of American Depositary Receipts ("ADRs"), Global Depositary Receipts ("GDRs"), and European Depositary Receipts ("EDRs") (collectively "Depositary Receipts").[22] The Portfolio may invest in exchange-traded or OTC convertible securities.[23]

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21 Preferred securities pay fixed or adjustable rate dividends to investors and have "preference" over common stock in the payment of dividends and the liquidation of a company's assets.

22 Depositary Receipts are receipts, typically issued by a bank or trust company, which evidence ownership of underlying securities issued by a foreign corporation. For ADRs, the depository is typically a U.S. financial institution, and the underlying securities are issued by a foreign issuer. For other Depositary Receipts, the depository may be a foreign or a U.S. entity, and the underlying securities may have a foreign or a U.S. issuer. Depositary Receipts will not necessarily be denominated in the same currency as their underlying securities. Generally, ADRs, in registered form, are designed for use in the U.S. securities market, and EDRs, in bearer form, are designated for use in European securities markets. GDRs are tradable both in the United States and in Europe and are designed for use throughout the world. The Fund may invest in sponsored or unsponsored ADRs; however, not more than 10% of the net assets of the Fund will be invested in unsponsored ADRs. With the exception of unsponsored ADRs, all equity securities (i.e., common stocks, Depositary Receipts, certain preferred securities, ETPs, and certain other exchange-traded investment company securities) in which the Portfolio or Fund may invest will trade on markets that are members of the Intermarket Surveillance Group ("ISG") or that have entered into a comprehensive surveillance agreement with the Exchange.

23 Convertible securities are bonds, debentures, notes, preferred stocks, or other securities that may be converted or exchanged (by the holder or by the issuer) into shares of the underlying common stock (or cash or securities of equivalent value) at a stated exchange ratio.

The Portfolio may invest in exchange-traded products ("ETPs"), which include exchange-traded funds ("ETFs") registered under the 1940 Act; exchange-traded commodity trusts; and exchange-traded notes ("ETNs").[24]

The Portfolio may invest up to 20% of its net assets in one or more ETPs that are qualified publicly traded partnerships ("QPTPs") and whose principal activities are the buying and selling of commodities or options, futures, or forwards with respect to commodities.[25]

The Portfolio may invest up to 20% of its assets in derivatives, including exchange-traded futures on Treasuries or Eurodollars; U.S. exchange-traded or OTC put and call options contracts and OTC or exchange-traded swap agreements (including interest rate swaps, total return swaps, excess return swaps, and credit default swaps).[26] The Portfolio will segregate cash and

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[24] For purposes of this filing, ETPs include Investment Company Units (as described in NYSE Arca Equities Rule 5.2(j)(3)); Index-Linked Securities (as described in NYSE Arca Equities Rule 5.2(j)(6)); Portfolio Depositary Receipts (as described in NYSE Arca Equities Rule 8.100); Trust Issued Receipts (as described in NYSE Arca Equities Rule 8.200); Commodity-Based Trust Shares (as described in NYSE Arca Equities Rule 8.201); Currency Trust Shares (as described in NYSE Arca Equities Rule 8.202); Commodity Index Trust Shares (as described in NYSE Arca Equities Rule 8.203); and Managed Fund Shares (as described in NYSE Arca Equities Rule 8.600). The Portfolio may invest in certain ETPs that pay fees to the Adviser and its affiliates for management, marketing, or other services. The ETPs all will be listed and traded in the U.S. on national securities exchanges. While the Fund may invest in inverse ETPs, the Fund will not invest in leveraged or inverse leveraged ETPs.

[25] Income from QPTPs is generally qualifying income. A QPTP is an entity that is treated as a partnership for federal income tax purposes, subject to certain requirements. If such an ETP fails to qualify as a QPTP, the income generated from the Portfolio's investment in the QPTP may not be qualifying income. Examples of such entities are the PowerShares DB Energy Fund, PowerShares DB Oil Fund, PowerShares DB Precious Metals Fund, PowerShares DB Gold Fund, PowerShares DB Silver Fund, PowerShares DB Base Metals Fund, and PowerShares DB Agriculture Fund, which are listed and traded on the Exchange pursuant to NYSE Arca Equities Rule 8.200.

[26] Swap agreements are contracts between parties in which one party agrees to make periodic payments to the other party based on the change in market value or level of a specified rate, index, or asset. In return, the other party agrees to make payments to the first party based on the return of a different specified rate, index, or asset. In the case of a credit default swap ("CDS"), the contract gives one party (the buyer) the right to recoup

appropriate liquid assets if required to do so by Commission or Commodity Futures Trading Commission ("CFTC") regulation or interpretation. The Portfolio will segregate assets necessary to meet any accrued payment obligations when it is the buyer of CDS.[27] In cases where the Portfolio is a seller of CDS, the Portfolio will be required to segregate the full notional amount of the CDS. According to the Exchange, segregating the full notional amount of the CDS will not limit the Portfolio's exposure to loss.

The Portfolio may invest in the securities of other investment companies, including affiliated funds, money market funds, and closed-end funds, subject to applicable limitations under Section 12(d)(1) of the 1940 Act.

The Portfolio may invest in variable and floating rate securities.[28] The Portfolio may also purchase floating rate securities.[29]

The Portfolio may conduct foreign currency transactions on a spot (i.e., cash) or forward basis (i.e., by entering into forward contracts to purchase or sell foreign currencies).

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the economic value of a decline in the value of debt securities of the reference issuer if the credit event (a downgrade or default) occurs. CDS may require initial premium (discount) payments, as well as periodic payments (receipts) related to the interest leg of the swap or to the default of a reference obligation.

27 The Exchange represents that the Portfolio will enter into CDS agreements only with counterparties that meet certain standards of creditworthiness.

28 Variable rate securities are instruments issued or guaranteed by entities such as (1) the U.S. government, or an agency or instrumentality thereof, (2) corporations, (3) financial institutions, (4) insurance companies, or (5) trusts that have a rate of interest subject to adjustment at regular intervals but less frequently than annually. A variable rate security provides for the automatic establishment of a new interest rate on set dates. Variable rate obligations, whose interest is readjusted no less frequently than annually, will be deemed to have a maturity equal to the period remaining until the next readjustment of the interest rate.

29 A floating rate security provides for the automatic adjustment of its interest rate whenever a specified interest rate changes. Interest rates on these securities are ordinarily tied to, and are a percentage of, a widely recognized interest rate, such as the yield on 90-day U.S. Treasury bills or the prime rate of a specified bank. These rates may change as often as twice daily.

The Portfolio may invest in foreign corporate and sovereign bonds originating from issuers in emerging market countries.[30]

The Portfolio may invest in municipal securities,[31] including general obligation bonds[32] and limited obligation bonds[33] (or revenue bonds), including industrial development bonds issued pursuant to former federal tax law and municipal leases, certificates of participation in such lease obligations, and installment purchase contract obligations.

The Portfolio may invest in repurchase agreements with commercial banks, brokers, or dealers to generate income from its excess cash balances and to invest securities lending cash collateral.[34] The Portfolio may also enter into reverse repurchase agreements.[35] The Portfolio's exposure to reverse repurchase agreements will be covered by securities having a value equal to or greater than such commitments. Under the 1940 Act, reverse repurchase agreements are

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30 An "emerging market country" is a country that, at the time the Fund invests in the related fixed income instruments, is classified as an emerging or developing economy by any supranational organization, such as the International Bank of Reconstruction and Development or any affiliate thereof or the United Nations, or related entities, or is considered an emerging market country for purposes of constructing a major emerging market securities index.

31 Municipal securities are securities issued by states, municipalities, and other political subdivisions, agencies, authorities, and instrumentalities of states and multi-state agencies or authorities.

32 General obligation bonds are obligations involving the credit of an issuer possessing taxing power, and are payable from such issuer's general revenues and not from any particular source.

33 Limited obligation bonds are payable only from the revenues derived from a particular facility or class of facilities or, in some cases, from the proceeds of a special excise or other specific revenue source.

34 A repurchase agreement is an agreement under which a fund acquires a financial instrument (e.g., a security issued by the U.S. government or an agency thereof, a banker's acceptance or a certificate of deposit) from a seller, subject to resale to the seller at an agreed upon price and date (normally, the next business day).

35 Reverse repurchase agreements involve the sale of securities with an agreement to repurchase the securities at an agreed-upon price, date, and interest payment, and have the characteristics of borrowing.

considered borrowings. Although there is no limit on the percentage of Fund assets that can be used in connection with reverse repurchase agreements, the Portfolio does not expect to engage, under normal circumstances, in reverse repurchase agreements with respect to more than 33 1/3% of its net assets.

The Portfolio may invest in "Restricted Securities."[36]

According to the Exchange, in certain situations or market conditions, the Fund may (either directly or through the corresponding Portfolio) temporarily depart from its normal investment policies and strategies, provided that the alternative is consistent with the Fund's investment objective and is in the best interest of the Fund. For example, the Fund may hold a higher than normal proportion of its assets in cash in times of extreme market stress.

3. Investment Restrictions

The Exchange represents that the Fund may hold up to an aggregate amount of 15% of its net assets in illiquid assets (calculated at the time of investment), including Rule 144A Restricted Securities deemed illiquid by the Adviser, consistent with Commission guidance, and repurchase agreements having maturities longer than seven days.[37] The Exchange represents that the Fund will monitor its portfolio liquidity on an ongoing basis to determine whether, in light of current circumstances, an adequate level of liquidity is being maintained, and will consider taking

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36 Restricted Securities are securities that are not registered under the Securities Act, but which can be offered and sold to "qualified institutional buyers" under Rule 144A under the Securities Act. See infra note 37 and accompanying text.

37 According to the Exchange, the Board has delegated the responsibility for determining the liquidity of Rule 144A Restricted Securities that the Portfolio may invest in to the Adviser. In reaching liquidity decisions, the Adviser may consider the following factors: the frequency of trades and quotes for the security; the number of dealers wishing to purchase or sell the security and the number of other potential purchasers; dealer undertakings to make a market in the security; and the nature of the security and the nature of the marketplace in which it trades (e.g., the time needed to dispose of the security, the method of soliciting offers and the mechanics of transfer).

appropriate steps in order to maintain adequate liquidity if, through a change in values, net assets, or other circumstances, more than 15% of the Fund's net assets are held in illiquid assets. Illiquid assets include securities subject to contractual or other restrictions on resale and other instruments that lack readily available markets as determined in accordance with Commission staff guidance.

According to the Exchange, the Portfolio and Fund will each be classified as a non-diversified investment company under the 1940 Act. A "non-diversified" classification means that the Portfolio or Fund is not limited by the 1940 Act with regard to the percentage of its assets that may be invested in the securities of a single issuer. This means that the Portfolio or Fund may invest a greater portion of its assets in the securities of a single issuer than a diversified fund. The Portfolio and Fund intend to maintain the required level of diversification and otherwise conduct their operations so as to qualify as a "regulated investment company" for purposes of the Internal Revenue Code of 1986. The Portfolio and Fund do not intend to concentrate their investments in any particular industry. The Portfolio and Fund look to the Global Industry Classification Standard Level 3 (Industries) in making industry determinations.

The Exchange represents that the Fund's investments will be consistent with its investment objective and will not be used to enhance leverage.

III. Discussion and Commission Findings

After careful review, the Commission finds that the Exchange's proposal to list and trade the Shares is consistent with the Exchange Act and the rules and regulations thereunder applicable to a national securities exchange.[38] In particular, the Commission finds that the

[38] In approving this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

proposed rule change is consistent with Section 6(b)(5) of the Exchange Act,[39] which requires, among other things, that the Exchange's rules be designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest.

The Commission finds that the proposal to list and trade the Shares on the Exchange is consistent with Section 11A(a)(1)(C)(iii) of the Exchange Act,[40] which sets forth the finding of Congress that it is in the public interest and appropriate for the protection of investors and the maintenance of fair and orderly markets to assure the availability to brokers, dealers, and investors of information with respect to quotations for and transactions in securities. Quotation and last-sale information for the Shares will be available via the Consolidated Tape Association ("CTA") high-speed line. In addition, the Indicative Optimized Portfolio Value ("IOPV"),[41] which is the Portfolio Indicative Value, as defined in NYSE Arca Equities Rule 8.600(c)(3), will be widely disseminated at least every 15 seconds during the Exchange's Core Trading Session by one or more major market data vendors.[42] On each business day, before commencement of trading in Shares in the Core Trading Session on the Exchange, the Fund will disclose on its website the Disclosed Portfolio, as defined in NYSE Arca Equities Rule 8.600(c)(2), that will form the basis for the Fund's calculation of NAV at the end of the business day.[43] In addition, a

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39 15 U.S.C. 78f(b)(5).

40 15 U.S.C. 78k-1(a)(1)(C)(iii).

41 Premiums and discounts between the IOPV and the market price may occur. This should not be viewed as a "real-time" update of the NAV per Share of the Fund, which will be calculated only once a day.

42 The Exchange represents that several major market data vendors display and/or make widely available Portfolio Indicative Values taken from CTA or other data feeds.

43 On a daily basis, the Fund will disclose on the Fund's website the following information regarding each portfolio holding, as applicable to the type of holding: ticker symbol, CUSIP number or other identifier, if any; a description of the holding (including the type

basket composition file, which includes the security names and quantities required to be delivered in exchange for the Fund's Shares, together with estimates and actual cash components, will be publicly disseminated daily prior to the opening of the New York Stock Exchange ("NYSE") via the National Securities Clearing Corporation. The NAV will be determined as of the close of the regular trading session on the NYSE (ordinarily 4:00 p.m. Eastern time) on each day that the NYSE is open.[44] Information regarding market price and

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of holding, such as the type of swap); the identity of the security, commodity, index, or other asset or instrument underlying the holding, if any; for options, the option strike price; quantity held (as measured by, for example, par value, notional value, or number of shares, contracts, or units); maturity date, if any; coupon rate, if any; effective date, if any; market value of the holding; and the percentage weighting of the holding in the Fund's portfolio. The website information will be publicly available at no charge.

[44] The NAV per Share for the Fund will be computed by dividing the value of the net assets of the Portfolio (i.e., the value of its total assets less total liabilities) by the total number of Shares outstanding. According to the Exchange, common stocks and other exchange-traded equity securities (including shares of preferred securities, convertible securities, ETPs, and QPTPs) generally will be valued at the last reported sale price or the official closing price on that exchange where the stock is primarily traded on the day that the valuation is made. Foreign equities and exchange-listed Depositary Receipts will be valued at the last sale or official closing price on the relevant exchange on the valuation date. If, however, neither the last sales price nor the official closing price is available, each of these securities will be valued at either the last reported sale price or official closing price as of the close of regular trading of the principal market on which the security is listed. According to the Exchange, the Trust will generally value listed futures and options at the settlement price determined by the applicable exchange. Non-exchange-traded derivatives, including OTC-traded options, swaps and forwards, will normally be valued on the basis of quotations or equivalent indication of value supplied by a third- party pricing service or major market makers or dealers. The Fund's OTC-traded derivative instruments will generally be valued at bid prices. Certain OTC-traded derivative instruments, such as interest rate swaps and credit default swaps, will be valued at the mean price. Unsponsored ADRs will be valued at the last reported sale price from the OTC Bulletin Board or OTC Link LLC on the valuation date. OTC-traded preferred securities and OTC-traded convertible securities will be valued based on price quotations obtained from a broker-dealer who makes markets in such securities or other equivalent indications of value provided by a third-party pricing service. Fixed income securities, including U.S. government obligations; TIPS; U.S.-registered, dollar-denominated bonds of foreign corporations, governments, agencies and supra-national entities; sovereign debt; corporate bonds; ABS, RMBS, and CMBS (either agency or non-agency); CLOs; TBA transactions; municipal securities; inverse floaters and bank

trading volume of the Shares will be continually available on a real-time basis throughout the day on brokers' computer screens and other electronic services. Information regarding the previous day's closing price and trading volume information for the Shares will be published daily in the financial section of newspapers.

The Exchange represents that the intra-day, closing and settlement prices of common stocks and other exchange-traded equity securities (including shares of Depositary Receipts, preferred securities, convertible securities, ETPs, and QPTPs) will be readily available from the national securities exchanges trading such securities as well as automated quotation systems, published or other public sources, or on-line information services such as Bloomberg or Reuters. Intra-day and closing price information for exchange-traded options and futures will be available from the applicable exchange and from major market data vendors. In addition, price information for U.S. exchange-traded options is available from the Options Price Reporting Authority. Quotation information from brokers and dealers or pricing services will be available for fixed

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loans; and short-term instruments will generally be valued at bid prices received from independent pricing services as of the announced closing time for trading in fixed-income instruments in the respective market or exchange. In determining the value of a fixed income investment, pricing services determine valuations for normal institutional-size trading units of such securities using valuation models or matrix pricing, which incorporates yield and/or price with respect to bonds that are considered comparable in characteristics such as rating, interest rate, and maturity date and quotations from securities dealers to determine current value. Securities of investment companies (other than ETFs registered under the 1940 Act), including affiliated funds, money market funds and closed-end funds, will be valued at NAV. Rule 144A Restricted Securities, repurchase agreements, and reverse repurchase agreements will generally be valued at bid prices received from independent pricing services as of the announced closing time for trading in such instruments. Spot currency transactions will generally be valued at mid prices received from an independent pricing service converted into U.S. dollars at current market rates on the date of valuation. Foreign currency forwards normally will be valued on the basis of quotes obtained from broker-dealers or third party pricing services. In the event that current market valuations are not readily available or such valuations do not reflect current market value, the SSgA Master Trust's procedures require the Pricing and Investment Committee to determine a security's fair value if a market price is not readily available, in accordance with the 1940 Act.

income securities, including U.S. government obligations; TIPS; U.S. registered, dollar-denominated bonds of foreign corporations, governments, agencies and supra-national entities; sovereign debt; corporate bonds; asset-backed and commercial mortgage-backed securities; residential mortgage backed securities (either agency or non-agency); CLOs; TBA transactions; municipal securities; inverse floaters and bank loans; and short-term instruments. Price information regarding OTC-traded derivative instruments, including, options, swaps, and spot and forward currency transactions, as well as equity securities traded in the OTC market, including Rule 144A Restricted Securities, OTC-traded preferred securities and OTC-traded convertible securities, is available from major market data vendors. Pricing information regarding each asset class in which the Fund or Portfolio will invest, including investment company securities, Rule 144A Restricted Securities, repurchase agreements, and reverse repurchase agreements will generally be available through nationally recognized data service providers through subscription arrangements. The Fund's website will include a form of the prospectus for the Fund and additional data relating to NAV and other applicable quantitative information.

The Commission further believes that the proposal to list and trade the Shares is reasonably designed to promote fair disclosure of information that may be necessary to price the Shares appropriately and to prevent trading when a reasonable degree of transparency cannot be assured. The Exchange will obtain a representation from the issuer of the Shares that the NAV per Share will be calculated daily and that the NAV and the Disclosed Portfolio will be made available to all market participants at the same time. Trading in Shares of the Fund will be halted if the circuit breaker parameters in NYSE Arca Equities Rule 7.12 have been reached or because of market conditions or other reasons that, in the view of the Exchange, make trading in the

Shares inadvisable. In addition, trading in the Shares will be subject to NYSE Arca Equities Rule 8.600(d)(2)(D), which sets forth circumstances under which Shares of the Fund may be halted.

The Exchange represents that it has a general policy prohibiting the distribution of material, non-public information by its employees. The Exchange represents that the Adviser and Sub-Adviser are not registered as broker-dealers and that the Sub-Adviser is not affiliated with a broker-dealer. The Exchange represents, however, that the Adviser is affiliated with a broker-dealer and that the Adviser has implemented a "fire wall" with respect to its broker-dealer affiliate regarding access to information concerning the composition of or changes to the Fund's portfolio.[45] Prior to the commencement of trading, the Exchange will inform its Equity Trading Permit Holders in an Information Bulletin ("Bulletin") of the special characteristics and risks associated with trading the Shares. The Exchange further represents that trading in the Shares will be subject to the existing trading surveillances, administered by the Financial Industry

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[45] See supra note 5. The Exchange states that an investment adviser to an open-end fund is required to be registered under the Investment Advisers Act of 1940 ("Advisers Act"). As a result, the Adviser and Sub-Adviser and their related personnel are subject to the provisions of Rule 204A-1 under the Advisers Act relating to codes of ethics. This Rule requires investment advisers to adopt a code of ethics that reflects the fiduciary nature of the relationship to clients as well as compliance with other applicable securities laws. Accordingly, procedures designed to prevent the communication and misuse of non-public information by an investment adviser must be consistent with Rule 204A-1 under the Advisers Act. In addition, Rule 206(4)-7 under the Advisers Act makes it unlawful for an investment adviser to provide investment advice to clients unless such investment adviser has (i) adopted and implemented written policies and procedures reasonably designed to prevent violation, by the investment adviser and its supervised persons, of the Advisers Act and the Commission rules adopted thereunder; (ii) implemented, at a minimum, an annual review regarding the adequacy of the policies and procedures established pursuant to subparagraph (i) above and the effectiveness of their implementation; and (iii) designated an individual (who is a supervised person) responsible for administering the policies and procedures adopted under subparagraph (i) above.

Regulatory Authority ("FINRA") on behalf of the Exchange, which are designed to detect violations of Exchange rules and applicable federal securities laws.[46]

The Exchange represents that it deems the Shares to be equity securities, thus rendering trading in the Shares subject to the Exchange's existing rules governing the trading of equity securities. In support of this proposal, the Exchange has also made the following representations:

(1) The Shares will conform to the initial and continued listing criteria under NYSE Arca Equities Rule 8.600.

(2) The Exchange has appropriate rules to facilitate transactions in the Shares during all trading sessions.

(3) Trading in the Shares will be subject to the existing trading surveillances, administered by FINRA on behalf of the Exchange, which are designed to detect violations of Exchange rules and applicable federal securities laws, and these procedures are adequate to properly monitor Exchange trading of the Shares in all trading sessions and to deter and detect violations of Exchange rules and federal securities laws applicable to trading on the Exchange.

(4) FINRA, on behalf of the Exchange, will communicate as needed regarding trading in the Shares, exchange-traded options, common stocks, and other exchange-traded equity securities (including shares of preferred securities, convertible securities, ETPs, certain exchange-traded Depositary Receipts, and QPTPs), and futures, with other markets and other entities that are members of the ISG, and FINRA, on behalf of the Exchange, may obtain trading information

[46] The Exchange states that FINRA surveils trading on the Exchange pursuant to a regulatory services agreement. The Exchange is responsible for FINRA's performance under this regulatory services agreement.

regarding trading in the Shares and such exchange-traded instruments underlying the Shares from such markets and other entities. In addition, the Exchange may obtain information regarding trading in the Shares and such exchange-traded instruments underlying the Shares from markets and other entities that are members of ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement.[47] The Exchange states that FINRA, on behalf of the Exchange, is able to access, as needed, trade information for certain fixed income securities held by the Fund reported to FINRA's Trade Reporting and Compliance Engine and that FINRA also can access data obtained from the Municipal Securities Rulemaking Board relating to municipal bond trading activity for surveillance purposes in connection with trading in the Shares.

(5) Prior to the commencement of trading, the Exchange will inform its Equity Trading Permit Holders in a Bulletin of the special characteristics and risks associated with trading the Shares. Specifically, the Bulletin will discuss the following: (i) the procedures for purchases and redemptions of Shares in Creation Unit aggregations (and that Shares are not individually redeemable); (ii) NYSE Arca Equities Rule 9.2(a), which imposes a duty of due diligence on its Equity Trading Permit Holders to learn the essential facts relating to every customer prior to trading the Shares; (iii) the risks involved in trading the Shares during the Opening and Late Trading Sessions when an updated Portfolio Indicative Value will not be calculated or publicly disseminated; (iv) how information regarding

[47] For a list of the current members of ISG, see www.isgportal.org. The Exchange notes that not all components of the Disclosed Portfolio for the Fund may trade on markets that are members of ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement.

the Portfolio Indicative Value and the Disclosed Portfolio is disseminated; (v) the requirement that Equity Trading Permit Holders deliver a prospectus to investors purchasing newly issued Shares prior to or concurrently with the confirmation of a transaction; and (vi) trading information.

(6) For initial and continued listing, the Fund will be in compliance with Rule 10A-3 under the Act,[48] as provided by NYSE Arca Equities Rule 5.3.

(7) The Fund may hold up to an aggregate amount of 15% of its net assets in illiquid assets (calculated at the time of investment), including Rule 144A Restricted Securities deemed illiquid by the Adviser, consistent with Commission guidance, and repurchase agreements having maturities longer than seven days.[49]

(8) The Fund will generally seek to invest in corporate bond issuances that have at least $100,000,000 par amount outstanding in developed countries and at least $200,000,000 par amount outstanding in emerging market countries. The Fund will invest in bank loans that are primarily senior loans, including loan participations or assignments whose loan syndication exceeds $300 million.

(9) The Portfolio: (a) may invest up to 20% of its assets in derivatives, including exchange-traded futures on Treasuries or Eurodollars; U.S. exchange-traded or OTC put and call options contracts and OTC or exchange-traded swap agreements (including interest rate swaps, total return swaps, excess return swaps, and credit default swaps); (b) will enter into CDS agreements only with counterparties that meet certain standards of creditworthiness; (c) may invest up to 20% of its net assets in the aggregate in non-agency RMBS, CMBS, and ABS (including CLOs);

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48 17 CFR 240.10A-3.

49 See supra note 37.

(d) may invest up to 25% of its net assets in corporate high yield securities; (e) may invest up to 15% of its net assets in securities denominated in foreign currencies, and may invest beyond this limit in U.S. dollar-denominated securities of foreign issuers; (f) may invest up to 25% of its net assets in securities and instruments that are economically tied to emerging market countries; and (g) may invest up to 20% of its net assets in one or more ETPs that are QPTPs and whose principal activities are the buying and selling of commodities or options, futures, or forwards with respect to commodities.

(10) Under normal circumstances, the combined total of corporate, sovereign, non-agency and all other debt rated below investment grade will not exceed 40% of the Fund's net assets. The Sub-Adviser will strive to allocate below investment grade securities broadly by industry and issuer in an attempt to reduce the impact of negative events on an industry or issuer.

(11) Although there is no limit on the percentage of Fund assets that can be used in connection with reverse repurchase agreements, the Portfolio does not expect to engage, under normal circumstances, in reverse repurchase agreements with respect to more than 33 1/3% of its net assets.

(12) Not more than 10% of the net assets of the Fund will be invested in unsponsored ADRs. With the exception of unsponsored ADRs, all equity securities (i.e., common stocks, Depositary Receipts, certain preferred securities, ETPs, and certain other exchange-traded investment company securities) in which the Portfolio or Fund may invest will trade on markets that are members of ISG or

that have entered into a comprehensive surveillance agreement with the Exchange.

(13) A minimum of 100,000 Shares for the Fund will be outstanding at the commencement of trading on the Exchange.

This approval order is based on all of the Exchange's representations, including those set forth above and in the Notice, and the Exchange's description of the Fund. The Commission notes that the Fund and the Shares must comply with the requirements of NYSE Arca Equities Rule 8.600 to be initially and continuously listed and traded on the Exchange.

For the foregoing reasons, the Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act[50] and the rules and regulations thereunder applicable to a national securities exchange.

IV.

[50] 15 U.S.C. 78f(b)(5).

Conclusion

IT IS THEREFORE ORDERED, pursuant to Section 19(b)(2) of the Exchange Act,[51] that the proposed rule change (SR-NYSEArca-2014-143) be, and it hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[52]

Jill M. Peterson
Assistant Secretary

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[51] 15 U.S.C. 78s(b)(2).

[52] 17 CFR 200.30-3(a)(12).