Comparative Table of Regulatory Changes

Rule 6c-11 Requirements/Conditions	Comparison to Existing Index and Actively Managed ETF Exemptive Relief Requirements/Conditions[1]
Scope and General Framework of the Rule	
All ETFs eligible to rely on the Rule are subject to uniform conditions.	Exemptive orders contain different requirements depending on whether the ETF is actively managed or index-based and whether the ETF tracks an affiliated or unaffiliated index (e.g., with respect to full daily portfolio transparency).
Affiliated Transactions Relief	
The Rule provides exemptions from Sections 17(a)(1) and (a)(2) of the 1940 Act with regard to the deposit and receipt of baskets by persons who are first or second tier affiliated persons of the ETF solely by reason of: (i) holding with power to vote five percent or more of an ETF's shares; or (ii) holding with power to vote five percent or more of any investment company that is an affiliated person of the ETF.	No change from relief granted under existing ETF exemptive orders.
Delivery of Redemption Proceeds	
Relief from Section 22(e) of the 1940 Act permits an ETF to delay delivery of a foreign investment included in an in-kind redemption basket for more than seven days under specified circumstances.	Generally consistent with the relief granted under existing ETF exemptive orders, except that the orders require foreign ETFs to provide foreign holiday disclosure in the SAI.
Website Disclosure: Portfolio Holdings	
Each business day, an ETF must disclose full portfolio holdings (on a T+1 basis) in a standardized format.	Existing exemptive orders require daily disclosure of the identities and quantities of portfolio holdings only for actively managed ETFs and self-indexing ETFs, without requiring the same standardized set of information required under the Rule. For index-based ETFs that are not self-indexed, this is a new requirement not required under existing exemptive orders.
Website Disclosure: Current NAV, Market Price, and Premium or Discount	
Each business day, an ETF must disclose its current NAV per share, market price, and	The disclosure required under the Rule is generally consistent with disclosure required under existing

[1] The specific terms and conditions of individual exemptive orders may vary. This chart is intended to provide a comparison between the general terms and conditions found in recent index and actively managed ETF exemptive orders.

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premium or discount, each as of the prior business day. "Market price" is defined as: i. The official closing price of an ETF share; or ii. If it more accurately reflects the market value of an ETF share at the time as of which the ETF calculates current NAV per share, the price that is the midpoint between the national best bid and national best offer ("NBBO") as of that time.	exemptive orders, except for the definition of "market price." Under existing exemptive relief, either the market closing price or the midpoint of the bid/ask spread at the time of calculation may be used (without evaluation of whether the midpoint of the NBBO more accurately reflects the market value of the ETF's shares).
Website Disclosure: Premium/Discount Table and Line Graph	
Each business day, an ETF must disclose: i. A table showing the number of days the ETF's shares traded at a premium or discount during the most recently completed calendar year and the most recently completed calendar quarters since that year (or the life of the ETF, if shorter); ii. A line graph showing ETF share premiums or discounts for the most recently completed calendar year and the most recently completed calendar quarters since that year (or the life of the ETF, if shorter).	While not explicitly required under existing exemptive orders, Form N-1A currently requires an ETF to include a table showing the number of days the ETF's shares traded at a premium or discount for the most recently completed calendar year, and the most recently completed calendar quarters since that year (or the life of the ETF, if shorter). The line graph is a new requirement not required under existing exemptive orders or Form N-1A.
Website Disclosure: Premium or Discount Greater than 2%	
If the ETF's premium or discount is greater than 2% for more than seven consecutive trading days, the ETF's website must provide a statement to that effect (for at least a 1 year period) and a discussion of the factors reasonably believed to have materially contributed to the premium or discount.	This is a new requirement not required under existing exemptive orders.
Website Disclosure: Median Bid-Ask Spread	
Each business day, an ETF must disclose its median bid-ask spread, expressed as a	This is a new requirement not required under existing exemptive orders.

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percentage rounded to the nearest hundredth, computed as specified in the Rule.	
Custom Baskets	
Permissible for all ETFs relying on the Rule, provided the ETF has adopted policies and procedures as specified in the Rule.	Previously permitted to various degrees and with varying terms/conditions under patchwork of exemptive applications. Older exemptive relief included more flexibility with respect to basket composition whereas newer orders generally require an ETF's basket to correspond pro rata to its portfolio holdings, subject to limited exceptions.
Elimination of IIV Requirement	
No requirement to disseminate an intraday estimate of NAV per share (an intraday indicative value or IIV).	Dissemination of an ETF's IIV is a standard requirement in ETF exemptive orders.[2]
Creation Unit Size	
No minimum creation unit size requirement.	Previously, exemptive orders and certain no-action and other relief applied only to ETFs with specified minimum creation unit sizes.
Amendments to Form N-1A	
New narrative disclosures relating to ETF trading costs, including bid-ask spreads added to Item 6 of Form N-1A; elimination of special disclosure requirements for ETFs with creation unit sizes below 25,000 shares.	These are new disclosure requirements.
ETFs that do not rely on the Rule are required to disclose median bid-ask spread information on their websites or in their prospectuses.	This is a new disclosure requirement.
1934 Act Relief	
Relief from Regulation M (governing market transactions during an ongoing distribution), Rule 10b-17 (relating to untimely announcement of record dates) and Rule 11d1-2 (governing extension of credit on ETF shares) under the 1934 Act is no longer required because ETF shares are deemed "redeemable securities."	Relief was previously required from Rules 101 and 102 of Regulation M, Rule 10b-17 and Rule 11d1-2. Such relief was previously subject to a significant number of conditions.

[2] As of the date of this Alert, ETF exchange listing standards still include a requirement to disseminate an IIV.

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The 1934 Act Order provides relief from Rule 10b-10 (broker confirmations); Rule 14e-5 (prohibition of purchases outside of a tender offer); Rules 15c1-5 (disclosure of control by broker dealers) and 15c1-6 (disclosure of interest in a distribution by a broker dealer); and Section 11(d)(1) of the 1934 Act. Conditions to relief include: (i) reliance on the Rule, (ii) compliance with Sub-Chapter M diversification (other than for the Rule 14e-5 exemption), and (iii) meeting certain rule-specific conditions.	Relief previously subject to a significant number of conditions that could vary by ETF type and asset class, including minimum creation unit size and portfolio weightings.