

September 3, 2026

Ms. Vanessa A. Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Re: Request for Comment on Novel ETFs (Release No. 33-11426; 34-105808; IC-36228; File No. S7-2026-24)

Dear Ms. Countryman:

Corgi Insurance Services, Inc. appreciates the opportunity to comment to the Securities and Exchange Commission (the "Commission" or the "SEC") regarding the Commission's Request for Comment on Novel ETFs (the "Request for Comment" or the "Request").[1] We offer these comments on behalf of our adviser entity, Corgi Strategies, LLC, and have addressed only the questions on which we have direct experience to offer.

We write as one of the more prolific filers of the products this Request for Comment describes. We currently operate 197 ETFs; 125 employ leverage and 89 reference a single issuer. We also maintain 37 series that are effective but have not commenced operations.

We say so at the outset because we will bear the cost of whatever the Commission adopts, and because our positions are not costless to us. We oppose several measures that would slow the registration process generally; we support several that would impose new obligations on us specifically. In our experience the general measures do not reach the conduct that concerns the Commission and the targeted ones do.

The principle we would urge: **substance should be governed by objective, risk-based criteria applied to the product; procedural friction should attach to imitation and repurposing, not to novelty as such.**

[1] Request for Comment on Novel ETFs, 91 Fed. Reg. 40647 (July 2, 2026) (hereinafter, "Request for Comment" or "Request"), *available at* https://www.govinfo.gov/content/pkg/FR-2026-07-02/pdf/2026-13423.pdf.

Question 4. No Corgi fund currently holds an interest in a wholly-owned subsidiary. We disclose that a pending registration statement permits an optional wholly-owned subsidiary limited to no more than 25 percent of total assets at the end of each quarter of the taxable year.[2]

Where such structures are used, it is generally to satisfy the qualifying income requirements of Subchapter M,[3] a constraint the Commission does not administer and cannot modify. Treating the structure as evidence against investment company status would foreclose exposures for reasons unrelated to investor protection, on the basis of a tax rule rather than a securities-law judgment. We express no view on the tax treatment of any particular structure.

Question 5. They do, and we think the questions are answerable. We address them by reference to a category we have registered but not launched: leveraged funds referencing foreign issuers.

(a) Pricing and quotation. On data pulled August 30, 2026, over 63 sessions from May 30 to August 28, 2026, five U.S.-traded lines associated with the foreign issuers underlying our filed series showed three-month average daily value traded from approximately $5.8 million to $97.9 million.[4] Each traded on every session. We would flag a distinction we did not appreciate until we measured it: **volume and quote continuity are close to unrelated in these securities.**

REFERENCE LINE	3-MO. ADVT	TWO-SIDED QUOTE PRESENCE	AVG. LONGEST DAILY GAP
A	$97.9mm	87.4%	4 min.
B	$76.6mm	53.4%	17 min.
C	$28.3mm	51.5%	18 min.
D	$13.6mm	46.7%	21 min.

[2] Corgi ETF Trust I, Post-Effective Amendment No. 76 to Registration Statement on Form N-1A, Form 485APOS (filed Aug. 19, 2026), Accession No. 0002078265-26-000352, *available at* https://www.sec.gov/Archives/edgar/data/2078265/000207826526000352/485APOS_Compute.htm.

[3] I.R.C. § 851(b)(2).

[4] Source: Bloomberg L.P., data retrieved Aug. 30, 2026. Three-month average daily value traded computed as daily closing price multiplied by daily volume, averaged over the 63 trading sessions from May 30, 2026 through Aug. 28, 2026, using consolidated over-the-counter volume, in U.S. dollars. Data on file with Corgi Funds and available to the staff on request.

REFERENCE LINE	3-MO. ADVT	TWO-SIDED QUOTE PRESENCE	AVG. LONGEST DAILY GAP
E	$5.8mm	49.5%	27 min.

Line B trades in large infrequent blocks: substantial volume, but a printed trade in only 27 percent of regular-session minutes. The appropriate criterion is therefore continuous **quotation**, not continuous trading—a correction we offer for any rulemaking that reaches for average daily volume as a proxy for the ability to price a reference asset. We also tested whether U.S. quotation depends on the home market being open: on August 11, 2026, a Tokyo Stock Exchange holiday with U.S. markets open, quote presence was within roughly four percentage points of the trailing average for every line and was higher for the two most liquid lines. These measurements span two weeks rather than the full lookback and the holiday observation is a single day; they are sufficient to shape a criterion but are not offered as statistical findings.[5]

We operate six leveraged funds obtaining exposure through total return swaps on exchange-traded reference assets, with cash creations and redemptions, resetting at the U.S. close; delta-adjusted notional has remained between 1.98x and 2.01x of net assets every day since early July 2026. Those funds reference U.S.-listed ETFs and involve no foreign securities, currency translation, or local market closes. They demonstrate that the swap, collateral, reset and creation-and-redemption mechanics operate reliably at scale—not that we have operated a foreign reference.

(c) Surveillance. This subpart contains two separable questions. *Susceptibility to manipulation* is addressed by quantitative liquidity and quote-continuity standards. As the Commission has observed, "appropriate quantitative standards, such as minimum market value and trading volume requirements, 'should reduce the extent to which Managed Fund Shares holding Non-U.S. Component Stocks may be susceptible to manipulation.'"[6]

Information access is different and is addressed by the listing exchange's surveillance relationships with the market where price discovery occurs. Existing generic listing standards already distinguish components that trade on a U.S. national securities exchange from those that do not, conditioning the latter on the principal trading market being an ISG member or having a

[5] *Id*. Two-sided quote presence measured over ten sessions, Aug. 17–28, 2026, as the share of regular-session minutes containing both a bid and an ask. There is no established market convention for measuring quote continuity in over-the-counter securities; a commenter proposing such a standard is necessarily also proposing a methodology. The holiday observation reflects a single session.

[6] Order Instituting Proceedings, Exchange Act Release No. 78614 (Aug. 18, 2016), 81 Fed. Reg. 57981, 57983 n.25 (Aug. 23, 2016) (File No. SR-NYSEArca-2016-64) (quoting a prior Commission statement).

comprehensive surveillance-sharing agreement.[7] The Commission has stated that Japan Exchange Regulation is an ISG member, and that the Korea Exchange is an ISG member; as of December 2014 the Taiwan Stock Exchange was identified as a non-member.[8] We cite these as of the dates stated and have not independently confirmed current status.

We would welcome clarification on one point we do not think is settled: **for a depositary receipt, whether the "principal trading market" is the home market of the underlying issuer or the U.S. quotation venue.** We offer no view. The answer determines how existing standards apply to an increasingly common category of reference asset.

(d) Distributions and corporate actions. Where a swap references a depositary receipt, distributions, withholding, conversion rates and corporate action treatment may be subject to depositary discretion rather than a published schedule and selecting a more liquid reference does not cure this. The answer lies in documentation: the dividend leg can be defined by reference to the issuer's declared local gross dividend, net of the withholding rate specified in the transaction supplement, converted at a specified rate and date, rather than by reference to depositary pass-through. Withholding is knowable in advance, so specifying it keeps the leg accruable. What remains—the per-receipt fee, conversion basis, and financing cost of the payment lag—affects the dividend rather than the notional and produces a residual tracking difference around the ex-date that an authorized participant can model if the convention is published rather than inherited from template language.

Question 6. We oppose amending rule 6c-11 to impose any of these conditions. The question is whether rule 6c-11[9] remains a strategy-neutral rule defining the structural characteristics that support effective arbitrage or becomes a product-eligibility gate. We urge the former.

A minimum-securities-holdings condition would not measure what the Commission is concerned about. Our All Commodities 2x Daily ETF obtains exposure through over-the-counter total return swaps referencing a U.S.-listed ETF, collateralized with Treasury securities. It holds no physical commodities, no futures, and no subsidiary interest, and would satisfy any securities-based threshold. Yet the risks it presents—counterparty exposure, daily reset, collateral adequacy, swap valuation—are entirely unaffected by that fact. Conversely, a fund holding only

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[7] *See*, e.g., NYSE Arca Rule 5.2-E(j)(8); Nasdaq Rule 5704; Cboe BZX Rule 14.11(l) ("generic" listing standards for ETFs relying on rule 6c-11, as identified in the Request at note 4). For the Commission's description of the treatment of non-U.S. component stocks under analogous standards for actively managed exchange-traded funds, *see* Exchange Act Release No. 78614, *supra* note 6; Exchange Act Release No. 78414 (July 26, 2016) (File No. SR-NYSEArca-2016-79) (approving listing of the Virtus Japan Alpha ETF on NYSE Arca).

[8] Japan: Exchange Act Release No. 78414, *supra* note 7 ("Japan Exchange Regulation . . . is a member of the Intermarket Surveillance Group."). Korea: Exchange Act Release No. 78614, *supra* note 6, at 57981 n.12 ("The Korea Exchange is a member of the Intermarket Surveillance Group."). Taiwan: Exchange Act Release No. 73914 (Dec. 22, 2014), at n.31 (File No. SR-NYSEArca-2014-100) (identifying the Taiwan Stock Exchange among exchanges that are not members of the Intermarket Surveillance Group).

[9] 17 CFR 270.6c-11. *See* Exchange-Traded Funds, Investment Company Act Release No. 33646 (Sept. 25, 2019), 84 Fed. Reg. 57162 (Oct. 24, 2019).

listed equities may present acute concentration and liquidity risk. Such a threshold would exclude well-collateralized, transparently priced strategies while admitting poorly constructed ones.

Concentration and issuer-specific limits fail for a related reason: portfolio holdings can differ materially from economic exposure, and such limits do not address valuation, liquidity, currency, the ability to hedge, swap capacity, market-data availability, surveillance, or the effectiveness of the arbitrage mechanism. An issuer-specific limit would not regulate the single-stock category; it would eliminate it. Whatever the merits of that outcome, it should be reached through rulemaking directed at those products, with the attendant economic analysis and comment process. It should not be reached through a portfolio condition added to a rule whose purpose is the integrity of the arbitrage mechanism. Existing rules already reach much of this directly: rule 2a-5 governs valuation,[10] rule 18f-4 governs derivatives-related leverage and risk management,[11] and rule 22e-4 governs liquidity risk management. Each applies to these funds, including ours.[12]

What we would accept instead. Objective, risk-based eligibility criteria applied to the product:

- **Pricing.** For a U.S.-traded reference, reliable and independently verifiable pricing at the fund's NAV time with continuous two-sided quotation during the U.S. session. For a foreign local reference, reliable pricing of the security and applicable exchange rate at NAV time under the fund's rule 2a-5 procedures—we would not require contemporaneous U.S.-hours trading, because the home market may be closed. We are not aware of any U.S.-listed leveraged single-stock ETF that today references a foreign local security, and the balance of our proposal is scoped to the U.S.-traded tier.
- **Liquidity.** Three-month average daily value traded of not less than $10 million, measured at listing, together with a quote-continuity standard—as an initial eligibility test rather than a continuing trigger, so that ordinary variation does not force a reference change in an operating fund. Separately, the adviser should evaluate liquidity relative to the fund's expected size and stressed daily rebalancing needs.
- **Swap capacity.** Written *indicative* capacity from at least one dealer counterparty, obtained within a stated period before listing, with ongoing monitoring and disclosure where a fund relies on a single counterparty. We would not propose requiring *executable* standing capacity in writing; dealers provide indications, and a criterion drafted in those terms would be unsatisfiable by any sponsor.

[10] 17 CFR 270.2a-5.
[11] 17 CFR 270.18f-4.
[12] 17 CFR 270.22e-4.

- **Surveillance.** The listing exchange's ability to obtain trading and surveillance information for the market where price discovery occurs, through ISG membership, a comprehensive surveillance-sharing agreement, or equivalent arrangements.
- **Risk management and operations.** Full rule 18f-4 compliance including a derivatives risk manager and applicable VaR testing, and a workable creation, redemption, valuation and hedging process with documented procedures for foreign-market holidays, halts and material reductions in swap capacity.
- **Disclosure.** Prominent disclosure of the daily objective, compounding and volatility drag, and the currency, market-hours, valuation, counterparty and corporate-action risks applicable to the reference.

Our own filed products do not uniformly satisfy these criteria. None of our foreign single-stock series satisfies the U.S.-quotation criterion as filed; at least one associated U.S.-traded line would not meet the $10 million threshold; and those referencing Taiwan issuers would not satisfy the surveillance criterion on the Commission's own published information. We propose these standards notwithstanding that. Criteria that a sponsor's entire pipeline happens to clear are not criteria.

Question 7. We support clear product names prominently stating the daily leveraged objective and clear explanation of daily reset and compounding. We are aware of the Investor Advisory Committee's June 2023 recommendation[13] and take it seriously, as it is directed at the category in which we principally operate; our view is that Regulation Best Interest is the appropriate framework for the suitability question, and we do not support product-specific account approval requirements or restrictions on informed, self-directed investors.

Question 9. Yes, and the interplay argues for locating eligibility criteria in the listing standards rather than in rule 6c-11. Those standards are calibrated to the reference market rather than to portfolio composition, are developed by the exchanges that operate the surveillance infrastructure, and are subject to notice and comment under Section 19(b).[14] The mechanical relationship is worth stating precisely. Rule 6c-11 does not itself establish eligibility for generic exchange listing; the exchanges' generic standards condition listing on a fund's ability to rely on rule 6c-11. A portfolio condition added to rule 6c-11 would therefore affect generic listing eligibility indirectly, through a rule not designed to make listing judgments. A fund falling outside the generic standards may require a product-specific filing under rule 19b-4, and a fund unable to rely on rule 6c-11 may require individual exemptive relief. Both consequences would follow from a portfolio test rather than from any judgment about the reference market.

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[13] Investor Advisory Committee, Securities and Exchange Commission, *Recommendation of the Investor Advisory Committee on Single Stock ETFs and Leveraged ETFs* (June 22, 2023) *available at* https://www.sec.gov/files/spotlight/iac/20230622-recommendation-single-stock-etfs-and-leveraged-etfs.pdf.

[14] Section 19(b) of the Securities Exchange Act of 1934, 15 U.S.C. § 78s(b).

A concrete example from our own filings. In February 2026 we filed a post-effective amendment registering a group of series providing 200 percent of the daily performance of individual foreign issuers.[15] As filed, each referenced the issuer's **local ordinary shares**—listed in Tokyo, Seoul, Taipei, or Amsterdam—with the referenced daily return measured on a U.S. dollar-translated basis. The amendment became effective June 2, 2026.

The prospectus for one of those series, referencing a Korean semiconductor issuer, was subsequently supplemented to permit the fund to reference sponsored depositary shares listed on a U.S. national securities exchange in place of the local ordinary shares, and to state expressly that the fund will not reference unsponsored depositary receipts.[16] That series listed and commenced operations. **Eleven of the series registered in that amendment have not been listed or seeded.**

We are not aware of any U.S.-listed leveraged single-stock ETF that today references a foreign local security; existing products reference U.S.-traded lines. Our filings proposed a structure for which no U.S. listing precedent exists, and exchange listing has not been available for them. Where a sponsored, exchange-listed U.S. line existed, we moved to it, accepted the constraint, and the product launched.

The question we raise is what objective criteria should govern the cases where **no sponsored, exchange-listed U.S. line exists,** which describes each of the eleven. Their U.S. lines, where any exist, are unsponsored depositary receipts quoted over the counter, a sponsored receipt quoted over the counter rather than listed, New York Registry Shares, or Regulation S global depositary receipts with no meaningful U.S. activity. We do not ask that all of these be accommodated; several would not satisfy the criteria we propose above, and we say so. We ask only that eligibility turn on the operating characteristics we identify rather than on the categorical fact that a reference asset is quoted over the counter rather than listed.

Emerging futures markets. We encourage the Commission to confirm that registered ETFs may obtain exposure to newly listed, CFTC-regulated futures markets through swaps referencing those contracts, **once the contracts are trading with reliable pricing and demonstrated liquidity and capacity.** We are not asking for latitude to register funds against instruments that do not yet exist. A swap-based structure places execution, margin and roll mechanics with the dealer while the fund retains responsibility for collateral, valuation, liquidity, counterparty exposure and rule 18f-4 compliance.

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[15] Corgi ETF Trust I, Post-Effective Amendment No. 6 to Registration Statement on Form N-1A (filed Feb. 19, 2026), Accession No. 0002078265-26-000020, *available at* https://www.sec.gov/Archives/edgar/data/2078265/000207826526000020/0002078265-26-000020-index.htm.

[16] Corgi ETF Trust I, Corgi SK hynix 2x Daily ETF, Rule 497(e) Supplement dated June 30, 2026 to the Prospectus dated June 1, 2026, Accession No. 0002078265-26-000297, *available at* https://www.sec.gov/Archives/edgar/data/2078265/000207826526000297/cik0002078265-20260630.htm.

Questions 10 and 14. We oppose extending either period for Novel ETFs as a class. Extension would delay every novel filing regardless of whether it presents the conduct described in Section IV.C and would fall hardest on sponsors responding to genuine market developments. The problems the Request identifies are problems of imitation and repurposing, not of novelty; a remedy keyed to novelty would slow the original filing and the imitative one equally. It would also widen the asymmetry described in Question 17 rather than close it, since a repurposed series would still take 60 days to whatever a new series takes.

Question 11. We support automatic tolling where a registrant fails to respond to staff comments within a specified period and would support five business days. It is directly responsive to the staff's concern, imposes no burden on registrants who engage with the process, and places the consequence on the party whose conduct caused the delay.

Question 15. We support both a pre-filing consultation process and confidential draft registration statements, on the model the Division of Corporation Finance has used since 2017.[17] Early engagement addresses the review-capacity concern at lower cost than extending statutory periods, because issues are identified before the clock starts, and it addresses the imitation concern as well, because a filing that is not yet public cannot be reproduced. We would not object to public reporting of aggregate statistics, provided it does not identify the sponsor or strategy during the confidential period.

Question 17. We do have concerns, and we offer our own experience.

On June 15, 2026, we filed a post-effective amendment under rule 485(a)(2) registering a new series providing exposure to a group of artificial-intelligence-related companies, including private companies held through special purpose vehicles.[18] We elected the 75-day period, producing an effective date of August 29, 2026.

On June 23, 2026—eight days later—an unaffiliated registrant filed under rule 485(a)(1) to change materially the strategy of an existing series, creating a substantially similar fund. That registrant elected the 60-day period, producing an effective date of August 22, 2026. That is **seven days *before* ours, on a filing made eight days *after* ours.** The series so amended had been effective since February 3, 2024; it had never commenced operations and had no shareholders, had previously been renamed once from one developed-markets options-income strategy to another, and was then converted to a concentrated artificial-intelligence strategy including private companies.

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[17] *See* Enhanced Accommodations for Issuers Submitting Draft Registration Statements (Mar. 3, 2025), SEC Division of Corporation Finance, *available at* https://www.sec.gov/about/divisions-offices/division-corporation-finance/draft-registration-statement-processing-procedures-expanded.

[18] Corgi ETF Trust I, Post-Effective Amendment No. 57 to Registration Statement on Form N-1A (filed June 15, 2026), Accession No. 0002078265-26-000262, *available at* https://www.sec.gov/Archives/edgar/data/2078265/000207826526000262/0002078265-26-000262-index.htm.

On July 28, 2026, that registrant filed under rule 485(b)(1)(iii) and moved effectiveness to September 6, 2026. That is **75 days from its filing date**, the period it would have received had it filed under rule 485(a)(2), as we did. We take no position on why the deferral was made and do not suggest it was improper. We observe only that the review period the rule made available to us, and not to that registrant, is the period the filing ultimately took.

The asymmetry is structural. A sponsor maintaining a portfolio of effective, never-operated series can bring a novel strategy to market on 60 days' review; a sponsor without such inventory, filing the identical strategy as a new series, takes 75 days. The difference in review time runs in the opposite direction from the difference in novelty, and from the staff's own interest, since the filing receiving less review is the one being introduced into a series with no existing disclosure record for that strategy.

We are conscious of our own position. We filed one business day after the public market event that made the strategy possible and filed a related leveraged product a week later. We also operate leveraged funds referencing broad sector and country exposures that many sponsors offer. We do not think speed is the problem, and we are not asking the Commission to protect first movers. Our concern is narrower: that a registrant reproducing the substance of an unaffiliated registrant's **still-pending** filing can obtain effectiveness ahead of it by electing a shorter period available only because it holds unused inventory.

We do not support an upfront minimum registration fee. It would impose cost on filing volume as such, which is not the conduct at issue. We file at volume and would bear that cost; our objection is that it falls equally on original and imitative filings.

We recommend two targeted amendments. *First, a priority rule:* a rule 485(a)(1) amendment substantially similar to an earlier-filed, still-pending rule 485(a)(2) filing by an unaffiliated registrant should not become automatically effective before that earlier filing. *Second, recharacterization:* a rule 485(a) amendment effecting a material change to the investment objective or principal strategy of a series **that has never commenced operations** should be treated as designating a new series, subject to the 75-day period. The test is objective and verifiable from the filing—whether shares are outstanding, whether financial highlights exist, whether there is portfolio turnover—and leaves untouched amendments to operating funds, where the shorter period's rationale actually applies. This would apply to our own 37 unlaunched series. We accept that.

Question 18. Yes. We regard this as the most effective measure under consideration.

Confidentiality addresses the cause rather than the symptom. A filing that is not public cannot be reproduced. It requires no new substantive standard, no line-drawing about what is "substantially similar," and no adjudication of intent. And it delays no one, since every filing becomes effective on the same schedule it otherwise would. Our own filing was public on June 15 and a

substantially similar filing by an unaffiliated registrant was made on June 23; under a confidentiality regime that sequence could not have occurred.

We suggest approximately 45 days, leaving a meaningful public period before effectiveness. **We would not support confidentiality extending to effectiveness.**

Question 19. Yes, and we support it as a sponsor for whom it would apply at volume. Based on our internal review it would be satisfiable through existing authorized-signatory and power-of-attorney processes without separate board action for each series.[19] It is better targeted than the automatic deregistration contemplated in Question 21: a fully developed series can satisfy an identification requirement without difficulty, while a series maintained principally as a launch vehicle cannot be included without the board or authorized signatories affirmatively identifying it as such. The requirement operates at the point of filing, on the sponsor's own attestation, rather than by extinguishing registrations after the fact.

Question 21. We oppose automatic deregistration on a fixed clock, and we offer our own book as the reason.

We maintain 37 effective series that have not commenced operations. Twenty-six of those 37 series—effective May 28, 2026—would obtain leveraged exposure to underlying unleveraged ETFs through total return swaps; those reference ETFs exist and trade today, but dealer counterparties have advised that they require greater trading volume and assets before sufficient swap capacity can be provided. Under a six-month rule these would be deregistered on approximately November 28, 2026. The other 11 series, which became effective June 2, 2026, are the foreign single-stock series described in Question 9, for which exchange listing has not been available; under a six-month rule they would be deregistered on approximately December 2, 2026.

Neither cohort has been abandoned. Both are fully developed, with completed disclosure and service arrangements in place. The first remains unlaunched because of market capacity in instruments that exist and trade; the second because of an unresolved question about the eligibility of the reference structure, which is precisely what this Request for Comment is asking about. A fixed clock would extinguish these registrations for reasons the sponsor cannot unilaterally resolve.

We recognize the tension with our answer to Question 17. The conduct described there depends on the availability of unused series, and a deregistration rule would reach it; the series in that example had been effective approximately 28 months before it was repurposed. We nonetheless think recharacterization is the better instrument, because it cures the harm without the collateral consequence. **The problem is not that a dormant series existed. The problem is that a novel strategy received 60 days of review rather than 75 days.** Recharacterization

[19] Cf. rule 483(b) under the Securities Act, 17 CFR 230.483(b) (requiring that a power of attorney relate to a specific registration statement filing).

addresses precisely that at the moment the strategy change is filed. That is also the moment the staff's review interest attaches.

If the Commission nonetheless adopts a deregistration rule, we urge that the period toll while (i) exchange listing approval remains unresolved, (ii) staff comments remain outstanding, or (iii) the reference instrument or necessary dealer capacity is unavailable; and that it apply only to series that have not been fully developed. The Question 19 identification requirement would make that distinction administrable.

Question 23. We support requiring a new 75- or 60-day period where a material investment strategy change is made **during the review period, before effectiveness**, other than in response to staff comments. Such a change restarts the substantive question the review period exists to answer.

Materiality should turn on objective factors rather than a general standard. We would suggest the following factors: whether the amendment changes the fund's principal economic exposure, its leveraged or inverse character, its primary asset class, or its valuation and arbitrage profile, or otherwise renders the previously filed disclosure materially misleading. Changes to terminology, examples, or implementation details that do not alter the principal strategy should not restart the clock. These factors are verifiable from the filing itself, which is also what makes the recharacterization proposal in Question 17 administrable.

The carve-out for changes responsive to staff comments is essential. Registrants should not be penalized for responding to comments, or the comment process itself becomes costly to engage with.

Question 27. Substance should be governed by objective, risk-based criteria applied to the product. Procedural friction should attach to imitation and repurposing, not to novelty as such.

Rule 6c-11 defines the structural characteristics that support effective arbitrage; it should not become a list of permitted assets. Where eligibility criteria are appropriate, exchange listing standards—calibrated to the reference market and subject to notice and comment under Section 19(b)—are the better instrument, and rule 18f-4 already governs derivatives leverage and risk. Rule 485 governs process and is where the concerns in Section IV.C should be addressed. The measures we support there impose obligations on us; the measures we oppose impose cost broadly without reaching the conduct at issue.

We would add one caution. Any framework turning on whether a fund is "novel" will require a definition that likely ages badly: several categories the Request for Comment describes as novel are now conventional, and the next set is not yet identifiable. Requirements keyed to product characteristics do not have this problem. Finally, the mechanisms in Questions 15 and 18 are complementary: early engagement moves issue identification before the clock starts, and

confidentiality removes the incentive to file first in order to file at all. Neither delays any registrant.

We appreciate the Commission's attention to these questions and its efforts to engage with market participants proactively. We would welcome the opportunity to discuss any of the foregoing with the staff.

Respectfully submitted,



McArn Bennett
Head of Public Policy and Corporate Affairs

Cc: The Honorable Paul S. Atkins, Chairman
The Honorable Hester M. Peirce, Commissioner
The Honorable Mark T. Uyeda, Commissioner
Brian Daly, Director, Division of Investment Management