TEUCRIUM

Three Main Street, Suite 215
Burlington, Vermont 05401
802.540.0019
contact@teucrium.com
www.teucrium.com

September 4, 2026

Submitted electronically via https://www.sec.gov/comments/s7-2026-24

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 — File No. S7-2026-24 (Release Nos. 33-11426; 34-105808; IC-36228)

Dear Ms. Countryman:

Teucrium Trading, LLC ("we," "our firm," or the "Firm") appreciates the opportunity to comment on the Commission's Request for Comment on Novel ETFs (the "Request"). We do so as one of the longest-tenured sponsors of what the Request terms "Novel ETFs," and today as a rapidly growing platform through which other sponsors bring these products to market. Our executive team has spent much of its collective career building, listing, and operating registered exchange-traded funds across the very asset classes the Request describes—and we submit these comments in that spirit: as a builder of this market that wants, above all, to see it continue to work.

We want to begin where the Request itself begins, because we think the framing matters. The United States has the deepest, most liquid, and most trusted capital markets in the world, and the exchange-traded fund is among the most important and investor-friendly innovations those markets have ever produced. The Commission's own data tells the story: in the roughly six years since Rule 6c-11 took effect, ETF assets have grown from over $4 trillion to more than $12 trillion, and the number of ETFs from fewer than 1,900 to over 4,600. That growth did not come at investors' expense—it came *for* their benefit. Investors have received lower costs, greater transparency, intraday liquidity, tax efficiency, and access to strategies once reserved for institutions. By any honest measure, this is a market that is healthy, competitive, and working precisely as a well-functioning capitalist system should. Investors are being given what they are searching for, and they are being given it inside a robust regulatory perimeter.

We therefore urge the Commission to approach this exercise with a strong presumption in favor of the framework it built. Rule 6c-11 is barely old enough to have proven itself; the very success the Request celebrates is the product of the rules-based, predictable regime the Commission adopted in 2019. Before that framework's benefits are curtailed, the burden should rest heavily on demonstrating concrete, evidenced investor harm—not on generalized unease about novelty. Much of what the Request contemplates would instead import broad new discretion and delay into a regime whose defining virtue is that it is objective and automatic. We think that would be a mistake, and we explain why below.

Our views can be summarized in a single principle, which runs through every answer in the appendix to this letter: **honor the bargain.** Rule 6c-11 and Rule 485 embody a deliberate exchange. Sponsors accept a set of clear, objective conditions—built to protect the arbitrage mechanism and investors—and in return receive listing under generic standards and effectiveness on a predictable timeline. The industry has held up its end. We ask the Commission to recommit to holding up its own.

A word, respectfully, about the current process

We would not be candid partners if we did not raise a concern that colors how our Firm and many of our peers read this Request. Rule 485(a) prescribes automatic effectiveness in as few as 75 days. In our recent experience, however, that timeline has increasingly become theoretical. Over the past year, sponsors across the industry have found it difficult to reach automatic effectiveness as the rules contemplate without protracted engagement, the prospect of further Commission action, and pressure to "voluntarily" extend timelines that the rule already fixes. The practical result is that a rules-based, time-certain process has drifted toward a discretionary one—without any rule change at all.

We raise this not to litigate any individual filing, but because it is directly relevant to the questions the Request asks. When the Request asks whether the 75-day and 60-day periods should be *extended*, our answer is shaped by the fact that, functionally, they already have been—informally, and without the notice, standards, or limits that a formal rule would carry. The remedy for that is not to lengthen the clock or to add new authority to stop it. The remedy is for the Commission to recommit to the timeline and the bargain already on the books. We say this with genuine respect for the staff, who are diligent and well-intentioned, and who are being asked to do difficult work under real resource constraints. But the answer to a resourcing and process challenge should not be to erode the predictability on which an entire market—and millions of investors—now rely.

Where we support the Commission

We are not here only to say no. There are places where thoughtful Commission action would genuinely help, and we want to be constructive about them:

- **Optional early engagement.** We support the creation of an *optional* early-engagement path—such as a pre-filing consultation process or a confidential draft registration statement—that would let sponsors and staff work through genuinely novel issues before a public filing. Used well, this could reduce friction for everyone and improve the quality of filings. Our support is conditional in two respects, developed in the appendix: it must remain truly optional (never a de facto mandatory pre-clearance gate), and it must be structured so that it cannot be weaponized—whether as a bottleneck, a source of competitive information leakage, or a substitute for honoring the regulatory clock.
- **Targeted, narrow measures against genuine filing abuse.** We share the Commission's concern about the recent wave of near-identical, rapidly replicated filings—some apparently machine-generated—that clog the review pipeline and burden the very staff whose time we all want focused on substance. We would support *narrow and precisely defined* measures aimed at that specific conduct, provided they do not sweep in legitimate, high-volume, multi-product sponsors and platforms, and provided they are not used as a pretext to expand discretionary friction of the kind we oppose elsewhere in this letter.

Where we urge restraint

Conversely, we urge the Commission not to pursue the following, each of which we address in detail in the appendix:

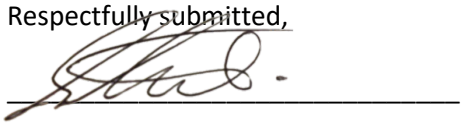
- **Reinterpreting "investment company" status.** The suggestion that funds providing exposure to non-securities asset classes—particularly through wholly-owned subsidiaries—might not be investment companies would unsettle a structure that is decades old, blessed by both the Commission staff and the Internal Revenue Service, fully disclosed to investors, and that exists precisely so investors can access these asset classes *with* the protections of the Investment Company Act rather than without them.
- **Extending the 75/60-day effectiveness periods.** For the reasons above, the clock is not too short; it is not being honored.

- **New Commission authority to delay or suspend effectiveness at its own initiative.** Automatic effectiveness is the defining feature of the regime. Discretionary delay would formalize the very drift we describe, and remove the predictability that makes the U.S. ETF market the envy of the world.
- **New portfolio-composition conditions in Rule 6c-11.** Rule 6c-11 governs *structure*—the integrity of the create/redeem and arbitrage mechanism—not investment *strategy*. Minimum-securities, concentration, or asset-exclusion requirements would re-scope the rule into something it was deliberately designed not to be.

The through-line, again, is simple. This is the finest capital market in the world, and the ETF is one of the best things ever to happen to it. The framework works. We respectfully encourage the Commission to focus its considerable energy where this Administration has rightly said it belongs—on real fraud and genuine attacks on investors—and to let a healthy, well-regulated, fiercely competitive market continue to do what it does best: innovate, and give investors what they are looking for. The rules are barely old enough to have earned the credit they are due. Let them play.

We would welcome the opportunity to discuss any of these views with the Commission or its staff, and we stand ready to provide additional data or detail. Our detailed, question-by-question responses follow as an appendix to this letter.

Respectfully submitted,



Sal Gilbertie
Chief Executive Officer
Teucrium Trading, LLC

APPENDIX

Detailed Responses to the Commission's Questions

The responses below track the numbering of the Request. Where questions are closely related, we group them and say so. Silence on a sub-question should not be read as agreement; we have focused on the matters of greatest consequence to investors and to the continued health of the market.

II. Investment Company Status (Questions 1–4)

Summary position: Existing law already resolves these questions for funds structured as ours are. The Commission should not reinterpret the definition of "investment company," and in particular should not adopt a "look-through" that would disregard a fund's holdings of the securities of a wholly-owned subsidiary. Doing so would dismantle a settled, decades-old structure and would harm the investors the Investment Company Act exists to protect.

Questions 1 & 3 — The Subjective Test and the Tonopah factors

The Commission should continue to apply the Tonopah factors; they remain the correct framework, and there is no need to invent new ones for this category. A registered fund satisfies the Subjective Test because it holds itself out as, and operates as, a registered investment company: its historical development, its public representations of policy, the activities of its officers and directors, the nature of its assets, and its sources of income all reflect the business of investing through securities. Many funds obtain their economic exposure to non-securities asset classes by investing in the equity of a wholly-owned subsidiary—and those equity interests *are* securities. The fund's present assets and income therefore run through a securities investment, squarely within the Act. We do not believe greater clarity is needed on this aspect of the Subjective Test as applied to funds structured this way; the existing factors, faithfully applied, reach the right result.

Question 2 — Why register as a '40 Act fund rather than a commodity trust or other ETP

This is a fair question and we want to answer it directly, because the answer is investor-protective on its face. Sponsors choose the Investment Company Act framework precisely *because* of the protections and efficiencies it brings to investors—protections that a bare exchange-traded commodity trust does not provide. Three reasons stand out:

- **Investor protection.** Registration under the Investment Company Act brings a fiduciary board (including independent directors) overseeing the fund on behalf of shareholders, custody requirements for fund assets, daily striking and publication of net asset value, independent audits, and a comprehensive compliance regime under Rule 38a-1. These are exactly the safeguards Congress designed the Act to provide, and they are meaningfully greater than those attaching to non-1940-Act ETPs.
- **Tax and operational efficiency for investors.** The registered-fund structure—including the use of a wholly-owned subsidiary where appropriate—delivers tax and operational efficiencies that redound to the benefit of shareholders relative to the alternatives, while keeping the product inside a single, well-understood regulatory perimeter.
- **Investor familiarity and trust.** Investors understand and trust the registered-fund wrapper. Delivering novel exposures inside that wrapper meets investors where they are and keeps them within the protections they expect, rather than pushing them toward less-regulated alternatives to obtain the same exposure.

In short, the reason to register as an investment company is not to evade regulation—it is to give investors *more* of it. Discouraging that choice would perversely drive the same investor demand toward structures that carry fewer protections.

Question 4 — Wholly-owned subsidiaries and the "look-through" question

This is the most consequential question in this section, and we urge the Commission to answer it carefully. A fund that holds the securities (equity interests) of a wholly-owned subsidiary *is* holding securities, and that holding properly comprises part of a securities-investment business under both the Subjective and Objective Tests. This is not a novel or aggressive reading. It is the settled basis on which registered funds have obtained exposure to commodities and similar asset classes for roughly two decades. That structure developed hand-in-hand with Commission staff guidance and with a body of Internal Revenue Service guidance addressing the treatment of income from a controlled foreign corporation held by a regulated investment company. Sponsors, boards, auditors, tax advisers, and—critically—investors have relied on it.

We want to meet the underlying concern honestly rather than pretend it does not exist. The subsidiary structure is, by design, a way to obtain non-securities economic exposure inside a securities wrapper. That is deliberate—and it is a feature, not a loophole. It exists so that investors can access these asset classes *with* the full protections of the Investment Company Act, and it is fully and clearly disclosed. A decision now to "look through" the subsidiary and treat the fund as though it held the underlying assets directly would not be a clarification of existing law; it would be a retroactive reengineering of it. The consequences would be severe and would fall on investors: funds relied upon by millions of shareholders could be forced out of the registered-fund framework and into less-protective structures, losing the board oversight, custody, valuation, audit, and tax treatment described above—the very benefits the Request's own data shows investors have embraced.

Accordingly, the Commission should confirm that a fund's holding of the securities of a wholly-owned subsidiary counts as part of its investment company business, and should not disturb the established treatment of these structures. To the extent any refinement is thought necessary, it should be prospective, narrowly targeted, and developed through notice-and-comment rulemaking with a full economic analysis of the effect on existing funds and their shareholders—not through reinterpretation.

III. Novel ETFs and Rule 6c-11 (Questions 5–9)

Summary position: Rule 6c-11 governs the *structure* that makes an ETF an ETF—the create/redeem process and the arbitrage mechanism that keeps market price tethered to NAV. It was deliberately designed to be neutral as to investment strategy and asset class, and it should stay that way. We oppose new portfolio-composition conditions and asset or strategy exclusions.

Question 5 — Do these assets and strategies threaten arbitrage, investor protection, or orderly markets?

As a general matter, no—not by virtue of being "novel." The arbitrage mechanism depends on authorized participants' ability to create and redeem against a basket and to hedge their exposure; it does not depend on the particular asset class inside the fund. Where a given asset presents genuine operational questions (for example, around settlement or the availability of hedging), those are addressed by the market participants who make arbitrage work and by existing disclosure obligations—not by structural prohibitions in the listing rule. The Commission already has, in Rule 6c-11 and elsewhere, the tools it needs; the record does not show that the create/redeem mechanism itself breaks down merely because the underlying exposure is new.

Question 6 — Should Rule 6c-11 be amended to add portfolio requirements or exclude assets/strategies?

No. This is among our most strongly held positions. Rule 6c-11 was adopted to codify the structural conditions necessary for effective arbitrage across ETFs generally; the 2019 adopting release was explicit that the rule does not restrict which strategies or asset classes an ETF may pursue. Grafting minimum-securities holdings, diversification mandates, concentration limits, issuer-specific limits, or outright asset/strategy exclusions onto the rule would convert a *structural*

rule into a *merits* rule—substituting the Commission's judgment for investors' about which exposures are worth holding. That is a fundamental change in the rule's character, not a technical amendment.

Investment risk is properly managed through disclosure and through the existing protections of the Investment Company Act—not through structural gates in a listing rule. If the Commission's concern is that certain products are volatile or complex, the answer lies in clear, prominent disclosure (see our response to Questions 7 and 26), not in prohibiting investors from accessing exposures they demand and can obtain elsewhere. Excluding assets or strategies from 6c-11 would simply push that demand into less-regulated or offshore channels, harming the investors the rule is meant to serve and ceding ground that U.S. markets currently lead.

Questions 7 & 8 — Investor understanding; use of "ETF"/"fund" labels

On Question 7, we support clear, plain-English disclosure that helps investors understand a product's distinctive features, and we address this further under Question 26. Good disclosure—not structural restriction—is the right tool for investor understanding.

On Question 8, we offer a candid, practitioner's view: the distinction between an "ETP" and an "ETF," and among the various sub-labels, is not one that drives real investor decisions, and we do not think the Commission should expend effort policing it. The distinction investors actually care about—and understand—is that these products are *not mutual funds*: they trade intraday on an exchange, at market-determined prices, with a create/redeem mechanism behind them. That mechanism is the same across the wrapper. Fine-grained nomenclature rules would impose relabeling and disclosure costs and risk introducing false precision and confusion, without measurably improving any decision an investor actually makes. We would encourage the Commission not to solve a problem investors do not have.

Question 9 — Interplay of 6c-11 and generic listing standards

Because we oppose new portfolio conditions in Rule 6c-11, we likewise see no need to disturb the interplay between the rule and the generic listing standards; that interplay works today and supports the efficient, predictable listing process that has driven the market's growth. The best action the Commission can take to "better facilitate innovation while protecting investors" is the one we describe throughout: preserve the objective, structure-focused character of 6c-11, honor the effectiveness timeline in Rule 485, and add an optional early-engagement path for genuinely novel questions.

IV. Registration and Rule 485 (Questions 10–27)

Summary position: The automatic, time-certain effectiveness regime is the engine of ETF innovation and one of the principal reasons U.S. markets lead the world. We oppose extending the effectiveness periods and oppose new authority to delay or suspend effectiveness at the Commission's initiative. We support an *optional* early-engagement path and narrow, well-targeted measures against genuine filing abuse. Above all, we ask the Commission to recommit to honoring the timeline already in its rules.

A. Timing of Effectiveness (Questions 10–14)

Question 10 — Should the 75-day and 60-day periods be extended?

No. And we ask the Commission to hear the fuller point behind that answer. The premise of the question—that the periods may be too short to address difficult issues—does not match the industry's recent lived experience. In practice, sponsors have found it increasingly difficult to reach automatic effectiveness on the timeline the rule prescribes without extended engagement, the prospect of further Commission action, and pressure to "voluntarily" delay past the rule's deadlines. The clock, in other words, has already been functionally extended—informally, and without the standards, notice, or limits a rule would provide.

Formally lengthening the periods would not solve the underlying problem; it would ratify it, and hand back still more time on top of a process that is already running well past its nominal deadlines. If the concern is that some filings are genuinely difficult to review in the allotted time, the right answer is the optional early-engagement path we support under Question 15—where the hard issues can be worked through *before* the clock starts—paired with a renewed commitment to honor the clock once it does. We would rather see the Commission recommit to the existing bargain than expand it.

Question 11 — Tolling if a registrant fails to respond to staff comments

We could accept a narrow, symmetrical tolling mechanism tied to a registrant's failure to respond to staff comments within a defined, reasonable period—provided it is genuinely reciprocal and bounded. Specifically: the trigger should be objective (a defined number of business days), the toll should run only for the period of actual delay attributable to the registrant, and—critically—the same discipline of timeliness should apply to the staff. A tolling rule that pauses the clock for registrant delay while leaving open-ended, unmeasured staff delay untouched would simply entrench the asymmetry we describe under Question 10. Tolling for non-response is reasonable; it should not become a back-door route to the open-ended discretionary delay we oppose under Question 12.

Question 12 — Commission-initiated delay of effectiveness

We oppose this. Automatic effectiveness is not an incidental feature of the regime—it *is* the regime, and it is a principal reason the U.S. ETF market is the most dynamic in the world. Authorizing the Commission to delay effectiveness on its own initiative would convert a rules-based, predictable process into a discretionary one, and would formalize precisely the drift we have asked the Commission to correct. It would inject unpredictability into product launches, capital raising, and the competitive process, and it would do so without the discipline that the fixed statutory clock now imposes on all sides. If, in a truly exceptional case, a filing is materially incomplete or inaccurate, the Commission already possesses tools to act, including its existing authority under Rule 485(c) and the stop-order authority under Section 8 of the Securities Act. New, open-ended delay authority is neither necessary nor, in our view, consistent with the framework's core promise.

Question 13 — Effectiveness before an asset class or instrument is available

We do not think a rule change is needed here, and we would caution against one that reaches beyond the narrow situation that prompted the question. Sponsors legitimately prepare and register products in anticipation of an asset or instrument becoming investable; that forward planning is a normal and healthy part of a competitive market and benefits investors by shortening time-to-access once conditions allow. To the extent the Commission perceives a specific concern about a fund launching before it can implement its strategy, that is best handled through disclosure about the contingency, not through structural limits on when a registration statement may become effective.

Question 14 — Would extended periods cause registrants to miss market demand?

Yes. Market opportunities in these asset classes can open and close quickly, and the ability to respond on a predictable timeline is central to serving investors and to the capital-formation goals the Commission shares. Longer or less-certain effectiveness periods would mean investors are denied timely access to products they demand—and, as noted, would tend to push that demand toward less-regulated or offshore alternatives. The predictability of the current timeline is a competitive advantage for U.S. markets; lengthening it would erode that advantage for no demonstrated investor-protection benefit.

B. Early Engagement & Innovation (Questions 15–16)

Question 15 — A pre-filing consultation process or confidential draft registration statements

We support this—it is the affirmative reform we most want to see—subject to two firm conditions. An optional early-engagement path, modeled in spirit on the confidential-review accommodations long available to non-investment-

company issuers, could let sponsors and staff resolve genuinely novel questions before a public filing, improving filing quality and reducing friction on both sides. That is good for investors, good for the staff, and good for the market.

Our support comes with two conditions that we regard as essential:

- **It must remain truly optional.** Early engagement should be an on-ramp that sponsors may choose, never a mandatory pre-clearance gate that every Novel ETF must pass before filing. A voluntary tool that quietly becomes a compulsory checkpoint would recreate—by another name—the very delay and discretion we oppose elsewhere in this letter. The rule and any accompanying guidance should say so expressly.
- **It must not be weaponized.** The process must be designed so that it cannot become a bottleneck, a lever to extract concessions unrelated to the disclosure at hand, or a channel through which a sponsor's confidential, innovative product ideas could leak to competitors. Confidentiality must be robust and durable, and participation (or non-participation) must not prejudice a later public filing or its effectiveness timeline.

On the Request's accountability question, we welcome public reporting on the *process*—for example, how many consultations occur, how long they take, and how many result in public filings. Aggregate, anonymized metrics of that kind would provide healthy accountability for turnaround and would reassure the market that the optional path is working as intended rather than becoming a chokepoint. Any such reporting must, of course, protect the confidentiality of individual sponsors and their product plans.

Question 16 — Other ways to modify Rule 485(a) to support innovation

The single most valuable thing the Commission can do to support innovation under Rule 485(a) is to honor the timeline already in the rule. Beyond that, the optional early-engagement path above is the reform we would prioritize. We would discourage amendments that add friction or discretion in the name of innovation; the framework's predictability is itself the greatest spur to innovation it can offer.

C. Competitive Pressures and First-Mover Incentives (Questions 17–21)

Questions 17 & 18 — Rushed/copycat filings; upfront fees; nonpublic 485(a)(2) periods

We acknowledge the concern and share part of it. The recent proliferation of near-identical filings—some evidently produced or accelerated by automated tools—does impose real costs: it burdens the staff's limited review capacity (the same capacity whose constraints we discussed under Question 10) and clutters the field for sponsors doing serious, well-developed work. To that extent, we would support *narrow and precisely targeted* measures aimed squarely at that conduct. Our support, however, is firmly conditional in two ways:

- **Do not burden legitimate, high-volume, multi-product sponsors.** Any measure must distinguish genuine, differentiated product development—including the substantial, legitimate filing volume generated by multi-product platforms and white-label businesses like ours—from mechanical replication. A blunt "too many filings looks like abuse" approach, or a per-series upfront-fee regime calibrated without regard to legitimate volume, would fall hardest on exactly the serious sponsors the Commission wants to encourage. Measures should target the *conduct* (mass replication of substantially identical filings) rather than filing volume as such.
- **Do not let this become a pretext for discretionary friction.** We are frank in our skepticism that some tools floated here—open-ended nonpublic periods, discretionary fee mechanics—could, in practice, become another avenue for the very discretion and delay we oppose under Questions 12 and 25. Any anti-abuse measure should be objective, rule-bound, and limited to its stated purpose.

A modest, refundable minimum registration fee tied to actual filing activity (offset by redemptions under Rule 24f-2) could be a workable, objective deterrent to purely speculative mass filings, *if* calibrated so as not to penalize legitimate volume.

We would want to see specifics before endorsing any particular figure or mechanism. On allowing 485(a)(2) filings to remain nonpublic for part of the 75-day period (Question 18), we are open in principle to a measure that reduces imitative copycat filings, but only if it is time-limited, does not delay effectiveness, and does not become a discretionary tool; we would not support an open-ended or discretionary nonpublic period.

Question 19 — Requiring the board or authorized signatories to identify each new series

We can support a reasonable requirement that a filing specifically identify each new series it contains, consistent with the analogous power-of-attorney requirement under Rule 483(b). Requiring that each series be actually identified is a low-burden, objective step that discourages speculative "placeholder" filings without impeding legitimate multi-series filings. We would caution only that the mechanics be workable for sponsors that legitimately launch many series, and that the requirement not be used as a lever for substantive delay.

Question 20 — Balancing investment flexibility against a fair, orderly registration process

Retained investment flexibility is a legitimate and long-accepted feature of fund management, and it benefits investors by allowing funds to adapt to changing markets. The Commission should be cautious about curtailing it in the name of registration fairness. To the extent the concern is that a small number of participants use broad retained discretion to gain unfair first-mover advantages, the answer lies in clear disclosure of a fund's investment latitude and in even-handed application of the existing rules—not in new substantive limits on how funds may manage assets. We would resist any change that constrains ordinary portfolio-management discretion under the banner of process reform.

Question 21 — Funds that become effective but never launch; automatic deregistration

We are open to a reasonable, objective sunset for funds that become effective but never launch—for example, automatic deregistration after a defined period such as six months—provided the clock is clear and there is a simple mechanism to account for legitimate delays (for instance, where a fund is awaiting an external condition, such as an asset becoming investable, that it has disclosed). A tidy, predictable deregistration rule can reduce clutter and speculative "shelf" filings, which serves the same clean-market interest we support elsewhere. The key is that it be objective and administrable, not discretionary.

D. Unresolved Staff Comments (Question 22)

Question 22 — Mechanisms to address unresolved staff comments

We are cautious here. A requirement to disclose *material* unresolved staff comments, modeled on the approach used for certain closed-end funds and for Form 10-K and 20-F filers, could in principle provide useful information to investors. But it must not become a mechanism to pressure sponsors or to delay effectiveness by leaving comments deliberately "open." If the Commission proceeds, the standard for what must be disclosed should be genuinely material and objectively defined, the obligation should be reciprocal with a commitment to timely staff resolution, and it should not operate as a de facto hold on effectiveness. Absent those safeguards, such a requirement risks becoming another vector for the discretionary delay we oppose.

E. Material Changes During Review or Pre-Launch (Questions 23–24)

Questions 23 & 24 — Material strategy changes during review or before launch; use of Rule 497

We support *clarity* here, and we think clarity actually serves sponsors and investors alike. It is reasonable for the Commission to expect that a genuinely material change to a Novel ETF's investment strategy—one that would genuinely impact a reasonable investor's investment decision—be effected through the appropriate mechanism, and we would not object to guidance confirming that a truly material change of that kind warrants a fresh Rule 485(a) filing and its associated review period, rather than a filing under Rule 485(b) or a Rule 497 sticker. A bright-line understanding of when 485(a)

versus 485(b) versus 497 is appropriate reduces uncertainty for everyone and protects the integrity of the disclosure investors receive at launch.

Two cautions. First, the line should turn on genuine *materiality*; non-material refinements and ordinary responses to staff comments should continue to proceed without restarting the clock, as they do today. Second, we would prefer that the Commission achieve this through clear guidance and, if needed, a narrowly drawn amendment specifying that material changes require a new 485(a) filing—rather than through a new *automatic suspension* mechanism that would hand the Commission discretionary stop-the-clock authority of the kind we oppose under Question 12. Clarity about the correct filing path, yes; new discretionary suspension power, no.

F. Suspensions (Question 25)

Question 25 — Expanded suspension authority

We oppose expanding the Commission's suspension authority in the ways the Request contemplates, and we regard this as closely linked to Question 12. In particular, we do not support authority to suspend the effectiveness of a specific post-effective amendment—or a single series within it—*after* it has become effective. Post-effective suspension of a live, trading product would introduce serious instability for investors and authorized participants, would undermine the finality on which the arbitrage mechanism and secondary market depend, and would represent a significant departure from the predictable framework that has served investors so well. The Commission's existing tools under Rule 485(c) and its stop-order authority under Section 8 of the Securities Act are substantial; we do not believe the case has been made for more. We would likewise oppose conditioning the availability of Rule 6c-11, or the ability to use Rule 482 sales material, on filing compliance in a manner that effectively creates a new, discretionary enforcement lever operating outside the established process.

G. Changes to ETF Disclosure (Questions 26–27)

Question 26 — Heightened or revised disclosure for Novel ETFs

This is where our constructive energy belongs, and where we would direct the Commission's. We support clear, prominent, plain-English disclosure of the distinctive features and risks of Novel ETFs—the kind of disclosure that genuinely helps an investor understand what a product does and how it can behave. Disclosure is the right tool, and a far better one than structural restriction, for addressing the investor-understanding concerns that animate much of this Request. To be useful, any enhanced disclosure should be principles-based and focused on what actually drives investor understanding (for example, the nature of the exposure, the role of any subsidiary or derivatives, leverage and its effects over time, and the principal risks), rather than boilerplate that lengthens documents without informing decisions. We would welcome working with the staff on disclosure that is clear and decision-useful.

Question 27 — Additional reforms to facilitate innovation while protecting investors

The most important reform is a renewed commitment to the framework the Commission already built. If we were to distill our recommendations into a short agenda, it would be this: (1) honor the 75-day and 60-day effectiveness timelines in Rule 485; (2) create an optional, confidential, non-weaponizable early-engagement path for genuinely novel questions; (3) preserve the structure-focused, strategy-neutral character of Rule 6c-11; (4) confirm, rather than unsettle, the established treatment of wholly-owned-subsidiary structures under the Investment Company Act; (5) address genuine filing abuse through narrow, objective, conduct-based measures that spare legitimate high-volume sponsors; and (6) improve investor understanding through clear, decision-useful disclosure rather than structural prohibitions. That agenda would protect investors, maintain fair and orderly markets, and facilitate capital formation—the Commission's three goals—while keeping the United States the best place in the world to build and buy an ETF.

We thank the Commission for its consideration and for the opportunity to comment. We would be glad to provide further data or to discuss any of these points with the Commission or its staff.

Teucrium Trading, LLC