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Ms. Josephine J. Tao
Office of Trading Practices and Processing
Division of Trading and Markets
Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Re: Exemptive, Interpretive or No-Action Relief from Rule 10b-17 and Rules 101 and 102 of Regulation M promulgated under the Securities Exchange Act of 1934.

Dear Ms. Tao:

We are writing on behalf of the WisdomTree Trust (the "Trust"), an open-end management investment company organized on December 15, 2005 as a Delaware statutory trust. This letter requests relief with respect to a prospective additional new series, the WisdomTree Put Write Strategy Fund (the "Fund"), which will be an index-based exchange traded fund ("ETF").

The Trust on behalf of itself, the Fund, and any national securities exchange or national securities association on or through which the shares subsequently trade (with each such market being an "Exchange"), and persons or entities engaging in transactions in shares issued by the Fund ("Shares"), as the case may be, requests that the Securities and Exchange Commission (the "Commission" or the "SEC") grant exemptive, interpretive or no-action relief from Rule 10b-17 under the Securities Exchange Act of 1934 (the "Exchange Act") and Rules 101 and 102 of Regulation M in connection with secondary market transactions in Shares and the creation or redemption of Creation Units, as discussed below.

The Fund will issue and redeem Shares in aggregations of not less than 50,000 (a "Creation Unit"). The Trust has filed a post-effective registration statement on Form N-1A with respect to the Fund and has received approval to have the Fund's shares listed on an Exchange.[1] The Trust is overseen by a board of trustees (the "Board") which will maintain the composition requirements of Section 10 of the Investment Company Act of 1940, as amended (the "1940 Act"). The Fund has adopted fundamental policies consistent with the 1940 Act and will be classified as "non-diversified" under the 1940 Act. The

[1] See Securities Exchange Act Release No. 77045 (February 3, 2016), 81 FR 6916 (February 9, 2016) (order approving a proposed rule change relating to the index underlying the WisdomTree Put Write Strategy Fund); and Securities Exchange Act Release No. 76646 (December 15, 2015), 80 FR 79371 (December 21, 2015) (notice of filing of proposed rule change relating to Index Underlying the WisdomTree Put Write Strategy Fund) ("Notice"); Securities Exchange Act Release No. 74675 (April 8, 2015), 80 FR 20038 (April 14, 2015) (order approving proposed rule change to list shares of the WisdomTree Put Write Strategy Fund on NYSE Arca Inc. ("NYSEArca")); and Securities Exchange Act Release No. 74290 (February 18, 2015), 80 FR 9818 (notice of proposed rule change to list share of the WisdomTree Put Write Strategy Fund on NYSE Arca Inc.).

Fund intends to maintain the required level of diversification, and otherwise conduct its operations, so as to meet the regulated investment company ("RIC") diversification requirements of the Internal Revenue Code of 1986, as amended (the "Code").

The SEC and its Staff have previously issued relief similar to that requested herein to index based exchange-traded funds ("ETFs") listed and traded on a national securities exchange which meet certain conditions.[2] The Fund is an index-based ETF and thus could rely on such prior relief if it met the conditions precedent to such relief. However, the Index (defined below) whose performance the Fund seeks to replicate will be based on a passive investment strategy, which consists of overlaying investments in of exchange-listed S&P 500 Index options ("SPX Puts") over a money market account, consisting primarily of long positions in short-term U.S. Treasury securities. The Fund, and the Index on which it is based, therefore will not include a minimum of 20 component securities, as required in such prior relief.[3] The Fund also may not meet the conditions of the Equity Class Relief Letter for at least 70% of the Fund to be comprised of component securities that meet the minimum public float and minimum average-daily trading volume thresholds under the "actively traded securities" definition found in Regulation M for excepted securities during each of the previous two months of trading prior to formation of the Fund. Because Regulation M does not apply to options contracts, we are not aware how that test would apply to SPX Puts. The Fund, will meet each of the other conditions enumerated in applicable class relief letters.[4] Also, in all material respects, the Trust will operate in the same manner as previous index-based ETFs. Therefore, we do not believe that the Fund raises any significant new regulatory issues.

The Fund, Its Investment Objectives and Underlying Index

The Fund will be sub-advised by Mellon Capital Management ("Mellon"). The Fund's investment objective is to seek investment results that correspond generally to the price and yield performance, before the Fund's fees and expenses, of the CBOE S&P 500 Put Write Index (the "Index").

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[2] See, e.g., Securities Exchange Act Release No. 68995 (February 27, 2013), 78 FR 14376 (March 5, 2013) (order granting limited exemptions from Exchange Act Rule 10b-17 and Rules 101 and 102 of Regulation M to ALPS ETF and U.S. Equity High Volatility Fund); letter from Josephine J. Tao, Assistant Director, Division of Market Regulation to Domenick Pugliese, Esq., Paul Hastings, Janofsky and Walker LLP (June 27, 2007) ("Combination ETF Relief Letter"); letter from James A. Brigagliano, Associate Director, Division of Market Regulation to Benjamin J. Haskin, Esq., Wilkie Farr and Gallagher (April 9, 2007); letter from James A. Brigagliano, Acting Associate Director, Division of Market Regulation, SEC to Stuart M. Strauss, Esq. Clifford Chance US LLP (October 24, 2006) ("Equity ETF Class Relief Letter"); and letter from Catherine McGuire, Esq., Chief Counsel, Division of Market Regulation to the Securities Industry Association Derivative Products Committee (November 21, 2005) (the "SIA Letter").

[3] The Index does not include 20 component securities, but rather consists of one component, which will be one series of SPX Puts struck at-the-money and sold on a monthly basis, usually the third Friday of the month, which matches the expiration date of the SPX Puts.

[4] See Equity Combination ETF relief Letter and Equity ETF Class Relief Letter, note 2, supra.

The Index tracks the value of a passive investment strategy which consists of overlapping hypothetical investments in a single series of "SPX Puts" over a money market account hypothetically invested in one and three-month Treasury bills ("PUT Strategy"). The SPX Puts are struck at-the-money and are written on a monthly basis, usually the third Friday of the month (i.e., the "Roll Date"), which matches the expiration date of the SPX Puts. All SPX Puts are standardized options traded on the Chicago Board Options Exchange ("CBOE").[5]

At each Roll Date, any settlement loss from the expiring SPX Puts is financed by the Treasury bill account and a new batch of at-the-money SPX Puts is sold. The revenue from their sale is added to the Treasury bill account. On each Roll Date in March, June, September and December ("March quarterly cycle months"), the proceeds from the sales of the SPX Puts are invested in three-month Treasury bills. On each Roll Date in a March quarterly cycle month, the three-month Treasury bills purchased in the prior March quarterly cycle month, and any one-month Treasury bills purchased in the prior month are deemed to mature, and the proceeds are invested in new three-month Treasury bills at the three-month Treasury bill rate. In other months, the revenue from the sale of SPX Puts is invested separately at the one-month Treasury bill rate, and where applicable, any one-month Treasury bills purchased in the prior month is deemed to mature and invested in new one-month Treasury bills at the one-month Treasury bill rate. As stated above, all investment used to determine Index values are hypothetical.

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[5] S&P 500 Index options traded on CBOE are highly liquid, with an average daily trading volume in 2014 of 888,089 contracts. See CBOE.com. The average daily trading volume of at-the-money 30-day SPX Puts as of approximately 12:00 noon on each of three recent Roll Dates were as follows: For Roll Date of April 17, 2015 (expiry May 15, 2015), strike price of 2080, 4,069 contracts on Roll Date; 2,273 average contracts per day through expiration; Roll Date May 15, 2015 (expiry June 19, 2015), strike price of 2120, 9,521 contracts on Roll Date; 2,427 average contracts per day through expiration; and Roll Date of June 19, 2015 (expiry July 17, 2015), strike price of 2110, 126 contracts on Roll Date; 859 average contracts per day through expiration. Source: Bloomberg. Moreover, the proceeds of the sales of the SPX Puts will be invested in one and three-month Treasury bills, which are also highly liquid instruments.

The trading volume of the at-the-money SPX Puts as of approximately 12:00 noon on Roll Dates compares favorably with at-the-money (as of approximately 12:00 noon) put options on other major indexes on Roll Dates. For example, the trading volume of comparable 30-day put options trading at-the-money as of 12:00 noon on each of the Roll Dates above on the Russell 2000 Index ("RUT") were as follows: For Roll Date of April 17, 2015 (expiry May 15, 2015), strike price of 1250, 1,137 contracts on Roll Date, 554 average contracts per day through expiration; Roll Date of May 15, 2015 (expiry June 19, 2015), strike price of 1240, 356 contracts on Roll Date, 624 average contracts per day through expiration; and Roll date of June 19, 2015 (expiry July 17, 2015), strike price of 1280, 2,240 contracts on Roll Date, 670 average contracts per day through expiration.

The daily high, low and last reported sales prices on each of the Roll Dates for SPX Puts at-the-money as of approximately 12:00 noon are as follows: Roll Date of April 17, 2015 (expiry May 15, 2015), strike price of 2080, daily high: \$34.65, low: \$23.45, last: \$28.70; Roll Date May 15, 2015 (expiry June 19, 2015), strike price of 1250, daily high: \$32.70, low: \$29.00, last: \$29.00; and Roll Date of June 19, 2015 (expiry July 17, 2015), strike price of 2110, daily high: \$30.40, low: \$24.20, last: \$30.40.

The number of SPX Puts sold is chosen to ensure "Full Collateralization."[6] The strike price of the new SPX Puts that are written is the strike price of listed SPX Puts that is closest to but not greater than the last value of the S&P 500 Index reported before 11:00 a.m. Eastern time ("ET"). For example, if the last S&P 500 Index value reported before 11:00 a.m. ET is 1233.10 and the closest listed SPX Put strike price below 1233.10 is 1230 then 1230 strike SPX Puts are written.

The SPX Puts are deemed to be written at a price equal to the volume-weighted average price ("VWAP") of SPX Puts with that strike price during the half-hour period beginning at 11:30 a.m. ET. If no transactions occur at the new SPX Put strike price between 11:30 a.m. and 12:00 p.m. ET, then the new SPX Puts will be deemed written at the last bid price reported before 12:00 p.m. ET.

At expiration, the SPX Puts are settled against a Special Opening Quotation ("SOQ") of the S&P 500 Index. The SOQ is a special calculation of the S&P 500 Index that is compiled from the opening prices of component stocks underlying the S&P 500 Index. The SOQ calculation is performed when all 500 stocks underlying the S&P 500 Index have opened for trading, and is usually determined before 11:00 a.m. ET. The final settlement price of the expiring SPX Puts is equal to the difference between their strike price and the SOQ, not to exceed zero.

The CBOE calculates the Index value in real-time every 15 seconds during each trading day excluding Roll Days. On any given date, the Index represents the mark-to-market value of the base date $100 invested in the Put Strategy.[7]

Under normal circumstances,[8] the Fund will invest not less than 80% of its assets in SPX Puts and one and three-month U.S. Treasury bills.[9] The Fund's investment strategy will be designed to write a

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[6] Full Collateralization means that at the expiration of the SPX Puts, the total value of the Treasury bill investments must be equal to the maximum possible loss from final settlement of the SPX Puts or the product of the number of SPX Puts written and the at-the-money strike price.

[7] The base date for the Index is June 1, 1988 ("Base Date"), when the value of the Index was 100. The daily historical value for the Index recently was extended back to June 30, 1986, on which date the Index value was 89.91. Daily historical value of the Index is available at www.CBOE.com/PUT and from Bloomberg and other price quote vendors.

[8] 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. In response to adverse market, economic, political, or other conditions the Fund reserves the right to invest in U.S. government securities, other money market instruments (as defined below), and cash, without limitation, as determined by the Adviser or Sub-Adviser. In the event the Fund engages in these temporary defensive strategies that are inconsistent with its investment strategies, the Fund's ability to achieve its investment objectives may be limited.

[9] The Fund may invest its remaining assets in short-term, high quality securities issued or guaranteed by the U.S. government (in addition to U.S. Treasury securities) and non-U.S. governments, and each of their agencies and instrumentalities; U.S. government sponsored enterprises; repurchase agreements backed by U.S. government and non-U.S. government securities; money market mutual funds; and deposit and other obligations of U.S. and non-U.S. banks and financial institutions ("money

sequence of one-month, at-the-money, SPX Puts and invest cash at one and three-month Treasury bill rates. The number of SPX Puts written will vary from month to month, but will be limited to permit the amount held in the Fund's investment in Treasury bills to finance the maximum possible loss from final settlement of the SPX Puts.

Availability of Information

On each Business Day,[10] before commencement of trading in Shares in the Core Trading Session on NYSEArca, the Fund will disclose on its 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 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; market value of the holding; and the percentage weighting of the holding in the Fund's portfolio. The website and information will be publicly available at no charge.

Sales of Fund Shares

Foreside Fund Services, LLC, a registered broker-dealer and a member of the Financial Industry Regulatory Authority ("FINRA") will serve as the distributor for the Fund ("Distributor").[11] State Street

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market instruments") and derivative instruments or other investments, as described below. The Fund may invest up to 20% of its net assets (in the aggregate) in one or more of the following investments not included in the Index, but which the Adviser or Sub-Adviser believes will help the Fund to track the Index. For example, there may be instances in which the Adviser or Sub-Adviser may choose to purchase or sell financial instruments not in the Index which the Adviser or Sub-Adviser believes are appropriate to substitute for one or more Index components in seeking to replicate, before fees and expenses, the performance of the Index. To effect this investment strategy, the Fund may invest in S&P 500 ETF put options, total return swaps on the Index, S&P 500 Index futures (including E-mini S&P 500 Futures), or options on S&P 500 Index futures, whose collective performance is intended to correspond to the Index. The Fund, may invest up to 10% of its assets in over-the-counter S&P 500 Index put options. The foregoing investments shall include buying the applicable derivative instrument or selling the applicable derivative instrument (i.e., writing the applicable put option) and investing the proceeds.

The Fund may invest up to 20% of its assets in other exchange traded products, such as other ETFs, as well as in non-exchange-traded registered open-end investment companies (i.e., mutual funds).

The Fund may invest in securities (other than U.S. Treasury securities, described above) that have variable or floating interest rates which are readjusted on set dates (such as the last day of the month or calendar quarter) in the case of variable rates or whenever a specified interest rate change occurs in the case of a floating rate instrument. Variable or floating interest rates generally reduce changes in the market price of securities from their original purchase price because, upon readjustment, such rates approximate market rates. Accordingly, as interest rates decrease or increase, the potential for capital appreciation or depreciation is less for variable or floating rate securities than for fixed rate obligations.

[10] A "Business Day" with respect to the Fund is any day on which NYSEArca is open for business.

[11] The Commission has issued an order granting certain exemptive relief to the Trust under the Investment Company Act of 1940 (15 U.S.C. 80a-1) ("1940 Act"). See Investment Company Act Release No. 28171 (October 27, 2008) (File No. 812-13458) ("Exemptive Order"). Investments made by the Fund will comply with the conditions in the Exemptive Order.

Bank and Trust Company will be the administrator ("Administrator"), custodian ("Custodian") and transfer agent ("Transfer Agent") for the Fund. According to the Registration Statement, the Fund will issue and redeem Shares on a continuous basis at net asset value ("NAV"), only in large blocks of Shares (Creation Units), in transactions with Authorized Participants (defined below).

In order to defray the transaction expenses, including brokerage costs, which will be incurred by the Fund when investors purchase or redeem Creation Units, the Fund will impose purchase or redemption transaction fees ("Transaction Fees") to be borne only by such purchasers or redeemers. The Transaction Fee is designed to cover the custodial and other costs incurred by the Fund in effecting trades. The Fund's Transaction Fees will be fully disclosed in the Fund's prospectus ("Prospectus") and the method of calculating these Transaction Fees will be fully disclosed in the statement of additional information ("SAI") of the Fund. Transaction fees will be limited to amounts that have been determined by WisdomTree Asset Management, Inc. (the "Adviser") to be appropriate. In all cases, Transaction Fees will be limited in accordance with requirements of the Commission applicable to management investment companies offering redeemable securities.

The consideration for purchase of a Creation Unit of the Fund generally will consist of either (i) the in-kind deposit of a designated portfolio of securities (the "Deposit Securities") per Creation Unit and the "Cash Component" (defined below), computed as described below or (ii) the cash value of the Deposit Securities ("Deposit Cash") and the "Cash Component," computed as described below. Because non-exchange traded derivatives and certain listed derivatives are not currently eligible for in-kind transfer, they will be substituted with an amount of cash of equal value (i.e., Deposit Cash) when the Fund processes purchases of Creation Units in-kind. Specifically, the Fund will not accept exchange-traded or over-the-counter options, exchange traded futures (or options on futures), and total return swaps as Deposit Securities.

Fund creations may be either physical or for cash, at the Fund's discretion. When accepting purchases of Creation Units for cash, the Fund may incur additional costs associated with the acquisition of Deposit Securities that would otherwise be provided by an in-kind purchase. Together, the Deposit Securities or Deposit Cash, as applicable, and the Cash Component constitute the "Fund Deposit," which represents the minimum initial and subsequent investment amount for a Creation Unit of the Fund. The Cash Component is an amount equal to the difference between the NAV of the Shares (per Creation Unit) and the market value of the Deposit Securities or Deposit Cash, as applicable. The Cash Component serves the function of compensating for any difference between the NAV per Creation Unit and the market value of the Deposit Securities or Deposit Cash, as applicable.

When Fund creations include physical delivery of securities, a portfolio composition file, to be sent via the National Securities Clearing Corporation ("NSCC"), will be made available on each Business Day, prior to the opening of business on the Exchange (currently 9:30 a.m. ET) containing a list of the names and the required amount of each security in the Deposit Securities to be included in the current Fund Deposit for the Fund (based on information about the Fund's portfolio at the end of the previous Business Day). In addition, on each Business Day, the estimated Cash Component, effective through and including the previous Business Day, will be made available through NSCC.

The Fund Deposit will be applicable for purchases of Creation Units of the Fund until such time as the next-announced Fund Deposit is made available. In addition, the composition of the Deposit Securities may change as, among other things, corporate actions and investment decisions by the Adviser are implemented for the Fund's portfolio.

All purchase orders must be placed by an "Authorized Participant." An Authorized Participant must be either a broker-dealer or other participant in the Continuous Net Settlement System ("Clearing Process") of the NSCC or a participant in The Depository Trust Company ("DTC") with access to the DTC system, and must execute an agreement with the Distributor that governs transactions in the Fund's Creation Units. In-kind portions of purchase orders will be processed though the Clearing Process when it is available.

For an order involving a Creation Unit to be effectuated at the Fund's NAV on a particular day, it must be received by the Distributor by or before the deadline for such order ("Order Cut-Off Time"). The Order Cut-Off Time for creation and redemption orders for the Fund will be 4:00 p.m. ET. Order for creations or redemptions of Creation Units for cash generally must be submitted by 4:00 p.m. ET. A standard creation or redemption transaction fee (as applicable) will be imposed to offset transfer and other transaction costs that may be incurred by the Fund. Creation Units may be purchased through orders placed by the Distributor through an "Authorized Participant" which is either (1) a "Participating Party," i.e., a broker-dealer or other participant in the Shares Clearing Process through the Continuous Net Settlement System of the NSCC, a clearing agency that is registered with the Commission, or (2) a DTC Participant, which in either case has executed an agreement with the Trust, the Distributor and the Transfer Agent, with respect to creations and redemptions of Creation Units ("Participant Agreement").

The Distributor may reject any order to purchase Shares that is not submitted in proper form. In addition, the Fund may reject a purchase transmitted to it by the Distributor if (1) the purchaser or group of purchasers, upon obtaining the Shares ordered, would own 80% or more of the outstanding Shares of the Fund; (2) the required Deposit Cash is not delivered; (3) the acceptance of the Deposit Cash would have certain adverse tax consequences, such as causing the Fund to no longer meet the requirements of a RIC under the Code; (4) the acceptance of the Deposit Cash would, in the opinion of the Trust, be unlawful, as in the case of a purchaser who was banned from trading in securities; (5) the acceptance of the Deposit Cash would otherwise, in the opinion of the Trust or the Distributor, have an adverse effect on the Trust or the rights of the beneficial owners; or (6) there exist circumstances outside the control of the Fund that make it impossible to process purchases of Shares for all practical purposes. Examples of such circumstances include: acts of God or public service or utility problems such as fires, floods, extreme weather conditions and power outages resulting in telephone, telecopy and computer failure, market conditions or activities causing trading halts; systems failures involving computer or other information systems affecting the Fund, the Adviser, the Distributor, the Custodian, NSCC or any other participant in the purchase process, and similar extraordinary events.

Distributor

The Distributor will not distribute Shares in less than Creation Units, and it will not maintain a secondary market in the Shares. The Distributor may enter into selected dealer agreements with other broker-dealers or other qualified financial institutions for the sale of Creation Units of Shares ("Soliciting Dealers"). Such Soliciting Dealers may also be participants in DTC.

Redemption of Shares

Beneficial owners of Shares must accumulate enough Shares to constitute a Creation Unit in order to redeem through the fund. Creation Units will be continuously redeemable at the NAV next determined after receipt of a request for redemption by the Fund. Redemption proceeds for a Creation Unit will be paid either in-kind or in cash or a combination thereof, as determined by the Trust. The NAV of the Fund's shares generally will be calculated once daily Monday through Friday as of the close of regular trading on the New York Stock Exchange, generally 4 p.m. ET. The NAV per share will be calculated by dividing the Fund's net assets by the number of Fund Shares outstanding. The Trust will redeem Shares of the Fund on any Business Day. Consistent with the provisions of Section 22(e) of the 1940 Act and Rule 22e-2 under the 1940 Act, the right to redeem will not be suspended, nor payment upon redemption delayed, except as provided by Section 22(e) of the 1940 Act. Redemption requests must be received by 4:00 p.m. ET to be redeemed that day. A redeeming investor will pay a Transaction Fee calculated in the same manner as a Transaction Fee payable in connection with the purchase of a Creation Unit.

Settlement and Clearing

The Deposit Cash will settle via free delivery through the Federal Reserve System. The Shares will settle through DTC. The Custodian will instruct the movement of the Shares only upon validation that the Deposit Cash has settled correctly.

DTC or its nominee will be the record or registered owner of all outstanding Shares. Beneficial ownership of Shares will be shown on the records of DTC or DTC participants. Shares will be registered in book-entry form only, which records will be kept by DTC.

Shares of the Fund will clear and settle through DTC and cash will clear and settle through the Federal Reserve System. The Fund will issue Creation Units of Shares and the Custodian will deliver the Shares to the Authorized Participants through DTC. DTC will then credit the Authorized Participant's DTC account. The clearance and settlement of redemption transactions essentially reverses the process described above. After the Fund has received a redemption request in proper form and the Authorized Participant transfers Creation Units to the Custodian through DTC, the Fund will cause the Custodian to initiate procedures to transfer the requisite amount of cash (the "Redemption Cash"). On T+3, assuming the Custodian has verified receipt of the Creation Units; the Custodian will transfer the Redemption Cash through the Federal Reserve System.

Shares of the Fund will be debited or credited by the Custodian directly to the DTC Accounts of the Authorized Participants.

The Depository Trust Company

DTC serves as securities depository for the Shares. (The Shares may be held only in book-entry form; stock certificates will not be issued.) DTC, or its nominee, is the record or registered owner of all outstanding Shares. Beneficial ownership of Shares will be shown on the records of DTC or its participants (i.e., securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations), some of whom (and/or their representatives) own DTC. Beneficial owners of Shares are not entitled to have Shares registered in their names, and will not receive or be entitled to receive physical delivery of certificates.

Accordingly, to exercise any rights of a holder of Shares, each beneficial owner must rely on the procedures of (i) DTC; (ii) DTC Participants; and (iii) brokers, dealers, banks and trust companies that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly, through which such beneficial owner holds its interests.

Calculation of Intra Day NAV

The NSCC's system for the receipt and dissemination to its participants of the portfolio composition file ("PCF") was designed for portfolios consisting entirely of equity securities (or debt securities) and cash and money market instruments. As a result, it is not currently capable of processing information with respect to the option positions expected to be sold by the Fund, although Applicants expect that it may become so in the future. Therefore, Mellon Capital Management (the "Sub-Adviser") has developed what it calls an "IIV File," which it will use to disclose the option positions sold by the Fund until such time (or perhaps longer, if the Trust deems it advisable) as the NSCC's PCF system can process such information regarding such instruments. The Trust, or the Adviser, Sub-Adviser or CBOE (i.e., the index provider) on the Trust's behalf, will post the IIV File to a website before the opening of business on each Business Day, and the public (including all Authorized Participants) will have access to the website containing the IIV File.[12] The IIV File will contain information sufficient by itself or in connection with the PCF for market participants to calculate the Fund's IIV and effectively arbitrage the Fund. The Fund currently expects that the following information would be provided in the IIV File: (A) the CUSIP number and exchange ticker symbol for each option sold by the Fund; (B) the close or most recent price for each such option; (C) the number of listed written option contracts sold by the Fund; (D) the Fund's total assets and the total shares outstanding; and (E) a "net other assets" figure reflecting expenses and income of the Fund to be accrued during and through the following Business Day and accumulated gains or losses on the Fund's written option positions through the end of the Business Day immediately preceding the publication of the IIV File.

The information in the IIV File will be sufficient for participants in the NSCC system to calculate the IIV for the Fund during such next Business Day. The IIV File will also be the basis for the next Business Day's NAV calculation. Under normal circumstances, there will be no Deposit List or

[12] Authorized Participants that are not also NSCC members may have to either join NSCC or pay a third-party data vendor to obtain PCF information made available through the facilities of NSCC. Applicants understand that NYSEArca receives PCF files from NSCC and expect other Exchanges would as well.

Redemption List for the Fund, which will be created and redeemed entirely for cash. The IIV File published before the open of business on a Business Day will, however, permit NSCC participants to calculate (by means of calculating the IIV) the amount of cash required to create a Creation Unit, and the amount of cash that will be paid upon redemption of a Creation Unit, for the Fund for that Business Day.

The Exchange (or another market information provider) will disseminate the IIV (represented as a per share value) every 15 seconds throughout the trading day for the Fund through the facilities of the Consolidated Tape Association.[13] The IIV for the Fund at the beginning of each Business Day will be the NAV calculated as of the close of the previous Business Day, and will adjust throughout the day to account for marked-to-market gains or losses in the Fund's written option positions (utilizing the information also contained in the IIV File set forth above). In addition, the Exchange (or another market information provider) will disseminate the intra-day value of the Index every 15 seconds throughout the trading day for the Fund through the facilities of the Consolidated Tape Association.

The Trading Market; Arbitrage Opportunities

The Shares will be listed and traded on NYSEArca. Shares will be freely tradable on NYSEArca throughout the trading session. The price of Shares trading on NYSEArca will be based on a current bid/offer market. The trading market on NYSEArca affords investors the opportunity to assume and liquidate positions in Shares at their discretion, permitting them to take advantage of prices at any time during the trading day. This combination of intra-day liquidity with the Creation Unit purchase and redemption features creates potential arbitrage opportunities that, in turn, should mitigate pricing inefficiencies. Historically, this process has been proven to establish efficient pricing with other ETFs.

The Trust believes that the Fund will provide arbitrage opportunities that will enable market participants to mitigate pricing inefficiencies in a manner comparable to other ETFs. In order to properly hedge a position held in the Fund, market participants will need to know each option contract sold by the Fund and buy or sell those options[14] (depending on whether the investor is holding a long or short position in the Fund). As set forth above under "Calculation of Intra Day NAV," the IIV File to be disseminated to market participants will include, among other items, the applicable information regarding: (i) the identities and amounts of each listed option contract sold by the Fund; and (ii) the value of each of the Fund's listed written option positions. This information will enable market participants to hedge their positions in the Fund and mitigate pricing inefficiencies.[15]

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[13] The Exchange or other market information provider will disseminate every 15 seconds throughout the trading day through the facilities of the Consolidated Tape Association an amount representing on a per-share basis, the current value of the cash to be deposited for the purchase of Creation Units.

[14] An investor could also hedge its position in the Fund by utilizing swaps, options or other derivative positions in respect of the equivalent shares of the underlying stocks.

[15] The Trust expects that market participants engaging in arbitrage transactions will typically (as is the case with other ETFs) also calculate the information in items (i-ii) (as well as other information provided in the IIV File) on their own and compare them to the information provided in the IIV File, thus providing a further layer of transparency to the information provided in the IIV File and helping to facilitate hedging and mitigate pricing inefficiencies.

Because each option included in the Index and sold by the Fund is publicly listed and traded, the Trust believes that the information available to the marketplace will provide arbitrage opportunities between the then-current market prices of the Shares relative to the listed components which make up the values of the option positions included in the Index and sold by the Fund. The Trust further believes that these opportunities would be reflected in the information disseminated every 15 seconds during the trading day, and that market participants will be able to act on such arbitrage opportunities by buying or selling the Shares versus buying or selling the listed components which make up the values of the option positions included in the Index and sold by the Fund. The Trust believes these arbitrage opportunities will also achieve the effect of reducing premiums or discounts between the market price and NAV of the Shares.

The high degree of historical and expected correlation of NAV and share prices contrasts with the case of shares of closed-end equity funds which, not having the ability to create and redeem at the fund level, typically trade at a material discount (and occasionally at a premium) to their underlying net asset values. For the reasons set forth above, the Trust does not believe that the trading of the Fund's Shares will affect the spread between the NAV and market price of the Shares to any greater extent than is the case for typical ETFs.

We believe that the Fund will not present any new issues with respect to the exemptions which allow for current index-based ETFs to redeem their shares only in Creation Units. On each Business Day before commencement of trading in shares on the Exchange, the Fund will disclose on its website the identities and quantities of its portfolio holdings, including the nature of its option positions ("Portfolio Securities"), and other assets held by the Fund that will form the basis for the Fund's calculation of NAV at the end of the Business Day. Under accounting procedures followed by the Fund, trades made on the prior Business Day ("T") will be booked and reflected in NAV on the current Business Day ("T+1"). Accordingly, the Fund will be able to disclose at the beginning of the Business Day the Portfolio Securities and other assets that will form the basis for the NAV calculation at the end of the Business Day. Since market participants will be aware at all times of the Fund's Portfolio Securities and other assets held by the Fund that will form the basis for the Fund's NAV calculation, the risk of significant deviation between NAV and market price is similar to that which exists in the case of other index-based ETFs.

The Trust represents that the Fund's arbitrage mechanism will be facilitated by the transparency of the Fund's portfolio, the liquidity of securities and other assets held by the Fund, the availability of the IIV, the ability to access the options sold by the Fund, as well as arbitrageurs' ability to create workable hedges. As discussed above, there will be disclosure on each Business Day of the option contracts sold by the Fund and the IIV will be disseminated every 15 seconds throughout the trading session each Business Day. For the reasons described above, the options sold by the Fund will facilitate an effective and efficient arbitrage mechanism and the ability to create workable hedges. Moreover, the Fund will invest solely in liquid securities. For these reasons, we expect arbitrageurs to be able to take advantage of price variations between the Fund's market price and NAV. Thus, the Trust expects a close alignment between the market price of Fund shares and the NAV of the Fund.

Rule 101 of Regulation M

Subject to certain enumerated exceptions, Rule 101 of Regulation M prohibits a "distribution participant," in connection with a distribution of securities, from bidding for or purchasing or from attempting to induce any person to bid for or purchase, a "covered security" during the applicable restricted period. "Distribution participant" is defined in Rule 100(b) to include an underwriter or prospective underwriter in a particular distribution of securities, or any broker, dealer or other person who has agreed to participate or is participating in such distribution. We note that Rule 100(b) of Regulation M defines "distribution" for purposes of such Rule as an offering of securities, whether or not subject to registration under the Securities Act of 1933, as amended, that is distinguished from ordinary trading transactions by the magnitude of the offering and the presence of special selling efforts and selling methods.

We understand that while broker-dealers that tender Deposit Cash to the Trust through the Distributor in return for Creation Unit(s) of Shares generally will not be part of a syndicate or selling group, and no broker-dealer will receive fees, commissions or other remuneration from the Trust or the Distributor for the sale of Creation Units, under certain circumstances they could be deemed to be an "underwriter" or "distribution participant" as those terms are defined in Rule 100(b).

The Trust respectfully requests that the Commission or Staff grant exemptive, interpretive or no-action relief from Rule 101, as discussed below, to permit persons participating in a distribution of Shares to bid for or purchase, or engage in other secondary market transactions in, such Shares during their participation in such distribution.

Paragraph (c)(4) of Rule 101 exempts from its application, inter alia, redeemable securities issued by an open-end management investment company (as such terms are used in the 1940 Act). The Trust is registered as an open-end management investment company under the 1940 Act. However, the individual Shares are not redeemable except in Creation Unit size aggregations. Due to the redeemability of the Shares in Creation Unit size aggregations, there should be little disparity between the Shares' market price and their NAV per Share. Accordingly, the rationale for exempting redeemable securities of open-end management investment companies from the application of Rule 101 is equally applicable to the Shares. Although redemption is subject to the minimum condition of tendering a Creation Unit, the Trust is intended to function like any other open-end fund continuously offering its shares. It is in recognition of the special nature of such offerings that open-end management investment company and unit investment company securities are exempted under paragraph (c)(4). Without such an exemption, they could not operate as intended. In view of the foregoing, the Trust requests that the Staff confirm that as a result of registration of the Trust as an open-end management investment company and the redeemable nature of the Shares in Creation Unit size aggregations, transactions in the Shares would be exempted from Rule 101 on the basis of the exception contained in paragraph (c)(4) of such Rule.

The purpose of Rule 101 is to prevent persons from conditioning the market to facilitate a distribution. Creation Unit size aggregations of Shares may be created, and Shares in Creation Unit size aggregations may be redeemed for cash at NAV, on any Business Day. Holders of Shares also have the benefit of intra-day secondary market liquidity by virtue of the Exchange listing. Thus, the secondary market price of Shares should not vary substantially from the NAV of Shares of the Fund. Because of the redeemability of Shares in Creation Unit size aggregations, coupled with the open-ended nature of the Fund, any significant disparity between the market price of the Shares and NAV should be eliminated by arbitrage activity. Because their NAV is largely determined based on the market value of the Portfolio Securities, neither the creation nor redemption of Shares, nor purchases or sales of Shares in the secondary market, will impact the NAV, and such transactions should not have a significant impact on the market value of Shares.[16]

In view of the lack of any special financial incentive to create Creation Units, combined with a predictable lack of any meaningful potential for the issuance and the secondary market trading of the Shares to affect significantly Share pricing, application of Rule 101 to a broker- dealer or other person who may be participating in a distribution or broker-dealers or other persons in their creation and redemption activities, in their day-to-day ordinary business of buying and selling securities and the Shares, may undermine the potential beneficial market effect of Share trading.

Rule 102 of Regulation M

The Trust also requests that the Commission or Staff confirm that as a result of registration of the Trust as an open-end management investment company and the redeemable nature of the Shares in Creation Unit size aggregations that, for the reasons previously stated under our request with respect to the exemption under Rule 101(c)(4), transactions in the Shares would be exempted from Rule 102 on the basis of the exception contained in paragraph (d)(4) of such Rule.

Alternatively, the Trust respectfully requests that the Commission grant an exemption under paragraph (e) of Rule 102 to such effect. Application of Rule 102 in this context would not further the anti-manipulative purposes underlying the Rule.

The purpose of Rule 102 is to prevent persons from manipulating the price of a security during a distribution and to protect the integrity of the offering process by prohibiting activities that could artificially influence the market for that particular security. For the reasons described in connection with the requested Rule 101 relief, redemption transactions and secondary market transactions in the Shares are not viable means to manipulate the price of a security in the Fund's portfolio during a distribution of such security. The Trust will redeem the Creation Unit size aggregations of Shares at the NAV of the Shares. Although the Shares will be traded on the secondary market, the Shares may only be redeemed in Creation Unit size aggregations. Thus, The Trust believes that the redemption by the Trust of the Shares at NAV for cash does not involve the abuses that Rule 102 was intended to prevent.

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16 As discussed in the Notice, "sufficient protections are in place to protect against market manipulation of the Fund's Shares and SPX Puts for several reasons, (i) surveillances administered by the NYSEArca, CBOE and FINRA designed to detect against violations of the federal securities laws and self-regulatory organization ("SRO") rules; (ii) the large number of financial instruments tied to the specified securities; and (iii) the [ETF] creation/redemption arbitrage mechanism tied to the large pool of liquidity of the each of the Fund's underlying investments…". See Notice at p. 79373. See, also ADTV of SPX Puts on Roll Date, footnote 5, supra.

Rule 10b-17

Rule 10b-17 requires an issuer of a class of publicly traded securities to give notice of certain specified actions (e.g., dividends, stock splits, rights offerings) relating to such class of securities in accordance with Rule 10b-17(b). Paragraph (c) of the Rule, however, states that the Rule shall not apply to redeemable securities issued by open-end investment companies and unit investment trusts registered under the 1940 Act. Except for the fact that redemption is subject to the minimum condition of tendering 50,000 Shares, the Trust is intended to function like any other open-end fund continuously offering its shares. In addition, compliance with Rule 10b-17 would be impractical in light of the nature of the Fund. This is because it is not possible for the Trust to accurately project ten days in advance what dividend, if any, would be paid on a particular record date. It is in recognition of the foregoing, that the Division of Investment Management issued an order permitting the Trust to issue shares with limited redeemability while still treating the Trust like any other investment company.[17]

In addition, compliance with Rule 10b-17(b)(l)(v)(a-b) would be impractical in light of the nature of the Fund. This is because it is not possible for the Fund to accurately project ten days in advance what dividend, if any, would be paid on a particular record date. Because of this inability to project the amount of any dividend ten days in advance of a record date, applying the timing requirements of 10b-17(b)(l)(v)(a-b) to the Fund would increase the chances that the Fund would mis-estimate the amount of any such dividend.[18]

The Fund represents that it will comply with the other requirements of Rule 10b-17. The Fund further represents that, as soon as practicable following the end of trading on the Exchange on the day prior to the ex-date (but not later than the last time at which the Exchange accepts such information on such date) with respect to any distribution made by the Fund, the Fund will provide notice to the Exchange containing the information required in Rule 10b-17(b)(l)(v)(a-b).

In the proposing release for Rule 10b-17 (the "Proposing Release"),[19] the Commission stated:

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[17] See Exemptive Order, footnote 11, supra.

[18] As an investment company, the Fund is required by the Code to distribute at least 98% of its ordinary income and capital gains during the calendar year. If the Fund declares too small a dividend, it will be charged an excise tax. If it declares too large a dividend, the excess could be considered a return of capital to investors. To avoid an over- or under-distribution of ordinary income, registered investment companies, including the Fund, must estimate: (i) the amount of ordinary income to be earned during the period from the date the dividend is declared to December 31; and (ii) the number of shares that will be outstanding as of the record date. Requiring the Fund to declare the amount of a dividend ten days in advance of the record date would increase the period for estimating ordinary income and the number of outstanding shares, and thus increase the risk of an over- or under-distribution. Requiring the Fund to declare the amount of a dividend ten days in advance of the record date also would increase the chance that the Fund would over- or under-distribute capital gains. Further, unlike ordinary income, the Fund does not have the problem of estimating the aggregate amount of capital gains it will earn between declaration date and year-end, but as noted above, requiring the Fund to declare the amount of a dividend ten days in advance of the record date would increase the chance that the Fund would mis-estimate the number of outstanding shares. This, in turn would increase the chance that the Fund would mis-estimate the per share amount of capital gains it must distribute.

[19] Exchange Act Release No. 9076 (February 17, 1971).

> It has been the experience of the Commission and the securities industry that the failure of a publicly held company to provide a timely announcement of the record date with respect to these types of rights has had a misleading and deceptive effect on both the broker-dealer community and the investing public. As a direct result of such failure, purchasers and their brokers may have entered into and settled securities transactions without knowledge of the accrual of such rights and were thus unable to take necessary steps to protect their interests. Further, sellers who have received the benefits of such rights as recordholders on the specified record date after having disposed of their securities, have also disposed of the cash or stock dividends or other rights received as such recordholders without knowledge of possible claims of purchasers of the underlying security to those rights....In many instances, innocent buyers and sellers have suffered losses. In addition, some issuers have made belated declarations of stock splits or dividends with the apparent knowledge that this action would have a manipulative effect on the market for their securities.

We respectfully submit that none of these concerns raised by the Commission in the Proposing Release[20] will be implicated if the requested relief is granted. As set forth above, the Fund will comply with the requirements of Rule 10b-17 except for the timing requirements for notification of the actual amounts of the distributions under Rule 10b-17(b)(l)(v)(a-b). Accordingly, market participants will receive timely notification of the existence and timing of a pending distribution, and will be able to plan their transactions in Fund shares accordingly. As a result, there should be no confusion or opportunity for manipulation regarding parties' rights to receive distributions, which concerns inspired the Commission to propose and adopt Rule 10b-17. Therefore, the requested relief concerning the timing requirements of Rule 10b-17(b)(1)(v)(a-b) is consistent with the purposes underlying the adoption of Rule 10b-17 as outlined in the Proposing Release and Adopting Release. The exemption under paragraph (c) of Rule 10b-17, which covers open-end investment companies with fully redeemable shares, thus should be applicable to the Fund with respect to the timing requirements of Rule 10b-17(b)(I)(v)(a-b).[21]

Conclusion

Based on the foregoing, we respectfully request that the Commission or the Staff grant the relief requested herein. The form of relief requested is similar to those actions that the Commission and the

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[20] The foregoing concerns were largely reiterated by the Commission in the release adopting Rule l0b-17. See Exchange Act Release No. 9192 (June 7, 1971) (the "Adopting Release").

[21] The relief being requested is analytically consistent with the Division of Market Regulation Staff Legal Bulletin No. 9, as revised on September 10, 2010, which stated that, subject to certain conditions, actively managed exchange traded funds ("Active ETFs") could rely on the exceptions in Rules 101(c)(4) and l02(d)(4) of Regulation M under the Exchange Act which are only available to open-end investment companies, notwithstanding the fact that shares of Active ETFs are redeemable only in Creation Units.

Staff have taken in similar circumstances. Should you have any questions please call me at (202) 778-6422.

Sincerely,

Jack P. Drogin

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