SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-65161; File No. SR-NYSEArca-2011-53)

August 18, 2011

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing of Proposed Rule Change by NYSE Arca, Inc. to Reflect a Change to the Benchmark Index Applicable to the Russell Equity ETF

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act")[1] and Rule 19b-4 thereunder,[2] notice is hereby given that, on August 3, 2011, NYSE Arca, Inc. (the "Exchange" or "NYSE Arca") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to reflect a change to the benchmark index applicable to Russell Equity ETF (the "Fund," and formerly known as the "One Fund"). Russell Equity ETF is currently listed and traded on the Exchange under NYSE Arca Equities Rule 8.600. The text of the proposed rule change is available at the Exchange, the Commission's Public Reference Room, and www.nyse.com.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of those statements may be examined at the places

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

2 17 CFR 240.19b-4.

specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Commission has approved listing and trading on the Exchange of shares ("Shares") of One Fund, a series of U.S. One Trust,[3] under NYSE Arca Equities Rule 8.600 ("Managed Fund Shares").[4] As of February 23, 2011, Frank Russell Company ("Russell") acquired U.S. One, Inc., the previous investment adviser for the Fund. As a result, the Fund's investment adviser became Russell Investment Management Company ("Adviser").[5] In addition, effective on April 15, 2011, the name of One Fund was changed to Russell Equity ETF and the name of

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[3] See Securities Exchange Act Release No. 61843 (April 5, 2010), 75 FR 18558 (April 12, 2010) (SR-NYSEArca-2010-12) ("One Fund Order"). See also Securities Exchange Act Release No. 61689 (March 11, 2010), 75 FR 13181 (March 18, 2010) (SR-NYSEArca-2010-12) ("One Fund Notice," and together with the One Fund Order, collectively, the "One Fund Release").

[4] A Managed Fund Share is a security that represents an interest in an investment company registered under the Investment Company Act of 1940 (15 U.S.C. 80a) ("1940 Act") organized as an open-end investment company or similar entity that invests in a portfolio of securities selected by its investment adviser consistent with its investment objectives and policies. In contrast, an open-end investment company that issues Investment Company Units, listed and traded on the Exchange under NYSE Arca Equities Rule 5.2(j)(3), seeks to provide investment results that correspond generally to the price and yield performance of a specific foreign or domestic stock index, fixed income securities index or combination thereof.

[5] The Adviser is affiliated with multiple broker-dealers and has implemented a "fire wall" with respect to such broker-dealers regarding access to information concerning the composition and/or changes to the Fund's portfolio, and will continue to be in compliance with Commentary .06 to NYSE Arca Equities Rule 8.600. In the event (a) the Adviser or any sub-adviser becomes newly affiliated with a broker-dealer, or (b) any new adviser or sub-adviser becomes affiliated with a broker-dealer, it will implement a fire wall with respect to such broker-dealer regarding access to information concerning the composition and/or changes to the portfolio, and will be subject to procedures designed to prevent the use and dissemination of material non-public information regarding such portfolio.

U.S. One Trust was changed to Russell Exchange Traded Funds Trust ("Trust"). Further, on or about May 2, 2011, the custodian, transfer agent and administrator for the Fund changed from The Bank of New York to State Street Bank and Trust Company. These administrative changes were implemented as a result of the acquisition of U.S. One, Inc. by Russell. Shareholders of the Fund were notified of the changes to the Fund's name, the Trust's name, the Fund's investment adviser,[6] and the custodian, transfer agent and administrator in the updated Fund prospectus, dated April 29, 2011, included in the Fund's annual prospectus mailing to shareholders.[7]

In this proposed rule change, the Exchange proposes to reflect a change to the benchmark index applicable to the Fund. [8]

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

7 See the Trust's Post-Effective Amendment No. 5 to Form N-1A, dated April 29, 2011 (File Nos. 333-160877; 811-22320) ("Registration Statement"). In addition, the Commission has issued an order granting certain exemptive relief to the Trust under the1940 Act. See Investment Company Act Release No. 29164 (March 1, 2010) (File No. 812-13815 and 812-13658-01) ("Exemptive Order").

8 The Adviser represents that, for one year following implementation of the change to the benchmark Index, materials issued by the Fund relating to Fund performance, including materials posted on the Fund's website (www.russelletfs.com), will reference both the current benchmark and the new benchmark Index, in accordance with Item 27(b)(7) of Form N-1A under the 1940 Act. The Adviser represents that the benchmark Index

As a result of the acquisition of U.S. One, Inc. by Russell, the Fund seeks to change its underlying benchmark to the Russell Developed Large Cap Index ("Index") from the Fund's current benchmark, the S&P 500 Index.[9] The Index offers investors access to the large-cap segment of the developed equity universe representing approximately 75.4% of the global equity market. The Index includes the largest securities in the Russell Developed Index. As of May 31, 2010, the Index included 2,372 securities in 25 developed countries, with a market capitalization ranging from $238 billion to $1.3 billion; the weighted average market capitalization of Index components was $54.7 billion; and the largest three Index securities and associated Index weights were Exxon Mobil (1.58%); Apple Inc. (1.17%); and Chevron Corp. (0.79%). The current benchmark, the S&P 500 Index, includes 500 leading companies in leading industries of the U.S. economy, capturing 75% coverage of U.S. equities. It focuses on large capitalization securities and represents approximately 75% of the U.S. market capitalization. A committee determines the securities included based on a set of published guidelines. The Index includes the Russell 1000®, which represents 90% of U.S. market capitalization. It also includes an additional 1,372 securities which, as of May 31, 2010, were listed in other developed countries. The Adviser represents that the investment objective of the Fund has not changed, the Index more accurately represents the investment strategy of the Fund, and the change to the Fund's benchmark will not impact the investment objective or the principal investment strategies for the Fund.

The Adviser has represented that it believes the Index is an appropriate broad-based

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change will be referenced on Russell's website, and that the quarterly fact sheet for the Fund, available on the Fund's website, will reference the current benchmark and the new benchmark Index for one year.

9 The change to the Fund's benchmark Index will be effective upon filing with the Commission of an amendment to the Trust's Registration Statement.

benchmark index for the Fund and the Fund's investment objective. As represented in the One Fund Release, the Fund's investment objective is to seek long-term capital appreciation. [sic] by investing at least 80% of its total assets in exchange-traded funds ("Underlying ETFs") that track various securities indices comprised of large, mid and small capitalization companies in the United States, Europe and Asia, as well as other developed and emerging markets. As stated in the One Fund Release, the Adviser intends to hold Underlying ETFs that hold equity securities of large, mid and small capitalization companies in the United States, as well as other developed countries and developing countries, and that give the Fund exposure to most major developed and developing markets around the world.[10] Thus, whereas the S&P 500 Index mostly reflects U.S.-based companies, the Index includes a broader range of issuers from both the domestic and international markets, and such range is consistent with, and should better reflect, the Fund's investment objective.

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[10] The Adviser employs an asset allocation strategy focused on increasing shareholder return and reducing risk through exposure to a variety of domestic and foreign market segments. The Adviser's asset allocation strategy pre-determines a target mix of investment types for the Fund to achieve its investment objective and then implements the strategy by selecting securities that best represent each of the desired investment types. The strategy also calls for periodic review of the Fund's holdings as markets rise and fall to ensure that the portfolio adheres to the target mix and indicates purchases and sales necessary to return to the target mix. The Adviser selects Underlying ETFs based on their ability to accurately represent the underlying stock market to which the Adviser seeks exposure for the Fund, and seeks to construct a portfolio that will outperform its benchmark. Additionally, the Adviser seeks to maintain a low after-tax cost structure for the Fund and, therefore, also evaluates ETFs based on their underlying costs. The Adviser employs a buy and hold strategy, meaning that it buys and holds securities for a long period of time, with minimal portfolio turnover. The Fund, using a buy and hold strategy, seeks to achieve its investment objective through investment in Underlying ETFs that track certain securities indices. While the Fund intends to primarily invest in Underlying ETFs that hold equity securities, the Adviser may also invest in Underlying ETFs that may hold U.S. and foreign government debt and investment grade corporate bonds. According to the Registration Statement, the Fund does not invest in derivatives. See One Fund Release, note 4, supra.

Except for the changes noted above, all other representations made in the One Fund Release remain unchanged.[11] The Fund will continue to comply with all initial and continued listing requirements under NYSE Arca Equities Rule 8.600.

2. Statutory Basis

The basis under the Exchange Act for this proposed rule change is the requirement under Section 6(b)(5)[12] that an exchange have rules that are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to, and perfect the mechanism of a free and open market and, in general, to protect investors and the public interest.

The Exchange believes that the proposed rule change is designed to prevent fraudulent and manipulative acts and practices in that the Shares will be listed and traded on the Exchange pursuant to the initial and continued listing criteria in NYSE Arca Equities Rule 8.600. The Fund's benchmark Index will continue to be a broad-based index of large capitalization companies. The Index represents approximately 75.4% of the global equity market and includes the largest securities in the Russell Developed Index. As of May 31, 2010, the Index included 2,372 securities in 25 developed countries, with a market capitalization ranging from $238 billion to $1.3 billion; the weighted average market capitalization of Index components was $54.7 billion. The Fund's investment objective is to seek long-term capital appreciation by investing at least 80% of its total assets in Underlying ETFs that track various securities indices comprised of large, mid and small capitalization companies in the United States, Europe and Asia, as well as other developed and emerging markets. All Underlying ETFs are listed and traded on a national securities exchange. The Index includes a broader range of issuers from

11 See note 3, supra.

12 15 U.S.C. 78f(b)(5).

both the domestic and international markets compared to the S&P 500 Index, and such range is consistent with, and should better reflect, the Fund's investment objective. The Adviser represents that the investment objective of the Fund has not changed, the Index more accurately represents the investment strategy of the Fund, and the change to the Fund's benchmark will not impact the investment objective or the principal investment strategies for the Fund. Except for Underlying ETFs that may hold non-U.S. issues, the Fund will not otherwise invest in non-U.S.-registered issues. Except for the changes noted above, all other representations made in the One Fund Release remain unchanged. The Fund will continue to comply with all initial and continued listing requirements under NYSE Arca Equities Rule 8.600.

The proposed rule change is designed to promote just and equitable principles of trade and to protect investors and the public interest in that the new benchmark Index will continue to be calculated and disseminated in a manner consistent with representations in the One Fund Order. The Adviser has represented that it believes the Index is an appropriate broad-based benchmark index for the Fund. In addition, the Adviser has represented that the change to the Fund's benchmark will not impact shareholders of the Fund, and that the new benchmark Index more accurately reflects the Fund's principal investment strategy and will not result in a change to such strategy.

The proposed rule change is designed to perfect the mechanism of a free and open market and, in general, to protect investors and the public interest in that it will permit the Fund to utilize an alternative broad-based, large capitalization benchmark Index that the Adviser believes is an appropriate benchmark for the Fund. The change to the Fund's benchmark Index will be effective upon filing with the Commission of an amendment to the Trust's Registration Statement.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 45 days of the date of publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) by order approve or disapprove the proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission's Internet comment form (http://www.sec.gov/rules/sro.shtml); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-NYSEArca-2011-53 on the subject line.

Paper comments:

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-NYSEArca-2011-53. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (http://www.sec.gov/rules/sro.shtml). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Section, 100 F Street, NE, Washington, DC 20549-1090, on official business days between 10:00 a.m. and 3:00 p.m. Copies of the filing will also be available for inspection and copying at the NYSE's principal office and on its Internet website at www.nyse.com. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR- NYSEArca-2011-53 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[13]

Elizabeth M. Murphy,
Secretary

[13] 17 CFR 200.30-3(a)(12).