

9. Whenever a Subadviser is hired or terminated, the Adviser will provide the Board with information showing the expected impact on the Adviser's profitability.

10. The Adviser will provide general management services to each Fund, including overall supervisory responsibility for the general management and investment of the Fund's assets, and subject to review and approval of the Board, will: (a) Set each Fund's overall investment strategies; (b) evaluate, select and recommend Subadvisers to manage all or a part of a Fund's assets; (c) where appropriate, allocate and reallocate a Fund's assets among multiple Subadvisers; (d) monitor and evaluate the performance of Subadvisers; and (e) implement procedures reasonably designed to ensure that the Subadvisers comply with each Fund's investment objective, policies, and restrictions.

11. No trustee or officer of the Trust or a Fund or director or officer of the Adviser will own any interest in a Subadviser, directly or indirectly (other than through a pooled investment vehicle that is not controlled by such person), except for: (a) Ownership of interests in the Adviser or any entity that controls, is controlled by, or is under common control with the Adviser; or (b) ownership of less than 1% of the outstanding securities of any class of equity or debt of a publicly traded company that is either a Subadviser or an entity that controls, is controlled by, or is under common control with a Subadviser.

12. Each Fund will disclose in its registration statement the Aggregate Fee Disclosure.

13. The requested order will expire on the effective date of rule 15a-5 under the Act, if adopted.

For the Commission, by the Division of Investment Management, under delegated authority.

**Florence E. Harmon,**  
Deputy Secretary.

[FR Doc. E7-23722 Filed 12-5-07; 8:45 am]

BILLING CODE 8011-01-P

## SECURITIES AND EXCHANGE COMMISSION

### Notice of Sunshine Act Meeting

FEDERAL REGISTER CITATION OF PREVIOUS ANNOUNCEMENT:

STATUS: Closed Meeting.

PLACE: 100 F Street, NW., Washington, DC.

**DATE AND TIME OF PREVIOUSLY ANNOUNCED MEETING:** Thursday, December 6, 2007 at 2 p.m.

**CHANGE IN THE MEETING:** Deletion of an Item.

The following item will not be considered during the Closed Meeting on Thursday, December 6, 2007:

A matter involving enforcement techniques

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact the Office of the Secretary at (202) 551-5400.

Dated: December 4, 2007.

**Nancy M. Morris,**  
Secretary.

[FR Doc. E7-23789 Filed 12-4-07; 12:58 pm]

BILLING CODE 8011-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-56861; File No. SR-Amex-2007-127]

### Self-Regulatory Organizations; American Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Make Certain Conforming Changes to Amex Rules Relating to the Amex Book Clerk Program

November 29, 2007.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on November 28, 2007, the American Stock Exchange LLC ("Exchange" or "Amex") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been substantially prepared by the Exchange. The Exchange has designated this proposal as non-controversial under Section 19(b)(3)(A)(iii) of the Act<sup>3</sup> and Rule 19b-4(f)(6) thereunder,<sup>4</sup> which renders the proposed rule change effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>4</sup> 17 CFR 240.19b-4(f)(6).

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

The Exchange proposes to make certain non-substantive housekeeping changes to Amex rules, to conform to the recent approval of the Amex Book Clerks program. The text of the proposed rule change is available at Amex, the Commission's Public Reference Room, and <http://amex.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 Exchange 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 these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

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

##### 1. Purpose

The Commission recently approved the Exchange's proposal (the "ABC Proposal") to eliminate the agency obligations of specialists and establish Amex Book Clerks ("ABCs").<sup>5</sup> In connection with the ABC Proposal, the Exchange submitted a related filing limiting the liability of the Exchange for the actions of ABCs, which was also recently approved.<sup>6</sup>

The Exchange proposes to make certain non-substantive housekeeping changes to Amex rules, including Rule 995-ANTE, governing ABCs, and Rule 996-ANTE, governing the liability of the Exchange in connection with ABCs.

Specifically, the Exchange proposes to delete paragraph (d) in Rule 995-ANTE, governing the liability of the Exchange for the actions of ABCs, since this text is included in new Rule 996-ANTE. Given the date of the approval order, the Exchange also proposes to extend the date by which the Exchange shall assign an ABC to each applicable trading station from November 30, 2007 to May

<sup>5</sup> See Securities Exchange Act Release No. 56804 (November 16, 2007), 72 FR 66002 (November 26, 2007) (SR-Amex-2006-107).

<sup>6</sup> See Securities Exchange Act Release No. 56805 (November 16, 2007), 72 FR 65773 (November 23, 2007) (SR-Amex-2007-122).

1, 2008.<sup>7</sup> The Exchange also proposes to amend Rule 996-ANTE to replace the references to Amex Rule 960 with the correct reference to Amex Rule 970.

While the ABC Proposal was pending with the Commission, the Exchange filed an unrelated proposal to establish the Exchange's Directed Order Program, which was separately codified as Rule 996-ANTE.<sup>8</sup> The Exchange proposes to correct this duplicate designation by renumbering the version of Rule 996-ANTE that governs the Exchange's Directed Order Program as Rule 997-ANTE. The Exchange also proposes a conforming change to correct a cross-reference in Rule 935-ANTE.

Finally, the Exchange proposes to renumber Commentary .03 to Rule 958A-ANTE regarding timing of firm quote obligations for orders received by the ABC as Commentary .04, also to correct an erroneous duplicate designation.

## 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act<sup>9</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act<sup>10</sup> in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest; and is not designed to permit unfair discrimination between customers, issuers, brokers and dealers.

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

The Exchange believes that the proposed rule change will not 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 by the Exchange with respect to the proposed rule change.

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

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act<sup>11</sup> and subparagraph (f)(6) of Rule 19b-4 thereunder.<sup>12</sup> Because the foregoing proposed rule change: (i) Does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) does not become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(f)(6)(iii) thereunder.<sup>13</sup>

A proposed rule change filed under Rule 19b-4(f)(6) normally does not become operative for 30 days after the date of filing. However, Rule 19b-4(f)(6)(iii) permits the Commission to waive the operative delay if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the operative delay to permit the proposed rule change to become effective prior to the 30th day after filing.

The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest. Waiver of the 30-day pre-operative waiting period will allow immediate clarification of Amex rules regarding ABCs, by deleting duplicative text, fixing duplicative numbering, and clarifying the date by which the Exchange shall assign an ABC to each applicable trading station under the ABC proposal. Therefore, the Commission has determined to waive the 30-day delay and allow the

proposed rule change to become operative upon filing.<sup>14</sup>

At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

### **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](mailto:rule-comments@sec.gov). Please include File No. SR-Amex-2007-127 on the subject line.

#### *Paper Comments*

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

All submissions should refer to File Number SR-Amex-2007-127. 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 inspection and copying in the Commission's Public Reference Room, 100 F Street, NE., Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of such filing also will be available for inspection and copying at

<sup>7</sup> As noted in the ABC Proposal, the Exchange proposes to implement this rule change to all applicable trading posts over a 180-day period.

<sup>8</sup> See Securities Exchange Act Release No. 56269 (August 15, 2007), 72 FR 47086 (August 22, 2007) (approving SR-Amex-2007-75).

<sup>9</sup> 15 U.S.C. 78f(b).

<sup>10</sup> 15 U.S.C. 78f(b)(5).

<sup>11</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>12</sup> 17 CFR 240.19b-4(f)(6).

<sup>13</sup> Rule 19b-4(f)(6) also requires the Exchange to give the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied the five-day pre-filing requirement.

<sup>14</sup> For purposes only of waiving the operative delay of this proposal, the Commission notes that it has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

the principal office of the Exchange. 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-Amex-2007-127 and should be submitted on or before December 27, 2007.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>15</sup>

**Florence E. Harmon,**

*Deputy Secretary.*

[FR Doc. E7-23589 Filed 12-5-07; 8:45 am]

BILLING CODE 8011-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-56868; File No. SR-Amex-2007-125]

### Self-Regulatory Organizations; American Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Establish a Riskless Principal and Other Exceptions to Amex Rules Prohibiting Members' Proprietary Trading While in Possession of Like or Better-Priced Customer Orders

November 29, 2007.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on November 16, 2007, the American Stock Exchange LLC ("Amex" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared substantially by the Amex. The Amex has submitted the proposed rule change under section 19(b)(3)(A) of the Act<sup>3</sup> and Rule 19b-4(f)(6) thereunder,<sup>4</sup> which renders the proposal effective upon filing with the Commission. 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 Amex proposes to adopt changes to Rules 24—AEMI, "Limitations on Members' Trading Because of

Customers' Orders," 151—AEMI, "Purchases and Sales While Holding Unexecuted Market Order," and 152—AEMI, "Taking or Supplying Stock to Fill Customer's Order," to: (i) provide for a "riskless principal" and other exceptions to the Amex's general rules against members entering proprietary orders while in possession of a customer order that could trade at the same price; and (ii) make various "housekeeping" changes to eliminate duplicative or unnecessary portions of the AEMI rules.

The text of the proposed rule change is available at <http://www.amex.com>, the principal offices of the Amex, and the Commission's Public Reference Room.

#### 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 Amex 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 these statements may be examined at the places specified in Item IV below. The Amex has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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

###### 1. Purpose

To provide greater flexibility in trading methods available on the Amex, while still sufficiently protecting customer orders, the Amex proposes to adopt a "riskless principal" and other exceptions detailed below to its general rules against a member entering a proprietary order while in possession of a customer order that could trade at the same price. These new exceptions, which are the same as those adopted by the New York Stock Exchange LLC ("NYSE") in July 2007,<sup>5</sup> will be added to Rule 24—AEMI (which is the Amex equivalent of NYSE Rule 92, "Limitations on Members' Trading Because of Customers' Orders") and will promote regulatory consistency. Additionally, the Amex proposes to make certain housekeeping changes occasioned by the changes to Rule 24—AEMI. Among other things, the Amex

proposes to: (i) Eliminate Rule 150—AEMI, which substantially overlaps with and is being folded into Rule 24—AEMI; and (ii) add a riskless principal exception to the general restrictions in Rule 152—AEMI against a member supplying/taking stock to fill a customer's order.

#### Riskless Principal Exception and Other Changes to Rule 24—AEMI

Rule 24—AEMI is substantially and structurally similar to the version of NYSE Rule 92 that existed until the NYSE amended its rule in July 2007.<sup>6</sup> In relevant part, the Amex intends to adopt the substance of those NYSE amendments to:

- Add a "riskless principal" exception that would allow a member to trade a security as principal while holding one or more customer orders in the security to permit the member to pass on to its customer(s) the prices received on the Exchange;<sup>7</sup>
- Amend certain customer consent requirements to allow a customer to give affirmative prior blanket—rather than order-by-order—consent to a member trading while in possession of a customer order, as permitted by the rule, provided that the requisite disclosures to the customer regarding potential trading-along, opt-out rights, and allocation methodology are periodically made<sup>8</sup> and such informed

<sup>6</sup> See note 5, *supra*.

<sup>7</sup> A member would be permitted to aggregate only those customer orders where the order types and instructions (including tick restrictions) permit such aggregation. Such aggregating meets the standards set forth in the July 18, 2005, no-action letter from the Division of Trading and Markets ("Division") (f/k/a the Division of Market Regulation) to the Securities Industry Association ("SIA"), in which the Division granted a riskless principal exemption from Rule 10a-1 under the Act to permit a broker-dealer to fill a customer order without complying with the "tick" provisions of Rule 10a-1, in certain situations and subject to certain conditions. See letter from James Brigagliano, Assistant Director, Division, Commission, to Ira Hammerman, Senior Vice President and General Counsel, SIA, dated July 18, 2005.

<sup>8</sup> The required periodic disclosures would include affirmative notice of: (i) the fact that the member may trade along with the customer's order, subject to the customer's right to affirmatively opt-out of such trading-along on an order-by-order basis or to modify the instructions obtained under the blanket consent; and (ii) the method by which the member organization will allocate shares to the customer's order (including the allocation methodology for riskless principal transactions that include Rule 24—AEMI(b) proprietary orders and orders from customers that have and/or have not consented to trade along with such proprietary orders). The Exchange would not require a specific allocation methodology (e.g., strict time priority, precedence based on size, etc.), but would require it to be fair and reasonable, consistently applied, consistent with the rules governing parity of orders, and not unfairly discriminatory against any particular class of accounts or types of orders.

<sup>15</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>4</sup> 17 CFR 240.19b-4(f)(6).

<sup>5</sup> See Securities Exchange Act Release Nos. 56017 (July 5, 2007), 72 FR 38110 (July 12, 2007) (order approving File No. SR-NYSE-2007-21); and 56088 (July 18, 2007), 72 FR 40351 (July 24, 2007) (notice of filing and immediate effectiveness of File No. SR-NYSE-2007-63).