the Act, any senior security issued by, or other indebtedness of, each of the Trusts and any Other Trust will either mature by the next repurchase pricing date or provide for such trust's ability to call, repay or redeem such senior security or other indebtedness by the next repurchase pricing date, either in whole or in part, without penalty or premium, as necessary to permit that trust to complete the repurchase offer in such amounts determined by its Board.

12. The Board of each Trust and any Other Trust will adopt written procedures to ensure that such trust's portfolio assets are sufficiently liquid so that it can comply with its fundamental policy on repurchases and the liquidity requirements of rule 23c–3(b)(10)(i). The Board will review the overall composition of the portfolio and make and approve such changes to the procedures as it deems necessary.

Applicants' Legal Analysis

1. Section 6(c) of the Act provides that the Commission may exempt any person, security, or transaction, or any class or classes of persons, securities, or transactions, from any provision of the Act or rule thereunder, if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

2. Section 23(c) of the Act provides in relevant part that no registered closed-end investment company shall purchase any securities of any class of which it is the issuer except: (a) On a securities exchange or other open market; (b) pursuant to tenders, after reasonable opportunity to submit tenders given to all holders of securities of the class to be purchased; or (c) under such other circumstances as the Commission may permit by rules and regulations or orders for the protection of investors.

3. Rule 23c–3 under the Act permits a registered closed-end investment company to make repurchase offers for its common stock at net asset value at periodic intervals pursuant to a fundamental policy of the investment company. ''Periodic interval'' is defined in rule 23c–3(a)(1) as an interval of three, six, or twelve months. Rule 23c–3(b)(4) requires that notification of each repurchase offer be sent to shareholders no less than 21 calendar days and no more than 42 calendar days before the repurchase request deadline.

4. Applicants request an order pursuant to sections 6(c) and 23(c) of the Act exempting them from rule 23c–3(a)(1) to the extent necessary to permit the Trusts and any Other Trust to make monthly repurchase offers. Applicants also request an exemption from the notice provisions of rule 23c–3(b)(4) to the extent necessary to permit the Trusts and any Other Trust to send notification of an upcoming repurchase offer to shareholders at least seven days but no more than fourteen calendar days in advance of the repurchase request deadline.

5. Applicants contend that monthly repurchase offers are in the shareholders' best interests and consistent with the policies underlying rule 23c–3. Applicants assert that monthly repurchase offers will provide investors with more liquidity than quarterly repurchase offers. Applicants assert that shareholders will be better able to manage their investments and plan transactions, because if they decide to forego a repurchase offer, they will only need to wait one month for the next offer. Applicants also contend that the portfolios of the Trusts and any Other Trust will be managed to provide ample liquidity for monthly repurchase offers. Applicants do not believe that a change to monthly repurchases would necessitate any change in portfolio management practices of the Trusts or any Other Trust in order to satisfy rule 23c–3. In fact, applicants expect limited or no impact on overall portfolio management or performance of such trusts upon converting to monthly offers and believe that it may be easier to manage the cash of the portfolio for the smaller monthly offers compared to the larger quarterly ones.

6. Applicants propose to send notification to shareholders at least seven days, but no more than fourteen calendar days, in advance of a repurchase request deadline. Applicants assert that, because the Trusts and any Other Trust intend to price on the repurchase request deadline and pay by the third business day following the pricing date, the entire procedure can be completed before the next notification is sent out to shareholders; thus avoiding any overlap. Applicants believe that these procedures will eliminate any possibility of investor confusion. Applicants also state that monthly repurchase offers will be a fundamental feature of the Trusts and any Other Trust, and their prospectuses will provide a clear explanation of the repurchase program.

7. Applicants submit that for the reasons given above the requested relief is appropriate in the public interest and is consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Applicants' Conditions

Applicants agree that any order granting the requested relief shall be subject to the following conditions:

1. Each Trust (and any Other Trust relying on this relief) will make a repurchase offer pursuant to rule 23c–3(b) for a repurchase offer amount of not less than 5% in any one-month period. In addition, the repurchase offer amount for the then-current monthly period, plus the repurchase offer amounts for the two monthly periods immediately preceding the then-current monthly period, will not exceed 25% of the Trust's (or Other Trust's) outstanding shares. Each Trust (or Other Trust relying on this relief) may repurchase additional tendered shares pursuant to rule 23c–3(b)(5) only to the extent the percentage of additional shares so repurchased does not exceed 2% in any three-month period.

2. Payment for repurchased shares will occur at least five business days before notification of the next repurchase offer is sent to shareholders of any Trust (or Other Trust relying on this relief).

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

J. Lynn Taylor,

Assistant Secretary.

[FR Doc. E6–7567 Filed 5–17–06; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meetings

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Public Law 94–409, that the Securities and Exchange Commission will hold the following meetings during the week of May 22, 2006: An Open Meeting will be held on Monday, May 22, 2006 at 10 a.m. in the Auditorium, Room LL–002 and Closed Meetings will be held on Monday, May 22, 2006 at 11 a.m. and on Thursday, May 25, 2006 at 2 p.m.

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the Closed Meetings. Certain staff members who have an interest in the matters may also be present.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c)(3), (5), (7), (8), (9)(B), (10) and 17 CFR 200.402(a)(3), (5), (7), (8), (9)(ii), and (10) permit consideration of

the scheduled matters at the Closed Meeting.

Commissioner Nazareth, as duty officer, voted to consider the items listed for the closed meetings in closed session, and determined that no earlier notice thereof was possible.

The subject matter of the Open Meeting scheduled for Monday, May 22, 2006 will be: The Commission will hear oral argument in an appeal by Gateway International Holdings, Inc., and its president and chief executive officer, Lawrence A. Consalvi, from an administrative law judge's decision. The law judge found that Gateway failed to file with the Commission a total of seven annual and quarterly reports due between May 2003 and December 2004, and that, by doing so, Gateway violated Section 13(a) of the Securities Exchange Act of 1934 and Rules 13a–1 and 13a–13 thereunder. The law judge also found that Consalvi caused Gateway's violations. The law judge revoked the registration of Gateway's common stock and ordered Consalvi to cease and desist from committing or causing any violations or future violations of Exchange Act Section 13(a) and Exchange Act Rules 13a–1 and 13a–3. Among the issues likely to be argued is whether and to what extent sanctions should be imposed on Respondents.

The subject matter of the Closed Meeting scheduled for Monday, May 22, 2006 will be: Post-argument discussion.

The subject matter of the Closed Meeting scheduled for Thursday, May 25, 2006 will be: Formal orders of investigation; Institution and settlement of injunctive actions; Institution and settlement of administrative proceedings of an enforcement nature; Request for information in an investigative file; Resolution of litigation claims; and Litigation matters.

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: May 16, 2006.

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 06–4706 Filed 5–16–06; 3:52 pm]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–53795; File No. SR–Phlx–2005–61]

Self-Regulatory Organizations; Philadelphia Stock Exchange, Inc.; Notice of Filing of Proposed Rule Change, and Amendment Nos. 1 and 2 Thereto, Relating to the Deletion of Certain Exchange Rules

May 12, 2006.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and 19b–4 thereunder,[2] notice is hereby given that on October 14, 2005, the Philadelphia Stock Exchange, Inc. (''Phlx'' or ''Exchange'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II, and III, below, which Items have been prepared by the Phlx. On March 10, 2006, the Exchange submitted Amendment No. 1 to the proposed rule change.[3] Phlx filed amendment No. 2 to the proposed rule change on May 1, 2006.[4] The Commission is publishing this notice to solicit comments on the proposed rule change, as amended, from interested persons.

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

The Phlx, pursuant to section 19(b)(1) of the Act[5] and Rule 19b–4 thereunder,[6] proposes to delete Phlx Rules 129, 241–248, and 923.

The text of the proposed rule change, as amended, appears below. Additions are *italicized*; deletions are [bracketed].

* * * * *

Rule 129 [Withdrawal of Orders] *Reserved*

[The withdrawal from the Floor of the Exchange of an order for the purchase or sale of securities, or any part thereof, at the request of another member of the Exchange, for the purpose of the purchase or sale of the securities so withdrawn outside of the Exchange is prohibited.]

Rule 241 [Special Offerings] *Reserved*

[Notwithstanding the provisions of other Rules, which might otherwise apply, the Exchange may, subject to the conditions specified in this Rule and to compliance with the provisions contained herein, permit a ''Special Offering'' (as herein defined) to be made through the facilities of the Exchange, provided that the Exchange (after consulting and with the concurrence of a Governor who is active on the Floor of the Exchange) shall have determined that the regular market on the Exchange cannot, within a reasonable time and at a reasonable price or prices, absorb the particular block of a security which is to be the subject of such Special Offering. In making such determination the following factors shall be taken into consideration, via:

(a) Price range and the volume of transactions in such security on the Floor of the Exchange during the preceding six months;

(b) Attempts which have been made to dispose of the security in the regular market on the Floor of the Exchange;

(c) The apparent past and current interest in such security in such regular market on the Floor; and

(d) The number of shares or bonds and the current market value of the block of such security proposed to be covered by such Special Offering.

Except in special circumstances a Special Offering will not be permitted unless the offering involves at least 1,000 shares of stock with an aggregate market value of not less than $25,000, or $15,000 par value in bonds with an aggregate market value of not less than $10,000.]

Rule 242 [Definition] *Reserved*

[A Special Offering is defined as an offering (designated as a fixed price offering) by one or more members or member organizations acting for his or its own account or for the account of one or more other persons, for the sale of a block of a security dealt in on the Exchange through the facilities of the Exchange at a price not in excess of the last sale of such security or the current offer of such security in the regular market on the Floor of the Exchange, whichever is the lower, but equal to or higher than the current bid for such security in such market, whereby the offer or agrees to pay a special commission to such members and member organizations as may accept all or any part of such Offering for the account of his or its customers; provided, that the security which is the

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

[2] 17 CFR 240.19b–4.

[3] Amendment No. 1, which replaced the original filing in its entirety, made clarifying changes to the proposed rule change and sought to retain Phlx Rules 229 Supplementary Material .07(c)(ii) and 236.

[4] Amendment No. 2, which replaced the original filing and Amendment No. 1 in their entirety, made general clarifying changes to the proposed rule change and sought to retain Phlx Rule 219, as well as Phlx Rules 229 Supplementary Material .07(c)(ii) and 236. Phlx states that it plans to propose to delete Phlx Rules 219, 229 Supplementary Material .07(c)(ii), and 236 in a future proposed rule change regarding a change to Phlx systems.

[5] 15 U.S.C. 78s(b)(1).

[6] 17 CFR 240.19b–4.