

when the most recent loan was made, will not exceed the greater of 125% of the Fund's total net cash redemptions or 102% of sales fails for the preceding seven calendar days.

10. Each Interfund Loan may be called on one business day's notice by a lending Fund and may be repaid on any day by a borrowing Fund.

11. A Fund's participation in the credit facility must be consistent with its investment policies and limitations and organizational documents.

12. The Credit Facility Team will calculate total Fund borrowing and lending demand through the credit facility, and allocate interfund loans on an equitable basis among the Funds, without the intervention of any portfolio manager of the Funds. The Credit Facility Team will not solicit cash for the credit facility from any Fund or prospectively publish or disseminate loan demand data to portfolio managers. The Credit Facility Team will invest amounts remaining after satisfaction of borrowing demand in accordance with the standing instructions from portfolio managers or return remaining amounts to the Funds.

13. The Credit Facility Team will monitor the interest rates charged and the other terms and conditions of the Interfund Loans and will make a quarterly report to the Board of each Fund concerning the participation of the Fund in the credit facility and the terms and other conditions of any extensions of credit under the credit facility.

14. The Board of each Fund, including a majority of the Independent Board Members, will: (a) Review no less frequently than quarterly the Fund's participation in the credit facility during the preceding quarter for compliance with the conditions of any order permitting the transactions; (b) establish the Bank Loan Rate formula used to determine the Interfund Loan Rate and review no less frequently than annually the continuing appropriateness of the Bank Loan Rate formula; and (c) review no less frequently than annually the continuing appropriateness of the Fund's participation in the credit facility.

15. Each Fund will maintain and preserve for a period of not less than six years from the end of the fiscal year in which any transaction under the credit facility occurred, the first two years in an easily accessible place, written records of all such transactions setting forth a description of the terms of the transaction, including the amount, the maturity and the rate of interest on the loan, the rate of interest available at the time on short-term repurchase agreements and bank borrowings, and

such other information presented to the Fund's Board in connection with the review required by conditions 13 and 14.

16. In the event an Interfund Loan is not paid according to its terms and the default is not cured within two business days from its maturity or from the time the lending Fund makes a demand for payment under the provisions of the Interfund Lending Agreement, the Credit Facility Team promptly will refer the loan for arbitration to an independent arbitrator selected by the Board of any Fund involved in the loan who will serve as the arbitrator of disputes concerning Interfund Loans.<sup>2</sup> The arbitrator will resolve any problem promptly, and the arbitrator's decision will be binding on both Funds. The arbitrator will submit, at least annually, a written report to the Board of each Fund setting forth a description of the nature of any dispute and the actions taken by the Funds to resolve the dispute.

17. The Credit Facility Team will prepare and submit to the Board of each Fund for review an initial report describing the operations of the credit facility and the procedures to be implemented to ensure that all Funds are treated fairly. After the commencement of operations of the credit facility, the Credit Facility Team will report on the operations of the credit facility at the quarterly meetings of each Fund's Board.

In addition, for two years following the commencement of the credit facility, the independent public accountant for each Fund shall prepare an annual report that evaluates the Credit Facility Team's assertion that it has established procedures reasonably designed to achieve compliance with the conditions of the order. The report shall be prepared in accordance with the Statements on Standards for Attestation Engagements No. 10 and it shall be filed pursuant to Item 77Q3 of Form N-SAR as such Statements or Form may be revised, amended, or superseded from time to time. In particular, the report shall address procedures designed to achieve the following objectives: (a) That the Interfund Loan Rate will be higher than the Joint Accounts Repo Rate, but lower than the Bank Loan Rate; (b) compliance with the collateral requirements as set forth in the application; (c) compliance with the percentage limitations on interfund borrowing and lending; (d) allocation of

<sup>2</sup> If the dispute involves Funds with separate Boards, the Board of each Fund will select an independent arbitrator that is satisfactory to each Fund.

interfund borrowing and lending demand in an equitable manner and in accordance with procedures established by the Board; and (e) that the Interfund Loan Rate does not exceed the interest rate on any third party borrowings of a borrowing Fund at the time of the Interfund Loan.

After the final report is filed, each Fund's independent public accountant, in connection with its audit examinations, will continue to review the operation of the credit facility for compliance with the conditions of the application and its review will form the basis, in part, of the auditor's report on internal accounting controls in Form N-SAR.

18. No Fund will participate in the credit facility upon receipt of requisite regulatory approval unless it has fully disclosed in its prospectus or SAI all material facts about its intended participation.

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

**Nancy M. Morris,**  
*Secretary.*

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## SECURITIES AND EXCHANGE COMMISSION

[Release Nos. 33-8743; 34-54519; File No. 4-526]

### SEC Government-Business Forum on Small Business Capital Formation

**AGENCY:** Securities and Exchange Commission.

**ACTION:** Request for public comment in connection with Forum on Small Business Capital Formation.

**SUMMARY:** The Securities and Exchange Commission is providing for additional public input in connection with its annual Government-Business Forum on Small Business Capital Formation, to be held Friday, September 29, 2006, beginning at 9 a.m. EDT, at its Washington, DC headquarters. The morning sessions of the Forum will be Webcast on the Commission's Web site at [www.sec.gov](http://www.sec.gov). The public is invited to submit written statements in connection with the Forum.

This year's Forum program will include two roundtable discussions in the morning. The first roundtable will discuss the advantages to smaller public companies of filing interactive data with the SEC. The second roundtable will discuss current issues in capital raising techniques for small business, such as the status of the IPO (initial public

offering) market and PIPE (private investment in public equity) offerings.

The Commission expects that the Forum will develop recommendations for government and private action to facilitate small business capital formation. The afternoon sessions of the Forum, which will not be Webcast, will be devoted to breakout sessions to develop recommendations.

More information about the Forum is available at [www.sec.gov/info/smallbus/sbforum.shtml](http://www.sec.gov/info/smallbus/sbforum.shtml).

**DATES:** Written statements should be received on or before October 15, 2006.

**ADDRESSES:** Written statements may be submitted by any of the following methods:

*Electronic Statements*

- Use the Commission's Internet submission form (<http://www.sec.gov/info/smallbus/sbforum.shtml>); or
- Send an e-mail message to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number 4-526 on the subject line; or

*Paper Statements*

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

All submissions should refer to File No. 4-526. This file number should be included on the subject line if e-mail is used. To help us process and review your statement more efficiently, please use only one method. The Commission staff will post all statements submitted on the Forum Web page at <http://www.sec.gov/info/smallbus/sbforum.shtml>. Statements also will be available for public inspection and copying in the Commission's Public Reference Room, 100 F Street, NE., Room 1580, Washington, DC 20549. All statements received will be posted without change; we do not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly.

**FOR FURTHER INFORMATION CONTACT:** Anthony G. Barone, Special Counsel, at (202) 551-3260, at Office of Small Business Policy, Division of Corporation Finance, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549-3628.

Dated: September 26, 2006.

**Nancy M. Morris,**  
Secretary.

[FR Doc. E6-16331 Filed 10-3-06; 8:45 am]

**BILLING CODE 8010-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-54530; File No. SR-NYSE-2006-49]

### Self-Regulatory Organizations; New York Stock Exchange LLC; Order Approving Proposed Rule Change and Amendment No. 1 Thereto Relating to Amending Rule 123D (Openings and Halts in Trading) and Rule 15 To Shorten the Minimum Required Time Periods Between Tape Indications and Openings or Reopenings

September 28, 2006.

On June 30, 2006, the New York Stock Exchange LLC ("NYSE" or "Exchange") filed with the Securities and Exchange Commission ("Commission"), 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> a proposed rule change to amend NYSE Rules 123D and 15 to shorten the minimum time periods between tape indications and openings or reopenings of a security and after an "Equipment Changeover."<sup>3</sup> On August 14, 2006, the Exchange submitted Amendment No. 1 to the proposed rule change.<sup>4</sup> The proposed rule change, as amended, was published for comment in the **Federal Register** on August 28, 2006.<sup>5</sup> The Commission received no comments regarding the proposal. This order approves the proposed rule change, as amended.

The Exchange proposes to amend NYSE Rules 123D and 15 to shorten the minimum time periods between tape indications and openings or reopenings of a security and after an "Equipment Changeover." In connection with a delayed opening of trading in a security, Exchange Rule 123D currently requires a minimum of ten minutes to elapse between the first price indication and the opening of the stock, and where there is more than one indication, a minimum of five minutes to elapse after the last indication, provided in all cases that at least ten minutes have elapsed since the first indication. The Exchange's proposal would reduce these minimum time periods from ten to three minutes after the first indication, and to one minute after the last indication, provided that a minimum of three minutes have elapsed since the first indication.

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

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

<sup>3</sup> See Exchange Rule 123D(2).

<sup>4</sup> In Amendment No. 1, NYSE made minor revisions to the proposed rule text and clarified that all market participants may react to published price indications.

<sup>5</sup> See Securities Exchange Act Release No. 54337 (August 21, 2006), 71 FR 50963 ("Notice").

With respect to the reopening of trading after a stock has been halted during the trading day, Exchange Rule 123D currently requires a minimum of five minutes to elapse between the first indication and the reopening of trading, and a minimum of three minutes to elapse after the last indication, provided that at least five minutes has elapsed since the first indication. The Exchange's proposal would reduce these minimum time periods to three minutes after the first indication, and to one minute after the last indication, provided that a minimum of three minutes has elapsed since the first indication.

With respect to the reopening of trading after a stock has been halted during the trading day because of "Equipment Changeover," Exchange Rule 123D currently requires a minimum of five minutes to elapse before trading resumes following an Equipment Changeover. Further, if, during the "Equipment Changeover" trading halt, a significant order imbalance<sup>6</sup> develops or a regulatory condition occurs, the nature of the halt will be changed and notice must be disseminated and trading cannot resume until ten minutes after the first indication of the new halt condition. The Exchange's proposal would reduce these minimum time periods to one minute after an "Equipment Changeover" and to three minutes after an "Equipment Changeover" during which a significant order imbalance or regulatory condition develops.

Lastly, NYSE proposes to amend Exchange Rule 15 to conform with a recent amendment to the Intermarket Trading System Plan ("ITS Plan"). In particular, the Exchange's proposal would require that, when more than one indication is disseminated, a stock may reopen one minute after the last indication if three minutes have elapsed after the first indication.

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.<sup>7</sup> Specifically, the Commission finds that the proposal is consistent with Section 6(b)(5) of the

<sup>6</sup> The Exchange indicated in the Notice that a "significant order imbalance" is one which would result in a price change from the last sale of one point or more for stocks under \$10, the lesser of 10% or three points for stocks between \$10-\$99.99 and five points for stocks \$100 or more—unless a Floor Governor deems circumstances warrant a lower parameter.

<sup>7</sup> In approving this proposed rule change the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).