

The Exchange believes that the proposed rule change is consistent with section 6(b) of the Act,¹³ in general, and furthers the objectives of section 6(b)(5) of the Act,¹⁴ 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 facilitating transactions in securities, and to remove impediments to and perfect the mechanism of a free and open market and a national market system. The Exchange believes that the proposed rules will facilitate the listing and trading of additional types of exchange-traded products that will enhance competition among market participants, to the benefit of investors and the marketplace. In addition, the Exchange believes that the listing and trading criteria set forth in the proposed rules are intended to protect investors and the public interest.

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

The Exchange states that written comments on the proposed rule change were neither solicited nor received.

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

Within 35 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 Exchange consents, the Commission will:

A. By order approve such 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-NASDAQ-2008-039 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-NASDAQ-2008-039. 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 the filing also will be available for inspection and copying at 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-NASDAQ-2008-039 and should be submitted on or before June 4, 2008.

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

Florence E. Harmon,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-57801; File No. SR-NYSEArca-2008-31]

Self-Regulatory Organizations; NYSE Arca, Inc.; Order Granting Accelerated Approval of Proposed Rule Change Relating to the Listing and Trading of Shares of Twelve Actively Managed Exchange-Traded Funds of the WisdomTree Trust

May 8, 2008.

I. Introduction

On April 4, 2008, NYSE Arca, Inc. ("NYSE Arca" or "Exchange"), through its wholly owned subsidiary, NYSE Arca Equities, Inc. ("NYSE Arca Equities"), filed with the Securities and Exchange Commission ("Commission"), pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² a proposed rule change to list and trade the shares of twelve actively managed exchange-traded funds of the WisdomTree Trust ("Trust") pursuant to NYSE Arca Equities Rule 8.600 (Managed Fund Shares). The proposed rule change was published for comment in the **Federal Register** on April 21, 2008 for a 15-day comment period.³ The Commission received no comments on the proposal. This order approves the proposed rule change on an accelerated basis.

II. Description of the Proposal

The Exchange proposes to list and trade the shares ("Shares") of the following twelve actively managed exchange-traded funds of the Trust pursuant to NYSE Arca Equities Rule 8.600 (Managed Fund Shares): (1) WisdomTree U.S. Current Income Fund ("Current Income Fund"); (2) WisdomTree Dreyfus Australian Dollar Fund; (3) WisdomTree Dreyfus Brazilian Real Fund; (4) WisdomTree Dreyfus British Pound Sterling Fund; (5) WisdomTree Dreyfus Canadian Dollar Fund; (6) WisdomTree Dreyfus Chinese Yuan Fund; (7) WisdomTree Dreyfus Euro Fund; (8) WisdomTree Dreyfus Indian Rupee Fund; (9) WisdomTree Dreyfus Japanese Yen Fund; (10) WisdomTree Dreyfus New Zealand Dollar Fund; (11) WisdomTree Dreyfus South African Rand Fund; and (12) WisdomTree Dreyfus South Korean Won Fund ("International Currency Income Funds," and together with the

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 57670 (April 15, 2008), 73 FR 21397.

¹³ 15 U.S.C. 78f(b).

¹⁴ 15 U.S.C. 78f(b)(5).

¹⁵ 17 CFR 200.30-3(a)(12).

Current Income Fund, collectively, the "Funds").

The Exchange proposes to list and trade the Shares of the Funds pursuant to NYSE Arca Equities Rule 8.600, which governs the listing and trading of Managed Fund Shares on the Exchange.⁴ Each Fund will be an actively managed exchange-traded fund. The Shares will be offered by the Trust, which was established as a Delaware statutory trust on December 15, 2005 and is registered with the Commission as an investment company.⁵

Description of the Funds and the Shares

WisdomTree Asset Management, Inc. ("WisdomTree Asset Management") is the investment adviser to each Fund.⁶ The Exchange represents that WisdomTree Asset Management is not affiliated with any broker-dealer. Mellon Capital Management serves as the sub-adviser for the Current Income Fund. The Dreyfus Corporation serves as the sub-adviser to each International Currency Income Fund. The Bank of New York is the administrator, custodian, and transfer agent for each Fund. ALPS Distributors, Inc. serves as the distributor for the Funds.⁷

⁴ "Managed Fund Shares" are securities that: (1) Represent an interest in a registered investment company ("Investment Company") organized as an open-end management investment company or similar entity, that invests in a portfolio of securities selected by the Investment Company's investment adviser consistent with the Investment Company's investment objectives and policies; (2) are issued in a specified aggregate minimum number in return for a deposit of a specified portfolio of securities and/or a cash amount with a value equal to the next determined net asset value ("NAV"); and (3) when aggregated in the same specified minimum number, may be redeemed at a holder's request, which holder will be paid a specified portfolio of securities and/or cash with a value equal to the next determined NAV. See NYSE Arca Equities Rule 8.600(c)(1) (defining Managed Fund Shares). See also Securities Exchange Act Release No. 57619 (April 4, 2008), 73 FR 19544 (April 10, 2008) (SR-NYSEArca-2008-25) (approving, among other things, rules permitting the listing and trading of Managed Fund Shares).

⁵ See Post-Effective Amendment No. 14 to Registration Statement on Form N-1A for the Trust (File Nos. 333-132380 and 811-21864) ("Registration Statement").

⁶ WisdomTree Investments, Inc. ("WisdomTree Investments") is the parent company of WisdomTree Asset Management.

⁷ The Exchange states that the Trust has received and been granted by Commission order certain exemptive relief under the Investment Company Act of 1940 (15 U.S.C. 80a-1) ("1940 Act"). In compliance with Commentary .05 to NYSE Arca Equities Rule 8.600, which applies to Managed Fund Shares based on an international or global portfolio, the Trust's application for exemptive relief under the 1940 Act states that the Funds will comply with the federal securities laws in accepting securities for deposits and satisfying redemptions with redemption securities, including that the securities accepted for deposits and the securities used to satisfy redemption requests are sold in transactions that would be exempt from registration under the Securities Act of 1933.

The Current Income Fund. The Current Income Fund seeks to earn current income while preserving capital and maintaining liquidity by investing primarily in very short term, high-quality money market securities denominated in U.S. dollars. Eligible investments include commercial paper, time deposits and certificates of deposits, asset-backed securities, government bills, government notes, corporate notes, and repurchase agreements. The Current Income Fund intends to maintain an average portfolio maturity of 90 days or less and will not purchase any money market security with a remaining maturity of more than 397 calendar days.

The International Currency Income Funds. Each of the WisdomTree Dreyfus Australian Dollar Fund, British Pound Sterling Fund, Canadian Dollar Fund, Euro Fund, and Japanese Yen Fund seeks (1) to earn current income reflective of money market rates available to foreign investors in the specified country or region, and (2) to maintain liquidity and preserve capital measured in the currency of the specified country or region. Each of these Funds intends to invest primarily in very short term, investment grade money market securities denominated in the non-U.S. currency specified in its name. Eligible investments include short-term securities issued by non-U.S. governments, agencies, or instrumentalities, bank debt obligations and time deposits, bankers' acceptances, commercial paper, short-term corporate debt obligations, mortgage-backed securities, and asset-backed securities.

Each of the WisdomTree Dreyfus Brazilian Real Fund, Chinese Yuan Fund, Indian Rupee Fund, New Zealand Dollar Fund, South African Rand Fund, and South Korean Won Fund seeks (1) to earn current income reflective of money market rates available to foreign investors in the specified country, and (2) to provide exposure to changes in the value of the designated non-U.S. currency relative to the U.S. dollar. Each of these Funds intends to achieve exposure to the non-U.S. market designated by its name using the following strategy. Each of the Funds will invest primarily in short-term U.S. money market securities. In addition, each such Fund will invest a smaller portion of its assets in forward currency contracts and swaps⁸ designed to provide exposure to exchange rates and/or money market instruments

⁸ A forward currency contract is an agreement to buy or sell a specific currency at a future date at a price set at the time of the contract. A currency swap is an agreement between two parties to exchange one currency for another at a future rate.

available to foreign investors in the non-U.S. market designated in the Fund's name. The combination of U.S. money market securities with forward currency contracts and currency swaps is designed to create a position economically similar to a money market instrument denominated in a non-U.S. currency.⁹

Each International Currency Income Fund generally will maintain a weighted average portfolio maturity of 90 days or less and will not purchase any money market instrument with a remaining maturity of more than 397 calendar days. The Exchange represents that none of the Funds will invest in non-U.S. equity securities.

The Shares. Each Fund will issue and redeem Shares on a continuous basis at NAV¹⁰ only in large blocks of shares, typically 50,000 shares or more ("Creation Units"), in transactions with authorized participants. Each International Currency Income Fund may issue and redeem Creation Units in exchange for a designated basket of non-U.S. currency and an amount of U.S. dollar-denominated cash, a basket of non-U.S. money market instruments and a designated amount of cash, or simply a designated amount of cash. In addition, creations and redemptions of the Current Income Fund and the WisdomTree Dreyfus Brazilian Real Fund, Chinese Yuan Fund, Indian Rupee Fund, New Zealand Dollar Fund, South African Rand Fund, and South Korean Won Fund would usually occur in exchange for a basket of U.S. money market instruments and/or a designated amount of cash. Once created, Shares of the Funds will trade on the secondary

⁹ The Exchange states that each of these Funds may pursue its objectives through direct investments in money market instruments issued by entities in the applicable non-U.S. country and denominated in the applicable non-U.S. currency when WisdomTree Asset Management believes it is in the best interest of the Fund to do so. The decision to secure exposure directly or indirectly will be a function of, among other things, market accessibility, credit exposure, and tax ramifications for foreign investors. If any of these Funds pursues direct investment, eligible investments will include short-term securities issued by the applicable foreign government and its agencies or instrumentalities, bank debt obligations and time deposits, bankers' acceptances, commercial paper, short-term corporate debt obligations, mortgage-backed securities, and asset-backed securities.

¹⁰ The NAV of each Fund's Shares generally is calculated once daily Monday through Friday as of the close of regular trading on the New York Stock Exchange LLC, generally 4 p.m. Eastern Time or "ET." NAV per Share is calculated by dividing a Fund's net assets by the number of Fund Shares outstanding. The Exchange states that more information regarding the valuation of Fund investments in calculating a Fund's NAV can be found in the Registration Statement.

market in amounts less than a Creation Unit.

More information regarding the Shares and the Funds, including investment strategies, risks, creation and redemption procedures, fees, portfolio holdings disclosure policies, distributions, and taxes can be found in the Registration Statement.¹¹

Availability of Information

The Funds' Web site (<http://www.wisdomtree.com>), which will be publicly available prior to the public offering of the Shares, will include a form of the Prospectus for each Fund that may be downloaded. The Web site will include additional quantitative information updated on a daily basis, including, for each Fund: (1) The prior business day's reported NAV, mid-point of the bid/ask spread at the time of calculation of such NAV (the "Bid/Ask Price"),¹² and a calculation of the premium and discount of the Bid/Ask Price against the NAV; and (2) data in chart format displaying the frequency distribution of discounts and premiums of the daily Bid/Ask Price against the NAV, within appropriate ranges, for each of the four previous calendar quarters. On each business day, before commencement of the Core Trading Session,¹³ the Trust will disclose on its Web site the identities and quantities of the portfolio of securities and other assets (the "Disclosed Portfolio")¹⁴ held by each Fund that will form the basis for the Fund's calculation of NAV at the end of the business day.¹⁵ The Web site information will be publicly available at no charge.

In addition, for each Fund, an estimated value, defined in Rule 8.600

¹¹ See *supra* note 5.

¹² The Bid/Ask Price of a Fund is determined using the midpoint of the highest bid and the lowest offer on the Exchange as of the time of calculation of such Fund's NAV. The records relating to Bid/Ask Prices will be retained by the Funds and their service providers.

¹³ The Core Trading Session is 9:30 a.m. to 4 p.m. ET.

¹⁴ See NYSE Arca Equities Rule 8.600(c)(2) (defining the Disclosed Portfolio for a series of Managed Fund Shares as the identities and quantities of the securities and other assets held by the Investment Company that will form the basis for the Investment Company's calculation of NAV at the end of the business day).

¹⁵ Under accounting procedures followed by the Funds, trades made on the prior business day ("T") will be booked and reflected in the NAV on the current business day ("T+1"). Notwithstanding the foregoing, portfolio trades that are executed prior to the opening of the Exchange on any business day may be booked and reflected in the NAV on such business day. Accordingly, the Funds will be able to disclose at the beginning of the business day the portfolio that will form the basis for the NAV calculation at the end of the business day.

as the Portfolio Indicative Value,¹⁶ will be updated and disseminated by the Exchange at least every 15 seconds during the Core Trading Session on the Exchange through the facilities of the Consolidated Tape Association. The Exchange states that the dissemination of the Portfolio Indicative Value, together with the Disclosed Portfolio, will allow investors to determine the value of the underlying portfolio of a Fund on a daily basis and to provide a close estimate of that value throughout the trading day.

Information regarding market price and volume of the Shares is and will be continually available on a real-time basis throughout the day on brokers' computer screens and other electronic services. The previous day's closing price and trading volume information will be published daily in the financial section of newspapers. Quotation and last-sale information for the Shares will be available via the facilities of the Consolidated Tape Association.

Initial and Continued Listing

The Exchange represents that the Shares will be subject to NYSE Arca Equities Rule 8.600(d), which sets forth the initial and continued listing criteria applicable to Managed Fund Shares.¹⁷ The Exchange further represents that, for initial and/or continued listing, the Shares must be in compliance with Rule 10A-3 under the Exchange Act,¹⁸ as provided by NYSE Arca Equities Rule 5.3.

Trading Halts

With respect to trading halts, the Exchange may consider all relevant factors in exercising its discretion to halt or suspend trading in the Shares of a Fund. The Shares of the Funds will be halted if the "circuit breaker" parameters in NYSE Arca Equities Rule 7.12 are reached. Trading may be halted because of market conditions or for reasons that, in the view of the Exchange, make trading in the Shares inadvisable. These may include: (1) The extent to which trading is not occurring in the securities comprising the Disclosed Portfolio and/or the financial instruments of a Fund; or (2) whether other unusual conditions or circumstances detrimental to the maintenance of a fair and orderly

¹⁶ NYSE Arca Equities Rule 8.600(c)(3) (defining Portfolio Indicative Value as the estimated indicative value of a Managed Fund Share based on current information regarding the value of the securities and other assets in the Disclosed Portfolio).

¹⁷ See also *supra* note 7 (describing the Funds' compliance with Commentary .05 to NYSE Arca Equities Rule 8.600).

¹⁸ See 17 CFR 240.10A-3.

market are present. In addition, trading in the Shares will be subject to NYSE Arca Equities Rule 8.600(d)(2)(D), which sets forth circumstances under which Shares of a Fund may be halted.

Trading Rules

The Exchange deems the Shares to be equity securities, thus rendering trading in the Shares subject to the Exchange's existing rules governing the trading of equity securities. The Shares will trade on the NYSE Arca Marketplace from 4 a.m. to 8 p.m. ET in accordance with NYSE Arca Equities Rule 7.34 (Opening, Core, and Late Trading Sessions). The Exchange states that it has appropriate rules to facilitate transactions in the Shares during all such trading sessions. The minimum trading increment for the Shares on the Exchange will be \$0.01.

Surveillance

The Exchange intends to utilize its existing surveillance procedures applicable to derivative products (which will include Managed Fund Shares) to monitor trading in the Shares. The Exchange represents that these procedures are adequate to properly monitor Exchange trading of the Shares in all trading sessions and to deter and detect violations of Exchange rules and applicable federal securities laws. The Exchange's current trading surveillance focuses on detecting securities trading outside their normal patterns. When such situations are detected, surveillance analysis follows and investigations are opened, where appropriate, to review the behavior of all relevant parties for all relevant trading violations. The Exchange states that it may obtain information via the Intermarket Surveillance Group ("ISG") from other exchanges who are members or affiliate members of ISG.¹⁹ In addition, the Exchange also has a general policy prohibiting the distribution of material, non-public information by its employees.

Information Bulletin

Prior to the commencement of trading, the Exchange will inform its ETP Holders²⁰ in an Information Bulletin ("Bulletin") of the special characteristics and risks associated with trading the Shares. Specifically, the

¹⁹ The Exchange notes that not all of the components of the Disclosed Portfolio for each Fund may trade on exchanges that are members or affiliate members of ISG.

²⁰ ETP Holder refers to a sole proprietorship, partnership, corporation, limited liability company, or other organization in good standing that has been issued an Equity Trading Permit or "ETP." An ETP Holder must be a registered broker or dealer pursuant to Section 15 of the Act. See NYSE Arca Equities Rule 1.1(n).

Bulletin will discuss the following: (1) The procedures for purchases and redemptions of Shares in Creation Unit aggregations (and that Shares are not individually redeemable); (2) NYSE Arca Equities Rule 9.2(a),²¹ which imposes a duty of due diligence on its ETP Holders to learn the essential facts relating to every customer prior to trading the Shares; (3) the risks involved in trading the Shares during the Opening and Late Trading Sessions when an updated Portfolio Indicative Value will not be calculated or publicly disseminated; (4) how information regarding the Portfolio Indicative Value is disseminated; (5) the requirement that ETP Holders deliver a prospectus to investors purchasing newly issued Shares prior to or concurrently with the confirmation of a transaction; and (6) trading information. In addition, the Bulletin will reference that the Fund is subject to various fees and expenses described in the Registration Statement, discuss any exemptive, no-action, and interpretive relief granted by the Commission from any rules under the Act, and disclose that the NAV for the Shares will be calculated after 4 p.m. ET each trading day.

III. Discussion and Commission's Findings

The Commission has carefully reviewed the proposed rule change and finds that it is consistent with the requirements of section 6 of the Act²² and the rules and regulations thereunder applicable to a national securities exchange.²³ In particular, the Commission finds that the proposal is consistent with section 6(b)(5) of the Act,²⁴ which requires, among other things, that the Exchange's rules be designed to promote just and equitable principles of trade, 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

²¹ NYSE Arca Equities Rule 9.2(a) provides that an ETP Holder, before recommending a transaction, must have reasonable grounds to believe that the recommendation is suitable for the customer based on any facts disclosed by the customer as to his other security holdings and as to his financial situation and needs. Further, the rule provides, with a limited exception, that prior to the execution of a transaction recommended to a non-institutional customer, the ETP Holder shall make reasonable efforts to obtain information concerning the customer's financial status, tax status, investment objectives, and any other information that the ETP Holder believes would be useful to make a recommendation.

²² 15 U.S.C. 78f.

²³ In approving this proposed rule change the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

²⁴ 15 U.S.C. 78f(b)(5).

public interest. The Commission notes that, for the Shares to be listed and traded on the Exchange, such Shares must be in compliance with the initial and continued listing requirements under NYSE Arca Equities Rule 8.600.

The Commission believes that the proposal to list and trade the Shares on the Exchange is consistent with section 11A(a)(1)(C)(iii) of the Act,²⁵ which sets forth Congress' finding that it is in the public interest and appropriate for the protection of investors and the maintenance of fair and orderly markets to assure the availability to brokers, dealers, and investors of information with respect to quotations for and transactions in securities. Quotations and last-sale information for the Shares will be disseminated by means of the facilities of the Consolidated Tape Association. In addition, the Portfolio Indicative Value will be updated and disseminated at least every 15 seconds during the Core Trading Session on the Exchange through the facilities of the Consolidated Tape Association, and, on each business day before commencement of the Core Trading Session, the Trust will disseminate the Disclosed Portfolio on its Web site. The Commission also notes that information regarding market price and volume of the Shares is and will be continually available on a real-time basis throughout the day on brokers' computer screens and other electronic services, and the previous day's closing price and trading volume information will be published daily in the financial section of newspapers. Additionally, the following information will be available on the Funds' Web site (<http://www.wisdomtree.com>), which will be publicly accessible at no charge: (1) The prior business day's reported NAV, the Bid/Ask Price, and a calculation of the premium and discount of the Bid/Ask Price against the NAV; and (2) data in chart format displaying the frequency distribution of discounts and premiums of the daily Bid/Ask Price against the NAV, within appropriate ranges, for each of the four previous calendar quarters.

Furthermore, the Commission believes that the proposal to list and trade the Shares is reasonably designed to promote fair disclosure of information that may be necessary to price the Shares appropriately and to prevent trading when a reasonable degree of transparency cannot be assured. The Commission notes that the Exchange is required to obtain a representation from the Trust, prior to listing, that the NAV per Share will be

²⁵ 15 U.S.C. 78k-1(a)(1)(C)(iii).

calculated daily, and that the NAV and the Disclosed Portfolio will be made available to all market participants at the same time.²⁶ The Exchange may consider the suspension of trading in, or removal from listing of, the Shares if the value of the Portfolio Indicative Value is no longer calculated or available or the Disclosed Portfolio is not made available to all market participants at the same time.²⁷ In addition, NYSE Arca Equities Rule 8.600(d)(2)(B)(ii) requires that the Reporting Authority that provides the Disclosed Portfolio implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the actual components of the portfolio. Lastly, the Commission notes that the Exchange will halt trading in the Shares under the specific circumstances set forth in NYSE Arca Equities Rule 8.600(d)(2)(D) and that, if WisdomTree Asset Management becomes affiliated with a broker-dealer, WisdomTree Asset Management must erect a firewall between it and such broker-dealer with respect to access to information concerning the composition and/or changes to the investment portfolio of the Funds, in accordance with Commentary .07 to NYSE Arca Equities Rule 8.600.

The Commission further believes that the trading rules and procedures to which the Shares will be subject pursuant to this proposal are consistent with the Act. The Exchange has represented that the Shares are equity securities subject to Exchange's rules governing the trading of equity securities.

In support of this proposal, the Exchange has made the following representations:

1. The Shares will be subject to the initial and continued listing criteria applicable to Managed Fund Shares and, for initial and/or continued listing, the Shares must comply with Rule 10A-3 under the Act,²⁸ as provided by NYSE Arca Equities Rule 5.3.

2. The Exchange's surveillance procedures are adequate to properly monitor the trading of the Shares. Specifically, NYSE Arca will rely on its existing surveillance procedures applicable to derivative products, which will include Managed Fund Shares.²⁹

²⁶ See NYSE Arca Equities Rule 8.600(d)(1)(B).

²⁷ See NYSE Arca Equities Rule 8.600(d)(2)(C)(ii).

²⁸ 17 CFR 240.10A-3.

²⁹ The Commission notes that none of the Funds will invest in non-U.S. equity securities and believes that the Exchange's proposed rules and procedures are adequate with respect to the Shares. However, the Commission notes that other proposed series of Managed Fund Shares may

3. Prior to the commencement of trading, the Exchange will inform its members and member organizations in an Information Bulletin of the following: (1) The procedures for purchases and redemptions of Shares in Creation Unit aggregations (and that Shares are not individually redeemable); (2) NYSE Arca Equities Rule 9.2(a), which imposes a duty of due diligence on its ETP Holders to learn the essential facts relating to every customer prior to trading the Shares; (3) the risks involved in trading the Shares during the Opening and Late Trading Sessions when an updated Portfolio Indicative Value will not be calculated or publicly disseminated; (4) how information regarding the Portfolio Indicative Value is disseminated; (5) the requirement that ETP Holders deliver a prospectus to investors purchasing newly issued Shares prior to or concurrently with the confirmation of a transaction; and (6) trading information. In addition, the Information Bulletin will reference that the Fund is subject to various fees and expenses described in the Registration Statement, discuss any exemptive, no-action, and interpretive relief granted by the Commission from any rules under the Act, and disclose that the NAV for the Shares will be calculated after 4:00 p.m. ET each trading day.

This approval order is based on the Exchange's representations.

The Commission finds good cause for approving the proposed rule change before the 30th day after the date of publication of notice of filing thereof in the **Federal Register**. The Commission notes that the investment objectives of the Funds are similar to those applicable to other Managed Fund Shares, the listing and trading of which the Commission has previously approved for other national securities exchanges.³⁰ The Commission believes

require additional Exchange rules and procedures to govern their listing and trading on the Exchange. For example, in the case of a proposed series of Managed Fund Shares that are based on a portfolio, at least in part, of non-U.S. equity securities, rules relating to comprehensive surveillance sharing agreements and quantitative initial and continued listing standards may be required.

³⁰ See, e.g., Securities Exchange Act Release Nos. 57619 (April 4, 2008), 73 FR 19544 (April 10, 2008) (SR-NYSEArca-2008-25) (approving, among other things, the listing and trading of shares of the PowerShares Active Low Duration Portfolio, which seeks to exceed the total return of the Lehman Brothers 1-3 Year U.S. Treasury Index by investing, normally, at least 80% of its assets in a diversified portfolio of U.S. government and corporate debt securities); and 57514 (March 17, 2008), 73 FR 15230 (March 21, 2008) (SR-Amex-2008-02) (approving the listing and trading of shares of the Bear Stearns Current Yield Fund, which seeks to invest primarily in short-term debt obligations, including U.S. government securities, bank obligations, corporate debt obligations, foreign bank

that accelerated approval of the proposed rule change should provide additional choices for investors in, and promote additional competition in the market for, Managed Fund Shares. Therefore, the Commission finds good cause, consistent with section 19(b)(2) of the Act, to approve the proposed rule change on an accelerated basis.

IV. Conclusion

It is therefore ordered, pursuant to section 19(b)(2) of the Act,³¹ that the proposed rule change (SR-NYSEArca-2008-31) be, and it hereby is, approved on an accelerated basis.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³²

Florence E. Harmon,
Deputy Secretary.

[FR Doc. E8-10724 Filed 5-13-08; 8:45 am]

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SMALL BUSINESS ADMINISTRATION

C3 Capital Partners II, L.P. (License No. 07/07-0113); Notice Seeking Exemption Under 312 of the Small Business Investment Act, Conflicts of Interest

Notice is hereby given that C3 Capital Partners II, L.P., 4520 Main Street, Suite 1600, Kansas City, Missouri, 64111-7700, a Federal Licensee under the Small Business Investment Act of 1958, as amended ("the Act"), in connection with the financing of a small concern, has sought an exemption under section 312 of the Act and section 107.730, *Financings Which Constitute Conflicts of Interest of the Small Business Administration* ("SBA") rules and regulations (13 CFR 107.730 (2008)). C3 Capital Partners II, L.P. proposes to provide loans to Clinical Research Investments, LLC, (holding company for Clinical Research Holding, LLC) 4520 Main St., Ste. 1600, Kansas City, MO 64111. The financing is contemplated for the acquisition of an Alabama based manager of clinical trials.

The financing is brought within the purview of Sec. 107.730(a)(1) of the Regulations because C3 Capital Partners, LP, an Associate of C3 Capital Partners II, L.P., currently owns greater than 10 percent of Clinical Research Investments, LLC, and therefore, Clinical Research Investments, LLC, is considered an Associate of C3 Capital

obligations (U.S. dollar denominated), foreign corporate debt obligations (U.S. dollar denominated), and other financial instruments).

³¹ 15 U.S.C. 78s(b)(2).

³² 17 CFR 200.30-3(a)(12).

Partners II as defined in Sec. 105.50 of the regulations.

Notice is hereby given that any interested person may submit written comments on the transaction, within 15 days, to the Associate Administrator for Investment, U.S. Small Business Administration, 409 Third Street, SW., Washington, DC 20416.

A. Joseph Shepard,

Associate Administrator for Investment.

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SMALL BUSINESS ADMINISTRATION

[License No. 09/79-0454]

Emergence Capital Partners SBIC, L.P.; Notice Seeking Exemption Under Section 312 of the Small Business Investment Act, Conflicts of Interest

Notice is hereby given that Emergence Capital Partners SBIC, L.P., 160 Bovet Road, Suite 300, San Mateo, CA 94402, a Federal Licensee under the Small Business Investment Act of 1958, as amended ("the Act"), in connection with the financing of a small concern, has sought an exemption under Section 312 of the Act and Section 107.730, *Financings which Constitute Conflicts of Interest of the Small Business Administration* ("SBA") Rules and Regulations (13 CFR 107.730). Emergence Capital Partners SBIC, L.P. proposes to provide equity/debt security financing to Intacct Corporation, 125 South Market Street, Suite 600, San Jose, CA 95113. The financing is contemplated for working capital and general corporate purposes.

The financing is brought within the purview of § 107.730(a)(1) of the Regulations because Emergence Capital Partners, L.P. and Emergence Capital Associates, L.P., all Associates of Emergence Capital Partners SBIC, L.P., own more than ten percent of Intacct Corporation and therefore Intacct Corporation is considered an Associate of Emergence Capital Partners SBIC, L.P. as detailed in § 107.50 of the Regulations.

Notice is hereby given that any interested person may submit written comments on the transaction to the Associate Administrator for Investment, U.S. Small Business Administration, 409 Third Street, SW., Washington, DC 20416.

Dated: April 15, 2008.

A. Joseph Shepard,

Associate Administrator for Investment.

[FR Doc. E8-10760 Filed 5-13-08; 8:45 am]

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