

connection with the investment by the Fund of Funds in the Other Group Fund made at the direction of the Subadviser. In the event that the Subadviser waives fees, the benefit of the waiver will be passed through to the Fund of Funds.

11. With respect to Registered Separate Accounts that invest in a Fund of Funds, no sales load will be charged at the Fund of Funds level or at the Underlying Fund level. Other sales charges and services fees, as defined in Rule 2830, if any, will only be charged at the Fund of Funds level or at the Underlying Fund level, but not both. With respect to other investments in a Fund of Funds, any sales charges and/or service fees will not exceed the limits applicable to a fund of funds as set forth in Rule 2830.

12. No Underlying Fund will acquire securities of any investment company or company relying on section 3(c)(1) or 3(c)(7) of the Act in excess of the limits contained in section 12(d)(1)(A) of the Act except to the extent the Underlying Fund (a) receives securities of another investment company as a dividend or as a result of a plan of reorganization of a company (other than a plan devised for the purpose of evading section 12(d)(1) of the Act); or (b) acquires (or is deemed to have acquired) securities of another investment company pursuant to exemptive relief from the Commission permitting the Underlying Fund to (i) acquire securities of one or more affiliated investment companies for short-term cash management purposes; or (ii) engage in interfund borrowing or lending transactions.

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

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

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## SECURITIES AND EXCHANGE COMMISSION

### Sunshine Act Meeting

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 meeting during the week of October 23, 2006:

A Closed Meeting will be held on Thursday, October 26, 2006 at 10 a.m.

Commissioners, Counsels to the Commission, the Secretary to the Commission, and recording secretaries will attend the Closed Meeting. 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) and (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 meeting in closed session.

The subject matters of the Closed Meeting scheduled for Thursday, October 26, 2006 will be: Formal orders of investigation; Institution and settlement of injunctive actions; Institution and settlement of administrative proceedings of an enforcement nature; Other matters relating to enforcement proceeding; Collection matter; Regulatory matter regarding a financial institution; and Adjudicatory 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: October 19, 2006.

**J. Lynn Taylor,**

*Assistant Secretary.*

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-54612, File No. SR-MSRB-2006-07]

### Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Order Approving Proposed Rule Change to MSRB Rule G-14 RTRS Procedures Relating to "List Offering Price" and "Takedown" Transactions

October 17, 2006.

On August 15, 2006, the Municipal Securities Rulemaking Board ("MSRB" or "Board"), filed with the Securities and Exchange Commission ("SEC" or "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 Rule G-14 RTRS Procedures under Rule G-14, Reports of Sales or Purchases, to expand the usage of "list offering price" transactions to include certain inter-dealer "takedown" transactions and to require the reporting of these transactions as "list offering price" transactions on the first day of trading of a new issue. The MSRB proposed an effective date for the proposed rule change of January 8, 2007. The proposed rule change was published for comment in the **Federal Register** on September 14, 2006.<sup>3</sup> The Commission received no comment letters regarding the proposal.

The proposed rule change retains the end of the day exception from the normal fifteen minute reporting deadline for the expanded category of "List Offering Price/Takedown" transactions. The MSRB believes that the proposed rule change recognizes the similarities between List Offering Price and Takedown transactions and the dissimilarities between these transactions and secondary market transactions in a new issue, and further believes that transparency reports on the first day of trading for a new issue would be more useful if List Offering Price and Takedown transactions were identified with a special condition indicator.

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to the MSRB<sup>4</sup> and, in particular, the requirements of Section 15B(b)(2)(C) of the Act<sup>5</sup> and the rules and regulations thereunder. Section 15B(b)(2)(C) of the Act requires, among other things, that the MSRB's rules be 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 municipal securities, to remove impediments to and perfect the mechanism of a free and open market in municipal securities, and, in general, to protect investors and the public interest.<sup>6</sup> In particular, the Commission finds that the proposed rule change will allow the municipal

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

<sup>3</sup> See Securities Exchange Act Release No. 54416 (September 8, 2006), 71 FR 54323 (September 14, 2006).

<sup>4</sup> In approving this rule the Commission notes that it has considered the proposed rule's impact on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

<sup>5</sup> 15 U.S.C. 78o-4(b)(2)(C).

<sup>6</sup> *Id.*

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