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

Florence E. Harmon,

Deputy Secretary.

[FR Doc. E7–1718 Filed 2–1–07; 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, Pub. L. 94–409, that the Securities and Exchange Commission will hold the following meetings during the week of February 5, 2007:

An Open Meeting will be held on Wednesday, February 7, 2007 at 10 a.m. in the Auditorium, Room LL–002, and Closed Meetings will be held on Wednesday, February 7, 2007 at 11 a.m. and Thursday, February 8, 2007 at 2 p.m.

Commissioners, Counsels 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), (4), (5), (7), (8), 9(B) and (10) and 17 CFR 200.402(a)(3), (4), (5), (7), (8), 9(ii) and (10) permit consideration of the scheduled matters at the Closed Meetings.

Commissioner Nazareth as duty officer, voted to consider the items listed for the closed meetings in closed session.

The subject matter of the Open Meeting scheduled for Wednesday, February 7, 2007 at 10 a.m. will be:

The Commission will hear oral argument on an appeal by John A. Carley, Eugene C. Geiger, Thomas A. Kaufmann, Edward H. Price, and Christopher H. Zacharias from an initial decision of an administrative law judge.

Carley and Zacharias were officers and directors of Starnet Communications International, Inc. Geiger and Kaufmann were associated persons of Spencer Edwards, Inc., a registered broker-dealer. Price was president, chief executive officer, and chief compliance officer of Spencer Edwards and supervised Geiger and Kaufmann.

The law judge found that Carley and Zacharias violated, and Geiger and Kaufmann willfully violated, Sections 5(a) and 5(c) of the Securities Act of 1933 by offering to sell, selling, and delivering to members of the public shares of Starnet common stock when no registration statement was filed or in effect with respect to those securities and no exemption from registration was available. The law judge found that Price failed reasonably to supervise Geiger and Kaufmann. The law judge found further that Carley and Zacharias violated the antifraud provisions of the securities laws by filing with the Commission false and misleading current and annual reports. The law judge also found that Zacharias violated Section 16(a) of the Securities Exchange Act of 1934 and Exchange Act Rule 16a–3 by failing to file a required Form 4.

The law judge imposed cease-and-desist orders on Carley, Zacharias, Geiger, and Kaufmann, barred Geiger and Kaufmann from associating with any broker or dealer, and barred Price from associating with any broker or dealer in a supervisory capacity. The law judge ordered Carley and Zacharias each to disgorge an amount representing payments made to them in connection with their unregistered sale of shares of Starnet common stock. The law judge also ordered Geiger and Kaufmann each to disgorge fifty percent of the net commissions that they earned on all Starnet trades attributable to their joint account number at Spencer Edwards from January 1999 through February 2001. The law judge imposed penalties of $400,000 against Geiger, $300,000 against Kaufmann, and $150,000 against Price.

Carley, Zacharias, Geiger, Kaufmann, and Price appeal the law judge's findings of violation and the sanctions imposed by the law judge.

Among the issues likely to be considered are:

(1) Whether respondents committed the alleged violations; and

(2) If so, whether sanctions should be imposed in the public interest.

The subject matter of the Closed Meeting scheduled for Wednesday, February 7, 2007 at 11 a.m. will be: post-argument discussion.

The subject matter of the Closed Meeting scheduled for Thursday, February 8, 2007 will be: regulatory matter regarding financial institution; formal orders of investigation; institution and settlement of injunctive actions; institution and settlement of administrative proceedings of an enforcement nature; resolution of litigation claims; an adjudicatory matter; and other matters relating to enforcement proceedings.

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: January 31, 2007.

Nancy M. Morris,

Secretary.

[FR Doc. 07–474 Filed 1–31–07; 11:02 am]

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SECURITIES AND EXCHANGE COMMISSION

[File No. 500–1]

In the Matter of Icon International Holdings, Inc., Interchange Medical, Inc., Outsource International, Inc., and Smart Choice Automotive Group, Inc.; Order of Suspension of Trading

January 31, 2007.

It appears to the Securities and Exchange Commission that there is a lack of current and accurate information concerning the securities of Icon International Holdings, Inc. because it has not filed any periodic reports since the period ended March 31, 2001.

It appears to the Securities and Exchange Commission that there is a lack of current and accurate information concerning the securities of Interchange Medical, Inc. because it has not filed any periodic reports since the period ended September 30, 2002.

It appears to the Securities and Exchange Commission that there is a lack of current and accurate information concerning the securities of Outsource International, Inc. because it has not filed any periodic reports since the period ended April 1, 2001.

It appears to the Securities and Exchange Commission that there is a lack of current and accurate information concerning the securities of Smart Choice Automotive Group, Inc. because it has not filed any periodic reports since the period ended January 31, 2002.

The Commission is of the opinion that the public interest and the protection of investors require a suspension of trading in the securities of the above-listed companies.

Therefore, it is ordered, pursuant to Section 12(k) of the Securities Exchange Act of 1934, that trading in the above-listed companies is suspended for the period from 9:30 a.m. EST on January 31, 2007, through 11:59 p.m. EST on February 13, 2007.

By the Commission.

Nancy M. Morris,

Secretary.

[FR Doc. 07–473 Filed 1–31–07; 11:25 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–55179; File No. SR–Amex–2007–08]

Self-Regulatory Organizations; American Stock Exchange LLC; Notice of Filing of Proposed Rule Change To Establish a Passive Price Improvement Order for Specialists and Registered Traders

January 26, 2007.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'') [1] and Rule 19b–4 thereunder [2] notice is hereby given that on January 19, 2007, the American Stock Exchange LLC (''Amex'' or ''Exchange'') filed with the Securities and Exchange Commission the proposed rule change as described in Items I, II, and III below, which Items have been substantially prepared by the Exchange. 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 amend its rules with respect to its new AEMI℠ trading platform and hybrid market structure for equity products and exchange-traded funds (''ETFs''), recently approved by the Commission,[3] to add a new Passive Price Improvement (''PPI'') order type to encourage Specialists and Registered Traders to provide aggressing orders with increased opportunities for price improvement. PPI orders would be the only method by which Specialists and Registered Traders could offer price improvement electronically and would provide undisplayed liquidity that reacts to aggressing orders according to criteria met at the time of order entry. PPI orders are intended to replicate in part the dynamics of floor-based trading in an electronic environment, and the Exchange believes that they would act as an incentive for the Exchange's Specialists and Registered Traders to quote more aggressively and add liquidity to the market. This should serve to assist the specialists and market makers in maintaining the continuity and depth of the marketplace, increase the quality of the market, and dampen volatility.

The text of the proposed rule change is available on Amex's Web site at *http://www.amex.com,* at Amex's Office of the Secretary and at 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 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 the Statutory Basis for, the Proposed Rule Change

(1) Purpose

To encourage Specialists and Registered Traders to provide aggressing orders with increased opportunities for price improvement, the Exchange is proposing to adopt a new Passive Price Improvement (''PPI'') order type. This would be the only method by which Specialists and Registered Traders could offer price improvement electronically. This interest would be undisplayed and reside inside the APQ, and its purpose is to offer price improvement to an aggressing order. The ability to offer price improvement would be linked to the competitiveness and size of the Amex liquidity provider's own displayed quote. PPI orders are intended to replicate in part the dynamics of floor-based trading in an electronic environment and the Exchange believes that they would act as an incentive for the Exchange's Specialists and Registered Traders to quote more aggressively and add liquidity to the market. This should also serve to maintain continuity and depth in the marketplace as well as to increase the quality of the market and dampen volatility.

A Specialist or Registered Trader could have only a single, undisplayed PPI order per side in a particular security on the AEMI Book at any point in time, which must be inside the APQ and would be permitted only if the user has at least one quote for that side in the AEMI Book. A PPI order would not form part of the APQ and would be visible only to the entering Specialist or Registered Trader or his firm or group. A PPI order on the AEMI Book could be of any size, but its eligibility for execution would be assessed at the time of execution against an incoming order, and would be based on the competitiveness of the participant's quote at that time.

AEMI would make a PPI order eligible for execution if at least one of the following two conditions is met; otherwise AEMI would ignore the PPI order:

1. The Specialist's or Registered Trader's displayed quote is at the APQ on the side of the PPI order that would be executed. In this case, the PPI order would be executed up to (a) the size of the Specialist's or Registered Trader's displayed quote or (b) the size of the incoming order, whichever is smaller. Any balance of the PPI order would be considered ineligible to trade against the incoming order and will be ignored.

2. The Specialist's or Registered Trader's displayed quote is (i) one tick away from the APQ on the side of the PPI order that would be executed, and (ii) at least double the size of the APQ on the side of the PPI order that would be executed. In this case, the PPI order would be executed up to (a) half of the size of the Specialist's or Registered Trader's displayed quote or (b) the size of the incoming order, whichever is smaller. Any balance of the PPI order would be considered ineligible to trade against the incoming order and would be ignored.

In both cases, as with other aggressing orders, intermarket sweep orders would be generated to clear any better-priced protected quotations at other markets.

The two conditions above balance the need to provide meaningful price improvement opportunities in the form of undisplayed liquidity with the need to ensure the competitiveness of displayed quotations.

The AEMI platform would ignore (*i.e.*, make ineligible for execution against an aggressing order, without canceling) a PPI order on the AEMI Book that locks or crosses the automated NBBO or APQ as a result of a change in the automated NBBO or APQ or equals the APQ on the same side of the market. If there are multiple PPI orders at the same price, the Specialist's PPI order would take priority over a Registered Trader's PPI order. This provision recognizes the fact that Specialists have higher capital requirements, more stringent quoting obligations, and more trading obligations (both negative and

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

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 54552 (September 29, 2006), 71 FR 59546 (October 10, 2006).