

**Morgan Stanley Special Value Fund [File No. 811-7683]; Morgan Stanley Value Fund [File No. 811-8861]; Morgan Stanley Technology Fund [File No. 811-8916]; Morgan Stanley Mid-Cap Value Fund [File No. 811-10359]; Morgan Stanley Small-Mid Special Value Fund [File No. 811-21042]**

*Summary:* Each applicant seeks an order declaring that it has ceased to be an investment company. On June 1, 2010, each applicant transferred its assets to a corresponding series of AIM Sector Funds, based on net asset value. Expenses of approximately \$232,421, \$154,029, \$396,121, \$182,975, and \$153,105, respectively, incurred in connection with the reorganizations were paid by Morgan Stanley Investment Advisors Inc., applicants' investment adviser, and Invesco Advisers, Inc.

*Filing Date:* The applications were filed on March 4, 2011.

*Applicants' Address:* c/o Morgan Stanley Investment Advisors Inc., 522 Fifth Ave., New York, NY 10036.

**Morgan Stanley Tax-Exempt Securities Trust [File No. 811-2979]**

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. On June 1, 2010, applicant transferred its assets to Invesco Tax-Exempt Securities Fund, a series of AIM Tax-Exempt Funds, based on net asset value. Expenses of approximately \$274,002 incurred in connection with the reorganization were paid by Morgan Stanley Investment Advisors Inc., applicant's investment adviser, and Invesco Advisers, Inc.

*Filing Date:* The application was filed on March 4, 2011.

*Applicant's Address:* c/o Morgan Stanley Investment Advisors Inc., 522 Fifth Ave., New York, NY 10036.

**Morgan Stanley Convertible Securities Trust [File No. 811-4310]**

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. On June 1, 2010, applicant transferred its assets to Invesco Convertible Securities Fund, a series of AIM Growth Series, based on net asset value. Expenses of approximately \$150,888 incurred in connection with the reorganization were paid by Morgan Stanley Investment Advisors Inc., applicant's investment adviser, and Invesco Advisers, Inc.

*Filing Date:* The application was filed on March 4, 2011.

*Applicant's Address:* c/o Morgan Stanley Investment Advisors Inc., 522 Fifth Ave., New York, NY 10036.

**Morgan Stanley Natural Resource Development Securities Inc. [File No. 811-3129]**

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. On February 5, 2010, applicant transferred its assets to Morgan Stanley Commodities Alpha Fund, a series of Morgan Stanley Series Funds, based on net asset value. Expenses of approximately \$248,780 incurred in connection with the reorganization were paid by applicant and Morgan Stanley Investment Advisors Inc., applicant's investment adviser.

*Filing Date:* The application was filed on March 7, 2011.

*Applicant's Address:* c/o Morgan Stanley Investment Advisors Inc., 522 Fifth Ave., New York, NY 10036.

**Man-Glenwood Lexington, LLC [File No. 811-21173]; Man-Glenwood Lexington TEI, LLC [File No. 811-21458]**

*Summary:* Each applicant, a closed-end investment company, seeks an order declaring that it has ceased to be an investment company. Applicants made a public offering of their securities from January 2003 until September 2010 and from April 2004 until September 2010, respectively, at which time each applicant's board of managers determined to cease such offer. Each applicant conducted final investor repurchases and presently has fewer than one hundred investors. Applicants are not presently making an offering of securities and do not propose to make any offering of securities. Each applicant will continue to operate as a private investment fund in reliance on section 3(c)(1) of the Act until final liquidation.

*Filing Date:* The applications were filed on February 28, 2011.

*Applicants' Address:* 1 Rockefeller Plaza, 16th Floor, New York, NY 10020.

**Man-Glenwood Lexington Associates Portfolio, LLC [File No. 811-21285]**

*Summary:* Applicant, a closed-end investment company, seeks an order declaring that it has ceased to be an investment company. Applicant made a private offering of its securities to its feeder funds from January 2003 until September 2010, at which time applicant's board of managers determined to cease such offer. Applicant conducted final investor repurchases and presently has fewer than one hundred investors. Applicant is not presently making an offering of securities and does not propose to make any offering of securities. Applicant will

continue to operate as a private investment fund in reliance on section 3(c)(1) of the Act until final liquidation.

*Filing Date:* The application was filed on February 28, 2011.

*Applicant's Address:* 1 Rockefeller Plaza, 16th Floor, New York, NY 10020.

**Aetos Capital Opportunities Fund, LLC [File No. 811-21728]**

*Summary:* Applicant, a closed-end investment company, seeks an order declaring that it has ceased to be an investment company. On December 31, 2010, applicant transferred its assets to Aetos Capital Long/Short Strategies Fund, LLC, based on net asset value. Expenses of approximately \$150,000 incurred in connection with the reorganization were paid by applicant.

*Filing Dates:* The application was filed on February 4, 2011, and amended on March 23, 2011.

*Applicant's Address:* c/o Aetos Capital, LLC, 875 Third Ave., New York, NY 10022.

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

**Cathy H. Ahn,**

*Deputy Secretary.*

[FR Doc. 2011-7516 Filed 3-30-11; 8:45 am]

**BILLING CODE 8011-01-P**

**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 a Closed Meeting on Tuesday, April 5, 2011 at 2 p.m.

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the Closed Meeting. Certain staff members who have an interest in the matters also may 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), 9(B) and (10) and 17 CFR 200.402(a)(3), (5), (7), 9(ii) and (10), permit consideration of the scheduled matters at the Closed Meeting.

Commissioner Casey, as duty officer, voted to consider the items listed for the Closed Meeting in a closed session.

The subject matter of the Closed Meeting scheduled for Tuesday, April 5, 2011 will be:

Institution and settlement of injunctive actions;

Institution and settlement of administrative proceedings; 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: March 29, 2011.

**Elizabeth M. Murphy,**  
Secretary.

[FR Doc. 2011-7731 Filed 3-29-11; 4:15 pm]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-64128; File No. SR-C2-2011-003]

### Self-Regulatory Organizations; C2 Options Exchange, Incorporated; Order Approving Proposed Rule Change, as Modified by Amendment No. 1, Relating to Bylaw and Related Rule Changes

March 25, 2011.

#### I. Introduction

On January 27, 2011, C2 Options Exchange, Incorporated (“C2” 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 modify its governance structure. On February 9, 2011, the Exchange filed Amendment No. 1 to the proposed rule change.<sup>3</sup> The proposed rule change was published for comment in the **Federal Register** on February 10, 2011.<sup>4</sup> The Commission received no comment letters regarding the proposal. This order approves the proposed rule

change, as modified by Amendment No. 1.

#### II. Description of the Proposal

The Exchange proposes to: (1) Eliminate its office of the Vice Chairman of the Board (“Vice Chairman”); (2) provide that the Board of Directors may establish an Advisory Board; and (3) eliminate the C2 Audit Committee.

##### A. Elimination of the Office of the Vice Chairman of the Board

The Exchange proposes to amend its Bylaws to eliminate the office of the Vice Chairman.<sup>5</sup> The primary function of the Vice Chairman’s office was to facilitate communication between the Exchange and its Trading Permit Holders and to coordinate the activities of Trading Permit Holder committees.<sup>6</sup> The Exchange believes that C2 management is able to perform these functions and has represented that it will continue to obtain input from Trading Permit Holders through other channels, including direct communication with individual Trading Permit Holders, committees established by the Exchange, and through the proposed Advisory Board (discussed below).<sup>7</sup>

##### B. Provision for an Advisory Board

The Exchange proposes to adopt Section 6.1 of the Bylaws that would allow the Board of Directors to establish an Advisory Board which would advise the Office of the Chairman regarding matters of interest to Trading Permit Holders. According to the Exchange, this would be beneficial because it would provide another vehicle by which the Exchange management could receive advice and feedback from Trading Permit Holders.<sup>8</sup> Under the proposal, the Board of Directors would determine the number of members of the Advisory Board, the Chief Executive Officer or his or her designee would serve as the Chairman of an Advisory Board, and the C2 Nominating and Governance Committee would recommend the members of any Advisory Board for approval by the Board of Directors.

The Advisory Board would be completely advisory in nature and would not be vested with any Exchange decision-making authority or other

authority to act on behalf of the Exchange. Pursuant to proposed Section 6.1 of the Bylaws, the Board of Directors would have the discretion as to whether (or not) to put an Advisory Board in place. C2 has represented that the Board of Directors intends to establish an Advisory Board.<sup>9</sup>

##### C. Elimination of Exchange Audit Committee

C2 proposes to amend its Bylaws to eliminate its Audit Committee because its functions are duplicative of the functions performed by the Audit Committee of its parent company, CBOE Holdings, Inc. (“CBOE Holdings”).

The CBOE Holdings Audit Committee has broad authority to assist the CBOE Holdings Board of Directors in discharging its responsibilities relating to, among other things: (1) The qualifications, engagement, and oversight of CBOE Holdings’ independent auditor; (2) CBOE Holdings’ financial statements and disclosure matters; (3) CBOE Holdings’ internal audit function and internal controls; and (4) CBOE Holdings’ oversight and risk management, including compliance with legal and regulatory requirements. CBOE Holdings’ financial statements are prepared on a consolidated basis that includes the financial results of CBOE Holdings’ subsidiaries, including C2. Therefore, according to the Exchange, the CBOE Holdings Audit Committee’s purview necessarily includes C2 and the responsibilities of the C2 Audit Committee are fully duplicated by the responsibilities of the CBOE Holdings Audit Committee.<sup>10</sup> Consequently, C2 proposes that the responsibilities of its audit committee be performed by the CBOE Holdings Audit Committee.

Although the CBOE Holdings Audit Committee would continue to have overall responsibility with respect to the internal audit function, the C2 Board of Directors would maintain its own independent oversight over the internal audit function with respect to C2 regulatory functions through the C2 Regulatory Oversight Committee. Specifically, upon elimination of the C2 Audit Committee, the Regulatory Oversight Committee would have the authority to review the internal audit plan relating to C2’s regulatory

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

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

<sup>3</sup> At the time C2 submitted the original proposed rule change, it had not yet obtained formal approval from its Board of Directors for the specific Bylaw and rule changes set forth in this proposed rule change. C2 stated that once that approval was obtained, the Exchange would file a technical amendment to its proposed rule change to reflect that approval. In Amendment No. 1, the Exchange notes that the C2 Board of Directors approved the specific Bylaw and rule changes set forth in SR-C2-2011-003 on February 8, 2011 and stated that no further action was necessary in connection with its proposal. Amendment No. 1 is technical in nature, and the Commission is not publishing Amendment No. 1 for public comment.

<sup>4</sup> See Securities Exchange Act Release No. 63845 (February 4, 2011), 76 FR 7598 (“Notice”).

<sup>5</sup> The specific proposed Bylaw and rule changes relating to the elimination of the Office of the Vice Chairman are discussed in detail in the Notice. See Notice, *supra* note 4, 76 FR at 7598-7599.

<sup>6</sup> Currently, the Vice Chairman is an office held by one of the Exchange’s Industry Directors. See Notice, *supra* note 4, 76 FR at 7598.

<sup>7</sup> See Notice, *supra* note 4, 76 FR at 7598.

<sup>8</sup> See Notice, *supra* note 4, 76 FR at 7599.

<sup>9</sup> See Notice, *supra* note 4, 76 FR at 7599.

<sup>10</sup> See Notice, *supra* note 4, 76 FR at 7599 (noting that the C2 Audit Committee has a more limited role focusing on: (1) C2’s financial statements and disclosure matters, and (2) C2’s oversight and risk management, including compliance with legal and regulatory requirements, in each case, only to the extent required in connection with C2’s discharge of its obligations as a self-regulatory organization).