

existing rules governing the trading of equity securities. In support of this proposal, the Exchange has made representations, including:

(1) The Shares will be subject to NYSE Arca Equities Rule 8.600, which sets forth the initial and continued listing criteria applicable to Managed Fund Shares.

(2) The Exchange has appropriate rules to facilitate transactions in the Shares during all trading sessions.

(3) The Exchange's surveillance procedures applicable to derivative products, which include Managed Fund Shares, 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.

(4) Prior to the commencement of trading, the Exchange will inform its Equity Trading Permit Holders in an Information Bulletin of the special characteristics and risks associated with trading the Shares. Specifically, the Information Bulletin will discuss the following: (a) The procedures for purchases and redemptions of Shares in Creation Unit aggregations (and that Shares are not individually redeemable); (b) NYSE Arca Equities Rule 9.2(a), which imposes a duty of due diligence on its Equity Trading Permit Holders to learn the essential facts relating to every customer prior to trading the Shares; (c) the risks involved in trading the Shares during the Opening and Late Trading Sessions when an updated PIV will not be calculated or publicly disseminated; (d) how information regarding the PIV is disseminated; (e) the requirement that Equity Trading Permit Holders deliver a prospectus to investors purchasing newly issued Shares prior to or concurrently with the confirmation of a transaction; and (f) trading information.

(5) For initial and/or continued listing, the Fund must be in compliance with Rule 10A-3 under the Act,²⁸ as provided by NYSE Arca Equities Rule 5.3.

(6) The Fund may hold up to an aggregate amount of 15% of its net assets in: (a) Illiquid securities; (b) Rule 144A securities; and (c) loan interests (such as loan participations and assignments, but not including LPNs).

(7) The Fund expects that no more than 30% of the value of the Fund's net assets will be invested in derivative instruments, and such investments will be consistent with the Fund's investment objective and will not be used to enhance leverage.

(8) The Fund will not invest in non-U.S. equity securities.

(9) A minimum of 100,000 Shares of the Fund will be outstanding at the commencement of trading on the Exchange.

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

For the foregoing reasons, the Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act²⁹ and the rules and regulations thereunder applicable to a national securities exchange.

IV. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,³⁰ that the proposed rule change (SR-NYSEArca-2012-25) be, and it hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³¹

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2012-13145 Filed 5-30-12; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-67047; File No. SR-Phlx-2012-70]

Self-Regulatory Organizations; NASDAQ OMX PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Reversal and Conversion Strategies

May 23, 2012.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4² thereunder, notice is hereby given that, on May 16, 2012, NASDAQ OMX PHLX LLC ("Phlx" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II and III below, which Items have been 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 Exchange proposes to amend a fee cap on equity options transactions

²⁹ 15 U.S.C. 78f(b)(5).

³⁰ 15 U.S.C. 78s(b)(2).

³¹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

on certain reversals³ and conversion⁴ strategies in Section II, entitled "Equity Options Fees."⁵ The Exchange also proposes to make technical amendments to the Pricing Schedule.

The text of the proposed rule change is available on the Exchange's Web site at <http://www.nasdaqtrader.com/micro.aspx?id=PHLXfilings>, at the principal office of the Exchange, 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 Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposed rule change is to amend the applicability of a fee cap relating to reversal and conversion strategies in Section II of the Pricing Schedule to conform the applicability of that cap to that of the dividend,⁶ merger⁷ and short stock interest⁸ strategies cap. The Exchange believes that all strategy caps should be applied in the same manner, in this case

³ Reversals are established by combining a short stock position with a short put and a long call position that shares the same strike and expiration.

⁴ Conversions are established by combining a long position in the underlying security with a long put and a short call position that shares the same strike and expiration.

⁵ Section II Equity Options Fees include options overlying equities, ETFs, ETNs, indexes and HOLDRS which are Multiply Listed.

⁶ A dividend strategy is defined as transactions done to achieve a dividend arbitrage involving the purchase, sale and exercise of in-the-money options of the same class, executed the first business day prior to the date on which the underlying stock goes ex-dividend.

⁷ A merger strategy is defined as transactions done to achieve a merger arbitrage involving the purchase, sale and exercise of options of the same class and expiration date, executed the first business day prior to the date on which shareholders of record are required to elect their respective form of consideration, i.e., cash or stock.

⁸ A short stock interest strategy is defined as transactions done to achieve a short stock interest arbitrage involving the purchase, sale and exercise of in-the-money options of the same class.

²⁸ See 17 CFR 240.10A-3.

only when such members are trading in their own proprietary accounts.

Currently, Market Maker,⁹ Professional,¹⁰ Firm and Broker-Dealer equity option transaction fees are capped at \$1,000 for dividend, merger and short stock interest strategies executed on the same trading day in the same options class when such members are trading in their own proprietary accounts.¹¹ The Exchange also currently has a cap for reversal and conversion strategies wherein Market Maker, Professional, Firm and Broker-Dealer options transaction fees in Multiply Listed Options are capped at \$500 per day for reversal and conversion strategies executed on the same trading day in the same options class (“Reversal and Conversion Cap”).¹² The Exchange proposes to further qualify the Reversal and Conversion Cap by applying the cap only when such members are trading in their own proprietary accounts, similar to dividend, merger and short stock interest strategies.

Additionally, the Exchange proposes to make certain technical amendments to the Pricing Schedule. The Exchange recently amended the title of the Pricing Schedule from a “Fee Schedule” to a “Pricing Schedule.”¹³ There are a few places in the Pricing Schedule, namely in Section III, Part A (Other Transaction Fees, PIXL Pricing) and Section VII ((NASDAQ OMX PSX Fees, Other Requests for Data) that still refer to a Fee Schedule. The Exchange is proposing to amend those references from “Fee Schedule” to a “Pricing Schedule.” The Exchange is also proposing to remove a reference in Section I (Rebates and Fees for Adding and Removing Liquidity in

⁹ The Exchange market maker category includes Specialists (see Rule 1020) and Registered Options Traders (see Rule 1014(b)(i) and (ii)), which includes Streaming Quote Traders (“SQTs”) (see Rule 1014(b)(ii)(A)) and Remote Streaming Quote Traders (“RSQTs”) (see Rule 1014(b)(ii)(B)). This would also include Directed Participants. The term “Directed Participant” applies to transactions for the account of a Specialist, SQT or RSQT resulting from a Customer order that is (1) directed to it by an order flow provider, and (2) executed by it electronically on Phlx XL II.

¹⁰ The Exchange defines a “professional” as any person or entity that (i) is not a broker or dealer in securities, and (ii) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s) (hereinafter “Professional”).

¹¹ Equity option transaction fees for dividend, merger and short stock interest strategies combined will be further capped at the greater of \$10,000 per member or \$25,000 per member organization.

¹² The Reversal and Conversion Cap applies to executions occurring on either of the two days preceding the standard options expiration date, which is typically the third Thursday and Friday of every month.

¹³ See Securities Exchange Act Release No. 66668 (March 28, 2012), 77 FR 20090 (April 3, 2012) (SR-Phlx-2012-35).

Select Symbols) to the Market Exhaust auction. The Exchange recently filed a rule change to discontinue the Market Exhaust functionality, a feature of the Exchange’s PHLX XL[®] automated trading system.¹⁴ The reference to Market Exhaust was deleted from Rule 1080(c). This functionality was discontinued as of January 31, 2012. The Exchange proposes to remove a reference to Market Exhaust in Section I of the Pricing Schedule. Finally, the Exchange purposes to replace certain reference symbols with numbers for clarity in various sections of the Pricing Schedule.¹⁵

2. Statutory Basis

The Exchange believes that its proposal to amend its Pricing Schedule is consistent with Section 6(b) of the Act¹⁶ in general, and furthers the objectives of Section 6(b)(4) of the Act¹⁷ in particular, in that it is an equitable allocation of reasonable fees and other charges among Exchange members and other persons using its facilities.

The Exchange believes that the proposed amendment to the applicability of the Reversal and Conversion Cap is reasonable because the Exchange is proposing to apply the cap only when such members are trading in their own proprietary account, which is the case today for dividend, merger and short stock interest strategies. All members would continue to be offered an opportunity to reduce option transaction fees in Multiply Listed options for reversals and conversions.¹⁸ The Exchange also believes that the proposed amendment to the applicability of the Reversal and Conversion Cap is equitable and not unfairly discriminatory because the Exchange would uniformly apply the reversal cap to all members.

The Exchange believes that the technical amendments are reasonable, equitable and not unfairly discriminatory because the Exchange intends to amend the Pricing Schedule to conform the text to recent rule amendments which eliminated and/or replaced certain references.

¹⁴ See Securities Exchange Act Release No. 66087 (January 3, 2012), 77 FR 1095 (January 9, 2012) (SR-Phlx-2011-182).

¹⁵ For example, various symbols such as “∞,” “+” and other symbols that are non-numeric, while being replaced with numbers.

¹⁶ 15 U.S.C. 78f(b).

¹⁷ 15 U.S.C. 78f(b)(4).

¹⁸ Customers are not subject to the Reversal and Conversion Cap because they do not pay option transaction charges for reversal and conversion strategies.

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 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

No written comments were either solicited or received.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.¹⁹ At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or 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 email to rule-comments@sec.gov. Please include File Number SR-Phlx-2012-70 on the subject line.

Paper Comments

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-1090.

All submissions should refer to File Number SR-Phlx-2012-70. This file number should be included on the subject line if email 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

¹⁹ 15 U.S.C. 78s(b)(3)(A)(ii).

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 Web site viewing and printing 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-Phlx-2012-70 and should be submitted on or before June 21, 2012.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁰

Elizabeth M. Murphy,
Secretary.

[FR Doc. 2012-13144 Filed 5-30-12; 8:45 am]

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SMALL BUSINESS ADMINISTRATION

Revocation of License of Small Business Investment Company

Pursuant to the authority granted to the United States Small Business Administration by the Wind-Up Order of the United States District Court for the Southern District of New York, dated June 8, 2011, the United States Small Business Administration hereby revokes the license of LV Equity Partners SBIC, L.P. a Delaware limited partnership, to function as a small business investment company under the Small Business Investment Company License No. 02720594 issued to LV Equity Partners SBIC, on August 25, 1999 and said license is hereby declared null and void as of June 8, 2011.

United States Small Business Administration.

Dated: May 15, 2012.

Sean J. Greene,

Associate Administrator for Investment.

[FR Doc. 2012-13131 Filed 5-30-12; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

Revocation of License of Small Business Investment Company

Pursuant to the authority granted to the United States Small Business Administration by the Wind-Up Order of the United States District Court for the District of Columbia, dated September 27, 2011, the United States Small Business Administration hereby revokes the license of Women's Growth Capital Fund I, LLLP, a Delaware limited partnership, to function as a small business investment company under the Small Business Investment Company License No. 03730213 issued to Women's Growth Capital Fund I, LLLP, on June 17, 1998 and said license is hereby declared null and void as of September 27, 2011.

United States Small Business Administration.

Dated: May 15, 2012.

Sean J. Greene,

Associate Administrator for Investment.

[FR Doc. 2012-13134 Filed 5-30-12; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

Revocation of License of Small Business Investment Company

Pursuant to the authority granted to the United States Small Business Administration under the Small Business Investment Act of 1958, under Section 309 of the Act and Section 107.1900 of the Small Business Administration Rules And Regulations (13 CFR 107.1900) to function as a small business investment company under the Small Business Investment Company License No. 09/79-0399 issued to Walden-SBIC, LP, said license is hereby declared null and void.

United States Small Business Administration.

Dated: May 15, 2012.

Sean J. Greene,

Associate Administrator for Investment.

[FR Doc. 2012-13133 Filed 5-30-12; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

Surrender of License of Small Business Investment Company

Pursuant to the authority granted to the United States Small Business Administration by the Wind-Up Order of the United States District Court of the Middle District Court of Tennessee, Nashville Division, dated September 6, 2011 the United States Small Business Administration hereby surrender the license of Capital Across America, L.P. a Delaware limited partnership, to function as a small business investment company under the Small Business Investment Company License No. 04040273 issued to Capital Across America, on June 17, 1998 and said license is hereby declared null and void as of December 5, 2011.

United States Small Business Administration.

Dated: May 15, 2012.

Sean J. Greene,

Associate Administrator for Investment.

[FR Doc. 2012-13132 Filed 5-30-12; 8:45 am]

BILLING CODE 8025-01-P

DEPARTMENT OF STATE

[Public Notice 7903]

Notice of Renewal of Advisory Committee on International Law Charter

Summary: The Department of State has renewed the Charter of the Advisory Committee on International Law. Through this Committee, the Department of State will continue to obtain the views and advice of a cross section of the country's outstanding members of the legal profession on significant issues of international law. The Committee's consideration of these legal issues in the conduct of our foreign affairs provides a unique contribution to the creation and promotion of U.S. foreign policy. The Under Secretary for Management has determined the Committee is necessary and in the public interest.

The Committee is comprised of all former Legal Advisers of the Department of State and up to 25 individuals appointed by the current Legal Adviser. The Committee follows the procedures prescribed by the Federal Advisory Committee Act (FACA). Meetings will be open to the public unless a determination is made in accordance with section 1 O(d) of the FACA and 5 U.S.C. 552b(c) that a meeting or portion of the meeting should be closed to the public. Notice of each meeting will be

²⁰ 17 CFR 200.30-3(a)(12).