from 20 seconds to 5 seconds. The Participants also proposed to reduce the time frame in which a Participant must respond to a Linkage Order from 15 to 5 seconds after receipt of that Order.

III. Discussion and Commission Findings

The Commission previously determined, pursuant to Rule 608 under the Act,[7] to put into effect summarily on a temporary basis not to exceed 120 days, the changes to the Linkage Plan detailed above in Joint Amendment No. 22.[8] After careful consideration of Joint Amendment No. 22, the Commission finds that approving Joint Amendment No. 22 is consistent with the requirements of the Act and the rules and regulations thereunder. Specifically, the Commission finds that Joint Amendment No. 22 is consistent with Section 11A of the Act [9] and Rule 608 thereunder [10] in that it is appropriate in the public interest, for the protection of investors and the maintenance of fair and orderly markets. The Commission believes that reducing the time required by a Participant to respond to a Linkage Order and the amount of time a member sending a Linkage Order must wait before trading through a nonresponsive Participant should facilitate the more timely execution of orders across the options exchanges.

IV. Conclusion

It is therefore ordered, pursuant to Section 11A of the Act [11] and Rule 608 thereunder,[12] that Joint Amendment No. 22 is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[13]

Jill M. Peterson,

Assistant Secretary.

[FR Doc. E7–9437 Filed 5–16–07; 8:45 am]

BILLING CODE 8010–01–P

[7] 17 CFR 242.608.

[8] *See supra* note 6.

[9] 15 U.S.C. 78k–1.

[10] 17 CFR 242.608.

[11] 15 U.S.C. 78k–1.

[12] 17 CFR 242.608.

[13] 17 CFR 200.30–3(a)(29).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–55752; File No. SR–CBOE–2007–44]

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change to Trade the streetTRACKS Gold Shares Fund Pursuant to Unlisted Trading Privileges

May 11, 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 May 8, 2007, the Chicago Board Options Exchange, Incorporated (the ''Exchange'' or ''CBOE''), filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I and II below, which Items have been substantially prepared by the Exchange. This notice and order provides notice of the proposed rule change and approves the proposal on an accelerated basis.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Chicago Board Options Exchange, Incorporated proposes to: (1) trade on its stock trading facility, CBOE Stock Exchange (''CBSX''), the streetTRACKS Gold Shares (''GLD'' or ''Shares'') pursuant to unlisted trading privileges (''UTP''), and (2) adopt Exchange Rule 54.8, which governs the trading of commodity-based trust shares. The text of the proposed rule change is available on the Exchange's Web site (*http://www.cboe.org/Legal*), at the Exchange's principal office, 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 III below. The Exchange has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

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

[2] 17 CFR 240.19b–4.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange is proposing to trade the Shares on CBSX pursuant to UTP. The Shares represent fractional, undivided beneficial ownership interests in the streetTRACKS Gold Trust (''Trust''). The Trust is an investment trust, the sole assets of which are gold bullion, and from time to time, cash.[3] The Commission previously approved the original listing and trading of the Shares on the New York Stock Exchange (''NYSE'').[4] 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 trading hours for the Shares on the Exchange would be from 8:15 a.m. until 3:15 p.m. (Central Time).

The last-sale price for the Shares is disseminated over the Consolidated Tape. Gold pricing information based on the spot price for a troy ounce of gold from various financial information service providers, such as Reuters and Bloomberg, is available on a 24-hour basis. Complete real-time data for gold futures and options prices traded on the COMEX (a division of the NYMEX) is available by subscription from Reuters and Bloomberg. The NYMEX also provides delayed futures and options information on current and past trading sessions and market news free of charge on its Web site. CBOE, via a link from its own public Web site (*http://www.cboe.com*) to the Trust Web site (*http://www.streettracksgoldshares.com*), will provide at no charge continuously updated bids and offers indicative of the spot price of gold.[5]

The Trust Web site also will provide a calculation of the estimated NAV (also known as the Intraday Indicative Value or IIV) of a Share as calculated by multiplying the indicative spot price of gold by the quantity of gold backing

[3] Additional information regarding the streetTRACKS Gold Shares is at *http://www.streettracksgoldshares.com.*

[4] *See* Securities Exchange Act Release No. 50603 (October 28, 2004), 69 FR 64614 (November 5, 2004) (SR–NYSE–2004–22).

[5] The gold spot price at the Trust's Web site will be provided by The Bullion Desk (*http://www.thebulliondesk.com*). The Trust's Web site will indicate that there are other sources for obtaining the gold spot price. If the Trust's Web site should cease to provide this indicative spot price from an unaffiliated source (and the intraday indicative value) of the Shares, CBOE would cease to trade the Shares.

each Share. Comparing the IIV with the last sale price of the Shares helps an investor to determine whether, and to what extent, Shares may be selling at a premium or a discount to the NAV. Although provided free of charge, the indicative spot price and IIV per Share will be provided on an essentially real-time basis.[6] The Trust Web site provides the NAV of the Trust as calculated each business day by the Sponsor. In addition, the Trust Web site contains the following information, on a per-Share basis, for the Trust: (a) The IIV as of the close of the prior business day and the midpoint of the bid/ask price[7] in relation to such IIV (''Bid/Ask Price''), and a calculation of the premium or discount of such price against such IIV; and (b) data in chart format displaying the frequency distribution of discounts and premiums of the Bid/Ask Price against the IIV, within appropriate ranges, for each of the four previous calendar quarters. The Trust Web site also provides the Trust's prospectus, as well as the two most recent reports to stockholders. The Trust Web site provides the last sale price of the Shares as traded in the U.S. market, subject to a 20-minute delay.[8]

In connection with the trading of the Shares, CBOE would inform its members in an Information Circular of the special characteristics and risks associated with trading the Shares, such as loss, damage, or theft of the Trust's gold, and unanticipated problems related to the mechanisms and procedures that were specifically developed for this relatively new securities product. CBOE also would require its members to deliver a prospectus or product description to investors purchasing Shares prior to or concurrently with a transaction in Shares. In addition, CBOE Rule 53.6 requires member organizations to have a reasonable basis for recommending the Shares when recommending a transaction in the Shares.

CBOE believes that its surveillance procedures are adequate to address any concerns about the trading of the Shares on the Exchange because those procedures will be comparable to those used for exchange-traded funds and trust-issued receipts currently trading on the Exchange, and will incorporate and rely upon existing Exchange surveillance procedures governing equities. In addition, for intermarket surveillance purposes, the Exchange has entered into a reciprocal Memorandum of Understanding with NYMEX for the sharing of information related to any financial instrument based, in whole or in part, upon an interest in or performance of gold.

Further, proposed CBOE Rule 54.8 would impose certain obligations on Market-Makers that would apply in connection with trading the Shares. CBOE Rule 54.8(e) would require that a Market-Maker in the Shares provide the Exchange with information related to its trading in physical gold, gold futures contracts, options on gold futures, or any other gold derivatives. CBOE Rule 54.8(g) would prohibit a Market-Maker in the Shares from using any material non-public information received from any person associated with the Market-Maker or employee of such person regarding trading by such person or employee in physical gold, gold futures contracts, options on gold futures, or any other gold derivatives. In addition, CBOE Rule 54.8(d) would prohibit a Market-Maker in the Shares from being affiliated with a market maker in physical gold, gold futures contracts, options on gold futures, or any other gold derivatives unless the specified information barriers are in place.

With respect to trading halts, the Exchange may consider all relevant factors in exercising its discretion to halt or suspend trading in the Shares. Trading may be halted because of market conditions or for reasons that, in the view of the Exchange, make trading in the Shares inadvisable. In addition, trading in the Shares would be subject to trading halts caused by extraordinary market volatility pursuant to the Exchange's ''circuit breaker'' rule.[9]

Moreover, the Exchange represents that it would cease trading the Shares if the listing market stops trading the Shares because of a regulatory halt similar to a halt based on CBOE Rule 6.3. UTP trading in the Shares is also governed by the trading halts provisions of CBOE Rule 52.3 relating to temporary interruptions in the calculation or wide dissemination of the IIV.

2. Statutory Basis

CBOE believes that the proposal is consistent with Section 6(b) of the Act[10] in general, and Section 6(b)(5) of the Act[11] in particular, in that the proposal is designed to promote just and equitable principles of trade, remove impediments to and perfect the mechanism of a free and open market and a national market system, and protect investors and the public interest. In addition, CBOE believes that the proposal is consistent with Rule 12f–5 under the Act[12] because it 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.

B. Self-Regulatory Organization's Statement on Burden on Competition

CBOE 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

The Exchange neither solicited nor received comments on the proposal.

III. 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–CBOE–2007–44 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–CBOE–2007–44. 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

[6] The Trust's Web site, to which the CBOE Web site will link, will disseminate an indicative spot price of gold and the IIV, and indicate that these values are subject to an average delay of five to ten seconds.

[7] The bid/ask price is determined using the highest bid and lowest offer on the Consolidated Tape as of the time of calculation of the closing day IIV.

[8] The last sale price of the Shares in the secondary market is available on a real-time basis for a fee from regular data vendors.

[9] CBOE Rule 6.3B.

[10] 15 U.S.C. 78s(b).

[11] 15 U.S.C. 78s(b)(5).

[12] 17 CFR 240.12f–5.

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. Copies of such 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–CBOE–2007–44 and should be submitted on or before June 7, 2007.

IV. Commission's Findings and Order Granting Accelerated Approval of the Proposed Rule Change

After careful review, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.[13] In particular, the Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act,[14] which requires that an exchange have rules designed, among other things, 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 public interest. The Commission believes that this proposal should benefit investors by increasing competition among markets that trade the Shares.

In addition, the Commission finds that the proposal is consistent with Section 12(f) of the Act,[15] which permits an exchange to trade, pursuant to UTP, a security that is listed and registered on another exchange.[16] The Commission notes that it previously approved the listing and trading of the Shares on the NYSE.[17] The Commission also finds that the proposal is consistent with Rule 12f–5 under the Act,[18] which provides that an exchange shall not extend UTP to a security unless the exchange has in effect a rule or rules providing for transactions in the class or type of security to which the exchange extends UTP. The Exchange has represented that it meets this requirement because it 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 Commission further believes that the proposal is consistent with Section 11A(a)(1)(C)(iii) of the Act,[19] 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 for and last-sale information regarding the Shares are disseminated through the facilities of the CTA and the Consolidated Quotation System. Furthermore, as noted by the Exchange, various means exist for investors to obtain reliable gold price information and thereby to monitor the underlying spot market in gold relative to the NAV of their Shares. In addition, the IIV of each Fund is disseminated every 15 seconds throughout the trading day by the national securities exchange on which the Fund is listed or by other information providers or market data vendors.

Furthermore, the Commission believes that the proposal is reasonably designed to preclude trading of the Shares when transparency is impaired. CBOE Rule 52.3 sets forth trading halt procedures when CBOE trades an ETF pursuant to UTP. Under this rule, if the listing market halts trading when the IIV is not being calculated or disseminated, CBOE also would halt trading in the Shares. This rule is substantially similar to those recently adopted by other exchanges and found by the Commission to be consistent with the Act.[20]

The Commission notes that, if the Shares should be delisted by the listing market, the Exchange would no longer have authority to trade the Shares pursuant to this order.

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

1. The Exchange's surveillance procedures are adequate to properly monitor Exchange trading of the Shares and to deter and detect violations of Exchange rules. Among other things, the Exchange entered into a reciprocal Memorandum of Understanding with NYMEX for the sharing of information related to any financial instrument based, in whole or in part, upon an interest in or performance of gold.

2. Prior to the commencement of trading, the Exchange would inform its members and member organizations in an Information Circular of the special characteristics and risks associated with trading the Shares.

3. The Information Circular would include the requirement that members and member firms deliver a prospectus to investors purchasing newly issued Shares prior to or concurrently with the confirmation of a transaction.

This approval order is conditioned on the Exchange's adherence to these representations.

Finally, the Commission believes that proposed CBOE Rule 54.8, which imposes information barriers and trading restrictions on a member acting as a registered market maker in the Shares, is consistent with the Act. The Commission notes that CBOE Rule 54.8 is substantially similar to rules of other exchanges that previously have been approved by the Commission.[21]

The Commission finds good cause for approving this proposal before the thirtieth day after the publication of notice thereof in the **Federal Register**. As noted previously, the Commission previously found that the listing and trading of the Shares on the NYSE is consistent with the Act. The Commission presently is not aware of any regulatory issue that should cause it to revisit that finding or would preclude the trading of the Shares on the Exchange pursuant to UTP. Therefore, accelerating approval of this proposal should benefit investors by creating, without undue delay, additional competition in the market for the Shares.

V. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,[22] that the proposed rule change (SR–CBOE–2007–

[13] In approving this rule change, the Commission notes that it has considered the proposal's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[14] 15 U.S.C. 78f(b)(5).

[15] 15 U.S.C. 78l(f).

[16] Section 12(a) of the Act, 15 U.S.C. 78*l*(a), generally prohibits a broker-dealer from trading a security on a national securities exchange unless the security is registered on that exchange pursuant to Section 12 of the Act. Section 12(f) of the Act excludes from this restriction trading in any security to which an exchange "extends UTP." When an exchange extends UTP to a security, it allows its members to trade the security as if it were listed and registered on the exchange even though it is not so listed and registered.

[17] *See supra* note 4.

[18] 17 CFR 240.12f–5.

[19] 15 U.S.C. 78k–1(a)(1)(C)(iii).

[20] *See e.g.*, NYSE Arca Equities Rule 7.34; Securities Exchange Act Release No. 54997 (December 21, 2006), 71 FR 78501 (December 29, 2006).

[21] *See, e.g.*, Nasdaq Rule 4630; Securities Exchange Act Release No. 54765 (November 16, 2006), 71 FR 67668 (November 22, 2006) (approving SR–Nasdaq–2006–009).

[22] 15 U.S.C. 78s(b)(2).

44) be and it hereby is, approved on an accelerated basis.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[23]

J. Lynn Taylor,

Assistant Secretary.

[FR Doc. E7–9464 Filed 5–16–07; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–55736; File No. SR–CBOE–2007–37]

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change as Modified by Amendment No. 1 to Trade the iShares MSCI Index Funds and the S&P Europe 350 Index Fund Pursuant to UTP

May 10, 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 April 20, 2007, the Chicago Board Options Exchange, Incorporated (the ''Exchange'' or ''CBOE''), filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I and II below, which Items have been substantially prepared by the Exchange. On May 7, 2007, the Exchange filed Amendment No. 1 to the proposed rule change. This notice and order provides notice of the proposed rule change, as amended, and approves the proposal on an accelerated basis.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Chicago Board Options Exchange, Incorporated proposes to trade on its subsidiary, the CBOE Stock Exchange (''CBSX''), shares of 15 international exchange-traded funds (''ETFs'' or ''Funds'') pursuant to unlisted trading privileges (''UTP''). The text of the proposed rule change is available on the Exchange's Web site (*http://www.cboe.org/Legal*), at the Exchange's principal office, 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 III 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 trade on CBSX shares of 15 international ETFs (the ''Shares'') pursuant to UTP. These Funds are:

- iShares MSCI Australia Index Fund
- iShares MSCI Brazil Index Fund
- iShares MSCI EAFE Index Fund
- iShares MSCI Emerging Markets Index Fund
- iShares MSCI Germany Index Fund
- iShares MSCI Hong Kong Index Fund
- iShares MSCI Malaysia Index Fund
- iShares MSCI Mexico Index Fund
- iShares MSCI Pacific ex-Japan Index Fund
- iShares MSCI Singapore Index Fund
- iShares MSCI South Africa Index Fund
- iShares MSCI South Korea Index Fund
- iShares MSCI Taiwan Index Fund
- iShares MSCI United Kingdom Index Fund
- iShares S&P Europe 350 Index Fund

The Exchange deems the Shares to be equity securities, thus rendering trading in the Shares subject to existing CBSX rules governing the trading of equity securities.

a. Description of the Funds

The following funds are listed on the American Stock Exchange (''Amex''):

- iShares MSCI Australia Index Fund
- iShares MSCI Brazil Index Fund
- iShares MSCI Germany Index Fund
- iShares MSCI Hong Kong Index Fund
- iShares MSCI Malaysia Index Fund
- iShares MSCI Mexico Index Fund
- iShares MSCI Singapore Index Fund
- iShares MSCI South Korea Index Fund
- iShares MSCI Taiwan Index Fund
- iShares MSCI United Kingdom Index Fund
- iShares S&P Europe 350 Index Fund

The following funds are listed on the New York Stock Exchange (''NYSE''):[3]

- iShares MSCI EAFE Index Fund
- iShares MSCI Emerging Markets Index Fund
- iShares MSCI Pacific ex-Japan Index Fund
- iShares MSCI South Africa Index Fund

In addition to being listed on the Amex or NYSE, the Shares[4] are traded on those and other securities exchanges and in the over-the-counter market.[5] The information below is intended to provide a description of how the Shares were created and are traded.[6]

The Shares are issued by iShares, Inc., except for iShares MSCI EAFE and S&P Europe 350, which are issued by iShares Trust. iShares, Inc. and iShares Trust are open-ended management investment companies. Each Fund seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the applicable

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[23] 17 CFR 200.30–3(a)(12).

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

[2] 17 CFR 240.19b–4.

[3] Effective February 16, 2007, the iShares MSCI Index Funds for EAFE, Emerging Markets, Pacific ex-Japan, and South Africa transferred their primary listing to the NYSE and are no longer listed on Amex. *See* Supplement dated February 16, 2007 to the Prospectus dated January 1, 2007 for the iShares MSCI Series, and Supplement dated February 16, 2007 to the Prospectus dated December 1, 2006 for the iShares Goldman Sachs Series and the iShares MSCI EAFE Series.

[4] The Funds (with the exception of the MSCI EAFE and S&P Europe 350 Funds) were formerly known as World Equity Benchmark Shares or WEBS. An initial series of WEBS, including the iShares MSCI Australia, Germany, Hong Kong, Malaysia, Mexico, Singapore, and United Kingdom Index Funds were initially approved for listing and trading on Amex in 1996. *See* Securities Exchange Act Release No. 36947 (March 8, 1996), 61 FR 10606 (March 14, 1996) (SR–Amex–95–43). Additional WEBS series were approved for listing and trading in 2000, including iShares MSCI Brazil, iShares MSCI Taiwan, iShares MSCI South Africa and iShares MSCI South Korea. *See* Securities Exchange Act Release No. 42748 (May 2, 2000), 65 FR 30155 (May 10, 2000) (SR–Amex–98–49). iShares MSCI EAFE and iShares S&P Europe 350, issued by iShares Trust, were approved for Amex listing and trading in, respectively, in 2001. *See* Securities Exchange Release No. 44700 (August 14, 2001), 66 FR 43927 (August 21, 2001) (SR–Amex–2001–34); Securities Exchange Act Release No. 42786 (May 15, 2000), 65 FR 33586 (May 24, 2000) (SR–Amex–99–49) (collectively, ''Listing Approval Orders'').

[5] *See, e.g.*, Securities Exchange Act Release No. 50142 (August 3, 2004), 69 FR 48539 (August 10, 2004) (SR–NYSE–2004–27) (approving trading of the Shares pursuant to UTP).

[6] Much of the information in this filing was taken from the Prospectuses and Statements of Additional Information of iShares, Inc. dated January 1, 2007, the Prospectus of iShares S&P Europe 350, dated August 1, 2006, the Prospectus of iShares Trust MSCI EAFE, dated December 1, 2006, and the Web sites of Amex (*http://www.amex.com*), the NYSE (*http://www.nyse.com*), and iShares (*http://www.ishares.com*). Fund information relating to net asset value (''NAV''), returns, dividends, component stock holdings, and the like is updated on a daily basis on the Web sites.