

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-57017; File No. SR-NYSEArca-2007-108)

December 20, 2007

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Order Granting Accelerated Approval of a Proposed Rule Change as Modified by Amendment No. 1 Thereto to Trade Shares of 11 Funds of the ProShares Trust Pursuant to Unlisted Trading Privileges

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 October 17, 2007, NYSE Arca, Inc. (“Exchange”), through its wholly-owned subsidiary NYSE Arca Equities, Inc. (“NYSE Arca Equities”), 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 December 20, 2007, the Exchange submitted Amendment No. 1 to the proposed rule change. This order provides notice of the proposed rule change as modified by Amendment No. 1 and approves the proposed rule change as amended on an accelerated basis.

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

The Exchange, through its wholly-owned subsidiary NYSE Arca Equities, proposes to trade pursuant to unlisted trading privileges (“UTP”) shares (“Shares”) of 11 funds (“Funds”) of the ProShares Trust (“Trust”) based on a domestic stock index and several fixed income indexes. The text of the proposed rule change is available at the Exchange’s principal office, the Commission’s Public Reference Room, and <http://www.nyse.com>.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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 Exchange proposes to trade pursuant to UTP under NYSE Arca Equities Rule 5.2(j)(3), Shares of ten Funds of the Trust that are designated as Short Funds and UltraShort Funds, and one Fund designated as an Ultra Fund.³ The Commission has approved the original listing and trading of the Shares on the American Stock Exchange LLC ("Amex").⁴

The Funds to be traded are as follows:

Short ProShares

- 1) Short Lehman Brothers 7-10 Year U.S. Treasury ProShares
- 2) Short Lehman Brothers 20+ Year U.S. Treasury ProShares

³ The Commission has previously approved the trading of certain Ultra Funds, Short Funds, and UltraShort Funds of the ProShares Trust on the Exchange pursuant to UTP under NYSE Arca Equities Rule 5.2(j)(3). See Securities Exchange Act Release No. 55125 (January 18, 2007), 72 FR 3462 (January 25, 2007) (SR-NYSEArca-2006-87).

⁴ See Securities Exchange Act Release No. 59998 (December 19, 2007) (SR-Amex-2007-104) ("Amex Proposal").

- 3) Short iBoxx \$ Liquid Investment Grade ProShares
- 4) Short iBoxx \$ Liquid High Yield ProShares
- 5) Short Dow Jones U.S. Select Telecommunications ProShares

UltraShort ProShares

- 1) UltraShort Lehman Brothers 7-10 Year U.S. Treasury ProShares
- 2) UltraShort Lehman Brothers 20+ Year U.S. Treasury ProShares
- 3) UltraShort iBoxx \$ Liquid Investment Grade ProShares
- 4) UltraShort iBoxx \$ Liquid High Yield ProShares
- 5) UltraShort Dow Jones U.S. Select Telecommunications ProShares

Ultra ProShares

- 1) Ultra Dow Jones U.S. Select Telecommunications ProShares

Each of the Funds will have a distinct investment objective. The Funds will attempt, on a daily basis, to achieve their investment objective by corresponding to a specified multiple of the performance, the inverse performance, or an inverse multiple of the performance of a particular fixed income or equity securities index, as briefly described below. The Funds will be based on the following benchmark indexes: (1) Lehman Brothers 7-10 Year U.S. Treasury Index, (2) Lehman Brothers 20+ Year U.S. Treasury Index, (3) iBoxx \$ Liquid Investment Grade Index, (4) iBoxx \$ Liquid High Yield Index, and (5) the Dow Jones Select Telecommunications Index (the “Underlying Indexes”).

Certain Funds seek daily investment results, before fees and expenses, that correspond to the inverse or opposite of the daily performance (-100%) of the Underlying Indexes (the “Short Funds”). If such a Fund is successful in meeting its objective, the net

asset value (the “NAV”) of the Fund’s shares should increase approximately as much, on a percentage basis, as the respective Underlying Index loses when the prices of the securities in the Index decline on a given day, or should decrease approximately as much as the respective Index gains when the prices of the securities in the index rise on a given day, before fees and expenses.

Certain Funds seek daily investment results, before fees and expenses that correspond to twice the inverse or opposite of the daily performance (-200%) of the Underlying Indexes (the “UltraShort Funds”). If such a Fund is successful in meeting its objective, the NAV the Fund’s shares should increase approximately twice as much, on a percentage basis, as the respective Underlying Index loses when the prices of the securities in the Index decline on a given day, or should decrease approximately twice as much as the respective Underlying Index gains when the prices of the securities in the index rise on a given day, before fees and expenses. The Short Funds and UltraShort Funds each have investment objectives that seek investment results corresponding to an inverse performance of the Underlying Indexes and are collectively referred to as the “Bearish Funds.”

One Fund, the Ultra Dow Jones Select Telecommunications ProShares Fund, seeks daily investment results, before fees and expenses, that corresponds to twice the daily performance (200%) of the Underlying Index (the “Ultra Fund” or the “Bullish Fund”). This Fund, if successful in meeting its investment objective, should gain, on a percentage basis, approximately twice as much as the Fund’s Underlying Index when the price of the securities in such Index increase on a given day, and should lose approximately twice as much when such prices decline on a given day.

The financial instruments to be held by any of the Funds may include stock index futures contracts; options on futures contracts; options on securities and indices; equity caps, collars, and floors as well as swap agreements, forward contracts, repurchase agreements, and reverse repurchase agreements (the “Financial Instruments”). Money market instruments include U.S. government securities and repurchase agreements.

The Underlying Indexes

The Lehman Brothers 7-10 Year U.S. Treasury Index is market-capitalization-weighted and includes all publicly issued, U.S. Treasury securities that have a remaining maturity of between seven and ten years and have more than \$250 million par outstanding. The index value is calculated and published daily by 10:00 p.m. Eastern Time (“E.T.”).

The Lehman Brothers 20+ Year U.S. Treasury Index is market-capitalization-weighted and includes all publicly issued, U.S. Treasury Securities that have a remaining maturity greater than 20 years and have more than \$150 million par outstanding. The index value is calculated and published daily by 10:00 p.m. E.T.

The iBoxx \$ Liquid Investment Grade Index is a rules-based index consisting of up to 100 highly liquid, investment-grade, U.S.-dollar-denominated corporate bonds with a minimum amount outstanding of \$500 million that seeks to maximize liquidity while maintaining representation of the broader investment-grade corporate bond market. The index consists of issuers domiciled in the U.S., Bermuda, Cayman Islands, Canada, Japan or Western Europe. The index is equally priced weighted and is re-balanced monthly. The index value is calculated and published daily by 4:30 p.m. E.T.

The iBoxx \$ Liquid High Yield Index is a rules-based index consisting of up to 50 of the most liquid, high-yield, U.S.-dollar-denominated corporate bonds with a minimum amount outstanding of \$200 million that seeks to maximize liquidity while maintaining representation of the broader high-yield corporate bond market. The index consists of issuers domiciled in the United States, Bermuda, Cayman Islands, Canada, Japan, or Western Europe. The index is equally priced weighted and is re-balanced monthly. The index value is calculated and published daily by 4:30 p.m. E.T.

The Dow Jones U.S. Select Telecommunications Index is a float-adjusted market-capitalization-weighted index designed to measure the performance of the telecommunications economic sector of the U.S. equity market. Component companies include fixed line and mobile telecommunications companies. Component weights are capped for diversification. The index includes all common stocks of companies in the Dow Jones U.S. Select Telecommunications Index that are categorized as belonging to the telecommunications sector, based on Industry Classification Benchmark (ICB) definitions. The company at the 90% cumulative market capitalization of the index must have a float-adjusted market capitalization of at least \$75 million. The Index value is calculated and distributed every 15 seconds during Amex's trading hours.

Additional information regarding the Underlying Indexes and the Funds is included in the Amex Proposal.

Availability of Information about the Shares and the Underlying Indexes

The Trust's Web site, which is and will be publicly accessible at no charge, will contain the following information for each Fund's Shares: (1) the prior business day's closing NAV, the reported closing price, and a calculation of the premium or

discount of such price in relation to the closing NAV; (2) data for a period covering at least the four previous calendar quarters (or the life of a Fund, if shorter) indicating how frequently each Fund's Shares traded at a premium or discount to NAV based on the daily closing price and the closing NAV, and the magnitude of such premiums and discounts; (3) its prospectus and/or product description; and (4) other quantitative information such as daily trading volume. The prospectus and/or product description for each Fund will inform investors that the Trust's Web site has information about the premiums and discounts at which the Fund's Shares have traded.

According to the Amex Proposal, Amex will disseminate for each Fund on a daily basis every 15 seconds by means of Consolidated Tape Association ("CTA") and CQ High Speed Lines information with respect to an Indicative Intra-Day Value ("IIV"), the recent NAV, the number of shares outstanding, the estimated cash amount, and the total cash amount per Creation Unit. Amex will make available on its Web site daily trading volume, the closing price, the NAV, and the final dividend amounts to be paid for each Fund.

Each Fund's total portfolio composition will be disclosed on the Trust's Web site (www.proshares.com) or another relevant Web site as determined by the Trust and/or Amex. According to the Amex Proposal, the Trust will provide Web site disclosure of portfolio holdings daily, which will include, as applicable, the names and number of shares held of each equity security (if applicable), the specific types of Financial Instruments and characteristics of such instruments, cash equivalents, and the amount of cash held in the portfolio of each Fund. This public Web site disclosure of the portfolio composition of each Fund will coincide with the disclosure by the Advisor of the "IIV

File” (described below) and the “PCF File”, when applicable (described below). Therefore, the same portfolio information (including accrued expenses and dividends) will be provided on the public Web site, as well as in the IIV File and PCF File (when applicable) provided to “Authorized Participants.”⁵ The format of the public Web site disclosure and the IIV File and PCF File (when applicable) will differ because the public Web site will list all portfolio holdings while the IIV File and PCF File (when applicable) will similarly provide the portfolio holdings but in a format appropriate for Authorized Participants, *i.e.*, the exact components of a Creation Unit.⁶ Accordingly, each investor will have access to the current portfolio composition of each Fund through the Trust’s Web site, at www.proshares.com, and/or at the Amex’s Web site at www.amex.com.

Amex has represented in the Amex Proposal that it will obtain a representation from the Trust (for each Fund), prior to listing, that the NAV per share for each Fund will be calculated daily and made available to all market participants at the same time.⁷

Beneficial owners of Shares (“Beneficial Owners”) will receive all of the statements, notices, and reports required under the 1940 Act and other applicable laws. They will receive, for example, annual and semi-annual fund reports, written statements accompanying dividend payments, proxy statements, annual notifications detailing the tax status of fund distributions, and Form 1099-DIVs. Some of these documents will be

⁵ An Authorized Participant is either (1) a broker-dealer or other participant in the continuous net settlement system of the National Securities Clearing Corporation (“NSCC”) or (2) a DTC participant, and which has entered into a participant agreement with the Distributor.

⁶ The composition will be used to calculate the NAV later that day.

⁷ If the Amex halts trading in the Shares of the Funds because the NAV is not being disseminated to all market participants at the same time, then the Exchange would do so as well.

provided to Beneficial Owners by their brokers, while others will be provided by the Fund through the brokers.

The daily closing index value and the percentage change in the daily closing index value for each Underlying Index will be publicly available on various Web sites, e.g., www.bloomberg.com. Data regarding each Underlying Index is also available from the respective index provider to subscribers. The value of the Dow Jones U.S. Select Telecommunications Index will be updated intra-day on a real-time basis as its individual component securities change in price. This intra-day value of this index will be disseminated at least every 15 seconds throughout Amex's trading day by Amex or another organization authorized by the relevant Underlying Index provider.

Because the NSCC's system for the receipt and dissemination to its participants of the PCF is not currently capable of processing information with respect to Financial Instruments, the ProShare Advisors LLC, the investment advisor to each Fund (the "Advisor"), has developed an "IIV File," which it will use to disclose the Funds' holdings of Financial Instruments.⁸ The IIV File will contain, for the Bullish Fund (to the extent that it holds Financial Instruments) and Bearish Funds, information sufficient by itself or in connection with the PCF File and other available information for market participants to calculate a Fund's IIV and effectively arbitrage the Fund.

⁸ The Trust or the Advisor will post the IIV File to a password-protected Web site before the opening of business on each business day, and all Authorized Participants and the Amex will have access to a password and the Web site containing the IIV File. However, the Fund will disclose each business day to the public identical information, but in a format appropriate to public investors, at the same time the Fund discloses the IIV and PCF files, as applicable, to industry participants.

Dissemination of Intra-Day Indicative Value (IIV)

To provide updated information relating to each Fund for use by investors, professionals, and persons wishing to create or redeem Shares, Amex will disseminate through the facilities of the CTA: (1) continuously throughout the Amex's trading day, the market value of a Share; and (2) at least every 15 seconds throughout the Amex's trading day, a calculation of the IIV of each Fund as calculated by the Amex (the "IIV Calculator"). Comparing these two figures helps an investor to determine whether, and to what extent, the Shares may be selling at a premium or a discount to NAV.

The IIV Calculator will calculate an IIV for each Fund in the manner discussed below. The IIV is designed to provide investors with a reference value that can be used in connection with other related market information. The IIV does not necessarily reflect the precise composition of the current portfolio held by each Fund at a particular point in time. Therefore, the IIV on a per Share basis disseminated during Amex trading hours should not be viewed as a real-time update of the NAV of a particular Fund, which is calculated only once a day. While the IIV that will be disseminated by Amex is expected to be close to the most recently calculated Fund NAV on a per Share basis, it is possible that the value of the portfolio held by a Fund may diverge from the IIV during any trading day. In such case, the IIV will not precisely reflect the value of the Fund portfolio.

Trading Halts

The Exchange represents that it will cease trading the Shares of the Fund if the listing market stops trading the Shares because of a regulatory halt similar to a halt based on NYSE Arca Equities Rule 7.12. UTP trading in the Shares is also governed by the

trading halts provisions of NYSE Arca Equities Rule 7.34 relating to temporary interruptions in the calculation or wide dissemination of the IIV or the value of the underlying index.

The Exchange may also consider all relevant factors in exercising its discretion to halt or suspend trading in the Shares of a Fund. Trading may be halted because of market conditions or for reasons that, in the view of the Exchange, make trading in the Shares inadvisable. These may include: (1) the extent to which trading is not occurring in the securities comprising an Underlying Index and/or the Financial Instruments of a Fund, or (2) whether other unusual conditions or circumstances detrimental to the maintenance of a fair and orderly market are present. In addition, trading in Shares could be halted pursuant to the Exchange's "circuit breaker" rule⁹ or by the halt or suspension of trading of the underlying securities.

Trading Rules

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. Shares will trade on the NYSE Arca Marketplace from 4:00 a.m. to 8:00 p.m. E.T. in accordance with NYSE Arca Equities Rule 7.34 (Opening, Core, and Late Trading Sessions).¹⁰ The Exchange has appropriate rules to facilitate transactions in the

⁹ See NYSE Arca Equities Rule 7.12.

¹⁰ Because NSCC does not disseminate the new basket amount to market participants until approximately 6:00 p.m. to 7:00 p.m. E.T., an updated IIV cannot be calculated during the Exchange's late trading session (from 4:15 p.m. to 8:00 p.m. E.T.). Official index sponsors for the Underlying Indexes currently do not calculate updated index values during the Exchange's late trading session; however, if the index sponsors do so in the future, the Exchange would not trade this product unless such official index value is widely disseminated.

Shares during all trading sessions. The minimum trading increment for Shares on the Exchange will be \$0.01.

Surveillance

The Exchange intends to utilize its existing surveillance procedures applicable to derivative products to monitor trading in the Shares. The Exchange represents that these procedures are adequate to properly monitor Exchange trading of the Shares in all trading sessions and to deter and detect violations of Exchange rules.

The Exchange's current trading surveillance focuses on detecting when securities trade outside their normal patterns. When such situations are detected, surveillance analysis follows and investigations are opened, where appropriate, to review the behavior of all relevant parties for all relevant trading violations.

The Exchange may obtain information via the Intermarket Surveillance Group ("ISG") from other exchanges who are members or affiliates of the ISG.¹¹

In addition, the Exchange also has a general policy prohibiting the distribution of material, non-public information by its employees.

Information Bulletin

Prior to the commencement of trading, the Exchange will inform its ETP Holders in an Information Bulletin ("Bulletin") of the special characteristics and risks associated with trading the Shares. Specifically, the Bulletin will discuss the following: (1) the procedures for purchases and redemptions of Shares in Creation Unit aggregations (and that Shares are not individually redeemable); (2) NYSE Arca Equities Rule 9.2(a), which imposes a duty of due diligence on its ETP Holders to learn the essential facts relating to

¹¹ A list of the current members and affiliate members of ISG is available at www.isgportal.com.

every customer prior to trading the Shares;¹² (3) the risks involved in trading the Shares during the Opening and Late Trading Sessions when an updated IIV will not be calculated or publicly disseminated; (4) how information regarding the IIV is disseminated; (5) the requirement that ETP Holders deliver a prospectus to investors purchasing newly issued Shares prior to or concurrently with the confirmation of a transaction; and (6) trading information.

In addition, the Bulletin will reference that the Funds are subject to various fees and expenses described in the registration statements for the Funds.

The Bulletin will also discuss any exemptive, no-action, and interpretive relief granted by the Commission from Section 11(d)(1) of the Act¹³ and certain rules under the Act, including Rule 10b-10, Rule 14e-5, Rule 10b-17, Rule 11d1-2, Rules 15c1-5 and 15c1-6, and Rules 101 and 102 of Regulation M under the Act.

The Bulletin will also disclose that the NAV for the Shares will be calculated after 4:00 p.m. E.T. each trading day.

¹² NYSE Arca Equities Rule 9.2(a) provides that an ETP Holder, before recommending a transaction, must have reasonable grounds to believe that the recommendation is suitable for the customer based on any facts disclosed by the customer as to his other security holdings and as to his financial situation and needs. Further, the rule provides, with a limited exception, that prior to the execution of a transaction recommended to a non-institutional customer, the ETP Holder shall make reasonable efforts to obtain information concerning the customer's financial status, tax status, investment objectives, and any other information that it believes would be useful to make a recommendation. See Securities Exchange Act Release No. 54045 (June 26, 2006), 71 FR 37971 (July 3, 2006) (SR-PCX-2005-115).

¹³ 15 U.S.C. 78k(d)(1).

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,¹⁴ in general, and with Section 6(b)(5) of the Act,¹⁵ in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to a free and open market and a national market system, and, in general, to protect investors and the public interest.

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

The Exchange does not believe that the proposed rule change would result in any burden on competition that is 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

Written comments were neither solicited nor received.

II. 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

¹⁴ 15 U.S.C. 78f.

¹⁵ 15 U.S.C. 78f(b)(5).

- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-NYSEArca-2007-108 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-NYSEArca-2007-108. 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 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, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. 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-NYSEArca-2007-108 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

III. Commission’s Findings and Order Granting Accelerated Approval of the Proposed Rule Change

After careful consideration, 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.¹⁶ Specifically, the Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act,¹⁷ which requires, among other things, that the rules of a national securities exchange be designed to prevent fraudulent and manipulative acts and practices, 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,¹⁸ which permits an exchange to trade, pursuant to UTP, a security that is listed and registered on another exchange.¹⁹ The Commission notes that it previously approved the listing and trading of the Shares on Amex.²⁰ The Commission also finds

¹⁶ In approving this proposed rule change, the Commission has considered the proposed rule’s impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

¹⁷ 15 U.S.C. 78f(b)(5).

¹⁸ 15 U.S.C. 78l(f).

¹⁹ Section 12(a) of the Act, 15 U.S.C. 78l(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.

²⁰ See supra note 4.

that the proposal is consistent with Rule 12f-5 under the Act,²¹ 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,²² 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. In addition, from 9:30 a.m. to 4:15 p.m. E.T., Amex will disseminate via the facilities of the CTA and CQ High Speed lines the IIV at least every 15 seconds, the market value of a Share for each Fund, the most recent NAV for each Fund, the number of Shares outstanding for each Fund, and the estimated cash amount and total cash amount per Creation Unit. Amex will also make available on its Web site daily trading volume, the closing prices, the NAV, and the final dividend amounts to be paid for each Fund. The Trust's Web site will contain a variety of other quantitative information for the Shares of each Fund. Finally, each Fund's total portfolio composition will be disclosed on the Web site of the Trust or another relevant Web site.

²¹ 17 CFR 240.12f-5.

²² 15 U.S.C. 78k-1(a)(1)(C)(iii).

Furthermore, the Commission believes that the proposal is reasonably designed to preclude trading of the Shares when transparency is impaired. Trading in the Shares will be subject to NYSE Arca Equities Rule 7.34, which provides that, if the listing market halts trading when the IIV is not being calculated or disseminated, the Exchange also would halt trading. The Exchange also may halt trading in the Shares of a Fund when trading is not occurring in the securities comprising an Underlying Index and/or the Financial Instruments of a Fund.

The Commission notes that, if the Shares should be delisted by the listing exchange, 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 in all trading sessions and to deter and detect violations of Exchange rules.
2. Prior to the commencement of trading, the Exchange would inform its ETP Holders in an Information Bulletin of the special characteristics and risks associated with trading the Shares. In particular, the Information Bulletin would discuss the risks involved in trading the Shares during the Opening and Late Trading Sessions when an updated IIV will not be calculated or publicly disseminated.
3. The Information Bulletin also would discuss the requirement that an ETP Holder deliver a prospectus to an investor purchasing newly issued Shares prior to or concurrently with the confirmation of a transaction.

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

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 the listing and trading of the Shares on Amex be 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,²³ that the proposed rule change (SR-NYSEArca-2007-108), as amended, be and it hereby is approved on an accelerated basis.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁴

Florence E. Harmon

Deputy Secretary

²³ 15 U.S.C. 78s(b)(2).

²⁴ 17 CFR 200.30-3(a)(12).