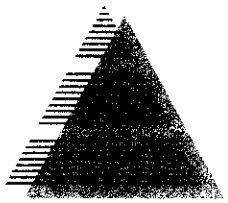

Karpus Investment Management

Ms. Nancy M. Morris, Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549-1090

July 9, 2007

4-543

Re: Petition for Rulemaking – Request for defining the 80% investment rule stated in Rule 35d-1 as "fundamental" policy only alterable by shareholder vote

Ms. Morris:

Karpus Management, Inc., d/b/a Karpus Investment Management ("KIM" or "Karpus"), is writing this letter to you with respect to Rule 35d-1 – Investment Company Names (promulgated under the Investment Company Act of 1940). We feel that the Rule 35d-1 does not adequately protect us or fellow closed-end fund investors and therefore submit this letter as a petition for rulemaking pursuant to the Securities and Exchange Commission's Rules of Practice, Rule 192 (17 CFR 201.192). Specifically, we respectfully request the Commission define the 80% investment rule stated in Rule 35d-1 as "fundamental" investment policy only alterable by shareholder vote.

As you know, when an investment company submits its registration statement, there are multiple disclosures and safeguards which must be made or addressed so as to not confuse or mislead shareholders as to how their monies will be invested. Investment companies are required, among other things, to recite all investment policies changeable only if authorized by a shareholder vote (Section 8(b)(2)) and to recite all objectives deemed to be "fundamental" (Section 8(b)(3)). In addition to these initial safeguards, Section 13(a)(3) of the 1940 Act was also seemingly included so as to protect shareholders against deviation from an investment company's concentration of investments in any particular industry or group of industries or from any investment policy changeable only if authorized by shareholder vote (recited pursuant to 8(b)(3)).

Coupled with these initial procedural safeguards, the Commission adopted Rule 35d-1 where it clearly addressed the issue of investment company names that are likely to mislead investors about an investment company's investments and risks. The cumulative spirit of these disclosures and safeguards are intended to be consistent with the protection of investors.

As closed-end fund investors of over 15 years, our company is a registered independent investment adviser with approximately $1.4 Billion in assets under management. As such, we have many clients subject to ERISA rules and/or strict investment mandates. Furthermore, because closed-end funds have specific investment guidelines and because they are designed to give investors exposure to specific sectors or industries, adherence to stated investment

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objectives is paramount to our clients and fellow closed-end fund investors. Thus, because we owe a fiduciary duty to our clients and because we actively invest in closed-end funds, we have great concern for the present flexibilities afforded to closed-end investment companies under Rule 35d-1.

We feel that Rule 35d-1 does not adequately protect closed-end fund shareholders because we believe that the Commission failed to consider the impact of a Board's announced policy change to widen a closed-end fund's discount. By not defining the 80 percent investment rule as fundamental policy, the Commission has left virtually complete discretion to closed-end investment companies to change investment objectives at any time with only 60 days written notice and no shareholder vote.

In fact, the very nature of closed-end funds provides the basis of our concern. Supply and demand for closed-end fund shares are guided by investor sentiment, the underlying portfolio's net asset value performance, various market volatilities and, both the managers and the Board of a given fund. Additionally, because shares are not readily redeemable by the company and most often have limited liquidity, closed-end fund discounts and/or premiums are often times vulnerable to the effects negative news, such as investment changes altering the asset composition of a fund.

Accordingly, since open-end fund investors can redeem shares at net asset value, their vulnerability to substantial economic damages is more limited. However, due to the operational mechanics of closed-end funds, economic harm is potentially generated by the public announcement of such policy changes. What's more, we do not feel it is prudent for closed-end fund companies to be able to unilaterally assume additional costs that shareholders did not anticipate or approve by vote.

We feel that there are many ways investment companies could equitably mitigate such damages but feel that the most appropriate and effective means of doing so would be accomplished by conducting a tender offer at or near net asset value. In doing so, all shareholders who do not agree or feel that they are being harmed by the changes will have the opportunity to exit their investment.

To summarize, due to limited liquidity and potentially substantial damages that could result to both exiting and remaining shareholders, we do not feel that investment objectives in closed-end funds should be something closed-end investment companies can alter without shareholder approval and therefore believe that Rule 35d-1 must be amended to define the 80% investment rule as "fundamental" investment policy only alterable by shareholder vote.

One recent example that illustrates our concerns about the discount widening effects of a Board's announced investment policy change pertaining to Rule 35d-1 can be seen with Western

Asset/Claymore Treasury Inflation Protected Securities Fund 2 (NYSE: WIW). In fact, the circumstances underlying WIW's announced investment changes are the basis of this petition for rulemaking.

On May 14, 2007, WIW issued a press release announcing substantial investment policy changes. The substance of WIW's announcement stated that within 60 days of the announcement it would implement investment policy changes "designed to expand the portfolio management flexibility of WIW." In addition to changing the name of the fund to Western Asset/Claymore Inflation-Linked Opportunities & Income Fund, WIW announced it would be investing: (1) at least 80% in inflation linked securities; (2) no more than 40% of total managed assets in below investment grade securities; (3) up to 100% of its total managed assets in non-U.S. dollar investments, exposure to which may be unhedged; and (4) expanding its use of credit default swaps. WIW announced it would be implementing these substantial, sweeping changes without shareholder approval.

Prior to the announcement, the prospectus of WIW vaguely defined its primary and secondary investment objectives and then more specifically defined its investment policies by stating it would invest at least 80% of total managed assets in U.S. TIPS, "under normal market conditions." Undoubtedly, WIW enticed and misled its shareholders to invest in a fund that would be invested in U.S. Treasury Inflation Protected Securities and then after it secured the shareholders assets, decided mid-game that it would be changing the rules (it promised shareholders it would abide by) and would be doing so by capitalizing on a semantic loophole under Rule 35d-1.

In fact, WIW did not even consider asking shareholders what they thought of the major changes to the Fund. Despite the fact that the Trustees were scheduled to meet subsequent to the shareholders' meeting, no mention was made of the announced changes at the meeting. To the contrary, when asked at the shareholders' meeting if he was concerned about the narrowness of credit spreads in the high yield and emerging debt markets, portfolio manager Peter Stutz confirmed his concern and that he could potentially envision the Fund holding 100 percent in U.S. TIPS. Hours after the shareholders' meeting, the Board of Trustees issued the press release that they wanted to give Mr. Stutz flexibility to move into sectors of the bond market the he did not find currently attractive. Nevertheless, the critical changes outlined above were neither submitted nor allowed to be publicly considered by shareholders because of the 60-day public notice only requirement of Rule 35d-1. What's more, subsequent to the announcement through the date of this letter, the discount of WIW has widened substantially, causing economic harm to shareholders.

In our view, if a closed-end fund has a name that specifies it will invest at least 80% of its assets in accordance with its name, it should continue to do so until it seeks shareholder approval to change it. Closed-end funds are designed to allow shareholders exposure to specific sectors or

industries, not for investment companies to retain assets by changing the composition of a fund. As investors, we do not understand why a fund should be able to have such broad discretion and further do not understand how the inclusion of vague terms (such as "under normal market conditions") are allowed to be included in a fund's prospectus.

We believe that in the interest of protecting investors, the Commission should define how a fund company may use the term "fundamental" when outlining investment objectives and inducing shareholders to invest in a given fund. Absent further definitions as to what a "fundamental" investment is, we fear that closed-end fund investment management companies will continually find ways to circumvent what we view as the spirit of the rules designed to protect shareholders.

Thank you for your time and concern. Should you have any questions regarding the content of this letter, please do not hesitate to contact me.

Sincerely,

George W. Karpus
President and CEO

cc: Douglas Scheidt, Associate Director and Chief Counsel