

SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-28045; 812-12984]

BTOP50 Managed Futures Fund and Asset Alliance Advisors, Inc.; Notice of Application

November 8, 2007

Agency: Securities and Exchange Commission (“Commission”).

Action: Notice of application for an order under section 6(c) of the Investment Company Act of 1940 (“Act”) for an exemption from sections 18(c) and 18(i) of the Act.

Summary of Application: Applicants request an order to permit certain registered closed-end management investment companies to issue multiple classes of shares.

Applicants: BTOP50 Managed Futures Fund (“Trust”) and Asset Alliance Advisors, Inc. (“Advisor”).

Filing Dates: The application was filed on June 9, 2003 and amended on December 9, 2003 and November 6, 2007.

Hearing or Notification of Hearing: An order granting the requested relief will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Commission’s Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on December 3, 2007, and should be accompanied by proof of service on applicants, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer’s interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the Commission’s Secretary.

Addresses: Secretary, U.S. Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090; Applicants, 800 Third Avenue, New York, NY, 10022.

For Further Information Contact: Julia Kim Gilmer, Branch Chief, or Nadya B. Roytblat, Assistant Director, at (202) 551-6821 (Division of Investment Management, Office of Investment Company Regulation).

Supplementary Information: The following is a summary of the application. The complete application may be obtained for a fee at the Commission's Public Reference Desk, 100 F Street, NE, Washington, DC 20549-0102 (tel. 202-551-5850).

Applicants' Representations:

1. The Trust is a closed-end management investment company registered under the Act and organized as a Delaware statutory trust. After the completion of its initial offering, the Trust expects to continuously offer its shares to the public pursuant to rule 415 under the Securities Act of 1933 at net asset value plus any applicable sales charge. The Advisor is registered as an investment adviser under the Investment Advisers Act of 1940 and serves as investment adviser to the Trust. Applicants request that the requested relief also extend to any other registered closed-end management investment companies that continuously offer their shares that now or in the future are advised by the Advisor, or any entity controlling, controlled by or under common control with the Advisor (such investment companies, together with the Trust, the "Funds").¹

2. The shares of the Trust will not be listed on any national stock exchange and the Trust will not arrange for the quotation of its shares on any over-the-counter market. The Trust does not expect that any secondary market will develop for its shares. The Trust intends to make monthly repurchase offers for up to 15% of its outstanding shares at net asset value, up to a

¹Any Fund relying on this relief in the future will comply with the terms and conditions of the application. The Trust is the only investment company that currently intends to rely on the requested order.

maximum of 25% in any three consecutive months, pursuant to rule 13e-4 of the Securities Exchange Act of 1934.

3. The Funds seek the flexibility to be structured as multiple class funds. The Trust intends to initially offer a single class of shares (“Class A Shares”) without a service fee or an early withdrawal charge (“EWC”). If the requested relief is granted, the Trust may also offer Class B, C, D and E shares with an annual service fee of 2%, 1.5%, 1% and .5% of net asset value, respectively. Class B, C, D and E shares also will be subject to an EWC of 2%, 1.5%, 1% and .5% of the purchase price, which will decline over approximately a 12-month period. The Funds will not waive, schedule a variation in or eliminate any EWCs established for a particular class of shares. The Funds may in the future offer additional classes of shares and/or another sales charge structure.

4. Applicants represent that any asset-based service and distribution fees will comply with the provisions of rule 2830(d) of the Conduct Rules of the National Association of Securities Dealers, Inc. (“NASD”). Applicants also represent that each Fund will disclose in its prospectus, the fees, expenses and other characteristics of each class of shares offered for sale by the prospectus as is required for open-end multiple class funds under Form N-1A. As is required for open-end funds, each Fund will disclose its expenses in shareholder reports, and disclose any arrangements that result in breakpoints in or elimination of sales loads in its prospectus.² Each Fund and principal underwriter of Fund shares will also comply with any requirements that may be adopted by the Commission regarding disclosure at the point of sale and in transaction

² See Shareholder Reports and Quarterly Portfolio Disclosure of Registered Management Investment Companies, Investment Company Act Release No. 26372 (Feb. 27, 2004) (adopting release) (requiring open-end investment companies to disclose fund expenses in shareholder reports); and Disclosure of Breakpoint Discounts by Mutual Funds, Investment Company Act Release No. 26464 (June 7, 2004) (adopting release) (requiring open-end investment companies to provide prospectus disclosure of certain sales load information).

confirmations about the costs and conflicts of interest arising out of the distribution of open-end investment company shares, and regarding prospectus disclosure of sales loads and revenue sharing arrangements as if those requirements applied to the Fund and the principal underwriter of the Fund's shares.³

5. The Trust will allocate all expenses incurred by it among the various classes of shares based on the net assets of the Trust attributable to each class, except that the net asset value and expenses of each class will reflect the expenses associated with the service and/or distribution plan of the class and any other incremental expenses of that class. Expenses of the Trust allocated to a particular class of shares will be borne on a pro rata basis by each outstanding share of that class. Applicants state that each Fund will comply with the provisions of rule 18f-3 under the Act as if that rule applied to the Funds. The Funds will not offer exchange privileges.

Applicants' Legal Analysis:

1. Section 18(c) of the Act provides, in relevant part, that a closed-end investment company may not issue or sell any senior security if, immediately thereafter, the company has outstanding more than one class of senior security. Applicants state that the creation of multiple classes of shares of the Funds may be prohibited by section 18(c).

2. Section 18(i) of the Act provides that each share of stock issued by a registered management investment company will be a voting stock and have equal voting rights with every other outstanding voting stock. Applicants state that permitting multiple classes of shares of the

³ Confirmation Requirements and Point of Sale Disclosure Requirements for Transactions in Certain Mutual Funds and Other Securities, and Other Confirmation Requirement Amendments, and Amendments to the Registration Form for Mutual Funds, Investment Company Act Release Nos. 26341 (Jan. 29, 2004) (proposing release) and 26778 (Feb. 28, 2005) (re-opening the comment period for the proposed rules and requesting additional comments).

Funds may violate section 18(i) of the Act because each class would be entitled to exclusive voting rights with respect to matters solely related to that class.

3. Section 6(c) of the Act provides that the Commission may exempt any person, security or transaction or any class or classes of persons, securities or transactions from any provision of the Act, or from any rule under the Act, if and to the extent such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act. Applicants request an exemption under section 6(c) from sections 18(c) and 18(i) to permit the Funds to issue multiple classes of shares.

4. Applicants submit that the proposed allocation of expenses and voting rights among multiple classes is equitable and will not discriminate against any group of shareholders. Applicants submit that the proposed arrangements would permit a Fund to facilitate the distribution of its shares and provide investors with a broader choice of shareholder services. Applicants assert that the proposed closed-end investment company multiple class structure does not raise the concerns underlying section 18 of the Act to any greater degree than open-end investment companies' multiple class structures that are permitted by rule 18f-3 under the Act. Applicants state that each Fund will comply with the provisions of rule 18f-3 as if it were an open-end investment company.

5. Applicants also state that because the Funds, like open-end investment companies, will continuously offer their shares and offer investors a variety of distribution channels and service fees, they will comply with rule 12b-1 and 6c-10 under the Act as if those rules applied to the Funds.

Applicants' Condition:

Applicants agree that any order granting the requested relief will be subject to the following condition:

Each Fund relying on the order will comply with the provisions of rules 6c-10, 12b-1 and 18f-3 under the Act, as amended from time to time, as if those rules applied to closed-end management investment companies, and will comply with NASD Conduct Rule 2830(d), as amended from time to time, as if that rule applied to all closed-end management investment companies.

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

Florence E. Harmon
Deputy Secretary