

UNITED STATES OF AMERICA  
BEFORE THE  
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT COMPANY ACT OF 1940  
Release No. 28019 / October 23, 2007

In the Matter of

CLAYMORE EXCHANGE-TRADED FUND TRUST  
CLAYMORE EXCHANGE-TRADED FUND TRUST 2  
CLAYMORE SECURITIES, INC. and  
CLAYMORE ADVISORS, LLC  
2455 Corporate West Drive  
Lisle, IL 60532

(812-13396)

ORDER UNDER SECTIONS 6(c), 12(d)(1)(J) AND 17(b) OF THE INVESTMENT  
COMPANY ACT OF 1940

Claymore Exchange-Traded Fund Trust, Claymore Exchange-Traded Fund Trust 2, Claymore Securities, Inc., and Claymore Advisors, LLC filed an application on May 30, 2007, and amendments to the application on August 9, 2007, and October 16, 2007, requesting an order under sections 6(c), 12(d)(1)(J), and 17(b) of the Investment Company Act of 1940 ("Act") to amend a prior order under section 6(c) of the Act granting an exemption from sections 2(a)(32), 5(a)(1), 22(d), 22(e), and 24(d) of the Act and rule 22c-1 under the Act, under section 12(d)(1)(J) of the Act granting an exemption from sections 12(d)(1)(A) and 12(d)(1)(B) of the Act, and under sections 6(c) and 17(b) of the Act granting an exemption from sections 17(a)(1) and 17(a)(2) of the Act (the "Prior Order").<sup>1</sup>

The Prior Order permits: (a) open-end management investment companies, whose series are based on certain equity securities indices, to issue shares of limited redeemability; (b) secondary market transactions in the shares of the series to occur at negotiated prices; (c) dealers to sell shares to purchasers in the secondary market unaccompanied by a prospectus when prospectus delivery is not required by the Securities Act of 1933 ("Securities Act"); (d) certain affiliated persons of the series to deposit securities into, and receive securities from, the series in connection with the purchase and redemption of aggregations of the series' shares; (e) under

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<sup>1</sup> Claymore Exchange-Traded Fund Trust, et al., Investment Company Act Release Nos. 27469 (Aug. 28, 2006) (notice) and 27483 (Sept. 18, 2006) (order).

certain circumstances, certain series to pay redemption proceeds more than seven days after the tender of shares; and (f) certain registered management investment companies and unit investment trusts outside of the same group of investment companies as the series to acquire shares of the series. The amended order would permit the open-end management investment companies in the Prior Order to offer additional series based on certain fixed income securities indices. In addition, the amended order would delete a condition related to future relief in the Prior Order.

On September 26, 2007, a notice of the filing of the application was issued (Investment Company Act Release No. 27982). The notice gave interested persons an opportunity to request a hearing and stated that an order disposing of the application would be issued unless a hearing was ordered. No request for a hearing has been filed, and the Commission has not ordered a hearing.

The matter has been considered and it is found, on the basis of the information set forth in the application, as amended, that granting the requested exemptions is appropriate in and consistent with the public interest, and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

It is further found that the terms of the proposed transactions, including the consideration to be paid or received, are reasonable and fair and do not involve overreaching on the part of any person concerned, and that the proposed transactions are consistent with the policy of each registered investment company concerned and with the general purposes of the Act.

Accordingly, in the matter of Claymore Exchange-Traded Fund Trust, *et al.* (File No. 812-13396),

IT IS ORDERED, under section 6(c) of the Act, that the requested exemption from sections 2(a)(32), 5(a)(1), 22(d), 22(e), and 24(d) of the Act and rule 22c-1 under the Act is granted, effective immediately, subject to the conditions contained in the application, as amended.

IT IS FURTHER ORDERED, under section 12(d)(1)(J) of the Act, that the requested exemption from sections 12(d)(1)(A) and 12(d)(1)(B) of the Act, is granted, effective immediately, subject to the conditions contained in the application, as amended.

IT IS FURTHER ORDERED, in the matter of Claymore Exchange-Traded Fund Trust, *et al.* (File No. 812-13396) under sections 6(c) and 17(b) of the Act, that the requested exemption from sections 17(a)(1) and 17(a)(2) of the Act is granted, effective immediately, subject to the conditions contained in the application, as amended.

The exemption from section 24(d) of the Act does not affect a purchaser's rights under the civil liability and anti-fraud provisions of the Securities Act. Thus, rights under section 11 and section 12(a)(2) of the Securities Act extend to all purchasers who can trace their securities to a registration statement filed with the Commission, whether or not they were delivered a prospectus in connection with their purchase.

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

Florence E. Harmon  
Deputy Secretary