

therefore estimated to be approximately 360 hours. Based on the total costs per fund listed above, the total cost of Form N-17f-1's collection of information requirements is estimated to be approximately \$59,400.⁷

The estimate of average burden hours is made solely for the purposes of the Paperwork Reduction Act, and is not derived from a comprehensive or even a representative survey or study of the costs of Commission rules. Compliance with the collections of information required by rule 17f-1 and Form N-17f-1 is mandatory for funds that place their assets in the custody of a national securities exchange member. Responses will not be kept confidential. An agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a currently valid control number.

General comments regarding the above information should be directed to the following persons: (i) Desk officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10102, New Executive Office Building, Washington, DC 20504, or e-mail to: David_Rostker@omb.eop.gov; and R. Corey Booth, Director/Chief Information Officer, Office of Information Technology, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549. Comments must be submitted to OMB within 30 days of this notice.

Dated: May 15, 2006.

Nancy M. Morris,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[File No. 500-1]

In the Matter of China Energy Savings Technology, Inc.; Order of Suspension of Trading

May 19, 2006.

It appears to the Securities and Exchange Commission that there is a lack of current and accurate information concerning the securities of China Energy Savings Technology, Inc. ("China Energy"), a Nevada corporation headquartered in Hong Kong.

The Commission is concerned that certain China Energy affiliates and

shareholders may have unjustifiably relied upon Rule 144 of the Securities Act of 1933 ("Securities Act") in conducting an unlawful distribution of securities that failed to comply with the resale restrictions of Rule 144 of the Securities Act. The Commission is also concerned that China Energy may have unlawfully relied upon Form S-8 of the Securities Act to issue unrestricted securities.

Questions also have arisen regarding the accuracy and completeness of information contained in China Energy's public filings with the Commission concerning, among other things, statements regarding the company's shareholder base.

The Commission is of the opinion that the public interest and the protection of investors require a suspension of trading in the securities of the above-listed company.

Therefore, it is ordered, pursuant to Section 12(k) of the Securities Exchange Act of 1934, that trading in the above-listed company is suspended for the period from 12:01 a.m. EDT, May 19, 2006, through 11:59 p.m. EDT, on June 2, 2006.

By the Commission.

J. Lynn Taylor,

Assistant Secretary.

[FR Doc. 06-4807 Filed 5-19-06; 11:48 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-53817; File No. SR-BSE-2006-05]

Self-Regulatory Organizations; Boston Stock Exchange, Inc.; Order Approving a Proposed Rule Change to Modify the Boston Options Exchange's Fee Schedule to Impose Surcharge Fees for Transactions in Options on ETFs on a Retroactive Basis

May 17, 2006.

On March 15, 2006, the Boston Stock Exchange, Inc. ("BSE" or "Exchange") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² a proposal to retroactively establish certain Boston Options Exchange ("BOX") licensing fee surcharges applicable to broker-dealer proprietary accounts and market maker accounts for trades in options on certain exchange traded funds ("ETFs"). The proposed rule change was published for

comment in the **Federal Register** on April 13, 2006.³ The Commission received no comments regarding the proposal. This order approves the proposed rule change.

The BOX's Fee Schedule currently has in place a surcharge fee item for transactions in the respective ETF options effected by market makers and broker-dealer proprietary accounts that imposes a \$0.10 per contract fee for transactions in certain licensed options, including Standard & Poor's Depository Receipts (SPY), iShares Russell 2000 Index Fund (IWM), iShares Russell 2000 Growth Index Fund (IWO), and iShares Nasdaq Biotechnology Index Fund (IBB).⁴ In addition, the BOX's Fee Schedule currently lists a surcharge fee of \$0.09 per contract fee for transactions in certain licensed options, including S&P Energy Select Sector SPDR Fund (XLE) and S&P Financial Select Sector SPDR Fund (XLF). The surcharge fees on the licensed options listed above became effective on January 4, 2006.⁵ The Exchange is now proposing to retroactively apply these surcharge fees from the Effective Dates listed in Table 1 of the notice⁶ ("Effective Dates") (i.e., the date on which each product commenced trading on BOX) through January 3, 2006.⁷

In addition, the Exchange is proposing to amend the BOX Fee Schedule to clarify the meaning of the current text in Section 4(b) ("InterMarket Linkage") of the BOX Fee Schedule, which includes an explicit reference to the surcharge with respect to Inbound P and PA orders that are billed per contract.⁸ The BSE is also proposing to amend the title of Section

³ See Securities Exchange Act Release No. 53607 (April 6, 2006), 71 FR 19221 ("Notice").

⁴ The BOX Fee Schedule also contains a \$0.10 surcharge fee per contract for options on the ETF Nasdaq 1000 ("QQQQ"), which is not at issue in this proposed rule change.

⁵ See Securities Exchange Act Release No. 53454 (March 8, 2006), 71 FR 13439 (March 15, 2006) (SR-BSE-2006-01).

⁶ See Notice, *supra* note 3. The Standard & Poor's Depository Receipts commenced trading on January 10, 2005; the iShares Russell 2000 Index Fund commenced trading on May 2, 2005; the S&P Energy Select Sector SPDR Fund commenced trading on June 6, 2005; and the iShares Russell 2000 Growth Index Fund, the iShares Nasdaq Biotechnology Index Fund, and S&P Financial Select Sector SPDR Fund all commenced trading on June 27, 2005.

⁷ BSE represents these fees are only charged to BOX Participants.

⁸ Specifically, the Exchange proposes to replace the sentence "Same as if were BOX Participant" with "This charge is the same as that which is applicable to a BOX Participant under Section 2. These orders are also subject to any additional pass-through surcharge fees specified in Section 2(c), as applicable."

⁷ This estimate is based on the following calculation: 360 hours × \$165 (total annual cost per fund) = \$59,400.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

4(b) of the BOX Fee Schedule to provide more clarity as to which party is billed.

After careful consideration of the proposal, 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 exchange⁹ and, in particular, the requirements of Section 6(b) of the Act and the rules and regulations thereunder.¹⁰ Specifically, the Commission believes that the proposal to retroactively establish a surcharge fee of 9 or 10 cents, as applicable, for certain transactions in options on the above-listed ETFs that occurred on the BOX between each ETF options' Effective Date and January 3, 2006 is consistent with Section 6(b)(4) of the Act,¹¹ in that the proposed rule change provides for the equitable allocation of reasonable dues, fees, and other charges among the Exchange's members and issuers and other persons using its facilities.

The Commission notes that the BOX Fee Schedule that was in effect when each of these products commenced trading (*i.e.*, on the Effective Dates) stated in Section 2(c) that applicable surcharges applied for options on ETFs that are passed-through by BOX.¹² While the BSE failed to amend in a timely manner its Fee Schedule to specifically list each individual ETF option product and the associated surcharge fee on the BOX Fee Schedule as it was required to do pursuant to Section 19(b) of the Act¹³ and Rule 19b-4 thereunder,¹⁴ the Commission notes that the BSE has represented that its Participants: (1) were aware that surcharge fees were applicable for options on the ETFs pursuant to the general language in Section 2(c) of the BOX Fee Schedule that states that surcharge fees apply to transactions in certain licensed options; and (2) were aware of the specific pass-through licensing surcharges for each product via their monthly billing statement.¹⁵ Given this level of transparency with respect to the existence of surcharge fees for licensed products, and in consideration of the fact that options on the applicable ETFs have been listed

and traded on BOX since each product's respective Effective Date,¹⁶ the Commission believes that the retroactive extension of the respective surcharge fees to all applicable transactions occurring since, and as of, the commencement of trading of each product on BOX is equitable in order to defray BSE's licensing costs.

The Commission also believes that the new text in Section 4(b) of the BOX Fee Schedule does not raise any new or novel issues but rather serves as a non-substantive change to the BOX Fee Schedule to clarify the existing text. The Commission notes the Exchange's representation that this change does not impose any new fees on Linkage Orders, that it is consistent with the Linkage Fee pilot program, and that applicable Linkage Orders have always been assessed this surcharge and have been invoiced as such.¹⁷ Further, the Commission believes that the change to the title of Section 4(b) of the BOX Fee Schedule does not raise any new or novel issues and merely is designed to accurately reflect the party which is billed. Accordingly, the Commission believes that the changes to Section 4(b) of the BOX Fee Schedule clarify and expand upon the existing text and do not result in any change in application of the Fee Schedule.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹⁸ that the proposed rule change (SR-BSE-2006-05) is hereby approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁹

Nancy M. Morris,

Secretary.

[FR Doc. E6-7818 Filed 5-22-06; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-53805; File No. SR-CBOE-2006-31]

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Extend Until June 5, 2007, a Pilot Program for Listing Options on Selected Stocks Trading Below \$20 at One-Point Intervals

May 15, 2006.

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 27, 2006, the Chicago Board Options Exchange, Incorporated ("CBOE" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by CBOE. CBOE filed the proposal pursuant to section 19(b)(3)(A) of the Act,³ and Rule 19b-4(f)(6) thereunder,⁴ which renders the proposal effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

CBOE proposes to amend Commentary .01 to CBOE Rule 5.5, "Series of Option Contracts Open for Trading," to extend until June 5, 2007, its pilot program for listing options series on selected stocks trading below \$20 at one-point intervals ("Pilot Program"). The text of the proposed rule change is available on CBOE's Web site (<http://www.cboe.com>), at CBOE'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, CBOE 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 IV below. CBOE has prepared

⁹ In approving this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

¹⁰ 15 U.S.C. 78f(b).

¹¹ 15 U.S.C. 78f(b)(4).

¹² Section 2(c) of the BOX Fee Schedule then stated, as it currently does: "Plus, where applicable, any surcharge for options on ETFs that are passed through by BOX."

¹³ 15 U.S.C. 78s(b).

¹⁴ 17 CFR 240.19b-4.

¹⁵ See Notice, *supra* note 3.

¹⁶ The options on the applicable ETFs began trading on BOX ranging from January 10, 2005 to June 27, 2005. See *supra* note 6.

¹⁷ See *id.*

¹⁸ 15 U.S.C. 78s(b)(2).

¹⁹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(6).