

For a detailed statement of the information presented, all persons are referred to Global Industries's application, which is on file in the Commission's Public Reference Room, Station Place, 100 F Street, NE., Washington, DC 20549.

The Commission also gives notice that any interested person not later than November 25, 2005 may submit to the Commission in writing its views on any substantial facts bearing on the application or the desirability of a hearing thereon.

Any such communication or request may be submitted by any of the following methods:

#### *Electronic Comments*

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/other.shtml>); or
- Send an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number 81-934 on the subject line.

#### *Paper Comments*

- Send paper comments in triplicate to Jonathan G. Katz, Secretary, Securities and Exchange Commission, Station Place, 100 F Street, NE., Washington, DC 20549-9303.

All submissions should refer to File Number 81-934. 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/other.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the application filed with the Commission, and all written communications relating to the application 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. 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 be submitted on or before November 25, 2005.

Persons who request a hearing or advice as to whether a hearing is ordered will receive any notices and orders issued in this matter, including the date of the hearing (if ordered) and any postponements thereof. At any time after said date, the Commission may

issue an order granting the application upon request or upon the Commission's own motion.

For the Commission, by the Division of Corporation Finance, pursuant to delegated authority.

**Jonathan G. Katz,**  
*Secretary.*

[FR Doc. 05-22382 Filed 11-4-05; 3:09 pm]

**BILLING CODE 8010-01-P**

## **SECURITIES AND EXCHANGE COMMISSION**

**[Investment Company Act Release No. 27141; 812-13216]**

### **Frank Russell Investment Management Company, et al.; Notice of Application**

November 3, 2005.

**AGENCY:** Securities and Exchange Commission ("Commission").

**ACTION:** Notice of an application under section 6(c) of the Investment Company Act of 1940 ("Act") for an exemption from section 15(a) of the Act and rule 18f-2 under the Act, as well as certain disclosure requirements.

*Summary of Application:* Applicants request an order that would permit them to enter into and materially amend subadvisory agreements without shareholder approval and would grant relief from certain disclosure requirements.

*Applicants:* Frank Russell Investment Management Company ("FRIMCo") and Steward Funds, Inc. (the "Company").

*Filing Dates:* The application was filed on July 20, 2005, and amended on November 2, 2005.

*Hearing or Notification of Hearing:* An order granting the application 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 November 28, 2005, 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 St., NE., Washington, DC 20549-9303; Applicants, Gregory J. Lyons, Esq., Frank Russell Company, 909 A Street, Tacoma, Washington 98402.

**FOR FURTHER INFORMATION CONTACT:** Marilyn Mann, Senior Counsel, at (202) 551-6813, 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 St., NE., Washington, DC 20549-0102 (telephone (202) 551-5850).

### **Applicants' Representations**

1. The Company is organized as a Maryland corporation and is registered under the Act as an open-end management investment company. The Company has two operating series, neither of which will be operated pursuant to the application. An amendment to the Company's registration statement on Form N-1A to register shares of a third series, the Steward Multi-Manager Equity Fund (the "Existing Fund"), has been filed with the Commission. When the registration statement is declared effective, the Existing Fund will implement the manager-of-managers structure as described in the application. Applicants also request relief for any future series of the Company that is advised by FRIMCo that uses the manager-of-managers arrangement described in the application (each such series, together with the Existing Fund, a "Fund").<sup>1</sup>

2. FRIMCo is registered as an investment adviser under the Investment Advisers Act of 1940 (the "Advisers Act") and will serve as investment adviser to the Existing Fund pursuant to an investment advisory agreement ("Advisory Agreement") with the Existing Fund. The Advisory Agreement has been approved by the Existing Fund's board of directors ("Board"), including a majority of the directors who are not "interested persons," as defined in section 2(a)(19) of the Act, of the Existing Fund or FRIMCo (the "Independent Directors"), as well as by the sole initial shareholder of the Existing Fund.

3. Under the terms of the Advisory Agreement, FRIMCo will provide

<sup>1</sup> All existing entities that currently intend to rely on the order are named as applicants. Any entity that relies on the order in the future will do so only in accordance with the terms and conditions of the application. If the name of any Fund contains the name of a Money Manager (as defined below), the name of FRIMCo (e.g., "Frank Russell"), or the name of an entity controlling, controlled by, or under common control with FRIMCo that serves as the primary adviser to the Fund, will precede the name of the Money Manager.

investment advisory services to the Existing Fund, supervise the investment program for the Existing Fund, and has the authority, subject to Board approval, to enter into investment subadvisory agreements ("Portfolio Management Agreements") with one or more subadvisers ("Money Managers"). Each Money Manager is registered under the Advisers Act. FRIMCo will monitor and evaluate the Money Managers and recommend to the Board their hiring, retention or termination. Money Managers recommended to the Board by FRIMCo are selected and approved by the Board, including a majority of the Independent Directors. Each Money Manager has discretionary authority to invest the assets or a portion of the assets of the Existing Fund. FRIMCo compensates each Money Manager out of the fees paid to FRIMCo under the Advisory Agreement.

4. Applicants request an order that would (a) permit FRIMCo to hire Money Managers and materially amend Portfolio Management Agreements without obtaining shareholder approval and (b) grant relief from certain disclosure requirements concerning fees paid to the Money Managers. The requested relief will not extend to any Money Manager that is an affiliated person, as defined in section 2(a)(3) of the Act, of a Fund or FRIMCo, other than by reason of serving as a Money Manager to one or more of the Funds ("Affiliated Money Manager").

5. An exemption is requested to permit a Fund to disclose (as both a dollar amount and as a percentage of the Fund's net assets): (a) The aggregate fees paid to FRIMCo and any Affiliated Money Managers; and (b) the aggregate fees paid to Money Managers other than Affiliated Money Managers ("Aggregate Fee Disclosure"). For any Fund that employs an Affiliated Money Manager, the Fund will provide separate disclosure of any fees paid to the Affiliated Money Manager.

#### Applicants' Legal Analysis

1. Section 15(a) of the Act provides, in relevant part, that it is unlawful for any person to act as an investment adviser to a registered investment company except under a written contract that has been approved by the vote of a majority of the company's outstanding voting securities. Rule 18f-2 under the Act provides that each series or class of stock in a series company affected by a matter must approve such matter if the Act requires shareholder approval.

2. Form N-1A is the registration statement used by open-end investment companies. Item 14(a)(3) of Form N-1A

requires disclosure of the method and amount of the investment adviser's compensation.

3. Rule 20a-1 under the Act requires proxies solicited with respect to an investment company to comply with Schedule 14A under the Securities Exchange Act of 1934 ("1934 Act"). Items 22(c)(1)(ii), 22(c)(1)(iii), 22(c)(8) and 22(c)(9) of Schedule 14A, taken together, require a proxy statement for a shareholder meeting at which the advisory contract will be voted upon to include the "rate of compensation of the investment adviser," the "aggregate amount of the investment adviser's fees," a description of the "terms of the contract to be acted upon," and, if a change in the advisory fee is proposed, the existing and proposed fees and the difference between the two fees.

4. Form N-SAR is the semi-annual report filed with the Commission by registered investment companies. Item 48 of Form N-SAR requires investment companies to disclose the rate schedule for fees paid to their investment advisers, including the Money Managers.

5. Regulation S-X sets forth the requirements for financial statements required to be included as part of investment company registration statements and shareholder reports filed with the Commission. Sections 6-07(2)(a), (b), and (c) of Regulation S-X require that investment companies include in their financial statements information about investment advisory fees.

6. 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 provisions of the Act, or from any rule thereunder, if 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 state that their requested relief meets this standard for the reasons discussed below.

7. Applicants assert that the shareholders are relying on FRIMCo's experience to select one or more Money Managers best suited to achieve a Fund's investment objectives. Applicants assert that, from the perspective of an investor in the Fund, the role of the Money Managers is comparable to that of the individual portfolio managers employed by traditional investment company advisory firms. Applicants state that requiring shareholder approval of each Portfolio Management Agreement would impose costs and unnecessary delays on

the Funds, and may preclude FRIMCo from acting promptly in a manner considered advisable by the Board. Applicants note that the Advisory Agreement and any Portfolio Management Agreement with an Affiliated Money Manager will remain subject to section 15(a) of the Act and rule 18f-2 under the Act.

8. Applicants assert that some Money Managers use a "posted" rate schedule to set their fees. Applicants state that while Money Managers are willing to negotiate fees that are lower than those posted on the schedule, they are reluctant to do so where the fees are disclosed to other prospective and existing customers. Applicants submit that the requested relief would allow FRIMCo to negotiate more effectively with each individual Money Manager.

#### Applicants' Conditions

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

1. Before a Fund may rely on the order requested in the application, the operation of the Fund in the manner described in the application will be approved by a majority of the Fund's outstanding voting securities, as defined in the 1940 Act, or, in the case of a Fund whose public shareholders purchase shares on the basis of a prospectus containing the disclosure contemplated by condition 2 below, by the sole initial shareholder before offering the Fund's shares to the public.

2. The prospectus for each Fund will disclose the existence, substance, and effect of any order granted pursuant to the application. Each Fund will hold itself out to the public as employing the management structure described in the application. The prospectus will prominently disclose that FRIMCo has ultimate responsibility (subject to oversight by the Board) to oversee the Money Managers and recommend their hiring, termination, and replacement.

3. Within 90 days of the hiring of a new Money Manager, the affected Fund shareholders will be furnished all information about the new Money Manager that would be included in a proxy statement, except as modified to permit Aggregate Fee Disclosure. This information will include Aggregate Fee Disclosure and any change in such disclosure caused by the addition of the new Money Manager. To meet this obligation, the Fund will provide shareholders within 90 days of the hiring of a new Money Manager with an information statement meeting the requirements of Regulation 14C, Schedule 14C and Item 22 of Schedule 14A under the 1934 Act, except as

modified by the order to permit Aggregate Fee Disclosure.

4. FRIMCo will not enter into a Portfolio Management Agreement with any Affiliated Money Manager without that agreement, including the compensation to be paid thereunder, being approved by Fund shareholders.

5. The Board of each Fund will satisfy the fund governance standards as defined in rule 0-1(a)(7) under the Act by the compliance date for the rule ("Compliance Date"). Prior to the Compliance Date, a majority of the Board will be Independent Directors, and the nomination of new or additional Independent Directors will be at the discretion of the then existing Independent Directors.

6. When a Money Manager change is proposed for a Fund with an Affiliated Money Manager, the Board, including a majority of the Independent Directors, will make a separate finding, reflected in the applicable Board minutes, that such change is in the best interests of the Fund and its shareholders and does not involve a conflict of interest from which FRIMCo or the Affiliated Money Manager derives an inappropriate advantage.

7. Independent legal counsel, as defined in rule 0-1(a)(6) under the Act, will be engaged to represent the Independent Directors. The selection of such counsel will be within the discretion of the then existing Independent Directors.

8. FRIMCo will provide the Board, no less frequently than quarterly, with information about the profitability of FRIMCo on a per-Fund basis. The information will reflect the impact on profitability of the hiring or termination of any Money Manager during the applicable quarter.

9. Whenever a Money Manager is hired or terminated, FRIMCo will provide the Board with information showing the expected impact on the profitability of FRIMCo.

10. FRIMCo will provide general investment management services to each Fund, including overall supervisory responsibility for the general management and investment of the Fund's assets, and, subject to review and approval of the Board, will: (i) Set each Fund's overall investment strategies, (ii) evaluate, select and recommend Money Managers to manage all or a part of a Fund's assets, (iii) when appropriate, allocate and reallocate a Fund's assets among multiple Money Managers, (iv) monitor and evaluate the performance of Money Managers, and (v) implement procedures reasonably designed to ensure that the Money Managers comply with each Fund's

investment objective, policies and restrictions.

11. No director or officer of a Fund, or director or officer of FRIMCo, will own directly or indirectly (other than through a pooled investment vehicle that is not controlled by such person) any interest in a Money Manager, except for (a) ownership of interests in FRIMCo or any entity that controls, is controlled by, or is under common control with FRIMCo, or (b) ownership of less than 1% of the outstanding securities of any class of equity or debt of a publicly traded company that is either a Money Manager or an entity that controls, is controlled by or is under common control with a Money Manager.

12. Each Fund will disclose in its registration statement the Aggregate Fee Disclosure.

13. The requested order will expire on the effective date of rule 15a-5 under the Act, if adopted.

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

**Jonathan G. Katz,**  
*Secretary.*

[FR Doc. 05-22332 Filed 11-8-05; 8:45 am]

**BILLING CODE 8010-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[File No. 500-1]

### In the Matter of Cameron International, Inc.; Order of Suspension of Trading

November 7, 2005.

It appears to the Securities and Exchange Commission that there is a lack of current and accurate information concerning a recent tender offer or other possible change in ownership of Cameron International, Inc. ("Cameron"), quoted on the Over the Counter Bulletin Board under the ticker symbol CMRN. Also, questions have arisen regarding a recent increase in the share price from \$.05 to \$.90 during a period when no material information about the company was made public.

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 9:30 a.m. e.s.t. November 7, 2005, through 11:59 p.m. e.s.t., on November 21, 2005.

By the Commission.

**Jill M. Peterson,**

*Assistant Secretary.*

[FR Doc. 05-22450 Filed 11-7-05; 11:57 am]

**BILLING CODE 8010-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-52724; File No. SR-CHX-2005-26]

### Self-Regulatory Organizations; Chicago Stock Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Permit Execution of Mixed Lot Cross and Cross With Size Orders in the Electronic Book

November 2, 2005.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on October 11, 2005, the Chicago Stock Exchange, Incorporated ("CHX" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Exchange has designated the proposed rule change as constituting a "non-controversial" rule change pursuant to section 19(b)(3)(A)(iii) of the Act,<sup>3</sup> and Rule 19b-4(f)(6) thereunder,<sup>4</sup> which renders the proposal effective upon filing with the Commission.<sup>5</sup> 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

The CHX proposes to amend CHX Article XXA, Rule 2, to permit the execution of mixed lot cross and cross with size orders in the electronic book. The text of the proposed rule change is set forth below. Proposed new language is italicized; proposed deletions are in [brackets].

\* \* \* \* \*

#### ARTICLE XXA

##### Operation of the Electronic Book

\* \* \* \* \*

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>4</sup> 17 CFR 240.19b-4(f)(6).

<sup>5</sup> The Exchange has requested that the Commission waive the 30-day operative delay, as specified in Rule 19b-4(f)(6)(iii). 17 CFR 240.19b-4(f)(6)(iii).