

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 29257; File No. 812-13702

Pax World Funds Trust II, et al.; Notice of Application

April 26, 2010

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

Action: Notice of an application to amend a prior order under section 6(c) of the Investment Company Act of 1940 (“Act”) to grant exemptions from sections 2(a)(32), 5(a)(1), 22(d), and 22(e) of the Act and rule 22c-1 under the Act, under section 12(d)(1)(J) of the Act to grant an exemption from sections 12(d)(1)(A) and (B) of the Act, and under sections 6(c) and 17(b) of the Act to grant an exemption from sections 17(a)(1) and (a)(2) of the Act.

Summary of Application: Applicants request an order to amend a prior order that permits:

(a) certain open-end management investment companies and their series that are based on equity securities indices to issue shares that can be redeemed only in large aggregations; (b) secondary market transactions in shares to occur at negotiated prices; (c) certain affiliated persons of the series to deposit securities into, and receive securities from, the series in connection with the purchase and redemption of large aggregations of shares; (d) under specified limited circumstances, certain series to pay redemption proceeds more than seven days after the tender of shares; and (e) 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 (“Prior Order”).¹ Applicants seek to amend the Prior Order to permit the Trust to offer a new series that is based on an equity securities index for which the entity that may be deemed an

¹ Pax World Funds Trust II, et al., Investment Company Act Release Nos. 28834 (Jul. 22, 2009) (notice) and 28846 (Aug. 13, 2009) (Prior Order).

index provider also may be deemed an affiliated person of an affiliated person of the Trust.

Applicants: Pax World Funds Trust II (“Trust”), Pax World Management LLC² (“Adviser”), and ALPS Distributors, Inc. (“Distributor”).

Filing Dates: The application was filed on September 24, 2009, and amended on February 8, 2010, April 9, 2010 and April 22, 2010.

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 May 14, 2010, 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 may request notification of a hearing by writing to the Commission’s Secretary.

Addresses: Secretary, U.S. Securities and Exchange Commission, 100 F Street, NE, Washington DC 20549-1090. Applicants: the Trust and the Adviser, 30 Penhallow Street, Suite 400, Portsmouth, NH 03801; Distributor, 1290 Broadway, Suite 1100, Denver, CO 80203.

For Further Information Contact: Laura J. Riegel, Senior Counsel, at (202) 551-6873, or Michael W. Mundt, 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 via the Commission’s Web site by searching for the file number, or

² Pax World Management LLC is the successor to the business of Pax World Management Corp., the investment adviser applicant named in the Prior Order.

an applicant using the Company name box, at <http://www.sec.gov/search/search.htm> or by calling (202) 551-8090.

Applicants' Representations:

1. The Trust is organized as a Massachusetts business trust. The Trust is registered under the Act as an open-end management investment company with multiple series. The Trust seeks to offer a new series, ESG Shares FTSE Environmental Technologies (ET50) Index Fund (the "ET50 Fund"), that is based on an equity securities index, the FTSE ET50 Index (the "ET50 Index"). The Adviser, an investment adviser registered under the Investment Advisers Act of 1940 ("Advisers Act"), will serve as investment adviser to the ET50 Fund. The Adviser may enter into sub-advisory agreements with one or more investment advisers ("Sub-Advisers") to manage the assets of the ET50 Fund. Any Sub-Adviser will be registered under the Advisers Act. The Distributor, a broker-dealer registered under the Securities Exchange Act of 1934, will serve as the principal underwriter of the ET50 Fund.

2. The applicants are currently permitted to offer series of the Trust in reliance on the Prior Order (such series, the "Funds") provided that the Funds are based on equity securities indices for which no entity that compiles, creates, sponsors, or maintains the indices (each such entity, an "Index Provider") is or will be an "affiliated person" (as such term is defined in section 2(a)(3) of the Act), or an affiliated person of an affiliated person, of the Trust or a Fund, the Adviser or any Sub-Adviser to or promoter of a Fund or of the Distributor.

3. The ET50 Index is a subset of the FTSE Environmental Index Series and is designed to represent the performance of the top 50 global environmental technology companies ranked by full market capitalization. FTSE Group ("FTSE") is responsible for the calculation and management of the ET50 Index. Impax Asset Management Ltd. ("Impax") identifies

companies as environmental technology companies eligible for inclusion in the ET50 Index, subject to approval by the independent FTSE Environmental Markets Advisory Committee (the “Committee”).³ Applicants state that Impax may be deemed an Index Provider to the ET50 Index if, due to its activities with respect to the ET50 Index, it is deemed to be compiling, creating, sponsoring or maintaining the ET50 Index. In addition, applicants state that Impax may be deemed an affiliated person of an affiliated person of the Trust.⁴ Accordingly, applicants seek to amend the Prior Order to permit the operation of the ET50 Fund.

4. Applicants note that the restriction that the Prior Order applies only to index-based series for which there is no affiliated Index Provider is designed to address potential conflicts of interest. Applicants state that the potential conflicts relating to the possible manipulation of the ET50 Index are addressed through the transparency of the Index Rules. Applicants state that FTSE maintains a publicly available website on which it publishes the basic concept of the ET50 Index and discloses the Index Rules, in addition to the component securities and weighting of the ET50 Index. Applicants state that FTSE, as the entity that implements the Index Rules, calculates and maintains the ET50 Index, and calculates and disseminates the ET50 Index value, will function as an unaffiliated calculation agent. Applicants state that, although FTSE may change the Index Rules in the future, any change to the Index Rules would not take effect until FTSE has given the public at least 60 days prior written notice of the change,

³ The Committee consists of environmental technology and investment professionals appointed by FTSE in consultation with Impax. Among its duties, the Committee is charged with approving any changes to the rules-based methodology for the ET50 Index (“Index Rules”).

⁴ Impax serves as the investment adviser to a series of another registered investment company that is advised by the Adviser (“Trust II”). The Trust and Trust II are overseen by identical boards of trustees and officers. Applicants state that Impax may be deemed an affiliated person of an affiliated person of the Trust if the Trust and Trust II are deemed to be under common control by virtue of having the Adviser as their common investment adviser and/or by having identical boards of trustees and officers. Other than as stated in this footnote, neither Impax nor FTSE is or will be (i) an affiliated person, as defined in Section 2(a)(3) of the Act, or an affiliated person

disclosed on FTSE's website. FTSE reconstitutes the ET50 Index no more frequently than on a monthly basis.

5. Applicants state that Impax will have no responsibility for the management of the ET50 Fund. Applicants state that the potential conflicts of interest arising from the possibility that Impax may be deemed an affiliated Index Provider will have no effect on the operation of the ET50 Fund because Impax, the Adviser, and any-Sub-Adviser each has adopted or will adopt policies and procedures designed to address such conflicts of interest ("Policies and Procedures"). Among other things, the Policies and Procedures will be designed to limit or prohibit communication between the employees of Impax and the employees of the Adviser (and any Sub-Adviser, if applicable). The Policies and Procedures prohibit Impax from disseminating non-public information about the ET50 Index, including potential changes to the Index Rules to, among other others, the employees of the Adviser and any Sub-Adviser responsible for management of the ET50 Fund. The Adviser and any Sub-Adviser will adopt Policies and Procedures that prohibit personnel responsible for the management of the ET50 Fund from sharing any non-public information about the management of the ET50 Fund with any personnel of Impax. Neither the Adviser nor any Sub-Adviser will have a preferential ability to influence the index methodology determined by FTSE or the Committee over other institutional investors, nor will the Adviser or any Sub-Adviser seek to influence the index methodology determined by FTSE or the Committee in a way that would disproportionately benefit the Adviser or any Sub-Adviser.

6. The Adviser has and any Sub-Adviser will have, pursuant to rule 206(4)-7 under the Advisers Act, written Policies and Procedures designed to prevent violations of the Advisers

of an affiliated person, of the ET50 Fund or (ii) an investment adviser, promoter or principal underwriter of the

Act and the rules under the Adviser Act. The Adviser has adopted and any Sub-Adviser will adopt, a Code of Ethics as required under rule 17j-1 under the Act and rule 204A-1 under the Advisers Act, and Policies and Procedures to monitor and restrict securities trading by certain employees.

7. Applicants state that the ET50 Fund will operate in a manner identical to the operation of the Funds under the Prior Order, except as specifically noted by applicants (and summarized in this notice). The ET50 Fund will comply with all of the terms and conditions of the Prior Order as amended by the present application. Applicants believe that the requested relief continues to meet the necessary exemptive standards.

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

Florence E. Harmon
Deputy Secretary

ET50 Fund, or an affiliated person of such persons.