

# ADOPTED AMENDMENTS TO REGULATION S-X

## ADOPTED AMENDMENTS TO ARTICLE 6

REGISTERED INVESTMENT COMPANIES AND BUSINESS DEVELOPMENT COMPANIES

~~SOURCE: Sections 210.6-01 through 210.6-10 appear at 47 FR 56838, Dec. 21, 1982, unless otherwise noted.~~

### **§210.6-01 Application of §§210.6-01 to 210.6-10.**

Sections 210.6-01 to 210.6-10 shall be applicable to financial statements filed for registered investment companies- and business development companies.

#### **A. §210.6-02 Definition of certain terms.**

The following terms shall have the meaning indicated in this rule unless the context otherwise requires. (Also see §210.1-02 of this part.)

(a) *Affiliate*. The term *affiliate* means an *affiliated person* as defined in section 2(a)(3) of the Investment Company Act of 1940 unless otherwise indicated. The term *control* has the meaning in section 2(a)(9) of that Act.

(b) *Value*. As used in §§210.6-01 to 210.6-10, the term *value* shall have the meaning given in section 2(a)(41)(B) of the Investment Company Act of 1940.

(c) *Balance sheets; statements of net assets*. As used in §§210.6-01 to 210.6-10, the term *balance sheets* shall include statements of assets and liabilities as well as statements of net assets unless the context clearly indicates the contrary.

(d) *Qualified assets*. (1) For companies issuing face-amount certificates subsequent to December 31, 1940 under the provisions of section 28 of the Investment Company Act of 1940, the term *qualified assets* means qualified investments as that term is defined in section 28(b) of the Act. A statement to that effect shall be made in the balance sheet.

(2) For other companies, the term *qualified assets* means cash and investments which such companies do maintain or are required, by applicable governing legal instruments, to maintain in respect of outstanding face-amount certificates.

(3) Loans to certificate holders may be included as qualified assets in an amount not in excess of certificate reserves carried on the books of account in respect of each individual certificate upon which the loans were made.

**§210.6-03 Special rules of general application to registered investment companies and business development companies.**

The financial statements filed for persons to which §§210.6-01 to 210.6-10 are applicable shall be prepared in accordance with the following special rules in addition to the general rules in §§210.1-01 to 210.4-10 (Articles 1, 2, 3, and 4). Where the requirements of a special rule differ from those prescribed in a general rule, the requirements of the special rule shall be met.

(a) *Content of financial statements.* The financial statements shall be prepared in accordance with the requirements of this part (Regulation S-X) notwithstanding any provision of the articles of incorporation, trust indenture or other governing legal instruments specifying certain accounting procedures inconsistent with those required in §§210.6-01 to 210.6-10.

(b) *Audited financial statements.* Where, under Article 3 of this part, financial statements are required to be audited, the independent accountant shall have been selected and ratified in accordance with section 32 of the Investment Company Act of 1940- (15 U.S.C. 80a-31).

(c) *Consolidated and combined statements.* (1) Consolidated and combined statements filed for registered investment companies and business development companies shall be prepared in accordance with §§210.3A-01 to 210.3A-~~0504~~ (Article 3A) except that:

(i) ~~statements~~Statements of the registrant may be consolidated only with the statements of subsidiaries which are investment companies;

(ii) ~~a~~A consolidated statement of the registrant and any of its investment company subsidiaries shall not be filed unless accompanied by a consolidating

statement which sets forth the individual statements of each significant subsidiary included in the consolidated statement: *Provided, however,* That a consolidating statement need not be filed if all included subsidiaries are totally held; and

(iii) ~~consolidated~~ Consolidated or combined statements filed for subsidiaries not consolidated with the registrant shall not include any investment companies unless accompanied by consolidating or combining statements which set forth the individual statements of each included investment company which is a significant subsidiary.

(2) If consolidating or combining statements are filed, the amounts included under each caption in which financial data pertaining to affiliates is required to be furnished shall be subdivided to show separately the amounts:

(i) Eliminated in consolidation; and

(ii) ~~n~~ Not eliminated in consolidation.

(d) *Valuation of ~~assets~~ investments*. The balance sheets of registered investment companies, other than issuers of face-amount certificates, and business development companies, shall reflect all investments at value, with the aggregate cost of each category of investment reported under §§210.6-04.1, 6-04.2 ~~and~~, 6-04.3 and ~~of~~ 6-04.9 or the ~~total investments~~ aggregate cost of each category of investment reported under ~~§210.6-04.4 or~~ §210.6-05.1 shown parenthetically. State in a note the methods used in determining value of investments. As required by section 28(b) of the Investment Company Act of 1940, (15 U.S.C. 80a-28(b)), *qualified* assets of face-amount certificate companies shall be valued in accordance with certain provisions of the Code of the District of Columbia. For guidance as to valuation of securities, see §§404.03 to 404.05 of the Codification of Financial Reporting Policies.

(e) *Qualified assets.* State in a note the nature of any investments and other assets maintained or required to be maintained, by applicable legal instruments, in respect of outstanding face-amount certificates. If the nature of the qualifying assets and amount thereof are not subject to the provisions of section 28 of the Investment Company Act of 1940, [\(15 U.S.C. 80a-28\)](#), a statement to that effect shall be made.

(f) *Restricted securities.* State in a note unless disclosed elsewhere the following information as to investment securities which cannot be offered for public sale without first being registered under the Securities Act of 1933 [\(15 U.S.C. 77a et seq.\)](#) (restricted securities):

(1) The policy of the person with regard to acquisition of restricted securities.

(2) The policy of the person with regard to valuation of restricted securities.

Specific comments shall be given as to the valuation of an investment in one or more issues of securities of a company or group of affiliated companies if any part of such investment is restricted and the aggregate value of the investment in all issues of such company or affiliated group exceeds five percent of the value of total assets. (As used in this paragraph, the term *affiliated* shall have the meaning given in §210.6-02(a) [of this part.](#))

(3) A description of the person's rights with regard to demanding registration of any restricted securities held at the date of the latest balance sheet.

(g) *Income recognition.* Dividends shall be included in income on the ex-dividend date; interest shall be ~~accrued~~ [accrued](#) on a daily basis. Dividends declared on short positions existing on the record date shall be recorded on the ex-dividend date and included as an expense of the period.

(h) *Federal income taxes.* (1) The company's status as a *regulated investment company* as defined in subtitle A, chapter 1, subchapter M of the Internal Revenue Code, as amended, shall be stated in a note referred to in the appropriate statements. Such note shall also indicate briefly the principal assumptions on which the company relied in making or not making provisions for income taxes. However, a company which retains realized capital gains and designates such gains as a distribution to shareholders in accordance with section 852(b)(3)(D) of the Internal Revenue Code shall, on the last day of its taxable year (and not earlier), make provision for taxes on such undistributed capital gains realized during such year.

(2) State the following amounts based on cost for Federal income tax purposes:

(i) Aggregate gross unrealized appreciation for all investments in which there is an excess of value over tax cost;

(ii) The aggregate gross unrealized depreciation for all investments in which there is an excess of tax cost over value;

(iii) The net unrealized appreciation or depreciation; and

(iv) The aggregate cost of investments for Federal income tax purposes.

(i) *Issuance and repurchase by a registered investment company or business development company of its own securities.* Disclose for each class of the company's securities:

(1) The number of shares, units, or principal amount of bonds sold during the period of report, the amount received therefor, and, in the case of shares sold by closed-end management investment companies, the difference, if any, between the

amount received and the net asset value or preference in involuntary liquidation (whichever is appropriate) of securities of the same class prior to such sale; and

(2) The number of shares, units, or principal amount of bonds repurchased during the period of report and the cost thereof. Closed-end management investment companies shall furnish the following additional information as to securities repurchased during the period of report:

(i) As to bonds and preferred shares, the aggregate difference between cost and the face amount or preference in involuntary liquidation and, if applicable net assets taken at value as of the date of repurchase were less than such face amount or preference, the aggregate difference between cost and such net asset value;

(ii) As to common shares, the weighted average discount per share, expressed as a percentage, between cost of repurchase and the net asset value applicable to such shares at the date of repurchases.

Note to paragraphs (h)(2)(i) and (ii): The information required by paragraphs (h)(~~i~~)(2) (~~i~~)(i) and (ii) of this section may be based on reasonable estimates if it is impracticable to determine the exact amounts involved.

(j) *Series companies.* (1) The information required by this part shall, in the case of a person which in essence is comprised of more than one separate investment company, be given as if each class or series of such investment company were a separate investment company; this shall not prevent the inclusion, at the option of such person, of information applicable to other classes or series of such person on a comparative basis, except as to footnotes which need not be comparative.

(2) If the particular class or series for which information is provided may be affected by other classes or series of such investment company, such as by the offset of realized gains in one series with realized losses in another, or through contingent liabilities, such situation shall be disclosed.

(k) *Certificate reserves.* (1) For companies issuing face-amount certificates subsequent to December 31, 1940 under the provisions of section 28 of the Investment Company Act of 1940, [\(15 U.S.C. 80a-28\)](#), balance sheets shall reflect reserves for outstanding certificates computed in accordance with the provisions of section 28(a) of the Act.

(2) For other companies, balance sheets shall reflect reserves for outstanding certificates determined as follows:

(i) For certificates of the installment type, such amount which, together with the lesser of future payments by certificate holders as and when accumulated at a rate not to exceed 3½ per centum per annum (or such other rate as may be appropriate under the circumstances of a particular case) compounded annually, shall provide the minimum maturity or face amount of the certificate when due.

(ii) For certificates of the fully-paid type, such amount which, as and when accumulated at a rate not to exceed 3½ per centum per annum (or such other rate as may be appropriate under the circumstances of a particular case) compounded annually, shall provide the amount or amounts payable when due.

(iii) Such amount or accrual therefor, as shall have been credited to the account of any certificate holder in the form of any credit, or any dividend, or any interest in addition to the minimum maturity or face amount specified in the certificate, plus any

accumulations on any amount so credited or accrued at rates required under the terms of the certificate.

(iv) An amount equal to all advance payments made by certificate holders, plus any accumulations thereon at rates required under the terms of the certificate.

(v) Amounts for other appropriate contingency reserves, for death and disability benefits or for reinstatement rights on any certificate providing for such benefits or rights.

(l) *Inapplicable captions.* Attention is directed to the provisions of §§210.4-02 and 210.4-03 which permit the omission of separate captions in financial statements as to which the items and conditions are not present, or the amounts involved not significant. However, amounts involving directors, officers, and affiliates shall nevertheless be separately set forth except as otherwise specifically permitted under a particular caption.

#### **§210.6-04 Balance sheets.**

This [rule section](#) is applicable to balance sheets filed by registered investment [companies and business development](#) companies except for persons who substitute a statement of net assets in accordance with the requirements specified in §210.6-05, and issuers of face-amount certificates which are subject to the special provisions of §210.6-06 ~~of this part.~~ Balance sheets filed under this rule shall comply with the following provisions:

#### ASSETS

1. *Investments in securities of unaffiliated issuers.*
2. *Investments in and advances to affiliates.* State separately investments in and advances to: (a) Controlled companies and (b) other affiliates.

3. ~~Investments—other than securities.~~ State separately each major category Other investments. State separately amounts of assets related to (a) variation margin receivable on futures contracts, (b) forward foreign currency contracts; (c) swap contracts; and (d) investments—other than those presented in §§210.12-12, 12-12A, 12-12B, 12-13, 12-13A, 12-13B, and 12-13C.

4. ~~Total investments.~~

54. *Cash.* Include under this caption cash on hand and demand deposits.

Provide in a note to the financial statements the information required under §210.5-02.1 regarding restrictions and compensating balances.

65. *Receivables.* (a) State separately amounts receivable from (1) sales of investments; (2) subscriptions to capital shares; (3) dividends and interest; (4) directors and officers; and (5) others.

(b) If the aggregate amount of notes receivable exceeds 10 percent of the aggregate amount of receivables, the above information shall be set forth separately, in the balance sheet or in a note thereto, for accounts receivable and notes receivable.

76. ~~Deposits for securities sold short and open option contracts.~~ other investments. State separately amounts held by others in connection with: (a) Short sales ~~and~~; (b) open option contracts (c) futures contracts, (d) forward foreign currency contracts; (e) swap contracts; and (f) investments—other than those presented in §§210.12-12, 12-12A, 12-12B, 12-13, 12-13A, 12-13B, and 12-13C.

87. *Other assets.* State separately (a) prepaid and deferred expenses; (b) pension and other special funds; (c) organization expenses; and (d) any other significant item not properly classified in another asset caption.

98. *Total assets.*

## LIABILITIES

9. *Other investments.* State separately amounts of liabilities related to: (a) Securities sold short; (b) open option contracts written; (c) variation margin payable on futures contracts, (d) forward foreign currency contracts; (e) swap contracts; and (f) investments—other than those presented in §§210.12-12, 12-12A, 12-12B, 12-13, 12-13A, 12-13B, and 12-13C.

10. *Accounts payable and accrued liabilities.* State separately amounts payable for: (a) ~~Securities sold short; (b) open option contracts written; (c)~~ other purchases of securities; (eb) capital shares redeemed; (ec) dividends or other distributions on capital shares; and (fd) others. State separately the amount of any other liabilities which are material. ~~Securities sold short and open option contracts written shall be stated at value.~~

11. *Deposits for securities loaned.* State the value of securities loaned and indicate the nature of the collateral received as security for the loan, including the amount of any cash received.

12. *Other liabilities.* State separately (a) amounts payable for investment advisory, management and service fees; and (b) the total amount payable to: (1) Officers and directors; (2) controlled companies; and (3) other affiliates, excluding any amounts owing to noncontrolled affiliates which arose in the ordinary course of business and which are subject to usual trade terms.

13. *Notes payable, bonds and similar debt.* (a) State separately amounts payable to: (1) Banks or other financial institutions for borrowings; (2) controlled companies; (3)

other affiliates; and (4) others, showing for each category amounts payable within one year and amounts payable after one year.

(b) Provide in a note the information required under §210.5-02.19(b) regarding unused lines of credit for short-term financing and §210.5-02.22(b) regarding unused commitments for long-term financing arrangements.

14. *Total liabilities.*

15. *Commitments and contingent liabilities.*

#### NET ASSETS

16. *Units of capital.* (a) Disclose the title of each class of capital shares or other capital units, the number authorized, the number outstanding, and the dollar amount thereof.

(b) Unit investment trusts, including those which are issuers of periodic payment plan certificates, also shall state in a note to the financial statements: (1) The total cost to the investors of each class of units or shares; (2) the adjustment for market depreciation or appreciation; (3) other deductions from the total cost to the investors for fees, loads and other charges, including an explanation of such deductions; and (4) the net amount applicable to the investors.

17. *Accumulated undistributed income (loss).* Disclose:

(a) The accumulated undistributed investment income-net,

(b) accumulated undistributed net realized gains (losses) on investment transactions, and (c) net unrealized appreciation (depreciation) in value of investments at the balance sheet date.

18. *Other elements of capital.* Disclose any other elements of capital or residual interests appropriate to the capital structure of the reporting entity.

19. *Net assets applicable to outstanding units of capital.* State the net asset value per share.

**§210.6-05 Statements of net assets.**

In lieu of the balance sheet otherwise required by §210.6-04 ~~of this part~~, persons may substitute a statement of net assets if at least 95 percent of the amount of the person's total assets are represented by investments in securities of unaffiliated issuers. If presented in such instances, a statement of net assets shall consist of the following:

STATEMENTS OF NET ASSETS

1. A schedule of investments in securities of unaffiliated issuers as prescribed in §210.12-12.

2. The excess (or deficiency) of other assets over (under) total liabilities stated in one amount, except that any amounts due from or to officers, directors, controlled persons, or other affiliates, excluding any amounts owing to noncontrolled affiliates which arose in the ordinary course of business and which are subject to usual trade terms, shall be stated separately.

3. Disclosure shall be provided in the notes to the financial statements for any item required under ~~§§~~210.6-04.403 and §§210.6-04.9 to 210.6-04.13.

4. The balance of the amounts captioned as *net assets*. The number of outstanding shares and net asset value per share shall be shown parenthetically.

5. The information required by (i) §210.6-04.16, (ii) §210.6-04.17 and (iii) §210.6-04.18 shall be furnished in a note to the financial statements.

**B. §210.6-06 Special provisions applicable to the balance sheets of issuers of face-amount certificates.**

Balance sheets filed by issuers of face-amount certificates shall comply with the following provisions:

**II. ASSETS**

1. *Investments.* State separately each major category: such as, real estate owned, first mortgage loans on real estate, other mortgage loans on real estate, investments in securities of unaffiliated issuers, and investments in and advances to affiliates.

2. *Cash.* Include under this caption cash on hand and demand deposits. Provide in a note to the financial statements the information required under §210.5-02.1 regarding restrictions and compensating balances.

3. *Receivables.* (a) State separately amounts receivable from (1) sales of investments; (2) dividends and interest; (3) directors and officers; and (4) others.

(b) If the aggregate amount of notes receivable exceeds 10 percent of the aggregate amount of receivables, the above information shall be set forth separately, in the balance sheet or in a note thereto, for accounts receivable and notes receivable.

4. *Total qualified assets.* State in a note to the financial statements the amount of qualified assets on deposit classified as to general categories of assets and as to general types of depositories, such as banks and states, together with a statement as to the purpose of the deposits.

5. *Other assets.* State separately: (a) Investments in securities of unaffiliated issuers not included in qualifying assets in item 1 above; (b) investments in and advances to affiliates not included in qualifying assets in item 1 above; and (c) any other significant item not properly classified in another asset caption.

6. *Total assets.*

**III. LIABILITIES**

7. *Certificate reserves.* Issuers of face-amount certificates shall state separately reserves for: (a) Certificates of the installment type; (b) certificates of the fully-paid type; (c) advance payments; (d) additional amounts accrued for or credited to the account of certificate holders in the form of any credit, dividend, or interest in addition to the minimum amount specified in the certificate; and (e) other certificate reserves. State in an appropriate manner the basis used in determining the reserves, including the rates of interest of accumulation.

8. *Notes payable, bonds and similar debt.* (a) State separately amounts payable to: (1) Banks or other financial institutions for borrowings; (2) controlled companies; (3) other affiliates; and (4) others, showing for each category amounts payable within one year and amounts payable after one year.

(b) Provide in a note the information required under §210.5-02.19(b) regarding unused lines of credit for short-term financing and §210.5-02.22(b) regarding unused commitments for long-term financing arrangements.

9. *Accounts payable and accrued liabilities.* State separately (a) amounts payable for investment advisory, management and service fees; and (b) the total amount payable to: (1) Officers and directors; (2) controlled companies; and (3) other affiliates, excluding any amounts owing to noncontrolled affiliates which arose in the ordinary course of business and which are subject to usual trade terms. State separately the amount of any other liabilities which are material.

10. *Total liabilities.*

11. *Commitments and contingent liabilities.*

#### IV. STOCKHOLDERS' EQUITY

12. *Capital shares.* Disclose the title of each class of capital shares or other capital units, the number authorized, the number outstanding and the dollar amount thereof. Show also the dollar amount of any capital shares subscribed but unissued, and show the deduction for subscriptions receivable therefrom.

13. *Other elements of capital.* (a) Disclose any other elements of capital or residual interests appropriate to the capital structure of the reporting entity.

(b) A summary of each account under this caption setting forth the information prescribed in §210.3-04 shall be given in a note or separate statement for each period in which a statement of operations is presented.

14. *Total liabilities and stockholders' equity.*

#### **§210.6-07 Statements of operations.**

Statements of operations filed by registered investment companies, other than issuers of face-amount certificates, subject to the special provisions of §210.6-08 ~~of this part,~~ and business development companies, shall comply with the following provisions:

#### STATEMENTS OF OPERATIONS

1. *Investment income.* State separately income from: (a) dividends; (b) interest on securities; and (c) other income. Any other category of income which exceeds five percent of the total shown under this caption (e.g. income from non-cash dividends, income from payment-in-kind interest) shall be stated separately. If income from investments in or indebtedness of affiliates is included hereunder, such income shall be segregated under an appropriate caption subdivided to show separately income from: (1) Controlled companies; and (2) other affiliates. If income from non-cash dividends or payment in kind interest are included in income, the bases of recognition and measurement used in respect to such amounts shall be disclosed. ~~Any other category of income which exceeds five percent of the total shown under this caption shall be stated separately.~~

2. *Expenses.* (a) State separately the total amount of investment advisory, management and service fees, and expenses in connection with research, selection, supervision, and custody of investments. Amounts of expenses incurred from transactions with affiliated persons shall be disclosed together with the identity of and related amount applicable to each such person accounting for five percent or more of the total expenses shown under this caption together with a description of the nature of the affiliation. Expenses incurred within the person's own organization in connection with research, selection and supervision of investments shall be stated separately. Reductions or reimbursements of management or service fees shall be shown as a negative amount or as a reduction of total expenses shown under this caption.

(b) State separately any other expense item the amount of which exceeds five percent of the total expenses shown under this caption.

(c) A note to the financial statements shall include information concerning management and service fees, the rate of fee, and the base and method of computation. State separately the amount and a description of any fee reductions or reimbursements representing: (1) Expense limitation agreements or commitments; and (2) offsets received from broker-dealers showing separately for each amount received or due from (i) unaffiliated persons; and (ii) affiliated persons. If no management or service fees were incurred for a period, state the reason therefor.

(d) If any expenses were paid otherwise than in cash, state the details in a note.

(e) State in a note to the financial statements the amount of brokerage commissions (including dealer markups) paid to affiliated broker-dealers in connection with purchase and sale of investment securities. Open-end management companies shall state in a note the net amounts of sales charges deducted from the proceeds of sale of capital shares which were retained by any affiliated principal underwriter or other affiliated broker-dealer.

(f) State separately all amounts paid in accordance with a plan adopted under [rule 12b-1 of the Investment Company Act of 1940 \[17 CFR 270.12b-1\]](#) of this chapter. Reimbursement to the fund of expenses incurred under such plan (12b-1 expense reimbursement) shall be shown as a negative amount and deducted from current 12b-1 expenses. If 12b-1 expense reimbursements exceed current 12b-1 costs, such excess shall be shown as a negative amount used in the calculation of total expenses under this caption.

(g)(1) *Brokerage/Service Arrangements.* If a broker-dealer or an affiliate of the broker-dealer has, in connection with directing the person's brokerage transactions to

the broker-dealer, provided, agreed to provide, paid for, or agreed to pay for, in whole or in part, services provided to the person (other than brokerage and research services as those terms are used in section 28(e) of the Securities Exchange Act of 1934 [15 U.S.C. 78bb(e)]), include in the expense items set forth under this caption the amount that would have been incurred by the person for the services had it paid for the services directly in an arms-length transaction.

(2) *Expense Offset Arrangements.* If the person has entered into an agreement with any other person pursuant to which such other person reduces, or pays a third party which reduces, by a specified or reasonably ascertainable amount, its fees for services provided to the person in exchange for use of the person's assets, include in the expense items set forth under this caption the amount of fees that would have been incurred by the person if the person had not entered into the agreement.

(3) *Financial Statement Presentation.* Show the total amount by which expenses are increased pursuant to paragraphs (1) and (2) of this paragraph ~~(2-f)(g)~~ as a corresponding reduction in total expenses under this caption. In a note to the financial statements, state separately the total amounts by which expenses are increased pursuant to paragraphs (1) and (2) of this paragraph ~~(2-f)(g)~~, and list each category of expense that is increased by an amount equal to at least 5 percent of total expenses. If applicable, the note should state that the person could have employed the assets used by another person to produce income if it had not entered into an arrangement described in paragraph ~~(2-f)(g)~~(2) of this section.

3. *Interest and amortization of debt discount and expense.* Provide in the body of the statements or in the footnotes, the average dollar amount of borrowings and the average interest rate.

4. *Investment income before income tax expense.*

5. *Income tax expense.* Include under this caption only taxes based on income.

6. *Investment income-net.*

7. *Realized and unrealized gain (loss) on investments-net.* (a) State separately the net realized gain or loss ~~on transactions in from:~~ (1) Investment Transactions in investment securities of unaffiliated issuers, (2) transactions in investment securities of affiliated issuers, (3) expiration or closing of option contracts written, (4) closed short positions in securities, (5) expiration or closing of futures contracts, (6) settlement of forward foreign currency contracts, (7) expiration or closing of swap contracts, and (3) 8) transactions in other investments ~~other than securities held during the period.~~

(b) Distributions of realized gains by other investment companies shall be shown separately under this caption.

~~(c) State separately: (1) The gain or loss from expiration or closing of option contracts written, (2) the gain or loss on closed short positions in securities, and (3) other realized gain or loss. Disclose in a note to the financial statements the number and associated dollar amounts as to option contracts written: (i) At the beginning of the period; (ii) during the period; (iii) expired during the period; (iv) closed during the period; (v) exercised during the period; (vi) balance at end of the period.~~

~~(d)(c)~~ State separately the amount of the net increase or decrease during the period in the unrealized appreciation or depreciation in the value of investment securities and: (1) investment securities of unaffiliated issuers, (2) investment securities of affiliated issuers, (3) option contracts written, (4) short positions in securities, (5)

futures contracts, (6) forward foreign currency contracts, (7) swap contracts, and (8)

other investments held at the end of the period.

(ed) State separately any: (1) Federal income taxes and (2) other income taxes applicable to realized and unrealized gain (loss) on investments, distinguishing taxes payable currently from deferred income taxes.

8. *Net gain (loss) on investments.*

9. *Net increase (decrease) in net assets resulting from operations.*

~~[47 FR 56838, Dec. 21, 1982, as amended at 52 FR 23172, June 18, 1987; 59 FR 65636, Dec. 20, 1994; 60 FR 38923, July 28, 1995]~~

**A. §210.6-08 Special provisions applicable to the statements of operations of issuers of face-amount certificates.**

Statements of operations filed by issuers of face-amount certificates shall comply with the following provisions:

**V. STATEMENTS OF OPERATIONS**

1. *Investment income.* State separately income from: (a) Interest on mortgages; (b) interest on securities; (c) dividends; (d) rental income; and (e) other investment income. If income from investments in or indebtedness of affiliates is included hereunder, such income shall be segregated under an appropriate caption subdivided to show separately income from: (1) Controlled companies; and (2) other affiliates. If non-cash dividends are included in income, the bases of recognition and measurement used in respect to such amounts shall be disclosed. Any other category of income which exceeds five percent of the total shown under this caption shall be stated separately.

2. *Investment expenses.* (a) State separately the total amount of investment advisory, management and service fees, and expenses in connection with research, selection, supervision, and custody of investments. Amounts of expenses incurred from transactions with affiliated persons shall be disclosed together with the identity of and related amount applicable to each such person accounting for five percent or more of the total expenses shown under this caption together with a description of the nature of the affiliation. Expenses incurred within the person's own organization in connection with research, selection and supervision of investments shall be stated separately. Reductions or reimbursements of management or service fees shall be shown as a negative amount or as a reduction of total expenses shown under this caption.

(b) State separately any other expense item the amount of which exceeds five percent of the total expenses shown under this caption.

(c) A note to the financial statements shall include information concerning management and service fees, the rate of fee, and the base and method of computation. State separately the amount and a description of any fee reductions or reimbursements representing: (1) Expense limitation agreements or commitments; and (2) offsets received from broker-dealers showing separately for each amount received or due from: (i) Unaffiliated persons; and (ii) affiliated persons. If no management or service fees were incurred for a period, state the reason therefor.

(d) If any expenses were paid otherwise than in cash, state the details in a note.

(e) State in a note to the financial statements the amount of brokerage commissions (including dealer markups) paid to affiliated broker-dealers in connection with purchase and sale of investment securities.

3. *Interest and amortization of debt discount and expense.*

4. *Provision for certificate reserves.* State separately any provision for additional credits, or dividends, or interests, in addition to the minimum maturity or face amount specified in the certificates. State also in an appropriate manner reserve recoveries from surrenders or other causes.

5. *Investment income before income tax expense.*

6. *Income tax expense.* Include under this caption only taxes based on income.

7. *Investment income-net.*

8. *Realized gain (loss) on investments-net.*

(a) State separately the net realized gain or loss on transactions in: (1) Investment securities of unaffiliated issuers, (2) investment securities of affiliated issuers, and (3) other investments.

(b) Distributions of capital gains by other investment companies shall be shown separately under this caption.

(c) State separately any: (1) Federal income taxes and (2) other income taxes applicable to realized gain (loss) on investments, distinguishing taxes payable currently from deferred income taxes.

9. *Net income or loss.*

**A. §210.6-09 Statements of changes in net assets.**

Statements of changes in net assets filed for persons to whom this article is applicable shall comply with the following provisions:

**VI. STATEMENTS OF CHANGES IN NET ASSETS**

1. *Operations.* State separately: (a) Investment income-net as shown by §210.6-07.6; (b) realized gain (loss) on investments-net of any Federal or other income taxes applicable to such amounts; (c) increase (decrease) in unrealized appreciation or depreciation-net of any Federal or other income taxes applicable to such amounts; and (d) net increase (decrease) in net assets resulting from operations as shown by §210.6-07.9.

2. *Net equalization charges and credits.* State the net amount of accrued undivided earnings separately identified in the price of capital shares issued and repurchased.

3. *Distributions to shareholders.* State separately distributions to shareholders from: (a) Investment income-net; (b) realized gain from investment transactions-net; and (c) other sources.

4. *Capital share transactions.* (a) State the increase or decrease in net assets derived from the net change in the number of outstanding shares or units.

(b) Disclose in the body of the statements or in the notes, for each class of the person's shares, the number and value of shares issued in reinvestment of dividends as well as the number of dollar amounts received for shares sold and paid for shares redeemed.

5. *Total increase (decrease).*

6. *Net assets at the beginning of the period.*

7. *Net assets at the end of the period.* Disclose parenthetically the balance of undistributed net investment income included in net assets at the end of the period.

**§210.6-10 What schedules are to be filed.**

(a) When information is required in schedules for both the person and its subsidiaries consolidated, it may be presented in the form of a single schedule, provided that items pertaining to the registrant are separately shown and that such single schedule affords a properly summarized presentation of the facts. ~~If the~~

~~information required by any schedule (including the notes thereto) is shown in the related financial statement or in a note thereto without making such statement unclear or confusing, that procedure may be followed and the schedule omitted.~~

(b) The schedules shall be examined by an independent accountant if the related financial statements are so examined.

(c) *Management investment companies.* (1) Except as otherwise provided in the applicable form, the schedules specified in this paragraph shall be filed for management investment companies as of the dates of the most recent audited balance sheet and any subsequent unaudited statement being filed for each person or group.

*Schedule I—Investments in securities of unaffiliated issuers.* The schedule prescribed by §210.12-12 shall be filed in support of caption 1 of each balance sheet.

*Schedule ~~III~~—Investments in and advances to affiliates.* The schedule prescribed by §210.12-14 shall be filed in support of caption 2 of each balance sheet.

*Schedule ~~IV~~—Investments—securities sold short.* The schedule prescribed by §210.12-12A shall be filed in support of caption ~~409~~(a) of each balance sheet.

*Schedule ~~V~~—Open option contracts written.* ~~The schedule prescribed by §210.12-12B shall be filed in support of caption 10(b) of each balance sheet.~~

~~*Schedule II—Investments—other than securities.*~~ The schedule prescribed by §210.12-13 shall be filed in support of caption ~~39~~(b) of each balance sheet. ~~This~~

~~*Schedule V—Open futures contracts.*~~ The schedule ~~may~~ prescribed by §210.12-13A shall be omitted if the investments, other than securities, at both the beginningfiled

in support of captions 3(a) and end of the period amount to less than one percent9(c) of the valueeach balance sheet.

Schedule VI—Open forward foreign currency contracts. The schedule prescribed by §210.12-13B shall be filed in support of total investments (§210.6-04.4)-captions 3(b) and 9(d) of each balance sheet.

Schedule VII—Open swap contracts. The schedule prescribed by §210.12-13C shall be filed in support of captions 3(c) and 9(e) of each balance sheet.

Schedule VIII—Investments—other than those presented in §§210.12-12, 12-12A, 12-12B, 12-13, 12-13A, 12-13B and 12-13C. The schedule prescribed by §210.12-13D shall be filed in support of captions 3(d) and 9(f) of each balance sheet.

(2) When permitted by the applicable form, the schedule specified in this paragraph may be filed for management investment companies as of the dates of the most recent audited balance sheet and any subsequent unaudited statement being filed for each person or group.

Schedule ~~VII~~X—Summary schedule of investments in securities of unaffiliated issuers. The schedule prescribed by §210.12-~~12C~~12B may be filed in support of caption 1 of each balance sheet.

(d) *Unit investment trusts.* Except as otherwise provided in the applicable form:

(1) Schedules I and II, specified below in this section, shall be filed for unit investment trusts as of the dates of the most recent audited balance sheet and any subsequent unaudited statement being filed for each person or group.

(2) Schedule III, specified below in this section, shall be filed for unit investment trusts for each period for which a statement of operations is required to be filed for each person or group.

*Schedule I—Investment in securities.* The schedule prescribed by §210.12-12 shall be filed in support of caption 1 of each balance sheet (§210.6-04).

*Schedule II—Allocation of trust assets to series of trust shares.* If the trust assets are specifically allocated to different series of trust shares, and if such allocation is not shown in the balance sheet in columnar form or by the filing of separate statements for each series of trust shares, a schedule shall be filed showing the amount of trust assets, indicated by each balance sheet filed, which is applicable to each series of trust shares.

*Schedule III—Allocation of trust income and distributable funds to series of trust shares.* If the trust income and distributable funds are specifically allocated to different series of trust shares and if such allocation is not shown in the statement of operations in columnar form or by the filing of separate statements for each series of trust shares, a schedule shall be submitted showing the amount of income and distributable funds, indicated by each statement of operations filed, which is applicable to each series of trust shares.

(e) *Face-amount certificate investment companies.* Except as otherwise provided in the applicable form:

(1) Schedules I, V and X, specified below, shall be filed for face-amount certificate investment companies as of the dates of the most recent audited balance sheet and any subsequent unaudited statement being filed for each person or group.

(2) All other schedules specified below in this section shall be filed for face-amount certificate investment companies for each period for which a statement of operations is filed, except as indicated for Schedules III and IV.

*Schedule I—Investment in securities of unaffiliated issuers.* The schedule prescribed by §210.12-21 shall be filed in support of caption 1 and, if applicable, caption 5(a) of each balance sheet. Separate schedules shall be furnished in support of each caption, if applicable.

*Schedule II—Investments in and advances to affiliates and income thereon.* The schedule prescribed by §210.12-22 shall be filed in support of captions 1 and 5(b) of each balance sheet and caption 1 of each statement of operations. Separate schedules shall be furnished in support of each caption, if applicable.

*Schedule III—Mortgage loans on real estate and interest earned on mortgages.* The schedule prescribed by §210.12-23 shall be filed in support of captions 1 and 5(c) of each balance sheet and caption 1 of each statement of operations, except that only the information required by ~~column~~Column G and note 8 of the schedule need be furnished in support of statements of operations for years for which related balance sheets are not required.

*Schedule IV—Real estate owned and rental income.* The schedule prescribed by §210.12-24 shall be filed in support of captions 1 and 5(a) of each balance sheet and caption 1 of each statement of operations for rental income included therein, except that only the information required by ~~columns~~Columns H, I and J, and item “Rent from properties sold during the period” and note 4 of the schedule need be furnished in

support of statements of operations for years for which related balance sheets are not required.

*Schedule V—Qualified assets on deposit.* The schedule prescribed by §210.12-27 shall be filed in support of the information required by caption 4 of §210.6-06 as to total amount of qualified assets on deposit.

*Schedule VI—Certificate reserves.* The schedule prescribed by §210.12-26 shall be filed in support of caption 7 of each balance sheet.

*Schedule VII—Valuation and qualifying accounts.* The schedule prescribed by §210.12-09 shall be filed in support of all other reserves included in the balance sheet.

[47 FR 56838, Dec. 21, 1982, as amended at 59 FR 65636, Dec. 20, 1994; 69 FR 11262, Mar. 9, 2004]

## ADOPTED AMENDMENTS TO ARTICLE 12

FOR MANAGEMENT INVESTMENT COMPANIES

### **§210.12-12 Investments in securities of unaffiliated issuers.**

[For management investment companies only]

Col. A	Col. B	Col. C
Name of issuer and title of issue <sup>1</sup> <u>2 3 4</u>	Balance held at close of period. Number of shares—principal amount of bonds and <del>notes</del> <sup>5</sup> <u>notes</u> <sup>7</sup>	Value of each item at close of period. <sup>3 4 5 6 7 8</sup> <u>9 10</u>

<sup>1</sup>Each issue shall be listed separately: *Provided*, however, that an amount not exceeding five percent of the total of Column C may be listed in one amount as “Miscellaneous securities,” provided the securities so listed are not restricted, have been held for not more than one year prior to the date of the related balance sheet, and have not previously been reported by name to the shareholders of the person for which the schedule is filed or to any exchange, or set forth in any registration statement, application, or annual report or otherwise made available to the public. If any securities are listed as “Miscellaneous securities,” briefly explain in a footnote what the term represents.

<sup>2</sup>Categorize the schedule by (i) the type of investment (such as common stocks, preferred stocks, convertible securities, fixed income securities, government securities, options purchased, warrants, loan participations and assignments, commercial paper, bankers' acceptances, certificates of deposit, short-term securities, repurchase agreements, other investment companies, and so forth); and (ii) the related industry, country, or geographic region of the investment. Short-term debt instruments (*i.e.*, debt instruments whose maturities or expiration dates at the time of acquisition are one year or less) of the same issuer may be aggregated, in which case the range of interest rates

and maturity dates shall be indicated. For issuers of periodic payment plan certificates and unit investment trusts, list separately: (i) Trust shares in trusts created or serviced by the depositor or sponsor of this trust; (ii) trust shares in other trusts; and (iii) securities of other investment companies. Restricted securities shall not be combined with unrestricted securities of the same issuer. Repurchase agreements shall be stated separately showing for each the name of the party or parties to the agreement, the date of the agreement, the total amount to be received upon repurchase, the repurchase date and description of securities subject to the repurchase agreements.<sup>3</sup>~~The subtotals for each category of investments, subdivided by business grouping or instrument type, shall be shown together with their percentage value compared to net assets (§§210.6-04.19 or 210.6-05.4).~~

<sup>4</sup>~~Column~~<sup>3</sup>For options purchased, all information required by §210.12-13 for options contracts written should be shown. Options on underlying investments where the underlying investment would otherwise be presented in accordance with §§210.12-12, 12-13A, 12-13B, 12-13C, or 12-13D should include the description of the underlying investment as would be required by §§210.12-12, 12-13A, 12-13B, 12-13C, or 12-13D as part of the description of the option.

<sup>4</sup>Indicate the interest rate or preferential dividend rate and maturity date, as applicable, for preferred stocks, convertible securities, fixed income securities, government securities, loan participations and assignments, commercial paper, bankers' acceptances, certificates of deposit, short-term securities, repurchase agreements, or other instruments with a stated rate of income. For variable rate securities, indicate a description of the reference rate and spread and: (1) the end of

period interest rate or (2) disclose the end of period reference rate for each reference rate described in the Schedule in a note to the Schedule. For securities with payment in kind income, disclose the rate paid in kind.

<sup>5</sup>The subtotals for each category of investments, subdivided both by type of investment and industry, country or geographic region, shall be shown together with their percentage value compared to net assets. (§§210.6-04.19 or 210.6-05.4).

<sup>6</sup>Column C shall be totaled. The total of ~~column~~Column C shall agree with the correlative amounts shown on the related balance sheet.

<sup>57</sup>Indicate by an appropriate symbol each issue of securities which is non-income producing. Evidences of indebtedness and preferred shares may be deemed to be income producing if, on the respective last interest payment date or date for the declaration of dividends prior to the date of the related balance sheet, there was only a partial payment of interest or a declaration of only a partial amount of the dividends payable; in such case, however, each such issue shall be indicated by an appropriate symbol referring to a note to the effect that, on the last interest or dividend date, only partial interest was paid or partial dividends declared. If, on such respective last interest or dividend date, no interest was paid or no cash or in kind dividends declared, the issue shall not be deemed to be income producing. Common shares shall not be deemed to be income producing unless, during the last year preceding the date of the related balance sheet, there was at least one dividend paid upon such common shares.

<sup>68</sup>Indicate by an appropriate symbol each issue of restricted securities. State the following in a footnote: (a) As to each such issue: (1) Acquisition date, (2) carrying value per unit of investment at date of related balance sheet, e.g., a percentage of current

market value of unrestricted securities of the same issuer, etc., and (3) the cost of such securities; (b) as to each issue acquired during the year preceding the date of the related balance sheet, the carrying value per unit of investment of unrestricted securities of the same issuer at: (1) The day the purchase price was agreed to; and (2) the day on which an enforceable right to acquire such securities was obtained; and (c) the aggregate value of all restricted securities and the percentage which the aggregate value bears to net assets.

~~<sup>8</sup>State in a footnote the following amounts based on cost for Federal income tax purposes: (a) Aggregate gross unrealized appreciation for all securities in which there is an excess of value over tax cost, (b) the aggregate gross unrealized depreciation for all securities in which there is an excess of tax cost over value, (c) the net unrealized appreciation or depreciation, and (d) the aggregate cost of securities for Federal income tax purposes.~~

~~<sup>9</sup>Indicate by an appropriate symbol each issue of securities whose value was determined using significant unobservable inputs.~~

~~<sup>10</sup>Indicate by an appropriate symbol each issue of securities held in connection with open put or call option contracts, loans for short sales, or where any portion of the issue is on loan.~~

**§210.12-12A Investments—securities sold short.**

[For management investment companies only]

Col. A	Col. B	Col. C
<u>Name of issuer and title of issue</u> <sup>1 2 3</sup>	<u>Balance of short position at close of period. (number of shares)</u>	<u>Value of each open short position</u> <sup>4 5 6</sup>

<sup>1</sup>Each issue shall be listed separately.

<sup>2</sup>Categorize the schedule as required by instruction 2 of §210.12-12.

<sup>3</sup>Indicate the interest rate or preferential dividend rate and maturity date, as applicable, for preferred stocks, convertible securities, fixed income securities, government securities, loan participations and assignments, commercial paper, bankers' acceptances, certificates of deposit, short-term securities, repurchase agreements, or other instruments with a stated rate of income. For variable rate securities, indicate a description of the reference rate and spread and: (1) the end of period interest rate or (2) disclose the end of period reference rate for each reference rate described in the Schedule in a note to the Schedule. For securities with payment in kind income, disclose the rate paid in kind.

<sup>4</sup>The subtotals for each category of investments, subdivided both by type of investment and industry, country, or geographic region, shall be shown together with their percentage value compared to net assets.

<sup>5</sup>Column C shall be totaled. The total of Column C shall agree with the correlative amounts shown on the related balance sheet.

<sup>6</sup>Indicate by an appropriate symbol each issue of securities whose value was determined using significant unobservable inputs.

**§210.12-12B ~~Open option contracts written.~~**

~~[For management investment companies only]~~

<b>Col. A</b>	<b>Col. B</b>	<b>Col. C</b>	<b>Col. D</b>	<b>Col. E</b>
Name of issuer <sup>1,2</sup>	Number of contracts <sup>3</sup>	Exercise price	Expiration date	Value. <sup>4</sup>

~~<sup>4</sup>Information as to put options shall be shown separately from information as to call options.~~

<sup>2</sup>Options of an issuer where exercise prices or expiration dates differ shall be listed separately.

<sup>3</sup>If the number of shares subject to option is substituted for number of contracts, the column name shall reflect that change.

<sup>4</sup>Column E shall be totaled and shall agree with the correlative amount shown on the related balance sheet.

**§210.12-12C—Summary schedule of investments in securities of unaffiliated issuers.**

<b>Column A</b>	<b>Column B</b>	<b>Column C</b>	<b>Column D</b>
Name of issuer and title of issue <sup>4</sup> <small>3 4 5 6</small>	Balance held at close of period. Number of shares—principal amount of bonds and notes	Value of each item at close of period <sup>2 7 9 10 11</sup>	Percentage value compared to net assets.
<u>Column A</u>	<u>Column B</u>	<u>Column C</u>	<u>Column D</u>
<u>Name of issuer and title of issue</u> <sup>1</sup> <small>3 4 5 6 7 8</small>	<u>Balance held at close of period.</u> <u>Number of shares—principal amount of bonds and notes</u> <sup>10</sup>	<u>Value of each item at close of period</u> <sup>2 9 11 12 13</sup>	<u>Percentage value compared to net assets.</u>

<sup>1</sup>Categorize the schedule by (a) the type of investment (such as common stocks, preferred stocks, convertible securities, fixed income securities, government securities, options purchased, warrants, loan participations and assignments, commercial paper, bankers' acceptances, certificates of deposit, short-term securities, repurchase agreements, other investment companies, and so forth); and (b) the related industry, country, or geographic region of the investment.

<sup>2</sup>The subtotals for each category of investments, subdivided by both by type of investment and industry, country, or geographic region, shall be shown together with their percentage value compared to net assets.

<sup>3</sup>Indicate the interest rate or preferential dividend rate and maturity date, as applicable, for preferred stocks, convertible securities, fixed income securities,

government securities, loan participations and assignments, commercial paper, bankers' acceptances, certificates of deposit, short-term securities, repurchase agreements, or other instruments with a stated rate of income. For variable rate securities, indicate a description of the reference rate and spread and: (1) the end of period interest rate or (2) disclose the end of period reference rate for each reference rate described in the Schedule in a note to the Schedule. For securities with payment in kind income, disclose the rate paid in kind.

<sup>4</sup>Except as provided in note 56, list separately the 50 largest issues and any other issue the value of which exceeded one percent of net asset value of the registrant as of the close of the period. For purposes of the list (including, in the case of short-term debt instruments, the first sentence of note 4), aggregate and treat as a single issue, respectively, (a) short-term debt instruments (*i.e.*, debt instruments whose maturities or expiration dates at the time of acquisition are one year or less) of the same issuer (indicating the range of interest rates and maturity dates); and (b) fully collateralized repurchase agreements (indicate in a footnote the range of dates of the repurchase agreements, the total purchase price of the securities, the total amount to be received upon repurchase, the range of repurchase dates, and description of securities subject to the repurchase agreements). Restricted and unrestricted securities of the same issue should be aggregated for purposes of determining whether the issue is among the 50 largest issues, but should not be combined in the schedule. For purposes of determining whether the value of an issue exceeds one percent of net asset value, aggregate and treat as a single issue all securities of any one issuer, except that all fully collateralized repurchase agreements shall be aggregated and treated as a single

issue. The U.S. Treasury and each agency, instrumentality, or corporation, including each government-sponsored entity, that issues U.S. government securities is a separate issuer.

<sup>45</sup>For options purchased, all information required by §§210.12-13 for options contracts written should be shown. Options on underlying investments where the underlying investment would otherwise be presented in accordance with §§210.12-12, 12-13A, 12-13B, 12-13C, or 12-13D should include the description of the underlying investment as would be required by §§210.12-12, 12-13A, 12-13B, 12-13C, or 12-13D as part of the description of the option.

<sup>6</sup>If multiple securities of an issuer aggregate to greater than one percent of net asset value, list each issue of the issuer separately (including separate listing of restricted and unrestricted securities of the same issue) except that the following may be aggregated and listed as a single issue: (a) Fixed-income securities of the same issuer which are not among the 50 largest issues and whose value does not exceed one percent of net asset value of the registrant as of the close of the period (indicating the range of interest rates and maturity dates); and (b) U.S. government securities of a single agency, instrumentality, or corporation, which are not among the 50 largest issues and whose value does not exceed one percent of net asset value of the registrant as of the close of the period (indicating the range of interest rates and maturity dates). For each category identified pursuant to note 1, group all issues that are neither separately listed nor included in a group of securities that is listed in the aggregate as a single issue in a sub-category labeled "Other securities," and provide the information for Columns C and D.

<sup>57</sup>Any securities that would be required to be listed separately or included in a group of securities that is listed in the aggregate as a single issue may be listed in one amount as “Miscellaneous securities,” provided the securities so listed are eligible to be, and are, categorized as “Miscellaneous securities” in the registrant’s Schedule of Investments in Securities of Unaffiliated Issuers required under §210.12-12. However, if any security that is included in “Miscellaneous securities” would otherwise be required to be included in a group of securities that is listed in the aggregate as a single issue, the remaining securities of that group must nonetheless be listed as required by notes [34](#) and [45](#) even if the remaining securities alone would not otherwise be required to be listed in this manner (e.g., because the combined value of the security listed in “Miscellaneous securities” and the remaining securities of the same issuer exceeds one percent of net asset value, but the value of the remaining securities alone does not exceed one percent of net asset value).

<sup>68</sup>If any securities are listed as “Miscellaneous securities” pursuant to note [56](#) or “Other securities” pursuant to note [45](#), briefly explain in a footnote what those terms represent.

<sup>79</sup>Total Column C. The total of [e](#)Column C should equal the total shown on the related balance sheet for investments in securities of unaffiliated issuers.

<sup>810</sup>Indicate by an appropriate symbol each issue of securities which is non-income producing. Evidences of indebtedness and preferred shares may be deemed to be income producing if, on the respective last interest payment date or date for the declaration of dividends prior to the date of the related balance sheet, there was only a partial payment of interest or a declaration of only a partial amount of the dividends

payable; in such case, however, each such issue shall be indicated by an appropriate symbol referring to a note to the effect that, on the last interest or dividend date, only partial interest was paid or partial dividends declared. If, on such respective last interest or dividend date, no interest was paid or no cash or in kind dividends declared, the issue shall not be deemed to be income producing. Common shares shall not be deemed to be income producing unless, during the last year preceding the date of the related balance sheet, there was at least one dividend paid upon such common shares.

<sup>911</sup>Indicate by an appropriate symbol each issue of restricted securities. State the following in a footnote: (a) as to each such issue: (1) Acquisition date, (2) carrying value per unit of investment at date of related balance sheet, e.g., a percentage of current market value of unrestricted securities of the same issuer, etc., and (3) the cost of such securities; (b) as to each issue acquired during the year preceding the date of the related balance sheet, the carrying value per unit of investment of unrestricted securities of the same issuer at: (1) The day the purchase price was agreed to; and (2) the day on which an enforceable right to acquire such securities was obtained; and (c) the aggregate value of all restricted securities and the percentage which the aggregate value bears to net assets.

<sup>4912</sup>Indicate by an appropriate symbol each issue of securities whose value was determined using significant unobservable inputs.

<sup>13</sup>Indicate by an appropriate symbol each issue of securities held in connection with open put or call option contracts ~~or, loans for short sales~~<sup>14</sup>~~State in a footnote sales, or where any portion of the following amounts based on cost for Federal income tax purposes: (a) Aggregate gross unrealized appreciation for all securities in which~~

there issue is an excess of value over tax cost, (b) the aggregate gross unrealized depreciation for all securities in which there is an excess of tax cost over value, (c) the net unrealized appreciation or depreciation, (d) the aggregate cost of securities for Federal income tax purposes. **Col. A** **Col. B** **Col. C** **Col. D** **Col. E** Name of issuer<sup>12</sup> Number of contracts<sup>3</sup> Exercise price Expiration date Value<sup>4</sup> on loan.

**§210.12-12C [Removed and Reserved].**

**§210.12-13 Open option contracts written.**

[For management investment companies only]

<u>Col. A</u>	<u>Col. B</u>	<u>Col. C</u>	<u>Col. D</u>	<u>Col. E</u>	<u>Col. F</u>	<u>Col. G</u>
<u>Description</u> <sup>1 2 3</sup>	<u>Counterparty</u> <sup>4</sup>	<u>Number of contracts</u> <sup>5</sup>	<u>Notional amount</u>	<u>Exercise price</u>	<u>Expiration date</u>	<u>Value</u> <sup>6 7 8</sup>

<sup>1</sup>Information as to put options shall be shown separately from information as to call options.

<sup>2</sup>Options of an issuer where descriptions, counterparties, exercise prices or expiration dates differ shall be listed separately.

<sup>3</sup>Options on underlying investments where the underlying investment would otherwise be presented in accordance with §§210.12-12, 12-13A, 12-13B, 12-13C, or 12-13D should include the description of the underlying investment as would be required by §§210.12-12, 12-13A, 12-13B, 12-13C, or 12-13D as part of the description of the option.

If the underlying investment is an index or basket of investments, and the components are publicly available on a website as of the balance sheet date, identify the index or basket. If the underlying investment is an index or basket of investments, the components are not publicly available on a website as of the balance sheet date,

and the notional amount of the option contract does not exceed one percent of the net asset value of the registrant as of the close of the period, identify the index or basket. If the underlying investment is an index or basket of investments, the components are not publicly available on a website as of the balance sheet date, and the notional amount of the option contract exceeds one percent of the net asset value of the registrant as of the close of the period, provide a description of the index or custom basket and list separately: (i) the 50 largest components in the index or custom basket and (ii) any other components where the notional value for that components exceeds 1% of the notional value of the index or custom basket. For each investment separately listed, include the description of the underlying investment as would be required by §§210.12-12, 12-13, 12-13A, 12-13B, or 12-13D as part of the description, the quantity held (e.g. the number of shares for common stocks, principal amount for fixed income securities), the value at the close of the period, and the percentage value when compared to the custom basket's net assets.

<sup>4</sup>Not required for exchange traded or centrally cleared options.

<sup>5</sup>If the number of shares subject to option is substituted for number of contracts, the column name shall reflect that change.

<sup>6</sup>Indicate by an appropriate symbol each investment which cannot be sold because of restrictions or conditions applicable to the investment.

<sup>7</sup>Indicate by an appropriate symbol each investment whose value was determined using significant unobservable inputs.

<sup>8</sup>Column G shall be totaled and shall agree with the correlative amount shown on the related balance sheet.

**§210.12-13A Open futures contracts.**

[For management investment companies only]

<u>Col. A</u>	<u>Col. B</u>	<u>Col. C</u>	<u>Col. D</u>	<u>Col. E</u>	<u>Col. F</u>
<u>Description</u> <sup>1</sup> <u>2, 3, 4, 5</u>	<u>Number</u> <u>of</u> <u>contracts</u>	<u>Expiration</u> <u>date</u>	<u>Notional</u> <u>amount</u> <sup>6</sup>	<u>Value</u>	<u>Unrealized</u> <u>appreciation/depreciation</u>

<sup>1</sup>Information as to long purchases of futures contracts shall be shown separately from information as to futures contracts sold short.

<sup>2</sup>Futures contracts where descriptions or expiration dates differ shall be listed separately.

<sup>3</sup>Description should include the name of the reference asset or index.

<sup>4</sup>Indicate by an appropriate symbol each investment which cannot be sold because of restrictions or conditions applicable to the investment.

<sup>5</sup>Indicate by an appropriate symbol each investment whose value was determined using significant unobservable inputs.

<sup>6</sup>Notional amount shall be the current notional amount at close of period.

**§210.12-13B Open forward foreign currency contracts.**

[For management investment companies only]

<u>Col. A</u>	<u>Col. B</u>	<u>Col. C</u>	<u>Col. D</u>	<u>Col. E</u>
<u>Amount and</u> <u>description of</u> <u>currency to be</u> <u>purchased</u> <sup>1</sup>	<u>Amount</u> <u>and</u> <u>description</u> <u>of</u> <u>currency</u> <u>to be sold</u> <sup>1</sup>	<u>Counterparty</u>	<u>Settlement date</u>	<u>Unrealized</u> <u>appreciation/depreciation</u> <u>2 3 4</u>

<sup>1</sup>Forward foreign currency contracts where description of currency purchased, description of currency sold, counterparty, or settlement dates differ shall be listed separately.

<sup>2</sup>Indicate by an appropriate symbol each investment which cannot be sold because of restrictions or conditions applicable to the investment.

<sup>3</sup>Indicate by an appropriate symbol each investment whose value was determined using significant unobservable inputs.

<sup>4</sup>Column E shall be totaled and shall agree with the total of correlative amount(s) shown on the related balance sheet.~~[For management investment companies only].~~

**~~§210.12-13 Investments other than securities~~13C Open swap contracts.**

[For management investment companies only]

Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H
<u>Description and terms of payments to be received from another party<sup>1 2 3</sup></u>	<u>Description and terms of payments to be paid to another party<sup>1 2 3</sup></u>	<u>Counterparty<sup>4</sup></u>	<u>Maturity date</u>	<u>Notional amount</u>	<u>Value</u>	<u>Upfront payments/receipts</u>	<u>Unrealized appreciation/depreciation<sup>5 6 7</sup></u>

<sup>1</sup>List each major category of investmentsswaps by descriptive title.<sup>2</sup>~~If practicable, indicate the quantity or measure in appropriate units.~~

~~<sup>3</sup>Indicate by an appropriate symbol each investment which is non-income producing.~~

~~<sup>4</sup>Indicate by an appropriate symbol each investment not readily marketable. The term “investment not readily marketable” (e.g., credit default swaps, interest rate swaps, total return swaps). Credit default swaps where protection is sold shall include investments for which there is no independent publicly quoted market price and investments which cannot be sold because of restrictions or conditions applicable to the investment or the companybe listed separately from credit default swaps where protection is purchased.~~

<sup>2</sup>Swaps where description, counterparty, or maturity dates differ shall be listed separately within each major category.

<sup>3</sup>Description should include information sufficient for a user of financial information to understand the terms of payments to be received and paid. (e.g. For a credit default swap, including, among other things, description of reference obligation(s) or index, financing rate to be paid or received, and payment frequency. For an interest rate swap, this may include, among other things, whether floating rate is paid or received, fixed interest rate, floating interest rate, and payment frequency. For a total return swap, this may include, among other things, description of reference asset(s) or index, financing rate, and payment frequency.)

If the reference instrument is an index or basket of investments, and the components are publicly available on a website as of the balance sheet date, identify the index or basket. If the reference instrument is an index or basket of investments, the components are not publicly available on a website as of the balance sheet date, and the notional amount of the swap contract does not exceed one percent of the net asset value of the registrant as of the close of the period, identify the index or basket. If the reference instrument is an index or basket of investments, the components are not publicly available on a website as of the balance sheet date, and the notional amount of the swap contract exceeds one percent of the net asset value of the registrant as of the close of the period provide a description of the index or custom basket and list separately: (i) the 50 largest components in the index or custom basket and (ii) any other components where the notional value for that components exceeds 1% of the notional value of the index or custom basket. For each investment separately listed,

include the description of the underlying investment as would be required by §§210.12-12, 12-13, 12-13A, 12-13B, or 12-13D as part of the description, the quantity held (e.g. the number of shares for common stocks, principal amount for fixed income securities), the value at the close of the period, and the percentage value when compared to the custom basket's net assets.

<sup>4</sup>Not required for exchange-traded or centrally cleared swaps.

<sup>5</sup>Indicate by an appropriate symbol each investment which cannot be sold because of restrictions or conditions applicable to the investment.

<sup>6</sup>Indicate by an appropriate symbol each investment whose value was determined using significant unobservable inputs.

<sup>7</sup>Columns G and H shall be totaled and shall agree with the total of correlative amount(s) shown on the related balance sheet.

**§210.12-13D Investments other than those presented in §§210.12-12, 12-12A, 12-12B, 12-13, 12-13A, 12-13B, and 12-13C.**

[For management investment companies only]

<u>Col. A</u>	<u>Col. B</u>	<u>Col. C</u>
<u>Description<sup>1 2</sup></u> <u><sup>3</sup></u>	<u>Balance held at close of period—</u> <u>quantity<sup>4 5</sup></u>	<u>Value of each item at close of</u> <u>period<sup>6 7 8 9</sup></u>

<sup>1</sup>Each investment where any portion of the description differs shall be listed separately.

<sup>2</sup>Categorize the schedule by (i) the type of investment (such as real estate, commodities, and so forth); and, as applicable, (ii) the related industry, country, or geographic region of the investment.

<sup>3</sup>Description should include information sufficient for a user of financial information to understand the nature and terms of the investment, which may include,

among other things, reference security, asset or index, currency, geographic location, payment terms, payment rates, call or put feature, exercise price, expiration date, and counterparty for non-exchange-traded investments.

<sup>4</sup>If practicable, indicate the quantity or measure in appropriate units.

<sup>5</sup> Indicate by an appropriate symbol investment which is non-income producing.

<sup>6</sup>Indicate by an appropriate symbol each investment which cannot be sold because of restrictions or conditions applicable to the investment.

<sup>7</sup>Indicate by an appropriate symbol each investment whose value was determined using significant unobservable inputs.

<sup>8</sup>Indicate by an appropriate symbol investment subject to option. State in a footnote: (a) The quantity subject to option, (b) nature of option contract, (c) option price, and (d) dates within which options may be exercised.

<sup>69</sup>Column C shall be totaled and shall agree with the correlative amount shown on the related balance sheet.

~~<sup>7</sup>State in a footnote the following amounts based on cost for Federal income tax purposes: (a) Aggregate gross unrealized appreciation for all investments in which there is an excess of value over tax cost, (b) the aggregate gross unrealized depreciation for all investments in which there is an excess of tax cost over value, (c) the net unrealized appreciation or depreciation, and (d) the aggregate cost of investments for Federal income tax purposes.~~

#### **§210.12-14 Investments in and advances to affiliates.**

[For management investment companies only] ~~Col. A Col. B Col. C Col. D Col. E~~ Name of issuer and title of issue or nature of indebtedness <sup>4</sup>Number of shares ~~principal amount of bonds, notes and other indebtedness held at close of period~~ Amount of dividends or interest ~~Value of each item at close of period~~ (1) Credited to income. (2) Other.

<u>Col. A</u>	<u>Col. B</u>	<u>Col. C</u>	<u>Col. D</u>	<u>Col. E</u>	<u>Col. F</u>
<u>Name of issuer and title of issue or nature of indebtedness<sup>1 2</sup></u> <sup>3</sup>	<u>Number of shares—principal amount of bonds, notes and other indebtedness held at close of period</u>	<u>Net realized gain or loss for the period<sup>4 6</sup></u>	<u>Net increase or decrease in unrealized appreciation or depreciation for the period<sup>4 6</sup></u>	<u>Amount of dividends or interest<sup>4 6</sup></u> <u>(1) Credited to income.</u> <u>(2) Other.</u>	<u>Value of each item at close of period<sup>4 5 7</sup></u> <sup>8 9</sup>

<sup>1</sup>(a) List each issue separately and group (1) Investments in majority-owned subsidiaries, ~~segregating subsidiaries consolidated~~; (2) other controlled companies; and (3) other affiliates. (b) If during the period there has been any increase or decrease in the amount of investment in and advance to any affiliate, state in a footnote (or if there have been changes to numerous affiliates, in a supplementary schedule) (1) name of each issuer and title of issue or nature of indebtedness; (2) balance at beginning of period; (3) gross additions; (4) gross reductions; (5) balance at close of period as shown in Column E. Include in the footnote or schedule comparable information as to affiliates in which there was an investment at any time during the period even though there was no investment at the close of the period of report.

~~<sup>2</sup>Give totals for each group. If operations of any controlled companies are different in character from those of the company, group such affiliates (1) within divisions and (2) by type of activities.~~

~~<sup>3</sup>Columns<sup>2</sup>Categorize the schedule as required by instruction 2 of §210.12-12.~~

~~<sup>3</sup>Indicate the interest rate or preferential dividend rate and maturity date, as applicable, for preferred stocks, convertible securities, fixed income securities, government securities, loan participations and assignments, commercial paper, bankers' acceptances, certificates of deposit, short-term securities, repurchase~~

agreements, or other instruments with a stated rate of income. For variable rate securities, indicate a description of the reference rate and spread and: (1) the end of period interest rate or (2) disclose the end of period reference rate for each reference rate described in the Schedule in a note to the Schedule. For securities with payment in kind income, disclose the rate paid in kind.

<sup>4</sup>Columns C, D and E, and F shall be totaled. The totals of Column EF shall agree with the correlative amount shown on the related balance sheet.

<sup>45</sup>(a) ~~indicate~~Indicate by an appropriate symbol each issue of restricted securities. The information required by instruction 58 of §210.12-12 shall be given in a footnote. (b) Indicate by an appropriate symbol each issue of securities subject to option. The information required by ~~instruction 5 of~~ §210.12-13 shall be given in a footnote.

<sup>56</sup>(a) ~~include~~Include in Column DE (1) as to each issue held at the close of the period, the dividends or interest included in caption 1 of the statement of operations. In addition, show as the final item in ~~column D~~Column E (1) the aggregate of dividends and interest included in the statement of operations in respect of investments in affiliates not held at the close of the period. The total of this column shall agree with the correlative amount shown on the related statement of operations.~~(1)~~

(b) Include in Column DE (2) all other dividends and interest. Explain in an appropriate footnote the treatment accorded each item.

(c) Indicate by an appropriate symbol all non-cash dividends and interest and explain the circumstances in a footnote.

(d) Indicate by an appropriate symbol each issue of securities which is non-income producing. Evidences of indebtedness and preferred shares may be deemed to be income producing if, on the respective last interest payment date or date for the declaration of dividends prior to the date of the related balance sheet, there was only a partial payment of interest or a declaration of only a partial amount of the dividends payable; in such case, however, each such issue shall be indicated by an appropriate symbol referring to a note to the effect that, on the last interest or dividend date, only partial interest was paid or partial dividends declared. If, on such respective last interest or dividend date, no interest was paid or no cash or in kind dividends declared, the issue shall not be deemed to be income producing. Common shares shall not be deemed to be income producing unless, during the last year preceding the date of the related balance sheet, there was at least one dividend paid upon such common shares.

<sup>6</sup>~~The information required by column C shall be furnished only as to controlled companies.~~

(e) Include in Column C (1) as to each issue held at the close of the period, the realized gain or loss included in §210.6-07.7 of the statement of operations. In addition, show as the final item in Column C (1) the aggregate of realized gain or loss included in the statement of operations in respect of investments in affiliates not held at the close of the period. The total of this column shall agree with the correlative amount shown on the related statement of operations.

(f) Include in Column D (1) as to each issue held at the close of the period, the net increase or decrease in unrealized appreciation or depreciation included in §210.6-

07 .7 of the statement of operations. In addition, show as the final item in Column D (1) the aggregate of increase or decrease in unrealized appreciation or depreciation included in the statement of operations in respect of investments in affiliates not held at the close of the period. The total of this column shall agree with the correlative amount shown on the related statement of operations.

<sup>7</sup>The subtotals for each category of investments, subdivided both by type of investment and industry, country, or geographic region, shall be shown together with their percentage value compared to net assets.

<sup>8</sup>Indicate by an appropriate symbol each issue of securities whose value was determined using significant unobservable inputs.

<sup>9</sup>Indicate by an appropriate symbol each issue of securities held in connection with open put or call option contracts, loans for short sales, or where any portion of the issue is on loan.

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