

26. ATTACH the following statements in respect of the listings of purchases and sales referred to in the preceding question, for each of the weeks indicated below:

(i)

- (a) an indication of the markets in which each purchase was made
 - (1) New York Stock Exchange
 - (2) Other exchanges
 - (3) Over-the-counter
 - i. Secondary offering
 - ii. Other (Specify those cases in which stock was acquired by
 - a. rights issues
 - b. purchases of new security offerings through investment dealers
 - c. direct placement (in which no investment dealer facilities were used)
- (b) number of purchase transactions in each stock in each market
- (c) number of shares purchased in each market

(ii)

- (a) an indication of the markets in which each sale was effected
 - (1) New York Stock Exchange
 - (2) Other exchanges
 - (3) Over-the-counter
 - i. Secondary offering
 - ii. Other (Specify those cases in which stock was disposed of via direct placement [in which no investment dealer facilities were used])
- (b) number of sale transactions in each stock in each market
- (c) number of shares sold in each market

DATES OF WEEKS TO BE USED IN QUESTION 26

Weeks commencing Monday

1957 July 1	1957 October 7
July 8	October 14
July 15	October 21
July 22	October 28

27. ATTACH statements containing the following information for each of the weeks indicated below.
- (i) Total purchases, by gross dollar cost, of all portfolio securities combined and total purchases of each of the following classes of security: (a) U. S. government securities, (b) corporate bonds, indicating (1) investment grade and (2) other corporate bonds, (c) preferred stocks, (d) common stocks and (e) other securities
 - (ii) Total sales, by net dollar proceeds, of each class of the same securities. Include redemptions of securities on maturity or call.
 - (iii) Number of separate common stocks
 - (a) purchased only
 - (b) sold only
 - (c) purchased and sold

DATES OF WEEKS TO BE USED IN QUESTION 27

Weeks commencing Monday

1956 July 23	1957 July 1
July 30	July 8
August 6	July 15
August 13	July 22
1957 February 4	1957 October 7
February 11	October 14
February 18	October 21
February 25	October 28

28. ATTACH statements indicating in respect of each of the following weeks:

(i)

- (a) Total purchases by gross dollar cost, of ALL common stocks combined via each of the following channels:
- (1) New York Stock Exchange
 - (2) Other exchanges
 - (3) Over-the-counter
 - i. Secondary offering
 - ii. Other (Specify those cases in which stock was acquired by
 - a. rights issues
 - b. purchases of new security offerings through investment dealers
 - c. direct placement (in which no investment dealer facilities were used)
- (b) number of purchase transactions in common stocks in each market
- (c) number of separate common stocks purchased in each market

(ii)

- (a) Total sales by net dollar proceeds, of ALL common stocks combined via each of the following channels:
- (1) New York Stock Exchange
 - (2) Other exchanges
 - (3) Over-the-counter
 - i. Secondary offering
 - ii. Other (Specify those cases in which stock was disposed of via direct placement [in which no investment dealer facilities were used])
- (b) number of sale transactions in common stocks in each market
- (c) number of separate common stocks sold in each market

DATES OF WEEKS TO BE USED IN QUESTION 28

Weeks commencing Monday

1957 July 1	1957 October 7
July 8	October 14
July 15	October 21
July 22	October 28

29. List the total purchases of new offerings at time of issue, by type of security and gross dollar cost, in each of the quarters ended March 31, June 30, September 30, and December 31, during the period January 1, 1953 through September 30, 1958 of
- (a) rights issues (distinguishing between instances in which rights were purchased and instances in which rights were received by virtue of existing holdings)
 - (b) other new security issues, i. e.
 - (1) securities of established companies of which the same type of security was previously held by the public
 - (2) securities which represent the initial public issue of that type of security by companies which had been established for three years or more
 - (3) securities of companies which had been established for a period of less than three years

30. ATTACH statements containing:

- (i) In respect of each of the quarters ended March 31, June 30, September 30 and December 31 between January 1, 1953 and September 30, 1958:
- (a) Dividends per share (as of record date) from investment income
 - (b) Distributions per share (as of record date) from security profits
 - (c) Net asset value per own share as of each quarter date
- (ii) In respect of each month in the period January 1, 1953 through September 30, 1958:
- (a) Total numbers, dollar proceeds (gross and net) and average monthly offering prices of own shares sold
 - (b) Total numbers, dollar amounts and average monthly redemption prices of own shares repurchased
 - (c) Total number of shareholders at each dividend date
 - (d) Total number of shares outstanding at the end of each month
 - (e) Total net assets at the end of each month
- (iii) In respect of each of the following weeks:
- (a) Total number, dollar proceeds (gross and net) and average weekly offering prices of own shares sold.
 - (b) Total numbers, dollar amounts and average weekly redemption prices of own shares repurchased.

DATES OF WEEKS TO BE USED IN QUESTION 30

Weeks commencing Monday

1956	July 23	1957	July 1
	July 30		July 8
	August 6		July 15
	August 13		July 22
1957	February 4	1957	October 7
	February 11		October 14
	February 18		October 21
	February 25		October 28

- (iv) For each calendar year, 1947 through 1957
 - (a) Total dollar amount of dividends paid to shareholders from investment income
 - (b) Total dollar amount of distributions to shareholders from capital gains
 - (c) Gross dollar proceeds (including sales commissions) from sale of own securities
 - (d) Total dollar amount of repurchases of own securities
 - (e) Net assets as of the preceding December 31

SECURITIES AND EXCHANGE COMMISSION

Investment Company Size Study Questionnaire
For Open-End CompaniesPART IV

31. Name of Investment Company

32. NOTE: It is desired to obtain, in reply to the following questions, a description of the manner in which the Company formulates and implements investment decisions for the purpose of achieving its policy and investment objectives. Information is desired as to the persons or groups exercising authority in portfolio transactions and the operational relationships existing between such persons or groups and the Board of Directors.

Describe as fully as is necessary for the foregoing purposes the organizational structure of the Company, the procedural relationships between the Directors and the Investment Advisers and/or Manager and the extent of the authority in portfolio operations held by such groups and by officers of the Company.

In the course of your answer, and within the context of the foregoing general requirement, reply specifically to the following questions and give such other comment or description as is appropriate in the case of your Company.

- (i) At what intervals are meetings of the Company's Board of Directors held?
- (ii) What functions does the Board of Directors perform in the formulation of portfolio decisions?
- (iii) To what extent has the making of portfolio decisions been delegated to a Management Committee or similar group internal to the Company?

What is the size, and frequency of meetings of, any such Committee and the functions of its individual members?

- (iv) To what extent has the Board of Directors delegated the formulation of portfolio decisions to a Manager or Investment Advisers?
 - (v) By which persons, committee or company are decisions made as to
 - (a) general portfolio structure
 - (b) day-to-day purchases and sales of portfolio securities
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- (vi) In cases in which the directors of the Company have delegated portfolio decisions and operations
- (a) how frequently are reports made to the Board of Directors by the persons or group responsible?
 - (b) what is the nature of such reports? e. g., how are such reports made and what points are usually covered?
 - (c) what power of veto or amendment of such decisions have the directors retained during the period for which the Investment Management Contract or the delegation of authority in this respect is in force?

33. What rules, if any, currently govern your Company's selection of portfolio common stocks, in relation to the factors indicated below?

The flexibility of investment operations is recognized, but an indication is desired as to the objective factors which influence decisions, even though the rules of procedure may not have been formalized by written agreement or resolution of the Directors of the Company. In cases where limits have been established as guides to portfolio decisions with respect to these or other factors, indicate the limits in each case.

- (a) marketability
 - (b) size of total issue of the stock
 - (c) absolute size of existing portfolio holding of the stock and its size relative to other holdings
 - (d) size of portfolio company
 - (e) type of industry represented by the stock
 - (f) continuity of dividend payments
 - (g) percentage relation of holding to Company's assets and to issuer's voting securities (apart from the limits prescribed by the diversification provisions of the Investment Company Act of 1940, the Internal Revenue Code, or the state "Blue Sky" Laws)
 - (h) any other factors in relation to which the Company has established limits as guides to portfolio operations
34. What are the principal considerations which influence the management in deciding upon or changing the emphasis or distribution of the portfolio as between different classes of securities -- government bonds, corporate bonds, preferred stocks and common stocks?

In this connection, what were the principal factors which influenced any significant changes in the distribution of the portfolio during the period since July 1, 1956.

In what way, if at all, were the yield differentials between various classes of securities influential in this connection?

35. NOTE: Information is desired in reply to the following question as to the procedures at market and trading (or order) department level by which effect is given to portfolio purchase and sale decisions. Information is requested in this connection as to the distribution of transactions between markets and broker-dealers and as to the types of orders placed.

Describe your Company's procedures in the execution of portfolio decisions by replying specifically to the following questions and giving such other comment or description as is appropriate in the case of your Company.

- (i) Does the Company (or Manager or Investment Advisers where appropriate) have a policy of supplying its trader or trading department with a list of common stocks which may be purchased or sold
- (a) at its discretion within certain price limits
 - (b) at predetermined prices

In either of these cases, by whom or by what authority is the list of stocks established?

Describe the usual types of instructions given to the Trading Department and the reasons for varying these instructions in certain cases.

- (ii) Is the Trading Department normally permitted to place orders at its discretion through any or all of the following channels:
- (a) New York Stock Exchange
 - (b) Other exchanges
 - (c) Over-the-counter

In cases where the Trading Department does not retain discretion in this respect, by whom or by what authority are marketing channels selected?

In what respect does the use of these different market channels depend on:

- (a) the size of the buying or selling order placed
 - (b) the total amount of the particular stock which it has been decided to purchase or sell
 - (c) the length of time in which it is desired to complete the total purchase or sale
 - (d) other considerations
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- (iii) Does the Company usually place:
- (a) unrestricted market orders
 - (b) restricted market orders
 - (c) day orders
 - (d) orders carrying other time limits
If so, state limits
 - (e) open orders (e. g., G. T. C.)

In what circumstances would usual procedures in these respects be departed from?

In what respects does the use of these types of orders depend on:

- (a) size of the order
 - (b) the type of security
 - (c) the total amount of security in which it is desired to deal
 - (d) the length of time within which it is desired to complete dealings
 - (e) the market channel employed
- (iv) Describe the extent to which, or the circumstances in which, discretion as to the market channels to be employed in executing orders is given to broker-dealers.
- (v) How many broker-dealers have bought or sold portfolio securities for the Company during the last three years?
- (vi) To what extent does the Investment Company, either directly or through its Investment Advisers or Manager, associate itself with
- (a) Other investment companies
 - (b) Other persons

in the acquisition or disposal of a particular security? (The cases of association envisaged relate to joint operations by (1) investment companies under separate management, (2) investment companies under common management, (3) investment companies and other persons receiving counsel from the same adviser.)

In such cases, what factors determine the priority in which orders are effected for each of those so associated,

Describe several of the most important examples of purchases and sales of this nature during the period between July 1, 1956 and September 30, 1958.

36. It is desired to obtain, in reply to the following question, a detailed statement of each portfolio purchase and sale transaction during the period indicated.

List separately, by date of transaction and by the details referred to below, each of your portfolio purchases and sales during the period July 1 to September 30, 1958:

- (a) date of transaction
- (b) title of security
- (c) name of broker-dealer effecting transaction
- (d) type of order (as indicated in Question 35 iii)
- (e) number of shares of stock or principal amount of bonds
- (f) price at which order was executed
- (g) total gross cost of purchase or net proceeds of sale
- (h) market in which order was executed
- (i) indication as to whether any purchase was made by means of
 - (1) secondary offering
 - (2) purchase of new security offering through investment dealers
 - (3) rights
 - (4) direct placement (in which no investment dealer facilities were used)
- (j) indication as to whether any sale was made by means of
 - (1) secondary offering
 - (2) direct placement (in which no investment dealer facilities were used)
 - (3) redemption on maturity or call
- (k) in respect to each sale indicate the date on which the last previous addition was made to the Company's holding of the security.

NOTES:

1. For the foregoing purposes "transaction" and "order executed" can be taken as synonymous and defined as follows: Each transaction means the total amount of each security purchased or sold at one price on any one day through one broker-dealer in one market.
 2. If portfolio procedures within your Company should be such as to make the following particulars relevant, attach a statement to your answer to the preceding question indicating:
 - (a) the largest new position which it had been decided to take in any security during this period.
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