§ 240.15d–15 Controls and procedures.

(a) Every issuer that files reports under section 15(d) of the Act (15 U.S.C. 78o(d)), other than an Asset-Backed Issuer (as defined in §229.1101 of this chapter), a small business investment company registered on Form N-5 (§§239.24 and 274.5 of this chapter), or a unit investment trust as defined in section 4(2) of the Investment Company Act of 1940 (15 U.S.C. 80a–4(2)), must maintain disclosure controls and procedures (as defined in paragraph (e) of this section) and internal control over financial reporting (as defined in paragraph (f) of this section).

(b) Each such issuer's management must evaluate, with the participation of the issuer's principal executive and principal financial officers, or persons performing similar functions, the effectiveness of the issuer's disclosure controls and procedures, as of the end of each fiscal quarter, except that management must perform this evaluation:

(1) In the case of a foreign private issuer (as defined in §240.3b–4) as of the end of each fiscal year; and

(2) In the case of an investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a–8), within the 90-day period prior to the filing date of each report requiring certification under §270.30a–2 of this chapter.

(c) The management of each such issuer, other than an investment company registered under section 8 of the Investment Company Act of 1940, must evaluate, with the participation of the issuer's principal executive and principal financial officers, or persons performing similar functions, the effectiveness, as of the end of each fiscal year, of the issuer's internal control over financial reporting. The framework on which management's evaluation of the issuer's internal control over financial reporting is based must be a suitable, recognized control framework that is established by a body or group that has followed due-process procedures, including the broad distribution of the framework for public comment.

(d) The management of each such issuer, other than an investment company registered under section 8 of the Investment Company Act of 1940, must evaluate, with the participation of the issuer's principal executive and principal financial officers, or persons performing similar functions, any change in the issuer's internal control over financial reporting, that occurred during each of the issuer's fiscal quarters, or fiscal year in the case of a foreign private issuer, that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting.

(e) For purposes of this section, the term disclosure controls and procedures means controls and other procedures of an issuer that are designed to ensure that information required to be disclosed by the issuer in the reports that it files or submits under the Act (15 U.S.C. 78a et seq.) is recorded, processed, summarized and reported, within the time periods specified in the Commission’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Act is accumulated and communicated to the issuer’s management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

(f) The term internal control over financial reporting is defined as a process designed by, or under the supervision of, the issuer’s principal executive and principal financial officers, or persons...
performing similar functions, and ef-
fected by the issuer’s board of direc-
tors, management and other personnel, to provide reasonable assurance regard-
ing the reliability of financial report-
ing and the preparation of financial state-
ments for external purposes in ac-
cordance with generally accepted ac-
counting principles and includes those
policies and procedures that:

(1) Pertain to the maintenance of
records that in reasonable detail accu-
rately and fairly reflect the trans-
actions and dispositions of the assets of
the issuer;

(2) Provide reasonable assurance that
transactions are recorded as necessary
to permit preparation of financial
statements in accordance with gen-
erally accepted accounting principles,
and that receipts and expenditures of
the issuer are being made only in ac-
cordance with authorizations of man-
agement and directors of the issuer; and

(3) Provide reasonable assurance re-
garding prevention or timely detection
of unauthorized acquisition, use or dis-
position of the issuer’s assets that
could have a material effect on the fi-
nancial statements.

§ 240.15d–16 Reports of foreign private
issuers on Form 6–K [17 CFR
249.306].

(a) Every foreign private issuer which
is subject to Rule 15d–1 [17 CFR 240.15d–
1] shall make reports on Form 6–K, ex-
cept that this rule shall not apply to:

(1) Investment companies required to
file reports pursuant to Rule 30b1–1 [17
CFR 270.30b1–1];

(2) Issuers of American depositary re-
ceipts for securities of any foreign
issuer; and

(3) Asset-backed issuers, as defined in
§ 229.1101 of this chapter.

(b) Such reports shall be transmitted
promptly after the information re-
quired by Form 6–K is made public by
the issuer, by the country of its domic-
icle or under the laws of which it was
incorporated or organized or by a for-
eign securities exchange with which
the issuer has filed the information.

(c) Reports furnished pursuant to this
rule shall not be deemed to be
“filed” for the purpose of section 18 of
the Act or otherwise subject to the li-
abilities of that section.

§ 240.15d–17 Reports of asset-backed
issuers on Form 10–D (§ 249.312 of
this chapter).

Every asset-backed issuer subject to
§ 240.15d–1 shall make reports on Form
10–D (§ 249.312 of this chapter). Such re-
ports shall be filed within the period
specified in Form 10–D.

§ 240.15d–18 Compliance with serv-
icing criteria for asset-backed secu-
rities.

(a) This section applies to every class
of asset-backed securities subject to
the reporting requirements of section
15(d) of the Act (15 U.S.C. 78o(d)).

Terms used in this section have the
same meaning as in Item 1101 of Regu-
lation AB (§ 229.1101 of this chapter).

(b) Reports on assessments of compli-
ance with servicing criteria for asset-
backed securities required. With regard
to a class of asset-backed securities subject to
the reporting requirements of section 15(d) of the Act, the annual
report on Form 10–K (§ 249.308 of this
chapter) for such class must include
from each party participating in the
servicing function a report regarding
its assessment of compliance with the
servicing criteria specified in para-
graph (d) of Item 1122 of Regulation AB
(§ 229.1122(d) of this chapter), as of and
for the period ending the end of each
fiscal year, with respect to asset-
backed securities transactions taken as
a whole involving the party participat-
ing in the servicing function and
that are backed by the same asset type
backing the class of asset-backed secu-
rities (including the asset-backed secu-
rities transaction that is to be the sub-
ject of the report on Form 10–K for that
fiscal year).

(c) Attestation reports on assessments of
compliance with servicing criteria for
asset-backed securities required. With re-
spect to each report included pursuant

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