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desk's market value of long securities positions, short securities positions, derivatives receivables, and derivatives payables.

ii. *Calculation Period:* One trading day.

iii. *Measurement Frequency:* Daily.

iv. *Applicability:* All trading desks that rely on §255.4(a) or (b) to conduct underwriting activity or market-making-related activity, respectively.

2. Transaction Volumes

i. *Description:* For purposes of this appendix, Transaction Volumes measures three exclusive categories of covered trading activity conducted by a trading desk. A banking entity is required to report the value and number of security and derivative transactions conducted by the trading desk with: (i) Customers, excluding internal transactions; (ii) non-customers, excluding internal transactions; and (iii) trading desks and other organizational units where the transaction is booked into either the same banking entity or an affiliated banking entity. For securities, value means gross market value. For derivatives, value means gross notional value. For purposes of calculating the Transaction Volumes quantitative measurement, do not include in the Transaction Volumes calculation for ''securities'' those securities that are also ''derivatives,'' as those terms are defined under subpart A; instead, report those securities that are also derivatives as ''derivatives.''[2] Further, for purposes of the Transaction Volumes quantitative measurement, a customer of a trading desk that relies on §255.4(a) to conduct underwriting activity is a market participant identified in §255.4(a)(7), and a customer of a trading desk that relies on §255.4(b) to conduct market making-related activity is a market participant identified in §255.4(b)(3).

ii. *Calculation Period:* One trading day.

iii. *Measurement Frequency:* Daily.

iv. *Applicability:* All trading desks that rely on §255.4(a) or (b) to conduct underwriting activity or market-making-related activity, respectively.

[84 FR 62246, Nov. 14, 2019]

PARTS 256–259 [RESERVED]

PART 260—GENERAL RULES AND REGULATIONS, TRUST INDENTURE ACT OF 1939

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Sec.

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[2] *See* §255.2(h), (aa).

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AUTHORITY: 15 U.S.C. 77c, 77ddd, 77eee, 77ggg, 77nnn, 77sss, 78*ll* (d), 80b–3, 80b–4, and 80b–11, unless otherwise noted.

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SOURCE: 5 FR 293, Jan. 25, 1940, unless otherwise noted.

EDITORIAL NOTE: Nomenclature changes to part 260 appear at 57 FR 36501, Aug. 13, 1992, and 57 FR 47409, Oct. 16, 1992.

NOTE: In §§ 260.0–1 to 260.14a–1 the numbers to the right of the decimal point correspond with the respective rule number of the general rules and regulations under the Trust Indenture Act of 1939.

ATTENTION ELECTRONIC FILERS

THIS REGULATION SHOULD BE READ IN CONJUNCTION WITH REGULATION S-T (PART 232 OF THIS CHAPTER), WHICH GOVERNS THE PREPARATION AND SUBMISSION OF DOCUMENTS IN ELECTRONIC FORMAT. MANY PROVISIONS RELATING TO THE PREPARATION AND SUBMISSION OF DOCUMENTS IN PAPER FORMAT CONTAINED IN THIS REGULATION ARE SUPERSEDED BY THE PROVISIONS OF REGULATION S-T FOR DOCUMENTS REQUIRED TO BE FILED IN ELECTRONIC FORMAT.

TERMS USED IN THE RULES AND REGULATIONS

§ 260.0–1 Application of definitions contained in the act.

Unless the context otherwise requires, the terms defined in the act shall, when used in the rules and regulations, have the respective meanings given in the act.

§ 260.0–2 Definitions of terms used in the rules and regulations.

Unless the context otherwise requires, the following terms, when used in this part, shall have the respective meanings indicated in this section:

(a) *Act*. The term ''act'' means the Trust Indenture Act of 1939. (53 Stat. 1149; 15 U.S.C. 77aaa)

(b) *Affiliate*. The term ''affiliate'' means a person controlling, controlled by, or under common control with, another person. The terms ''affiliated'' and ''affiliation'' have meanings correlative to the foregoing.

(c) *Agent for service*. The term ''agent for service'' means the person authorized to receive notices and communications from the Commission.

(d) *Amount*. The term ''amount'' when used in regard to securities, shall have the meaning given in § 260.10b–1(c).

(e) *Class*. The term ''class'', when used in regard to securities, shall have the meaning given in § 260.10b–1(e).

(f) *Control*. The term ''control'' means the power to direct the management and policies of a person, directly or through one or more intermediaries, whether through the ownership of voting securities, by contract, or otherwise. The terms ''controlling'' and ''controlled'' have meanings correlative to the foregoing. (See § 260.a–26.)

(g) *Electronic filer*. The term *electronic filer* means a person or an entity that submits filings electronically pursuant to Rules 100 and 101 of Regulation S-T (§§ 232.100 and 232.101 of this chapter, respectively).

(h) *Electronic filing*. The term *electronic filing* means a document under the federal securities laws that is transmitted or delivered to the Commission in electronic format.

(i) *Outstanding*. The term ''outstanding'', when used in regard to securities, shall have the meaning given in § 260.10b–1(d).

(j) *Parent*. The term ''parent'' means a person controlling one or more other persons.

(k) *Rules and regulations*. The term ''rules and regulations'' means all rules and regulations adopted by the Commission pursuant to the act, including the forms and instructions thereto.

(l) *Section*. The term ''section'' means a section of the act.[1]

(m) *Subsidiary*. The term ''subsidiary'' means a person controlled by another person.

[5 FR 293, Jan. 25, 1940, as amended at 58 FR 14686, Mar. 18, 1993; 62 FR 36459, July 8, 1997]

§ 260.0–3 Definition of "rules and regulations" as used in certain sections of the Act.

(a) The term *rules and regulations* as used in section 305 of the Act shall include the forms for registration of securities under the Securities Act of 1933 and the related instructions thereto, and the forms for information, documents and statements under section 305 of the Act.

[1] References to ''this section'' or to section number preceded by a section symbol are to sections in the Code of Federal Regulations.

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(b) The term *rules and regulations* as used in section 307 of the Act shall include the forms for applications under section 307 of the Act and the related instructions thereto.

[21 FR 1046, Feb. 15, 1956]

§ 260.0–4 Sequential numbering of documents filed with the Commission.

The manually signed original (or in the case of duplicate originals, one duplicate original) of all registrations, applications, statements, reports, or other documents filed under the Trust Indenture Act of 1939 shall be numbered sequentially (in addition to any internal numbering which otherwise may be present) by handwritten, typed, printed, or other legible form of notation from the facing page of the document through the last page of that document and any exhibits or attachments thereto. Further, the total number of pages contained in a numbered original shall be set forth on the first page of the document.

[44 FR 4666, Jan. 23, 1979, as amended at 76 FR 71877, Nov. 21, 2011]

OFFICE OF THE COMMISSION

§ 260.0–5 Business hours of the Commission.

(a) *General.* The principal office of the Commission, at 100 F Street, NE., Washington, DC 20549, is open each day, except Saturdays, Sundays and federal holidays, from 9 a.m. to 5:30 p.m., Eastern Standard Time or Eastern Daylight Saving Time, whichever is currently in effect, *provided that* the hours for the filing of documents with the Commission are as set forth in paragraphs (b) and (c) of this section.

(b) *Submissions made in paper.* Paper documents filed with or otherwise furnished to the Commission may be submitted to the Commission each day, except Saturdays, Sundays and federal holidays, from 8 a.m. to 5:30 p.m., Eastern Standard Time or Eastern Daylight Saving Time, whichever is currently in effect.

(c) *Electronic filings.* Filings made by direct transmission may be submitted to the Commission each day, except Saturdays, Sundays, and Federal holidays, from 6 a.m. to 10 p.m., Eastern Standard Time or Eastern Daylight Saving Time, whichever is currently in effect.

[58 FR 14687, Mar. 18, 1993, as amended at 65 FR 24802, Apr. 27, 2000; 68 FR 25800, May 13, 2003; 73 FR 32228, June 5, 2008; 88 FR 12209, Feb. 27, 2023]

§ 260.0–6 Nondisclosure of information obtained in the course of examinations and investigations.

Information or documents obtained by officers or employees of the Commission in the course of any examination or investigation under section 8(e) of the Securities Act of 1933 (48 Stat. 79; 15 U.S.C. 77h), pursuant to section 307(c) of the Trust Indenture Act of 1939 (53 Stat. 1156; 15 U.S.C. 77ggg), or any examination or investigation under section 20(a) of the Securities Act of 1933 (48 Stat. 86; 15 U.S.C. 77t), pursuant to section 321(a) of the Trust Indenture Act of 1939 (53 Stat. 1174; 15 U.S.C. 77uuu), shall, unless made a matter of public record, be deemed confidential. Except as provided by 17 CFR 203.2, officers and employees are hereby prohibited from making such confidential information or documents or any other non-public records of the Commission available to anyone other than a member, officer or employee of the Commission, unless the Commission or the General Counsel, pursuant to delegated authority, authorizes the disclosure of such information or the production of such documents as not being contrary to the public interest. Any officer or employee who is served with a subpoena requiring the disclosure of such information or the production of such documents shall appear in court and, unless the authorization described in the preceding sentence shall have been given, shall respectfully decline to disclose the information or produce the documents called for, basing his or her refusal upon this section. Any officer or employee who is served with such a subpoena shall promptly advise the General Counsel of the service of such subpoena, the nature of the information or documents sought, and any circumstances which may bear upon the desirability of making available such information or documents.

[44 FR 50836, Aug. 30, 1979, as amended at 53 FR 17459, May 17, 1988; 54 FR 33501, Aug. 15, 1989; 76 FR 71877, Nov. 21, 2011]

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§ 260.0–7 Small entities for purposes of the Regulatory Flexibility Act.

For purposes of Commission rulemaking in accordance with the provisions of Chapter Six of the Administrative Procedure Act (5 U.S.C. 601 *et seq.*), and unless otherwise defined for purposes of a particular rulemaking proceeding, the term ''small business'' or ''small organization,'' for purposes of the Trust Indenture Act of 1939 shall mean an issuer whose total assets on the last day of its most recent fiscal year were $5 million or less that is engaged or proposing to engage in small business financing. An issuer is considered to be engaged or proposing to be engaged in small business financing under this section if it is conducting or proposing to conduct an offering of securities which does not exceed the dollar limitation prescribed by § 260.4a–2.

[47 FR 5223, Feb. 4, 1982, as amended at 51 FR 25362, July 14, 1986]

§ 260.0–11 Liability for certain statements by issuers.

(a) A statement within the coverage of paragraph (b) below which is made by or on behalf of an issuer or by an outside reviewer retained by the issuer shall be deemed not to be a fraudulent statement (as defined in paragraph (d) of this section), unless it is shown that such statement was made or reaffirmed without a reasonable basis or was disclosed other than in good faith.

(b) This rule applies to the following statements:

(1) A forward-looking statement (as defined in paragraph (c) of this section) made in a document filed with the Commission, in Part I of a quarterly report on Form 10–Q, § 249.308a of this chapter, or in an annual report to security holders meeting the requirements of Rules 14a–3(b) and (c) or 14c–3(a) and (b) under the Securities Exchange Act of 1934 (§ 240.14a–3(b) and (c) or § 240.14c–3(a) and (b) of this chapter), a statement reaffirming such forward-looking statement after the date the document was filed or the annual report was made publicly available, or a forward-looking statement made before the date the document was filed or the date the annual report was made publicly available if such statement is reaffirmed in a filed document, in Part I of a quarterly report on Form 10–Q, or in an annual report made publicly available within a reasonable time after the making of such forward-looking statement; *Provided, that:*

(i) At the time such statements are made or reaffirmed, either the issuer is subject to the reporting requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and has complied with the requirements of Rule 13a–1 or 15d–1 (§ 240.13a–1 or § 240.15d–1 of this chapter) thereunder, if applicable, to file its most recent annual report on Form 10–K, Form 20–F, or Form 40–F; or if the issuer is not subject to the reporting requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, the statements are made in a registration statement filed under the Securities Act of 1933 or pursuant to section 12(b) or (g) of the Securities Exchange Act of 1934; and

(ii) The statements are not made by or on behalf of an issuer that is an investment company registered under the Investment Company Act of 1940; and

(2) Information relating to the effects of changing prices on the business enterprise presented voluntarily or pursuant to Item 303 of Regulation S–K (§ 229.303 of this chapter), Item 5 of Form 20–F (§ 249.220f of this chapter), ''Operating and Financial Review and Prospects,'' Item 302 of Regulation S–K (§ 229.302 of this chapter), ''Supplementary Financial Information,'' or Rule 3–20(c) of Regulation S–X (§ 210.3–20(c) of this chapter), and disclosed in a document filed with the Commission, in Part I of a quarterly report on Form 10–Q, or in an annual report to shareholders meeting the requirements of Rules 14a–3(b) and (c) or 14c–3(a) and (b) (§ 240.14a–3(b) and (c) or § 240.14c–3(a) and (b)) under the Securities Exchange Act of 1934.

(c) For the purpose of this rule, the term *forward-looking statement* shall mean and shall be limited to:

(1) A statement containing a projection of revenues, income (loss), earnings (loss) per share, capital expenditures, dividends, capital structure or other financial items;

(2) A statement of management's plans and objectives for future operations;

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(3) A statement of future economic performance contained in management's discussion and analysis of financial condition and results of operations included pursuant to Item 303 of Regulation S-K (§ 229.303 of this chapter) or Item 5 of Form 20–F; or

(4) Disclosed statements of the assumptions underlying or relating to any of the statements described in paragraphs (c) (1), (2), or (3) of this section.

(d) For the purpose of this rule the term *fraudulent statement* shall mean a statement which is an untrue statement of a material fact, a statement false or misleading with respect to any material fact, an omission to state a material fact necessary to make a statement not misleading, or which constitutes the employment of a manipulative, deceptive, or fraudulent device, contrivance, scheme, transaction, act, practice, course of business, or an artifice to defraud, as those terms are used in the Trust Indenture Act of 1939 and other acts referred to in section 323(b) thereof or the rules or regulations promulgated thereunder.

[46 FR 19458, Mar. 31, 1981, as amended at 47 FR 54790, Dec. 26, 1982; 56 FR 30077, July 1, 1991; 64 FR 53925, Oct. 5, 1999; 73 FR 982, Jan. 4, 2008]

RULES UNDER SECTION 303

§ 260.3(4)–1 Definition of "commission from an underwriter or dealer not in excess of the usual and customary distributors' or sellers' commissions" in section 303(4), for certain transactions.

(a) The term *commission* in section 303(4) shall include such remuneration, commonly known as a spread, as may be received by a distributor or dealer as a consequence of reselling securities bought from an underwriter or dealer at a price below the offering price of such securities, where such resales afford the distributor or dealer a margin of profit not in excess of what is usual and customary in such transactions.

(b) The term *commission from an underwriter or dealer* in section 303(4) shall include commissions paid by an underwriter or dealer affiliated with the issuer.

(c) The term *usual and customary distributors' or sellers' commission* in section 303(4) shall mean a commission or remuneration, commonly known as a spread, paid to or received by any person selling securities either for his own account or for the account of others, which is not in excess of the amount usual and customary in the distribution and sale of issues of similar type and size, and not in excess of the amount allowed to other persons, if any, for comparable service in the distribution of the particular issue; but such term shall not include amounts paid to any person whose function is the management of the distribution of all of a substantial part of the particular issue, or who performs the functions normally performed by an underwriter or underwriting syndicate.

§ 260.3(4)–2 Definition of "distribution" in section 303(4) for certain transactions.

A person, the chief part of the business of which consists in the purchase of the securities of any one issuer and/or its affiliate and in the sale of its own securities to furnish the proceeds with which to acquire the securities of such issuer and/or affiliate, is to be regarded as engaged in the distribution of the securities of such issuer and/or affiliate within the meaning of section 303(4).

§ 260.3(4)–3 Definitions of "participates" and "participation" as used in section 303(4), in relation to certain transactions.

(a) The terms *participates* and *participation* in section 303(4) shall not include the interest of a person (1) who is neither in privity of contract with the issuer nor affiliated with the issuer, and (2) who has no association with any principal underwriter of the securities being distributed, and (3) whose function in the distribution is confined to an undertaking to purchase all or some specified proportion of the securities remaining unsold after the lapse of some specified period of time, and (4) who purchases such securities for investment and not with a view to distribution.

(b) As used in this section:

(1) The term *association* shall include a relationship between two persons under which one (i) is affiliated with the other, or (ii) has, in common with

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the other, one or more partners, directors, officers, trustees, branch managers, or other persons occupying a similar status or performing similar functions or (iii) has a participation, direct or indirect, in the profits of the other, or has a financial stake, by debtor-creditor relationship, stock ownership, contract or otherwise, in the income or business of the other.

(2) The term *principal underwriter* means an underwriter in privity of contract with the issuer of the securities as to which he is underwriter.

RULES UNDER SECTION 304

§ 260.4a–1 Exempted securities under section 304(a)(8).

The provisions of the Trust Indenture Act of 1939 shall not apply to any security that has been or will be issued otherwise than under an indenture. The same issuer may not claim this exemption within a period of twelve consecutive months for more than $50,000,000 aggregate principal amount of any securities.

[80 FR 21925, Apr. 20, 2015]

§ 260.4a–2 Exempted securities under section 304(d).

The provisions of the Trust Indenture Act of 1939 shall not apply to any security that has been issued or will be issued in accordance with the provisions of Regulation A (17 CFR 230.251 *et seq.*) under the Securities Act of 1933.

[57 FR 36501, Aug. 13, 1992]

§ 260.4a–3 Exempted securities under section 304(a)(9).

The provisions of the Trust Indenture Act of 1939 shall not apply to any security which has been or is to be issued under an indenture which limits the aggregate principal amount of securities at any time outstanding thereunder to $10,000,000 or less, but this exemption shall not be applied within a period of thirty-six consecutive months to more than $10,000,000 aggregate principal amount of securities of the same issuer.

(Secs. 304(a)(8) and 304(a)(9) of the Trust Indenture Act of 1939, (sec. 302, Pub. L. 96–477; secs. 304(a)(8), 304(a)(9), 53 Stat. 1153; 15 U.S.C. 77ddd(a)(8), 77ddd(a)(9)))

[46 FR 63256, Dec. 31, 1981. Redesignated and amended at 57 FR 36501, Aug. 13, 1992]

§ 260.4c–1 Form for applications under section 304(c).

Form T–4 shall be used for applications for exemption filed pursuant to section 304(c) of the act.

[6 FR 981, Feb. 15, 1941]

§ 260.4c–2 General requirements as to form and content of applications.

Sections 260.7a–15 to 260.7a–38 shall be applicable to applications on Form T–4.

[6 FR 981, Feb. 15, 1941]

§ 260.4c–3 Number of copies; filing; signatures; binding.

(a) Three copies of every application and of every amendment thereto shall be filed with the Commission at its principal office.

(b) At least the original of each application or amendment filed with the Commission shall be signed in the manner prescribed by Form T–4 (§ 269.4 of this chapter).

(c) The application proper and the exhibits thereto shall be bound on the left side in one or more parts, but without stiff covers.

[16 FR 8737, Aug. 29, 1951]

§ 260.4c–4 Applications under section 304(c)(1).

(a) An applicant under section 304(c)(1) may, if it so desires, waive a hearing and request the Commission to decide the application without a formal hearing on the basis of the application and such other information and documents as the Commission shall designate as a part of the record. However, a hearing may be called upon order of the Commission notwithstanding that the applicant shall have filed such a waiver and request whenever, in the judgment of the Commission, such a hearing is necessary or appropriate in the public interest.

(b) If the applicant waives a hearing and requests the Commission to decide

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the application without a hearing and if no hearing has been ordered by the Commission:

(1) The applicant shall, at the request of the Commission, furnish such additional information or documents as the Commission may deem necessary to decide the application.

(2) The Commission may, with the consent of the applicant, make a part of the record any pertinent information or documents filed with the Commission by the applicant or by any other person.

(3) The Commission shall, in its order deciding the application, designate and describe the information and documents comprising the record on which the decision is based.

[6 FR 981, Feb. 15, 1941]

§ 260.4c–5 Applications under section 304(c)(2).

A hearing shall be held upon every application filed pursuant to section 304(c)(2).

[6 FR 981, Feb. 15, 1941]

§ 260.4d–7 Application for exemption from one or more provisions of the Act.

(a) Three copies of every application for an order under section 304(d) of the Act (15 U.S.C. 77ddd(d)) and of every amendment thereto shall be filed with the Commission at its principal office.

(b) One copy shall be manually signed by a duly authorized officer of the applicant (or individual customarily performing similar functions with respect to an organization, whether incorporated or unincorporated), or by a natural person seeking exemption under section 304(d) of the Act.

(c) Such applications shall be on paper no larger 8½ × 11 inches in size. If reduction of large documents would render them illegible, such documents may be filed on paper larger than 8½ × 11 inches in size. The left margin shall be at least 1½ inches wide and if the application is bound, it shall be bound on the left side.

(d) The application shall be typed, printed, copied, or prepared by a process which produces copies suitable for repeated photocopying and microfilming. All typewritten or printed matter shall be set forth in black ink to permit photocopying. If printed, the application shall be in type not smaller than 10-point, roman type, at least two points leaded.

(e) Rules 7a–28 through 7a–32 (§§ 260.7a–28 through 260.7a–32 of this chapter) relating to incorporation by reference shall be applicable to applications for exemption pursuant to section 304(d) of the Act.

[56 FR 22319, May 15, 1991]

§ 260.4d–8 Content.

(a) Each application for an order under section 304(d) of the Act (15 U.S.C. 77ddd(d)) shall contain the name, address, and telephone number of each applicant and the name, address, and telephone number of any person to which such applicant wishes any questions regarding the application to be directed.

(b) Each application shall contain a statement of the relevant facts on which the request for relief is based, including a justification for the exemption(s) requested and a discussion of any benefit expected for security holders, trustees and/or obligors.

[56 FR 22319, May 15, 1991]

§ 260.4d–9 Exemption for Canadian Trust Indentures from Specified Provisions of the Act.

Any trust indenture filed in connection with offerings on a registration statement on Form S–1, (§ 239.1 of this chapter) F–7, F–8, F–9, F–10 or F–80 (§§ 239.37 through 239.41 of this chapter) shall be exempt from the operation of sections 310(a)(3) and 310(a)(4), sections 310(b) through 316(a), and sections 316(c) through 318(a) of the Act; provided that the trust indenture is subject to:

(a) The Canada Business Corporations Act, R. S. C. 1985;

(b) The Bank Act, R. S. C. 1985;

(c) The Business Corporations Act, 1982 (Ontario), S. O. 1982; or

(d) The Company Act, R.S.B.C. 1979, C. 59.

[56 FR 30077, July 1, 1991, as amended at 57 FR 36501, Aug. 13, 1992; 58 FR 33190, June 16, 1993; 73 FR 983, Jan. 4, 2008]

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§ 260.4d–10 Exemption for securities issued pursuant to § 230.802 of this chapter.

Any debt security, whether or not issued under an indenture, is exempt from the Act if made in compliance with § 230.802 of this chapter.

[64 FR 61406, Nov. 10, 1999]

§ 260.4d–11 Exemption for security-based swaps offered and sold in reliance on Rule 239 under the Securities Act of 1933 (17 CFR 230.239).

Any security-based swap offered and sold in reliance on Rule 239 under the Securities Act of 1933 (17 CFR 230.239), whether or not issued under an indenture, is exempt from the Act.

[77 FR 20549, Apr. 5, 2012]

§ 260.4d–12 Exemption for security-based swaps offered and sold in reliance on Securities Act of 1933 Rule 240 (§ 230.240).

Any security-based swap offered and sold in reliance on § 230.240 of this chapter, whether or not issued under an indenture, is exempt from the Act. This section will expire on February 11, 2018.

[82 FR 10707, Feb. 15, 2017]

RULES UNDER SECTION 305

§ 260.5a–1 Forms for statements of eligibility and qualification.

(a) Form T–1 shall be used for statements of eligibility and qualification of corporations designated to act as trustees under trust indentures to be qualified pursuant to section 305 or 307 of the Act.

(b) Form T–2 shall be used for statements of eligibility and qualification of individuals designated to act as trustees under trust indentures to be qualified pursuant to section 305 or 307 of the Act.

§ 260.5a–2 General requirements as to form and content of statements of eligibility and qualification.

Rules 7a–15 through 7a–37 (§§ 260.7a–15 through 260.7a–37 of this chapter) under section 307 under the Trust Indenture Act shall be applicable to statements filed on Forms T–1, T–2, and T–6.

[56 FR 22320, May 15, 1991]

§ 260.5a–3 Number of copies; filing; signatures; binding.

(a) Three copies of each statement of eligibility and qualification shall be filed with the registration statement or application for qualification.

(b) At least the original of each statement of eligibility and qualification filed with the Commission shall be signed in the manner prescribed by the particular form.

(c) Each statement of eligibility and qualification and the exhibits thereto shall be bound on the left-hand side in one or more parts, without stiff covers. The binding shall be made in such manner as to leave the reading matter legible.

(d) The statement or statements shall be filed by the obligor upon the indenture securities as a separate part of the registration statement or application for qualification, as the case may be.

[6 FR 667, Jan. 30, 1941, as amended at 16 FR 8737, Aug. 29, 1951]

§ 260.5b–1 Application pursuant to section 305(b)(2) of the Trust Indenture Act for determining eligibility of a person designated as trustee for offerings on a delayed basis.

Forms T–1 and T–2 (17 CFR 269.1 and 269.2) shall be used for applications filed for the purpose of determining the eligibility under section 310(a) of the Act of a person designated as trustee for debt securities registered under the Securities Act of 1933 which are eligible to be issued, offered, or sold on a delayed basis by or on behalf of the registrant.

[56 FR 22320, May 15, 1991]

§ 260.5b–2 General requirements as to form and content of applications.

Rule 5a–2 (§ 260.5a–2 of this chapter) and rules 7a–15 through 7a–37 [§§ 260.7a–15 through 260.7a–37 of this chapter] shall be applicable to applications pursuant to rule 5b–1 (§ 260.56b–1 of this chapter).

[56 FR 22320, May 15, 1991]

§ 260.5b–3 Number of copies—Filing—Signatures.

(a) Three copies of every application pursuant to rule 5b–1 (§ 260.5b–1 of this

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chapter) and of every amendment thereto shall be filed with the Commission at its principal office by the issuer upon the indenture securities. Such application shall be filed no later than the second business day following the initial date of public offering or sales after effectiveness of the registration statement with respect to such securities, or transmitted by a means reasonably calculated to result in filing with the Commission by that date.

(b) One copy shall be manually signed by the applicant's duly authorized officer (or individual customarily performing similar functions with respect to any organization, whether incorporated or unincorporated), or by the individual trustee, as applicable.

[56 FR 22320, May 15, 1991]

RULES UNDER SECTION 307

APPLICATIONS FOR QUALIFICATION OF INDENTURES

§ 260.7a–1 Form for application.

Form T–3 shall be used for applications for qualification of indentures pursuant to section 307(a).

§ 260.7a–2 Powers of agent for service named in application.

Every applicant shall be deemed, in the absence of a statement to the contrary, to confer upon the agent for service the following powers:

(a) A power to amend the application for qualification by altering the date of the proposed offering of the indenture securities.

(b) A power to make application pursuant to § 260.7 for the Commission's consent to the filing of an amendment.

(c) A power to withdraw the application for qualification or any amendment thereto.

(d) A power to consent to the entry of an order under section 8(b) of the Securities Act of 1933 (48 Stat. 79; 15 U.S.C. 77*l*), waiving notice and hearing, such order being entered without prejudice to the right of the applicant thereafter to have the order vacated upon a showing to the Commission that the application for qualification, as amended, is no longer incomplete or inaccurate on its face in any material respect.

§ 260.7a–3 Number of copies; filing; signatures; binding.

(a) Three copies of the complete application shall be filed with the Commission at its principal office.

(b) At least the original of each application filed with the Commission shall be signed in the manner prescribed by Form T–3 (§ 269.3 of this chapter).

(c) The application proper and the exhibits thereto shall be bound on the left side in one or more parts, but without stiff covers. The binding shall be made in such manner as to leave the reading matter legible.

[16 FR 8737, Aug. 29, 1951]

§ 260.7a–4 Calculation of time.

Saturdays, Sundays and holidays shall be counted in computing the effective date of applications for qualification filed under section 307(a) of the Act. The twentieth day shall be deemed to begin at the expiration of nineteen periods of twenty-four hours each from 5:30 p.m., eastern standard time or eastern daylight-saving time, whichever is in effect at the principal office of the Commission on the date of filing.

[12 FR 2941, May 2, 1947]

§ 260.7a–5 Filing of amendments; number of copies.

Except as provided in § 260.7a–6, three copies of every amendment to an application shall be filed with the Commission.

[16 FR 8737, Aug. 29, 1951]

§ 260.7a–6 Telegraphic delaying amendments.

An amendment altering the proposed date of the public offering may be made by the agent for service by telegram. In each case, such telegraphic amendment shall be confirmed within a reasonable time by the filing of three copies, one of which shall be signed by the agent for service. Such confirmation shall not be deemed an amendment.

§ 260.7a–7 Effective date of amendment filed under section 8(a) of the Securities Act with the consent of the Commission.

An applicant desiring the Commission's consent to the filing of an

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amendment with the effect provided in section 8(a) of the Securities Act of 1933 may apply for such consent at or before the time of filing the amendment. The application shall be signed by the applicant or the agent for service and shall state fully the grounds upon which made. The Commission's consent shall be deemed to be given and the amendment shall be treated as a part of the application for qualification upon the sending of written or telegraphic notice to that effect.

§ 260.7a–8 Effective date of amendment filed under section 8(a) of the Securities Act pursuant to order of Commission.

An amendment made prior to the effective date of the application of qualification shall be deemed to be made pursuant to an order of the Commission within the meaning of section 8(a) of the Securities Act of 1933 so as to be treated as part of the application for qualification only when the Commission shall, after the filing of such amendment, find that it has been filed pursuant to its order.

§ 260.7a–9 Delaying amendments.

(a) An amendment in the following form filed with an application for qualification, or as an amendment to such an application which has not become effective, shall be deemed to be filed on such date or dates as may be necessary to delay the effective date of such application for the period specified in such amendment:

The obligor hereby amends this application for qualification on such date or dates as may be necessary to delay its effectiveness until (i) the 20th day after the filing of a further amendment which specifically states that it shall supersede this amendment, or (ii) such date as the Commission, acting pursuant to section 307(c) of the Act, may determine upon the written request of the obligor.

(b) An amendment pursuant to paragraph (a) of this section which is filed with an application for qualification shall be set forth on the facing page thereof. Any such amendment filed after the filing of the application may be made by letter or telegram and may be signed by the agent for service. Any amendment filed to supersede an amendment filed pursuant to paragraph (a) of this section may also be made by letter or telegram. Every such telegraphic amendment shall be confirmed in writing within a reasonable time by filing a signed copy of the amendment. Such confirmation shall not be deemed an amendment.

[30 FR 12387, Sept. 29, 1965]

General Requirements as to Form and Content of Applications, Statements and Reports

General

§ 260.7a–15 Scope of §§ 260.7a–15 to 260.7a–37.

The rules contained in §§ 260.7a–15 to 260.7a–37 shall govern applications for exemption filed pursuant to section 304(c) or 304(d) of the Act, applications for qualification of indentures filed pursuant to section 307, statements of eligibility and qualifications of trustees filed pursuant to section 305, 307, or 310(a) of the Act, applications for the stay of the trustee's duty to resign filed pursuant to section 310(b) of the Act, and reports filed pursuant to section 314(a) of the Act.

[56 FR 22320, May 15, 1991]

Formal Requirements

§ 260.7a–16 Inclusion of items, differentiation between items and answers, omission of instructions.

Except as expressly provided otherwise in the particular form, the application, statement, or report shall contain all of the items of the form as well as the answers thereto. The items shall be made to stand out from the answers by variation in margin or type or by other means. All instructions shall be omitted.

[6 FR 981, Feb. 15, 1941]

§ 260.7a–17 Quality, color and size of paper.

The application, statement or report, including all amendments and, where practicable, all papers and documents filed as a part thereof, shall be on good quality, unglazed, white paper, no larger than 8½ × 11 inches in size. To the extent that the reduction of larger documents would render them illegible,

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such documents may be filed on paper larger than 8½ × 11 inches in size.

[47 FR 58239, Dec. 30, 1982]

§ 260.7a–18 Legibility.

(a) The application, statement or report, including all amendments and, where practicable, all papers and documents filed as a part thereof, shall be clear, easily readable and shall be typewritten, mimeographed, printed or prepared by any similar process which, in the opinion of the Commission, produces copies suitable for repeated photocopying and microfilming.

(b) If printed, the application, statement or report shall be in type not smaller than 10-point, roman type, at least two points leaded.

(c) All printing, mimeographing, typing or other markings shall be in black ink, except that debits in credit categories and credits in debit categories may be set forth in red or black ink, but shall in all cases be designated in such manner as to be clearly distinguishable as such on photocopies.

[5 FR 293, Jan. 25, 1940, as amended at 47 FR 58239, Dec. 30, 1982]

§ 260.7a–19 Margin for binding.

The application, statement or report, including all amendments and, where practicable, all papers and documents filed as a part thereof, shall have a back or stitching margin of at least 1½ inches for binding.

§ 260.7a–20 Riders; inserts.

Riders shall not be used. If the application, statement or report is typed on a printed form, and the space provided for the answer to any given item is insufficient, reference shall be made in such space to a full insert page or pages on which the item number and item shall be restated and a complete answer given.

GENERAL REQUIREMENTS AS TO CONTENTS

§ 260.7a–21 Clarity.

The answer to each item of the particular form shall be so worded as to be intelligible without the necessity of referring to the instructions or to this part.

§ 260.7a–22 Information unknown or not reasonably available.

Information required shall be given insofar as it is known or can be obtained by reasonable investigation. Responsibility for the accuracy or completeness of information obtained from persons other than affiliates may be disclaimed. As to information which is unknown and is unavailable after reasonable investigation, there shall be included a statement as to the nature of the investigation.

§ 260.7a–23 Statements required where item is inapplicable or where answer is "none".

If any item is inapplicable or the answer is ''none'', a statement to such effect shall be made.

§ 260.7a–24 Words relating to periods of time in the past.

Unless the context clearly shows otherwise, wherever any fixed period of time in the past is indicated, such period shall be computed from the date of filing with the Commission.

§ 260.7a–25 Words relating to the future.

Unless the context clearly shows otherwise, whenever words relate to the future, they have reference solely to present intention.

§ 260.7a–26 Disclaimer of control.

If the existence of control is open to reasonable doubt in any instance, the applicant or the trustee, as the case may be, may disclaim the existence of control and any admission thereof; in such case, however, a statement shall be made of the material facts pertinent to the possible existence of control.

§ 260.7a–27 Title of securities.

Where the title of securities is required to be furnished in an application, statement or report, the following requirements shall be met:

(a) In the case of shares, there shall be given the full designation of the class of shares and, if not included therein, the par or stated value, if any, and the rate of dividends, if fixed, and whether cumulative or non-cumulative.

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(b) In the case of funded debt, there shall be given the full designation of the issue and, if not included therein, the rate of interest and the date of maturity. If the issue matures serially, a brief indication shall be given of the serial maturities: For example, ''maturing serially from 1950 to 1960''. If the payment of interest or principal is contingent, such contingency shall be appropriately indicated. The rate of interest, however, may be omitted from the title of indenture securities on the facing page of Form T–1 and Form T–2, if the rate of interest is not determined at the time these forms are filed.

(c) In the case of other securities, a similar designation shall be given.

[5 FR 293, Jan. 25, 1940, as amended at 9 FR 750, Jan. 20, 1944]

INCORPORATION BY REFERENCE

§ 260.7a–28 Incorporation of matter in application, statement or report, other than exhibits, as answer to item.

Matter contained in any part of the application, statement or report, other than exhibits, may be incorporated by reference as answer, or partial answer, to any item in the same application, statement or report.

§ 260.7a–29 Incorporation of exhibits as such.

(a) Any exhibit or part thereof previously or concurrently filed with the Commission pursuant to any Act administered by the Commission, may, subject to the limitations of § 228.10(f) and § 229.10(d) of this chapter, be incorporated by reference as an exhibit to any application, statement or report filed with the Commission by the same or any other person. Any exhibit or part thereof so filed with a trustee pursuant to the Trust Indenture Act of 1939 may be incorporated by reference as an exhibit to any report filed with such trustee pursuant to section 314(a) of that Act by the same or any other person.

(b) If any modification has occurred in the text of any exhibit incorporated by reference since the filing thereof, there shall be filed with the reference a statement containing the text of any such modification and the date thereof.

(c) If the number of copies of any exhibit previously or concurrently filed is less than the number required to be filed with the application, statement or report which incorporates such exhibit, there shall be filed with the application, statement or report as many additional copies of the exhibit as may be necessary to meet the requirements of such application, statement or report.

[6 FR 667, Jan. 30, 1941, as amended at 29 FR 2421, Feb. 13, 1964; 60 FR 32825, June 23, 1995; 76 FR 71877, Nov. 21, 2011]

§ 260.7a–30 Identification of material incorporated; form of incorporation.

In each case of incorporation by reference, the matter incorporated shall be clearly identified in the reference. An express statement shall be made to the effect that the specified matter is incorporated in the application, statement or report at the particular place where the information is required.

§ 260.7a–31 Incorporation by reference of contested material.

Notwithstanding any particular provision permitting incorporation by reference, no application, statement or report shall incorporate by reference any matter which is subject, at the time of filing the application, statement or report, to pending proceedings under section 8(b) or 8(d) of the Securities Act of 1933 (whether pursuant to the provisions of the Trust Indenture Act of 1939, or otherwise) or to an order entered under either of those sections.

§ 260.7a–32 Incorporation by reference rendering document incomplete, unclear, or confusing.

Notwithstanding any particular provision permitting incorporation by reference, the Commission may refuse to permit such incorporation in any case in which in its judgment such incorporation would render the application, statement or report incomplete, unclear or confusing.

EXHIBITS

§ 260.7a–33 Additional exhibits.

Any application, statement or report may include exhibits in addition to those required by the particular form.

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Such additional exhibits shall be so marked as to indicate clearly the items to which they refer.

§ 260.7a–34 Omission of substantially identical documents.

In any case where two or more documents required to be filed as exhibits are substantially identical in all material respects except as to the parties thereto, dates of execution or other details, a copy of only one of such documents need be filed, with a schedule identifying the documents omitted and setting forth the material details in which such documents differ from the document, a copy of which is filed: *Provided, however,* That the Commission may at any time in its discretion require the filing of copies of any documents so omitted.

AMENDMENTS

§ 260.7a–35 Formal requirements as to amendments.

(a) Amendments to an application, statement or report shall comply with §§ 260.7a–17 to 260.7a–19.

(b) All amendments relating to a particular application, statements or report shall be numbered consecutively in the order in which they are filed with the Commission. Amendments shall be numbered separately for each separate application, statement or report.

(c) Every amendment to an item of an application, statement or report shall contain the item number, the caption and the text of the item being amended and the complete amended answer thereto.

(d) If at any time the application, statement or report becomes unclear or confusing because of the number of amendments filed or the length or complexity thereof, there may be filed, and at the written request of the Commission there shall be filed, a complete new application, statement or report, as amended, but no additional copies of exhibits need be filed.

§ 260.7a–36 Signatures to amendments.

Subject to § 260.7a–2, at least the original of every amendment to an application, statement or report shall be signed in the manner prescribed by the particular form on which the application, statement or report was filed.

[16 FR 8737, Aug. 29, 1951]

INSPECTION AND PUBLICATION OF APPLICATIONS, STATEMENTS AND REPORTS

§ 260.7a–37 Inspection of applications, statements and reports.

All applications, statements and reports are available for public inspection during business hours at the principal office of the Commission.

[16 FR 8737, Aug. 29, 1951]

RULE UNDER SECTION 310

§ 260.10a–1 Application for determining eligibility of a foreign person to act as sole trustee pursuant to section 310(a)(1) of the Act.

Form T–6 (17 CFR 269.9 of this chapter) shall be used for an application filed to obtain authorization for a corporation or other person organized and doing business under the laws of a foreign government to act as sole trustee under an indenture qualified or to be qualified under the Act.

[56 FR 22320, May 15, 1991]

§ 260.10a–2 General requirements as to form and content of applications.

Rule 5a–2 (§ 260.5a–2 of this chapter) and rules 7a–15 through 7a–37 [§§ 260.7a–15 through 260.7a–37 of this chapter] under section 307 of the Act shall be applicable to applications on Form T–6 pursuant to section 310(a)(1) of the Act and Rule 10a–1 (§ 260.10a–1 of this chapter).

[56 FR 22320, May 15, 1991]

§ 260.10a–3 Number of copies—Filing—Signatures.

(a) Three copies of every application pursuant to rule 10a–1 (§ 260.10a–1 of this chapter) and of every amendment thereto shall be filed with the Commission at its principal office.

(b) One copy shall be manually signed by the applicant's duly authorized officer (or individual customarily performing similar functions with respect to any organization, whether incorporated or unincorporated).

[56 FR 22320, May 15, 1991]

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§ 260.10a–4 Consent of trustee to service of process.

At the time of filing an application pursuant to Rule 10a–1 (§ 260.10a–1 of this chapter) and at such time as it files a statement of eligibility to act as trustee under an indenture qualified under the Act, an indenture trustee organized and doing business under the laws of a foreign government shall furnish to the Commission on Form F-X (§ 249.250 of this chapter) a written consent of the trustee and power of attorney designating a U. S. person with an address in the United States as agent upon whom may be served any process, pleadings, subpoenas or other papers in any Commission investigation or administrative proceeding and any civil suit or action brought against the trustee or to which the trustee has been joined as defendant or respondent, in any appropriate court in any place subject to the jurisdiction of any state or of the United States, or of the District of Columbia or Puerto Rico, where the investigation, proceeding or cause of action arises out of or relates to or concerns the securities in relation to which the indenture trustee proposes to act as trustee pursuant to any rule or order under section 310(a) of the Act and stipulates and agrees that any such suit, action or proceeding may be commenced by the service of process upon said agent for service of process, and that such service shall be taken and held in all courts to be as valid and binding as if due personal service thereof had been made.

[56 FR 30077, July 1, 1991]

§ 260.10a–5 Eligibility of Canadian Trustees.

(a) Subject to paragraph (b) of this section, any trust company, acting as trustee under an indenture qualified or to be qualified under the Act and filed in connection with offerings on a registration statement on Form S–1 (§ 239.11 of this chapter) F–7, F–8, F–9, F–10 or F–80 (§§ 239.37 through 239.41 of this chapter) that is incorporated and regulated as a trust company under the laws of Canada or any of its political subdivisions and that is subject to supervision or examination pursuant to the Trust Companies Act (Canada), R.S.C. 1985, or the Canada Deposit Insurance Corporation Act, R.S.C. 1985 shall not be subject to the requirement of domicile in the United States under section 310(a) of the Act (15 U.S.C. 77jjj(a)).

(b) Each trustee eligible for appointment under this section (17 CFR 260.10a–5) shall file as part of the registration statement for the securities to which the trusteeship relates a consent to service of process and power of attorney on Form F-X (§ 269.5 of this chapter).

[56 FR 30077, July 1, 1991, as amended at 57 FR 36501, Aug. 13, 1992; 58 FR 33191, June 16, 1993; 73 FR 983, Jan. 4, 2008]

§ 260.10b–1 Calculation of percentages.

The percentages of voting securities and other securities specified in section 310(b) of the Act shall be calculated in accordance with the following provisions:

(a) A specified percentage of the voting securities of a person means such amount of the outstanding voting securities of such person as entitles the holder or holders thereof to cast such specified percentage of the aggregate votes which the holders of all the outstanding voting securities of such person are entitled to cast in the direction or management of the affairs of such person.

(b) A specified percentage of a class of securities of a person means such percentage of the aggregate amount of securities of the class outstanding.

(c) The term *amount*, when used in regard to securities, means the principal amount if relating to evidences of indebtedness, the number of shares if relating to capital shares, and the number of units if relating to any other kind of security.

(d) The term *outstanding* means issued and not held by or for the account of the issuer. The following securities shall not be deemed outstanding within the meaning of this definition:

(1) Securities of an issuer held in a sinking fund relating to securities of the issuer of the same class;

(2) Securities of an issuer held in a sinking fund relating to another class of securities of the issuer, if the obligation evidenced by such other class of

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securities is not in default as to principal or interest or otherwise;

(3) Securities pledged by the issuer thereof as security for an obligation of the issuer not in default as to principal or interest or otherwise;

(4) Securities held in escrow is placed in escrow by the issuer otherwise;

Provided, however, That any voting securities of an issuer shall be deemed outstanding if any person other than the issuer is entitled to exercise the voting rights thereof.

(e) A security shall be deemed to be of the same class as another security if both securities confer upon the holder or holders thereof substantially the same rights and privileges: *Provided, however*, That, in the case of secured evidences of indebtedness, all of which are issued under a single indenture, differences in the interest rates or maturity dates of various series thereof shall not be deemed sufficient to constitute such series different classes: *And, provided further*, That, in the case of unsecured evidences of indebtedness, differences in the interest rates or maturity dates thereof shall not be deemed sufficient to constitute them securities of different classes, whether or not they are issued under a single indenture.

§ 260.10b–2 Applications under section 310(b)(1)(ii).

If an application filed with the Commission pursuant to clause (ii) of section 310(b)(1) (53 Stat. 1157; 15 U.S.C. 77jjj) of the Act is based upon the claim that no material conflict of interest will be involved because prior to or concurrently with the delivery of the securities to be issued under the indenture to be qualified all securities outstanding under the other indenture or indentures, under which the person designated to act as indenture trustee is also a trustee, will be discharged or:

(a) Funds sufficient to discharge the securities will be deposited in trust for that purpose.

(b) The securities, if not presently maturing, will be called for redemption or irrevocable power to make the call will be given to some third person.

(c) All liens securing the securities will be released or all steps necessary to effect the release at the maturity or redemption date will be taken.

The application shall be deemed to have been granted unless, within 7 days after it is filed, the Commission orders a hearing thereon.

[6 FR 808, Feb. 7, 1941]

§ 260.10b–3 Applications relative to affiliations between trustees and underwriters.

(a) Any person proposing to act as trustee under indentures to be qualified under the act may make application for a finding by the Commission as to whether such person is or is not an affiliate of any specified person who may be named as an underwriter for an obligor in any registration statement or application for qualification subsequently filed with the Commission.

(b) Every application pursuant to this section shall be filed in triplicate and shall contain a statement of the material facts necessary to enable the Commission to make the finding request. The applicant may incorporate by reference in the application any information or documents contained in a statement of eligibility and qualification of the applicant filed with the Commission. The Commission may with the consent of the applicant or at the applicant's request, make a part of the record the record in any prior proceeding in which the same issues were involved.

(c) A hearing will be held, after confirmed telegraphic notice to the applicant, upon every application filed pursuant to this section.

(d) Every finding by the Commission pursuant to this section shall be limited to the facts disclosed in the application and in the hearing thereon, and shall be made solely for the purposes of sections 305(b) and 307(c) of the Act.

[6 FR 2376, May 13, 1941]

§ 260.10b–4 Application for stay of trustee's duty to resign pursuant to section 310(b) of the Act.

(a) Three copies of every application for a stay of a trustee's duty to resign under section 310(b) of the Act and of every amendment thereto shall be filed with the Commission at its principal office.

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(b) One copy shall be manually signed by a duly authorized officer of the applicant (or individual customarily performing similar functions with respect to an organization, whether incorporated or unincorporated) or by a natural person seeking a stay under section 310(b) of the Act.

(c) Such applications shall be on paper no larger than 8½ × 11 inches in size. If reduction of large documents would render them illegible, such documents may be filed on paper larger than 8½ × 11 inches in size. The left margin shall be at least 1½ inches wide and if the application is bound, it shall be bound on the left side.

(d) The application shall be typed, printed, copied, or prepared by a process which produces copies suitable for repeated photocopying and microfilming. All typewritten or printed matter shall be set forth in black ink to permit photocopying. If printed, the application shall be in type not smaller than 10-point, roman type, at least two points leaded.

(e) Rules 7a–28 through 7a–32 [§§ 260.7a–28 through 260.7a–32 of this chapter] relating to incorporation by reference shall be applicable to applications for stay pursuant to section 310(b) of the Act.

[56 FR 22320, May 15, 1991]

§ 260.10b–5 Content.

(a) Each application for a stay of a trustee's duty to resign under section 310(b) of the Act shall contain the name, address, and telephone number of each applicant and the name, address, and telephone number of any person to which such applicant wishes any questions regarding the application to be directed.

(b) Each application shall contain a statement of the reasons why the applicant is deemed to be entitled to a stay of resignation with reference to the provisions of section 310(b) of the Act. The statement shall address the nature of the default, the reasonableness of the period before the default will be cured or waived, the procedures to be used to cure or obtain a waiver of the default, and the reasons why a stay will not be inconsistent with the interests of the holders of the indenture securities.

[56 FR 22321, May 15, 1991]

§ 260.10b–6 Notices—Exemptive Application Procedure.

(a) A proposed notice of the proceeding indicated by the filing of the application shall accompany each application for a stay of a trustee's duty to resign under section 310(b) as an exhibit thereto and if necessary shall be modified to reflect any amendments to such application.

(b) Notice of the initiation of the proceeding will be published in the FEDERAL REGISTER and will indicate the earliest date upon which an order disposing of the matter may be entered. The notice will also provide that any interested person may, within the period specified therein, submit to the Commission in writing any facts bearing upon the desirability of a hearing on the matter, and may request that a hearing be held stating the person's reasons therefore and the nature of his or her interest in the matter.

(c) An order disposing of the matter will be issued following the expiration of the period of time referred to in paragraph (b) of this section, unless the Commission thereafter orders a hearing on the matter.

(d) The Commission will order a hearing on the matter, if it appears that a hearing is necessary or appropriate in the public interest or for the protection of investors:

(1) Upon the request of any interested person, or

(2) Upon its own motion.

[56 FR 22321, May 15, 1991]

RULES UNDER SECTION 311

§ 260.11b–4 Definition of "cash transaction" in section 311(b)(4).

The term ''cash transaction'', as used in section 311(b)(4), means any transaction in which full payment for goods or securities sold is made within 7 days after delivery of the goods or securities in currency or in checks or other orders drawn upon banks or bankers and payable upon demand.

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§ 260.11b–6 Definition of "self-liquidating paper" in section 311(b)(6).

The term *self-liquidating paper*, as used in section 311(b)(6) of the Act, means any draft, bill of exchange, acceptance or obligation which is made, drawn, negotiated or incurred by the obligor for the purpose of financing the purchase, processing, manufacture, shipment, storage or sale of goods, wares or merchandise and which is secured by documents evidencing title to, possession of or a lien upon the goods, wares or merchandise or the receivables or proceeds arising from the sale of the goods, wares or merchandise previously constituting the security: *Provided*, The security is received by the trustee simultaneously with the creation of the creditor relationship with the obligor arising from the making, drawing, negotiating or incurring of the draft, bill of exchange, acceptance or obligation.

RULES UNDER SECTION 314

PERIODIC REPORTS

§ 260.14a–1 Application of §§ 260.7a–15 to 260.7a–38.

Sections 260.7a–15 to 260.7a–38 shall be applicable to annual reports under section 314(a).

§ 260.19a–1 Compliance with Section 314(a)(1) of the Trust Indenture Act for certain eligible indenture obligors.

(a) This section is applicable only to an ''eligible indenture obligor'' as defined in paragraph (b) of this section.

(b) For purposes of paragraph (c) of this section, an ''eligible indenture obligor'' is any obligor that:

(1) Is required to file reports with the Commission pursuant to Section 13 or Section 15(d) of the Securities Exchange of 1934 (15 U.S.C. §§78m or 78o(d)) (the ''Exchange Act''); and

(2) May rely on any of the provisions of Release No. 34–45589 (March 18, 2002) (which may be viewed on the Commission's website at *www.sec.gov*) with regard to the filing of reports with the Commission pursuant to Section 13 or Section 15(d) of the Exchange Act (14 U.S.C. 78m or 78o(d)).

(c) An ''eligible indenture obligor'' that files with the indenture trustee those Exchange Act reports filed with the Commission in accordance with the Release referred to in paragraph (b)(2) of this section has met its duty under Section 314(a)(1) of the Act (15 U.S.C. 77nnn(a)(1)) to file with the indenture trustee all reports required to be filed with the Commission pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934.

[67 FR 13538, Mar. 22, 2002, as amended at 76 FR 71877, Nov. 21, 2011]

PART 261—INTERPRETATIVE RELEASES RELATING TO THE TRUST INDENTURE ACT OF 1939 AND GENERAL RULES AND REGULATIONS THEREUNDER

Subject	Release No.	Date	Fed. Reg. Vol. and Page
Opinion of the General Counsel relating to application of section 310(b) where trustee under one indenture is trustee under another indenture for securities of an affiliate of the obligor.	16	Nov. 14, 1941	11 FR 10989.
Opinion of the Chief Counsel to the Corporation Finance Division relating to when-issued trading of securities the issuance of which is subject to approval by a Federal district court under Chapter X of the Bankruptcy Act.	30	Aug. 28, 1944	Do.
Opinion of the Chief Counsel to the Corporation Finance Division relating to when-issued trading of securities the issuance of which has already been approved by a Federal district court under Chapter X of the Bankruptcy Act.	31	Jan. 4, 1945	11 FR 10990.
Interpretation with reference to the securities of the International Bank for Reconstruction and Development.	37	June 25, 1947	12 FR 4450.
Statement of the Commission to clarify the meaning of "beneficial ownership of securities" as relates to beneficial ownership of securities held by family members.	227	Jan. 25, 1966	31 FR 1005.
Statement of the Commission setting the date of May 1, 1966 after which filings must reflect beneficial ownership of securities held by family members.	229	Feb. 14, 1966	31 FR 3175.

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