

AMENDMENT TO THE RULES COMMITTEE PRINT
119-8
OFFERED BY MR. SHERMAN OF CALIFORNIA

At the end of title XVII, add the following new section:

1 **SEC. 17____. AMENDMENTS TO ACQUIRED FUND FEES AND**
2 **EXPENSES REPORTING ON INVESTMENT**
3 **COMPANY REGISTRATION STATEMENTS.**

4 (a) DEFINITIONS.—For purposes of this section:

5 (1) ACQUIRED FUND.—The term “Acquired
6 Fund” has the meaning given the term in Forms N–
7 1A, N–2, and N–3.

8 (2) ACQUIRED FUND FEES AND EXPENSES.—
9 The term “Acquired Fund Fees and Expenses”
10 means the Acquired Fund Fees and Expenses sub-
11 caption in the Fee Table Disclosure.

12 (3) BUSINESS DEVELOPMENT COMPANY.—The
13 term “business development company” has the
14 meaning given the term in section 2(a) of the Invest-
15 ment Company Act of 1940 (15 U.S.C. 80a–2(a)).

16 (4) FEE TABLE DISCLOSURE.—The term “Fee
17 Table Disclosure” means the fee table described in
18 Item 3 of Form N–1A, Item 3 of Form N–2, or

1 Item 4 of Form N-3 (as applicable, and with respect
2 to each, in any successor fee table disclosure that
3 the Securities and Exchange Commission adopts).

4 (5) FORM N-1A.—The term “Form N-1A”
5 means the form described in section 274.11A of title
6 17, Code of Federal Regulations, or any successor
7 regulation.

8 (6) FORM N-2.—The term “Form N-2” means
9 the form described in section 274.11a-1 of title 17,
10 Code of Federal Regulations, or any successor regu-
11 lation.

12 (7) FORM N-3.—The term “Form N-3” means
13 the form described in section 274.11b of title 17,
14 Code of Federal Regulations, or any successor regu-
15 lation.

16 (8) REGISTERED INVESTMENT COMPANY.—The
17 term “registered investment company” means an in-
18 vestment company, as defined under section 3(a) of
19 the Investment Company Act of 1940, registered
20 with the Securities and Exchange Commission under
21 such Act.

22 (b) EXCLUDING BUSINESS DEVELOPMENT COMPA-
23 NIES FROM ACQUIRED FUND FEES AND EXPENSES.—A
24 registered investment company may, on any investment
25 company registration statement filed pursuant to section

1 8(b) of the Investment Company Act of 1940 (15 U.S.C.
2 80a–8(b)), omit from the calculation of Acquired Fund
3 Fees and Expenses those fees and expenses that the in-
4 vestment company incurred indirectly as a result of invest-
5 ment in shares of one or more Acquired Funds that is
6 a business development company.

