

15 U.S. Code § 77bb. “Corporation of Foreign Security Holders”; creation; principal office; branch offices

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For the purpose of protecting, conserving, and advancing the interests of the holders of foreign securities in default, there is hereby created a body corporate with the name “Corporation of Foreign Security Holders” (herein called the “Corporation”). The principal office of the Corporation shall be located in the District of Columbia, but there may be established agencies or branch offices in any city or cities of the United States under rules and regulations prescribed by the board of directors.

(May 27, 1933, ch. 38, title II, § 201, [48 Stat. 92.](#))

15 U.S. Code § 77cc. Directors of Corporation; appointment, term of office, and removal

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The control and management of the Corporation shall be vested in a board of six directors, who shall be appointed and hold office in the following manner: As soon as practicable after the date this chapter takes effect the Federal Trade Commission (hereinafter in this subchapter called “Commission”) shall appoint six directors, and shall designate a chairman and a vice chairman from among their number. After the directors designated as chairman and vice chairman cease to be directors, their successors as chairman and vice chairman shall be elected by the board of directors itself. Of the directors first appointed, two shall continue in office for a term of two years, two for a term of four years, and two for a term of six years, from the date this chapter takes effect, the term of each to be designated by the Commission at the time of appointment. Their successors shall be appointed by the

Commission, each for a term of six years from the date of the expiration of the term for which his predecessor was appointed, except that any person appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the unexpired term of such predecessor. No person shall be eligible to serve as a director who within the five years preceding has had any interest, direct or indirect, in any corporation, company, partnership, bank, or association which has sold or offered for sale any foreign securities. The office of a director shall be vacated if the board of directors shall, at a meeting specially convened for that purpose, by resolution passed by a majority of at least two-thirds of the board of directors, remove such member from office, provided that the member whom it is proposed to remove shall have seven days' notice sent to him of such meeting, and that he may be heard. (May 27, 1933, ch. 38, title II, § 202, [48 Stat. 93.](#))

15 U.S. Code § 77dd. Powers and duties of Corporation, generally

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The Corporation shall have power to adopt, alter, and use a corporate seal; to make contracts; to lease such real estate as may be necessary for the transaction of its business; to sue and be sued, to complain and to defend, in any court of competent jurisdiction, State or Federal; to require from trustees, financial agents, or dealers in foreign securities information relative to the original or present holders of foreign securities and such other information as may be required, and to issue subpoenas therefor; to take over the functions of any fiscal and paying agents of any foreign securities in default; to borrow money for the purposes of this subchapter, and to pledge as collateral for such loans any securities deposited with the Corporation pursuant to this subchapter; by and with the consent and approval of the Commission to select, employ, and fix the compensation of officers, directors, members of committees, employees, attorneys, and

agents of the Corporation, without regard to the provisions of other laws applicable to the employment and compensation of officers or employees of the United States; to define their authority and duties, require bonds of them and fix the penalties thereof, and to dismiss at pleasure such officers, employees, attorneys, and agents; and to prescribe, amend, and repeal, by its board of directors, by laws, rules, and regulations governing the manner in which its general business may be conducted and the powers granted to it by law may be exercised and enjoyed, together with provisions for such committees and the functions thereof as the board of directors may deem necessary for facilitating its business under this subchapter. The board of directors of the Corporation shall determine and prescribe the manner in which its obligations shall be incurred and its expenses allowed and paid.

(May 27, 1933, ch. 38, title II, § 203, [48 Stat. 93.](#))

15 U.S. Code § 77ee. Directors of Corporation, powers and duties generally

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The board of directors may—

(1)

Convene meetings of holders of foreign securities.

(2)

Invite the deposit and undertake the custody of foreign securities which have defaulted in the payment either of principal or interest, and issue receipts or certificates in the place of securities so deposited.

(3)

Appoint committees from the directors of the Corporation and/or all other persons to represent holders of any class or classes of foreign securities which have defaulted in the payment either of principal or interest and determine and regulate the functions of such committees. The chairman and vice chairman of the board of directors shall be ex officio chairman and vice chairman of each committee.

(4)

Negotiate and carry out, or assist in negotiating and carrying out, arrangements for the resumption of payments due or in arrears in respect of any foreign securities in default or for rearranging the terms on which such securities may in future be held or for converting and exchanging the same for new securities or for any other object in relation thereto; and under this paragraph any plan or agreement made with respect to such securities shall be binding upon depositors, providing that the consent of holders resident in the United States of 60 per centum of the securities deposited with the Corporation shall be obtained.

(5)

Undertake, superintend, or take part in the collection and application of funds derived from foreign securities which come into the possession of or under the control or management of the Corporation.

(6)

Collect, preserve, publish, circulate, and render available in readily accessible form, when deemed essential or necessary, documents, statistics, reports, and information of all kinds in respect of foreign securities, including particularly records of foreign external securities in default and records of the progress made toward the payment of past-due obligations.

(7)

Take such steps as it may deem expedient with the view of securing the adoption of clear and simple forms of foreign securities and just and sound principles in the conditions and terms thereof.

(8)

Generally, act in the name and on behalf of the holders of foreign securities the care or representation of whose interests may be entrusted to the Corporation; conserve and protect the rights and interests of holders of foreign securities issued, sold, or owned in the United States; adopt measures for the protection, vindication, and preservation or reservation of the rights and interests of holders of foreign securities either on any default in or on breach or contemplated breach of the conditions on which such foreign securities may have been issued, or otherwise; obtain for such

holders such legal and other assistance and advice as the board of directors may deem expedient; and do all such other things as are incident or conducive to the attainment of the above objects.

(May 27, 1933, ch. 38, title II, § 204, [48 Stat. 94.](#))

15 U.S. Code § 77ff. Accounts and annual balance sheet of Corporation; audits

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The board of directors shall cause accounts to be kept of all matters relating to or connected with the transactions and business of the Corporation, and cause a general account and balance sheet of the Corporation to be made out in each year, and cause all accounts to be audited by one or more auditors who shall examine the same and report thereon to the board of directors.

(May 27, 1933, ch. 38, title II, § 205, [48 Stat. 94.](#))

15 U.S. Code § 77gg. Annual report by Corporation; printing and distribution

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The Corporation shall make, print, and make public an annual report of its operations during each year, send a copy thereof, together with a copy of the account and balance sheet and auditor's report, to the Commission and to both Houses of Congress, and provide one copy of such report but not more than one on the application of any person and on receipt of a sum not exceeding \$1: Provided, That the board of directors in its discretion may distribute copies gratuitously.

(May 27, 1933, ch. 38, title II, § 206, [48 Stat. 95.](#))

15 U.S. Code § 77hh. Assessments by Corporation on holders of foreign securities

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The Corporation may in its discretion levy charges, assessed on a pro rata basis, on the holders of foreign securities deposited with it: Provided, That any charge levied at the time of depositing securities with the Corporation shall not exceed one fifth of 1 per centum of the face value of such securities: Provided further, That any additional charges shall bear a close relationship to the cost of operations and negotiations including those enumerated in sections [77dd](#) and [77ee](#) of this title and shall not exceed 1 per centum of the face value of such securities. (May 27, 1933, ch. 38, title II, § 207, [48 Stat. 95](#).)

15 U.S. Code § 77ii. Subscriptions accepted by Corporation as loans; repayment

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The Corporation may receive subscriptions from any person, foundation with a public purpose, or agency of the United States Government, and such subscriptions may, in the discretion of the board of directors, be treated as loans repayable when and as the board of directors shall determine.

(May 27, 1933, ch. 38, title II, § 208, [48 Stat. 95](#).)

15 U.S. Code § 77jj. Loans to Corporation from Reconstruction Finance Corporation authorized

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The Reconstruction Finance Corporation is authorized to loan out of its funds not to exceed \$75,000 for the use of the Corporation.

(May 27, 1933, ch. 38, title II, § 209, [48 Stat. 95.](#))

15 U.S. Code § 77kk. Representations by Corporation as acting for Department of State or United States forbidden; interference with foreign negotiations forbidden

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Notwithstanding the foregoing provisions of this subchapter, it shall be unlawful for, and nothing in this subchapter shall be taken or construed as permitting or authorizing, the Corporation in this subchapter created, or any committee of said Corporation, or any person or persons acting for or representing or purporting to represent it—

(a)

to claim or assert or pretend to be acting for or to represent the Department of State or the United States Government;

(b)

to make any statements or representations of any kind to any foreign government or its officials or the officials of any political subdivision of any foreign government that said Corporation or any committee thereof or any individual or individuals connected therewith were speaking or acting for the said Department of State or the United States Government; or

(c)

to do any act directly or indirectly which would interfere with or obstruct or hinder or which might be calculated to obstruct, hinder, or interfere with the policy or policies of the said Department of State or the Government of the United States or any pending or contemplated diplomatic negotiations, arrangements, business or exchanges

between the Government of the United States or said Department of State and any foreign government or any political subdivision thereof. (May 27, 1933, ch. 38, title II, § 210, [48 Stat. 95.](#))

15 U.S. Code § 77II. Effective date of subchapter

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This subchapter shall not take effect until the President finds that its taking effect is in the public interest and by proclamation so declares.

(May 27, 1933, ch. 38, title II, § 211, [48 Stat. 95.](#))

15 U.S. Code § 77mm. Short title

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This subchapter may be cited as the “[Corporation of Foreign Bondholders Act, 1933.](#)” (May 27, 1933, ch. 38, title II, § 212, [48 Stat. 95.](#))

15 U.S. Code § 77aaa. Short title

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This subchapter may be cited as the “[Trust Indenture Act of 1939.](#)”

(May 27, 1933, ch. 38, title III, § 301, as added Aug. 3, 1939, ch. 411, [53 Stat. 1149.](#))

15 U.S. Code § 77bbb. Necessity for regulation

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(a) PRACTICES ADVERSELY AFFECTING PUBLIC Upon the basis of facts disclosed by the reports of the Securities and Exchange Commission made to the Congress pursuant to [section 78jj of this title](#) and otherwise disclosed and ascertained, it is hereby declared that the national public interest and the interest of investors in notes, bonds, debentures, evidences of indebtedness, and certificates of interest or participation therein, which are offered to the public, are adversely affected—

(1)

when the [obligor](#) fails to provide a trustee to protect and enforce the rights and to represent the interests of such investors, notwithstanding the fact that **(A)** individual action by such investors for the purpose of protecting and enforcing their rights is rendered impracticable by reason of the disproportionate expense of taking such action, and **(B)** concerted action by such investors in their common interest through representatives of their own selection is impeded by reason of the wide dispersion of such investors through many [States](#), and by reason of the fact that information as to the names and addresses of such investors generally is not available to such investors;

(2)

when the trustee does not have adequate rights and powers, or adequate duties and responsibilities, in connection with matters relating to the protection and enforcement of the rights of such investors; when, notwithstanding the obstacles to concerted action by such investors, and the general and reasonable assumption by such investors that the trustee is under an affirmative duty to take action for the protection and enforcement of their rights, trust [indentures](#) **(A)** generally provide that the trustee shall be under no duty to take any such action, even in the event of default, unless it receives notice of default, demand for action, and indemnity, from the holders of substantial percentages of the [securities](#) outstanding thereunder, and **(B)** generally relieve the trustee from liability even for its own negligent action or failure to act;

(3)

when the trustee does not have resources commensurate with its responsibilities, or has any relationship to or connection with the obligor or any underwriter of any securities of the obligor, or holds, beneficially or otherwise, any interest in the obligor or any such underwriter, which relationship, connection, or interest involves a material conflict with the interests of such investors;

(4)

when the obligor is not obligated to furnish to the trustee under the indenture and to such investors adequate current information as to its financial condition, and as to the performance of its obligations with respect to the securities outstanding under such indenture; or when the communication of such information to such investors is impeded by the fact that information as to the names and addresses of such investors generally is not available to the trustee and to such investors;

(5)

when the indenture contains provisions which are misleading or deceptive, or when full and fair disclosure is not made to prospective investors of the effect of important indenture provisions; or

(6)

when, by reason of the fact that trust indentures are commonly prepared by the obligor or underwriter in advance of the public offering of the securities to be issued thereunder, such investors are unable to participate in the preparation thereof, and, by reason of their lack of understanding of the situation, such investors would in any event be unable to procure the correction of the defects enumerated in this subsection.

(b) DECLARATION OF POLICY

Practices of the character above enumerated have existed to such an extent that, unless regulated, the public offering of notes, bonds, debentures, evidences of indebtedness, and certificates of interest or participation therein, by the use of means and instruments of transportation and communication in interstate commerce and of the mails, is injurious to the capital markets, to investors, and to the general public; and it is hereby declared to be the policy of this subchapter, in accordance with which policy all the provisions of this

subchapter shall be interpreted, to meet the problems and eliminate the practices, enumerated in this section, connected with such public offerings. (May 27, 1933, ch. 38, title III, § 302, as added Aug. 3, 1939, ch. 411, [53 Stat. 1150](#).)

15 U.S. Code § 77ccc. Definitions

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When used in this subchapter, unless the context otherwise requires—

(1)

Any term defined in section 2 of the [Securities Act of 1933 \[15 U.S.C. 77b\]](#), and not otherwise defined in this section shall have the meaning assigned to such term in such section 2 [[15 U.S.C. 77b](#)].

(2)

The terms “[sale](#)”, “[sell](#)”, “[offer to sell](#)”, “[offer for sale](#)”, and “[offer](#)” shall include all transactions included in such terms as provided in paragraph (3) of section 2(a) of the [Securities Act of 1933 \[15 U.S.C. 77b\(a\)\]](#), except that an [offer](#) or [sale](#) of a certificate of interest or participation shall be deemed an [offer](#) or [sale](#) of the [security](#) or [securities](#) in which such certificate evidences an interest or participation if and only if such certificate gives the holder thereof the right to convert the same into such [security](#) or [securities](#).

(3)

The term “[prospectus](#)” shall have the meaning assigned to such term in paragraph (10) of section 2(a) of the [Securities Act of 1933 \[15 U.S.C. 77b\(a\)\]](#), except that in the case of [securities](#) which are not registered under the [Securities Act of 1933 \[15 U.S.C. 77a et seq.\]](#), such term shall not include any communication (A) if it is proved that prior to or at the same time with such communication a written statement if any required by [section 77fff of this title](#) was sent or given to the persons to whom the communication was made, or (B) if such communication [states](#) from whom such statement may be obtained (if such statement is required by rules or regulations under paragraphs (1) or (2) of subsection (b) of [section 77fff of this title](#)) and, in addition, does no more than identify the [security, state](#) the price

thereof, state by whom orders will be executed and contain such other information as the Commission, by rules or regulations deemed necessary or appropriate in the public interest or for the protection of investors, and subject to such terms and conditions as may be prescribed therein, may permit.

(4)

The term “underwriter” means any person who has purchased from an issuer with a view to, or offers or sells for an issuer in connection with, the distribution of any security, or participates or has a direct or indirect participation in any such undertaking, or participates or has a participation in the direct or indirect underwriting of any such undertaking; but such term shall not include a person whose interest is limited to a commission from an underwriter or dealer not in excess of the usual and customary distributors’ or sellers’ commission.

(5)

The term “director” means any director of a corporation, or any individual performing similar functions with respect to any organization whether incorporated or unincorporated.

(6)

The term “executive officer” means the president, every vice president, every trust officer, the cashier, the secretary, and the treasurer of a corporation, and any individual customarily performing similar functions with respect to any organization whether incorporated or unincorporated, but shall not include the chairman of the board of directors.

(7)

The term “indenture” means any mortgage, deed of trust, trust or other indenture, or similar instrument or agreement (including any supplement or amendment to any of the foregoing), under which securities are outstanding or are to be issued, whether or not any property, real or personal, is, or is to be, pledged, mortgaged, assigned, or conveyed thereunder.

(8)

The term “application” or “application for qualification” means the application provided for in section 77eee of this title or section 77ggg of this title, and includes any amendment thereto and any

report, document, or memorandum accompanying such application or incorporated therein by reference.

(9)

The term “indenture to be qualified” means (A) the indenture under which there has been or is to be issued a security in respect of which a particular registration statement has been filed, or (B) the indenture in respect of which a particular application has been filed.

(10)

The term “indenture trustee” means each trustee under the indenture to be qualified, and each successor trustee.

(11)

The term “indenture security” means any security issued or issuable under the indenture to be qualified.

(12)

The term “obligor”, when used with respect to any such indenture security, means every person (including a guarantor) who is liable thereon, and, if such security is a certificate of interest or participation, such term means also every person (including a guarantor) who is liable upon the security or securities in which such certificate evidences an interest or participation; but such term shall not include the trustee under an indenture under which certificates of interest or participation, equipment trust certificates, or like securities are outstanding.

(13)

The term “paying agent”, when used with respect to any such indenture security, means any person authorized by an obligor thereon (A) to pay the principal of or interest on such security on behalf of such obligor, or (B) if such security is a certificate of interest or participation, equipment trust certificate, or like security, to make such payment on behalf of the trustee.

(14)

The term “State” means any State of the United States.

(15)

The term “Commission” means the Securities and Exchange Commission.

(16)

The term “[voting security](#)” means any [security](#) presently entitling the owner or holder thereof to vote in the direction or management of the affairs of a person, or any [security](#) issued under or pursuant to any trust, agreement, or arrangement whereby a trustee or trustees or agent or agents for the owner or holder of such [security](#) are presently entitled to vote in the direction or management of the affairs of a person; and 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.

(17)

The terms “[Securities Act of 1933](#)” [[15 U.S.C. 77a](#) et seq.] and “[Securities Exchange Act of 1934](#)” [[15 U.S.C. 78a](#) et seq.] shall be deemed to refer, respectively, to such Acts, as amended, whether amended prior to or after the enactment of this subchapter.

(18)

The term “[Bankruptcy Act](#)” means the [Bankruptcy Act](#) or title 11. (May 27, 1933, ch. 38, title III, § 303, as added Aug. 3, 1939, ch. 411, [53 Stat. 1151](#); amended Aug. 10, 1954, ch. 667, title III, § 301, [68 Stat. 686](#); [Pub. L. 95-598, title III, § 307](#), Nov. 6, 1978, [92 Stat. 2674](#); [Pub. L. 100-181, title V, §§ 501, 502](#), Dec. 4, 1987, [101 Stat. 1260](#); [Pub. L. 101-550, title IV, § 402](#), Nov. 15, 1990, [104 Stat. 2722](#); [Pub. L. 105-353, title III, § 301\(e\)\(1\)](#), Nov. 3, 1998, [112 Stat. 3237](#); [Pub. L. 111-203, title IX, § 986\(b\)\(1\)](#), July 21, 2010, [124 Stat. 1935](#).)

15 U.S. Code § 77ddd. Exempted securities and transactions

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(a) SPECIFIC SECURITIES EXEMPTED The provisions of this subchapter shall not apply to any of the following [securities](#):

(1)

any [security](#) other than (A) a note, bond, debenture, or evidence of indebtedness, whether or not secured, or (B) a certificate of interest or participation in any such note, bond, debenture, or evidence of indebtedness, or (C) a temporary certificate for, or guarantee of, any such note, bond, debenture, evidence of indebtedness, or certificate;

(2)

any certificate of interest or participation in two or more [securities](#) having substantially different rights and privileges, or a temporary certificate for any such certificate;

(3)

Repealed. [Pub. L. 101-550, title IV, § 403\(1\)\(A\)](#), Nov. 15, 1990, [104 Stat. 2722](#).

(4)

(A)

any [security](#) exempted from the provisions of the [Securities Act of 1933](#) [[15 U.S.C. 77a](#) et seq.] by paragraphs (2) to (8), (11), or (13) of section 3(a) thereof [[15 U.S.C. 77c\(a\)](#)];

(B)

any [security](#) exempted from the provisions of the [Securities Act of 1933](#), as amended [[15 U.S.C. 77a](#) et seq.], by paragraph (2) of subsection 3(a) thereof, as amended by section 401 of the [Employment Security Amendments of 1970](#) [[15 U.S.C. 77c\(a\)\(2\)](#)];

(5)

any [security](#) issued under a mortgage [indenture](#) as to which a contract of insurance under the [National Housing Act](#) [[12 U.S.C. 1701](#) et seq.] is in effect; and any such [security](#) shall be deemed to be exempt from the provisions of the [Securities Act of 1933](#) [[15 U.S.C. 77a](#) et seq.] to the same extent as though such [security](#) were specifically enumerated in section 3(a)(2) of such Act [[15 U.S.C. § 77c\(a\)\(2\)](#)];

(6)

any note, bond, debenture, or evidence of indebtedness issued or guaranteed by a foreign government or by a subdivision, department, municipality, agency, or instrumentality thereof;

(7)

any guarantee of any [security](#) which is exempted by this subsection;

(8)

any [security](#) which has been or is to be issued otherwise than under an [indenture](#), but this exemption shall not be applied within a period of twelve consecutive months to an aggregate principal amount of [securities](#) of the same issuer greater than the figure stated in section 3(b) of the [Securities Act of 1933 \[15 U.S.C. 77c\(b\)\]](#) limiting exemptions thereunder, or such lesser amount as the [Commission](#) may establish by its rules and regulations;

(9)

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 such lesser amount as the [Commission](#) may establish by its rules and regulations, 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, or such lesser amount as the [Commission](#) may establish by its rules and regulations;
or

(10)

any [security](#) issued under a mortgage or trust deed [indenture](#) as to which a contract of insurance under title XI of the [National Housing Act \[12 U.S.C. 1749aaa et seq.\]](#) is in effect; and any such [security](#) shall be deemed to be exempt from the provisions of the [Securities Act of 1933 \[15 U.S.C. 77a et seq.\]](#) to the same extent as though such [security](#) were specifically enumerated in section 3(a)(2), as amended, of the [Securities Act of 1933 \[15 U.S.C. 77c\(a\)\(2\)\]](#).

In computing the aggregate principal amount of [securities](#) to which the exemptions provided by paragraphs (8) and (9) of this subsection may be applied, [securities](#) to which the provisions of sections [77eee](#) and [77fff](#) of this title would not have applied, irrespective of the provisions of those paragraphs, shall be disregarded.

(b)APPLICATION OF SECTIONS 77EEE AND 77FFF

The provisions of sections [77eee](#) and [77fff](#) of this title shall not apply (1) to any of the transactions exempted from the provisions of section 5 of the [Securities Act of 1933 \[15 U.S.C. 77e\]](#) by section 4 thereof [[15 U.S.C. 77d](#)] or (2) to any transaction which would be so exempted but

for the last sentence of paragraph (11) of section 2(a) of such Act [[15 U.S.C. 77b\(a\)](#)].

(c) SECURITIES ISSUED OR PROPOSED TO BE ISSUED UNDER INDENTURE

The [Commission](#) shall, on [application](#) by the issuer and after opportunity for hearing thereon, by order exempt from any one or more provisions of this subchapter any [security](#) issued or proposed to be issued under any [indenture](#) under which, at the time such [application](#) is filed, [securities](#) referred to in paragraph (3) of subsection (a) of this section are outstanding or on January 1, 1959, such [securities](#) were outstanding, if and to the extent that the [Commission](#) finds that compliance with such provision or provisions, through the execution of a supplemental [indenture](#) or otherwise—

(1)

would require, by reason of the provisions of such [indenture](#), or the provisions of any other [indenture](#) or agreement made prior to August 3, 1939, or the provisions of any applicable law, the consent of the holders of [securities](#) outstanding under any such [indenture](#) or agreement; or

(2)

would impose an undue burden on this issuer, having due regard to the public interest and the interests of investors.

(d) EXEMPTIONS IN PUBLIC INTEREST

The [Commission](#) may, by rules or regulations upon its own motion, or by order on [application](#) by an interested person, exempt conditionally or unconditionally any person, registration statement, [indenture](#), [security](#) or transaction, or any class or classes of persons, registration statements, [indentures](#), [securities](#), or transactions, from any one or more of the provisions of this subchapter, if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by this subchapter. The [Commission](#) shall by rules and regulations determine the procedures under which an exemption under this subsection shall be granted, and may, in its sole discretion, decline to entertain any [application](#) for an order of exemption under this subsection.

(e) SECURITIES ISSUED BY SMALL INVESTMENT COMPANY

The [Commission](#) may from time to time by its rules and regulations, and subject to such terms and conditions as may be prescribed herein, add to the [securities](#) exempted as provided in this section any class of [securities](#) issued by a small business investment company under the [Small Business Investment Act of 1958](#) [15 U.S.C. 661 et seq.] if it finds, having regard to the purposes of that Act, that the enforcement of this subchapter with respect to such [securities](#) is not necessary in the public interest and for the protection of investors.

(May 27, 1933, ch. 38, title III, § 304, as added Aug. 3, 1939, ch. 411, [53 Stat. 1153](#); amended Aug. 10, 1954, ch. 667, title III, § 302, [68 Stat. 687](#); [Pub. L. 85-699, title III, § 307\(b\)](#), Aug. 21, 1958, [72 Stat. 694](#); [Pub. L. 86-760](#), Sept. 13, 1960, [74 Stat. 902](#); [Pub. L. 89-754, title V, § 504\(b\)](#), Nov. 3, 1966, [80 Stat. 1278](#); [Pub. L. 91-567, § 6\(c\)](#), Dec. 22, 1970, [84 Stat. 1499](#); [Pub. L. 96-477, title III, § 302](#), Oct. 21, 1980, [94 Stat. 2291](#); [Pub. L. 101-550, title IV, § 403](#), Nov. 15, 1990, [104 Stat. 2722](#); [Pub. L. 104-290, title V, § 508\(e\)](#), Oct. 11, 1996, [110 Stat. 3448](#); [Pub. L. 105-353, title III, § 301\(e\)\(2\)](#), Nov. 3, 1998, [112 Stat. 3237](#); [Pub. L. 111-203, title IX, § 985\(c\)\(1\)](#), July 21, 2010, [124 Stat. 1934](#).)

15 U.S. Code § 77eee. Securities required to be registered under Securities Act

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(a) INFORMATION REQUIRED Subject to the provisions of [section 77ddd of this title](#), a registration statement relating to a [security](#) shall include the following information and documents, as though such inclusion were required by the provisions of section 7 of the [Securities Act of 1933](#) [15 U.S.C. 77g]—

(1)

such information and documents as the [Commission](#) may by rules and regulations prescribe in order to enable the [Commission](#) to determine whether any person designated to act as trustee under

the indenture under which such security has been or is to be issued is eligible to act as such under subsection (a) of section 77jjj of this title; and

(2)

an analysis of any provisions of such indenture with respect to (A) the definition of what shall constitute a default under such indenture, and the withholding of notice to the indenture security holders of any such default, (B) the authentication and delivery of the indenture securities and the application of the proceeds thereof, (C) the release or the release and substitution of any property subject to the lien of the indenture, (D) the satisfaction and discharge of the indenture, and (E) the evidence required to be furnished by the obligor upon the indenture securities to the trustee as to compliance with the conditions and covenants provided for in such indenture.

The information and documents required by paragraph (1) of this subsection with respect to the person designated to act as indenture trustee shall be contained in a separate part of such registration statement, which part shall be signed by such person. Such part of the registration statement shall be deemed to be a document filed pursuant to this subchapter, and the provisions of sections 11, 12, 17, and 24 of the Securities Act of 1933 [15 U.S.C. 77k, 77l, 77q, 77x] shall not apply to statements therein or omissions therefrom.

(b) REFUSAL OF REGISTRATION STATEMENT

(1) Except as may be permitted by paragraph (2) of this subsection, the Commission shall issue an order prior to the effective date of registration refusing to permit such a registration statement to become effective, if it finds that—

(A)

the security to which such registration statement relates has not been or is not to be issued under an indenture; or

(B)

any person designated as trustee under such indenture is not eligible to act as such under subsection (a) of section 77jjj of this title; but no such order shall be issued except after notice and opportunity for hearing within the periods and in the manner required with respect to refusal orders pursuant to section 8(b) of the Securities Act of

1933 [15 U.S.C. 77h(b)]. If and when the **Commission** deems that the objections on which such order was based have been met, the **Commission** shall enter an order rescinding such refusal order, and the registration shall become effective at the time provided in section 8(a) of the **Securities Act of 1933 [15 U.S.C. 77h(a)]**, or upon the date of such rescission, whichever shall be the later.

(2)

In the case of **securities** registered under the **Securities Act of 1933 [15 U.S.C. 77a et seq.]**, which **securities** are eligible to be issued, offered, or sold on a delayed basis by or on behalf of the registrant, the **Commission** shall not be required to issue an order pursuant to paragraph (1) of subsection (b) of this section for failure to designate a trustee eligible to act under subsection (a) of **section 77jjj of this title** if, in accordance with such rules and regulations as may be prescribed by the **Commission**, the issuer of such **securities** files an **application** for the purpose of determining such trustee's eligibility under subsection (a) of **section 77jjj of this title**. The **Commission** shall issue an order prior to the effective date of such **application** refusing to permit the **application** to become effective, if it finds that any person designated as trustee under such **indenture** is not eligible to act as such under subsection (a) of **section 77jjj of this title**, but no order shall be issued except after notice and opportunity for hearing within the periods and in the manner required with respect to refusal orders pursuant to section 8(b) of the **Securities Act of 1933 [15 U.S.C. 77h(b)]**. If after notice and opportunity for hearing the **Commission** issues an order under this provision, the **obligor** shall within 5 calendar days appoint a trustee meeting the requirements of subsection (a) of **section 77jjj of this title**. No such appointment shall be effective and such refusal order shall not be rescinded by the **Commission** until a person eligible to act as trustee under subsection (a) of **section 77jjj of this title** has been appointed. If no order is issued, an **application** filed pursuant to this paragraph shall be effective the tenth day after filing thereof or such earlier date as the **Commission** may determine, having due regard to the adequacy of information provided therein, the public interest, and the protection of investors.

(c) INFORMATION REQUIRED IN PROSPECTUS

A [prospectus](#) relating to any such [security](#) shall include to the extent the [Commission](#) may prescribe by rules and regulations as necessary and appropriate in the public interest or for the protection of investors, as though such inclusion were required by section 10 of the [Securities Act of 1933 \[15 U.S.C. 77j\]](#), a written statement containing the analysis set forth in the registration statement, of any [indenture](#) provisions with respect to the matters specified in paragraph (2) of subsection (a) of this section, together with a supplementary analysis, prepared by the [Commission](#), of such provisions and of the effect thereof, if, in the opinion of the [Commission](#), the inclusion of such supplementary analysis is necessary or appropriate in the public interest or for the protection of investors, and the [Commission](#) so declares by order after notice and, if demanded by the issuer, opportunity for hearing thereon. Such order shall be entered prior to the effective date of registration, except that if opportunity for hearing thereon is demanded by the issuer such order shall be entered within a reasonable time after such opportunity for hearing.

(d) APPLICABILITY OF OTHER STATUTORY PROVISIONS

The provisions of sections 11, 12, 17, and 24 of the [Securities Act of 1933 \[15 U.S.C. 77k, 77l, 77q, 77x\]](#), and the provisions of sections 77www and 77yyy of this title, shall not apply to statements in or omissions from any analysis required under the provisions of this section or section 77fff or 77ggg of this title.

(May 27, 1933, ch. 38, title III, § 305, as added Aug. 3, 1939, ch. 411, [53 Stat. 1154](#); amended Aug. 10, 1954, ch. 667, title III, § 303, [68 Stat. 687](#); [Pub. L. 101-550, title IV, § 404](#), Nov. 15, 1990, [104 Stat. 2722](#).)

15 U.S. Code § 77fff. Securities not registered under Securities Act

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(a) PROHIBITIONS AFFECTING UNREGISTERED SECURITIES NOT ISSUED UNDER INDENTURE In the case of any [security](#) which is not registered under the [Securities Act of 1933 \[15 U.S.C. 77a et seq.\]](#) and to which this

subsection is applicable notwithstanding the provisions of [section 77ddd of this title](#), unless such [security](#) has been or is to be issued under an [indenture](#) and an [application for qualification](#) is effective as to such [indenture](#), it shall be unlawful for any person, directly or indirectly—

(1)

to make use of any means or instruments of transportation or communication in interstate commerce or of the mails to [sell](#) such [security](#) through the use or medium of any [prospectus](#) or otherwise; or

(2)

to carry or cause to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such [security](#) for the purpose of [sale](#) or for delivery after [sale](#).

(b) PROHIBITIONS AFFECTING UNREGISTERED SECURITIES ISSUED UNDER INDENTURE In the case of any [security](#) which is not registered under the [Securities Act of 1933 \[15 U.S.C. 77a et seq.\]](#), but which has been or is to be issued under an [indenture](#) as to which an [application for qualification](#) is effective, it shall be unlawful for any person, directly or indirectly—

(1)

to make use of any means or instruments of transportation or communication in interstate commerce or of the mails to carry or transmit any [prospectus](#) relating to any such [security](#), unless such [prospectus](#), to the extent the [Commission](#) may prescribe by rules and regulations as necessary and appropriate in the public interest or for the protection of investors, includes or is accompanied by a written statement that contains the information specified in subsection (c) of [section 77eee of this title](#); or

(2)

to carry or to cause to be carried through the mails or in interstate commerce any such [security](#) for the purpose of [sale](#) or for delivery after [sale](#), unless, to the extent the [Commission](#) may prescribe by rules and regulations as necessary or appropriate in the public interest or for the protection of investors, accompanied or preceded by a written statement that contains the information specified in subsection (c) of [section 77eee of this title](#).

(c)NECESSITY OF ISSUANCE UNDER INDENTURE; APPLICATION FOR QUALIFICATION
It shall be unlawful for any person, directly or indirectly, to make use of any means or instruments of transportation or communication in interstate commerce or of the mails to [offer to sell](#) through the use or medium of any [prospectus](#) or otherwise any [security](#) which is not registered under the [Securities Act of 1933 \[15 U.S.C. 77a et seq.\]](#) and to which this subsection is applicable notwithstanding the provisions of [section 77ddd of this title](#), unless such [security](#) has been or is to be issued under an [indenture](#) and an [application for qualification](#) has been filed as to such [indenture](#), or while the [application](#) is the subject of a refusal order or stop order or (prior to qualification) any public proceeding or examination under [section 77ggg\(c\) of this title](#).

(May 27, 1933, ch. 38, title III, § 306, as added Aug. 3, 1939, ch. 411, [53 Stat. 1155](#); amended Aug. 10, 1954, ch. 667, title III, § 304, [68 Stat. 687](#).)

15 U.S. Code § 77ggg. Qualification of indentures covering securities not required to be registered

- [U.S. Code](#)

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(a)APPLICATION; INFORMATION REQUIRED; AVAILABILITY OF INFORMATION TO PUBLIC
In the case of any [security](#) which is not required to be registered under the [Securities Act of 1933 \[15 U.S.C. 77a et seq.\]](#) and to which subsection (a) of [section 77fff of this title](#) is applicable notwithstanding the provisions of [section 77ddd of this title](#), an [application for qualification](#) of the [indenture](#) under which such [security](#) has been or is to be issued shall be filed with the [Commission](#) by the issuer of such [security](#). Each such [application](#) shall be in such form, and shall be signed in such manner, as the [Commission](#) may by rules and regulations prescribe as necessary or appropriate in the public interest or for the protection of investors. Each such [application](#) shall include the information and documents required by subsection (a) of [section 77eee of this title](#).

The information and documents required by paragraph (1) of such subsection with respect to the person designated to act as [indenture trustee](#) shall be contained in a separate part of such [application](#), which part shall be signed by such person. Each such [application](#) shall also include such of the other information and documents which would be required to be filed in order to register such [indenture security](#) under the [Securities Act of 1933](#) as the [Commission](#) may by rules and regulations prescribe as necessary or appropriate in the public interest or for the protection of investors. An [application](#) may be withdrawn by the applicant at any time prior to the effective date thereof. Subject to the provisions of [section 77uuu of this title](#), the information and documents contained in or filed with any [application](#) shall be made available to the public under such regulations as the [Commission](#) may prescribe, and copies thereof, photostatic or otherwise, shall be furnished to every applicant therefor at such reasonable charge as the [Commission](#) may prescribe.

(b) FILING OF APPLICATION

The filing with the [Commission](#) of an [application](#), or of an amendment to an [application](#), shall be deemed to have taken place upon the receipt thereof by the [Commission](#).

(c) APPLICABILITY OF OTHER STATUTORY PROVISIONS

The provisions of [section 77h of this title](#) and the provisions of subsection (b) of [section 77eee of this title](#) shall apply with respect to every such [application](#), as though such [application](#) were a registration statement filed pursuant to the provisions of the [Securities Act of 1933](#) [[15 U.S.C. 77a](#) et seq.]. (May 27, 1933, ch. 38, title III, § 307, as added Aug. 3, 1939, ch. 411, [53 Stat. 1156](#); amended [Pub. L. 107-123, § 7](#), Jan. 16, 2002, [115 Stat. 2397](#).)

15 U.S. Code § 77hhh. Integration of procedure with Securities Act and other Acts

- [U.S. Code](#)
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(a) INCORPORATION BY REFERENCE

The [Commission](#), by such rules and regulations or orders as it deems necessary or appropriate in the public interest or for the protection of investors, shall authorize the filing of any information or documents required to be filed with the [Commission](#) under this subchapter, or under the [Securities Act of 1933 \[15 U.S.C. 77a et seq.\]](#) or the [Securities Exchange Act of 1934 \[15 U.S.C. 78a et seq.\]](#), by incorporating by reference any information or documents on file with the [Commission](#) under this subchapter or under any such Act.

(b)CONSOLIDATION OF APPLICATIONS, REPORTS, ETC.

The [Commission](#), by such rules and regulations or orders as it deems necessary or appropriate in the public interest or for the protection of investors, shall provide for the consolidation of [applications](#), reports, and proceedings under this subchapter with registration statements, [applications](#), reports, and proceedings under the [Securities Act of 1933 \[15 U.S.C. 77a et seq.\]](#) or the [Securities Exchange Act of 1934 \[15 U.S.C. 78a et seq.\]](#).

(May 27, 1933, ch. 38, title III, § 308, as added Aug. 3, 1939, ch. 411, [53 Stat. 1156](#); amended [Pub. L. 111-203, title IX, § 986\(b\)\(2\)](#), July 21, 2010, [124 Stat. 1936](#).)

15 U.S. Code § 77iii.Effective time of qualification

- [U.S. Code](#)

- [Notes](#)

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(a)EFFECTIVE TIME OF REGISTRATION OR APPLICATION FOR QUALIFICATION OF INDENTUREThe [indenture](#) under which a [security](#) has been or is to be issued shall be deemed to have been qualified under this subchapter—

(1)

when registration becomes effective as to such [security](#); or

(2)

when an [application](#) for the qualification of such [indenture](#) becomes effective, pursuant to [section 77ggg of this title](#).

(b)STOP ORDERS AFTER EFFECTIVE TIME OF QUALIFICATION

After qualification has become effective as to the [indenture](#) under which a [security](#) has been or is to be issued, no stop order shall be issued pursuant to [section 77h\(d\) of this title](#), suspending the effectiveness of the registration statement relating to such [security](#) or of the [application for qualification](#) of such [indenture](#), except on one or more of the grounds specified in [section 77h of this title](#), or the failure of the issuer to file an [application](#) as provided for by [section 77eee\(b\) \(2\) of this title](#).

(c) EFFECT OF SUBSEQUENT RULE OR REGULATION ON QUALIFICATION

The making, amendment, or rescission of a rule, regulation, or order under the provisions of this subchapter (except to the extent authorized by subsection (a) of [section 77nnn of this title](#) with respect to rules and regulations prescribed pursuant to such subsection) shall not affect the qualification, form, or interpretation of any [indenture](#) as to which qualification became effective prior to the making, amendment, or rescission of such rule, regulation, or order.

(d) LIABILITY OF TRUSTEE UNDER QUALIFIED INDENTURE

No trustee under an [indenture](#) which has been qualified under this subchapter shall be subject to any liability because of any failure of such [indenture](#) to comply with any of the provisions of this subchapter, or any rule, regulation, or order thereunder.

(e) POWER OF COMMISSION TO CONDUCT INVESTIGATION

Nothing in this subchapter shall be construed as empowering the [Commission](#) to conduct an investigation or other proceeding for the purpose of determining whether the provisions of an [indenture](#) which has been qualified under this subchapter are being complied with, or to enforce such provisions. (May 27, 1933, ch. 38, title III, § 309, as added Aug. 3, 1939, ch. 411, [53 Stat. 1157](#); amended [Pub. L. 101-550, title IV, § 405](#), Nov. 15, 1990, [104 Stat. 2723](#).)

15 U.S. Code § 77jjj. Eligibility and disqualification of trustee

- [U.S. Code](#)
 - [Notes](#)
-

(a) PERSONS ELIGIBLE FOR APPOINTMENT AS TRUSTEE

(1)

There shall at all times be one or more trustees under every [indenture](#) qualified or to be qualified pursuant to this subchapter, at least one of whom shall at all times be a corporation organized and doing business under the laws of the United [States](#) or of any [State](#) or Territory or of the District of Columbia or a corporation or other person permitted to act as trustee by the [Commission](#) (referred to in this subchapter as the institutional trustee), which (A) is authorized under such laws to exercise corporate trust powers, and (B) is subject to supervision or examination by Federal, [State](#), Territorial, or District of Columbia authority. The [Commission](#) may, pursuant to such rules and regulations as it may prescribe, or by order on [application](#), permit 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 pursuant to this subchapter, if such corporation or other person (i) is authorized under such laws to exercise corporate trust powers, and (ii) is subject to supervision or examination by authority of such foreign government or a political subdivision thereof substantially equivalent to supervision or examination applicable to United [States](#) institutional trustees. In prescribing such rules and regulations or making such order, the [Commission](#) shall consider whether under such laws, a United [States](#) institutional trustee is eligible to act as sole trustee under an [indenture](#) relating to [securities](#) sold within the jurisdiction of such foreign government.

(2)

Such institution [\[1\]](#) trustee shall have at all times a combined capital and surplus of a specified minimum amount, which shall not be less than \$150,000. If such institutional trustee publishes reports of condition at least annually, pursuant to law or to the requirements of said supervising or examining authority, the [indenture](#) may provide that, for the purposes of this paragraph, the combined capital and surplus of such trustee shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

(3)

If the **indenture to be qualified** requires or permits the appointment of one or more co-trustees in addition to such institutional trustee, the rights, powers, duties, and obligations conferred or imposed upon the trustees or any of them shall be conferred or imposed upon and exercised or performed by such institutional trustee, or such institutional trustee and such co-trustees jointly, except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed, such institutional trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties, and obligations shall be exercised and performed by such co-trustees.

(4)

In the case of certificates of interest or participation, the **indenture trustee** or trustees shall have the legal power to exercise all of the rights, powers, and privileges of a holder of the **security** or **securities** in which such certificates evidence an interest or participation.

(5)

No **obligor** upon the **indenture securities** or person directly or indirectly controlling, controlled by, or under common control with such **obligor** shall serve as trustee upon such **indenture securities**.

(b) **DISQUALIFICATION OF TRUSTEE** If any **indenture trustee** has or shall acquire any conflicting interest as hereinafter defined—

(i)

then, within 90 days after ascertaining that it has such conflicting interest, and if the default (as defined in the next sentence) to which such conflicting interest relates has not been cured or duly waived or otherwise eliminated before the end of such 90-day period, such trustee shall either eliminate such conflicting interest or, except as otherwise provided below in this subsection, resign, and the **obligor** upon the **indenture securities** shall take prompt steps to have a successor appointed in the manner provided in the **indenture**;

(ii)

in the event that such trustee shall fail to comply with the provisions of clause (i) of this subsection, such trustee shall, within 10 days after the expiration of such 90-day period, transmit notice of such failure to

the **indenture security** holders in the manner and to the extent provided in subsection (c) of **section 77mmm of this title**; and

(iii)

subject to the provisions of subsection (e) of **section 77ooo of this title**, unless such trustee's duty to resign is stayed as provided below in this subsection, any **security** holder who has been a bona fide holder of indenture **securities** for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of such trustee, and the appointment of a successor, if such trustee fails, after written request thereof by such holder to comply with the provisions of clause (i) of this subsection.

For the purposes of this subsection, an **indenture trustee** shall be deemed to have a conflicting interest if the indenture **securities** are in default (as such term is defined in such **indenture**, but exclusive of any period of grace or requirement of notice) and—

(1) such trustee is trustee under another **indenture** under which any other **securities**, or certificates of interest or participation in any other **securities**, of an **obligor** upon the **indenture securities** are outstanding or is trustee for more than one outstanding **series** of **securities**, as hereafter defined, under a single **indenture** of an **obligor**, unless—

(A)

the **indenture securities** are collateral trust notes under which the only collateral consists of **securities** issued under such other **indenture**,

(B)

such other **indenture** is a collateral trust **indenture** under which the only collateral consists of **indenture securities**, or

(C)

such **obligor** has no substantial unmortgaged assets and is engaged primarily in the business of owning, or of owning and developing and/or operating, real estate, and the **indenture to be qualified** and such other **indenture** are secured by wholly separate and distinct parcels of real estate:

Provided, That the **indenture to be qualified** shall automatically be deemed (unless it is expressly provided therein that such provision is excluded) to contain a provision excluding from the operation of this

paragraph other series under such indenture, and any other indenture or indentures under which other securities, or certificates of interest or participation in other securities, of such an obligor are outstanding, if—

(i)

the indenture to be qualified and any such other indenture or indentures (and all series of securities issuable thereunder) are wholly unsecured and rank equally, and such other indenture or indentures (and such series) are specifically described in the indenture to be qualified or are thereafter qualified under this subchapter, unless the Commission shall have found and declared by order pursuant to subsection (b) of section 77eee of this title or subsection (c) of section 77ggg of this title that differences exist between the provisions of the indenture (or such series) to be qualified and the provisions of such other indenture or indentures (or such series) which are so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify such trustee from acting as such under one of such indentures, or

(ii)

the issuer shall have sustained the burden of proving, on application to the Commission and after opportunity for hearing thereon, that trusteeship under the indenture to be qualified and such other indenture or under more than one outstanding series under a single indenture is not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify such trustee from acting as such under one of such indentures or with respect to such series;

(2)

such trustee or any of its directors or executive officers is an underwriter for an obligor upon the indenture securities;

(3)

such trustee directly or indirectly controls or is directly or indirectly controlled by or is under direct or indirect common control with an underwriter for an obligor upon the indenture securities;

(4) such trustee or any of its directors or executive officers is a director, officer, partner, employee, appointee, or representative of

an **obligor** upon the indenture **securities**, or of an **underwriter** (other than the trustee itself) for such an **obligor** who is currently engaged in the business of underwriting, except that—

(A)

one individual may be a **director** and/or an **executive officer** of the trustee and a **director** and/or an **executive officer** of such **obligor**, but may not be at the same time an **executive officer** of both the trustee and of such **obligor**,

(B)

if and so long as the number of **directors** of the trustee in office is more than nine, one additional individual may be a **director** and/or an **executive officer** of the trustee and a **director** of such **obligor**, and

(C)

such trustee may be designated by any such **obligor** or by any **underwriter** for any such **obligor**, to act in the capacity of transfer agent, registrar, custodian, **paying agent**, fiscal agent, escrow agent, or depository, or in any other similar capacity, or, subject to the provisions of paragraph (1) of this subsection, to act as trustee, whether under an **indenture** or otherwise;

(5)

10 per centum or more of the voting **securities** of such trustee is beneficially owned either by an **obligor** upon the **indenture securities** or by any **director**, partner or **executive officer** thereof, or 20 per centum or more of such voting **securities** is beneficially owned, collectively by any two or more of such persons; or 10 per centum or more of the voting **securities** of such trustee is beneficially owned either by an **underwriter** for any such **obligor** or by any **director**, partner, or **executive officer** thereof, or is beneficially owned, collectively, by any two or more such persons;

(6) such trustee is the beneficial owner of, or holds as collateral **security** for an obligation which is in default as hereinafter defined—

(A)

5 per centum or more of the voting **securities**, or 10 per centum or more of any other class of **security**, of an **obligor** upon the **indenture securities**, not

including indentures [2] securities and securities issued under any other indenture under which such trustee is also trustee, or

(B)

10 per centum or more of any class of security of an underwriter for any such obligor;

(7)

such trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default as hereinafter defined, 5 per centum or more of the voting securities of any person who, to the knowledge of the trustee, owns 10 per centum or more of the voting securities of, or controls directly or indirectly or is under direct or indirect common control with, an obligor upon the indenture securities;

(8)

such trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default as hereinafter defined, 10 per centum or more of any class of security of any person who, to the knowledge of the trustee, owns 50 per centum or more of the voting securities of an obligor upon the indenture securities;

(9)

such trustee owns, on the date of default upon the indenture securities (as such term is defined in such indenture but exclusive of any period of grace or requirement of notice) or any anniversary of such default while such default upon the indenture securities remains outstanding, in the capacity of executor, administrator, testamentary or inter vivos trustee, guardian, committee or conservator, or in any other similar capacity, an aggregate of 25 per centum or more of the voting securities, or of any class of security, of any person, the beneficial ownership of a specified percentage of which would have constituted a conflicting interest under paragraph (6), (7), or (8) of this subsection. As to any such securities of which the indenture trustee acquired ownership through becoming executor, administrator or testamentary trustee of an estate which include them, the provisions of the preceding sentence shall not apply for a period of not more than 2 years from the date of such acquisition, to the extent that such securities included in such estate do not exceed 25 per centum of such voting securities or

25 per centum of any such class of security. Promptly after the dates of any such default upon the indenture securities and annually in each succeeding year that the indenture securities remain in default the trustee shall make a check of its holding of such securities in any of the above-mentioned capacities as of such dates. If the obligor upon the indenture securities fails to make payment in full of principal or interest under such indenture when and as the same becomes due and payable, and such failure continues for 30 days thereafter, the trustee shall make a prompt check of its holdings of such securities in any of the above-mentioned capacities as of the date of the expiration of such 30-day period, and after such date, notwithstanding the foregoing provisions of this paragraph, all such securities so held by the trustee, with sole or joint control over such securities vested in it, shall be considered as though beneficially owned by such trustee, for the purposes of paragraphs (6), (7), and (8) of this subsection; or

(10)

except under the circumstances described in paragraphs 31 (1), (3), (4), (5) or (6) of section 77kkk(b) of this title, the trustee shall be or shall become a creditor of the obligor.

For purposes of paragraph (1) of this subsection, and of section 77ppp(a) of this title, the term “series of securities” or “series” means a series, class or group of securities issuable under an indenture pursuant to whose terms holders of one such series may vote to direct the indenture trustee, or otherwise take action pursuant to a vote of such holders, separately from holders of another such series: *Provided*, That “series of securities” or “series” shall not include any series of securities issuable under an indenture if all such series rank equally and are wholly unsecured.

The specification of percentages in paragraphs (5) to (9), inclusive, of this subsection shall not be construed as indicating that the ownership of such percentages of the securities of a person is or is not necessary or sufficient to constitute direct or indirect control for the purposes of paragraph (3) or (7) of this subsection.

For the purposes of paragraphs (6), (7), (8), and (9) of this subsection—

(A)

the terms “security” and “securities” shall include only such securities as are generally known as corporate securities, but

shall not include any note or other evidence of indebtedness issued to evidence an obligation to repay moneys lent to a person by one or more banks, trust companies, or banking firms, or any certificate of interest or participation in any such note or evidence of indebtedness;

(B)

an obligation shall be deemed to be in default when a default in payment of principal shall have continued for thirty days or more, and shall not have been cured; and

(C)

the indenture trustee shall not be deemed the owner or holder of (i) any security which it holds as collateral security (as trustee or otherwise) for any obligation which is not in default as above defined, or (ii) any security which it holds as collateral security under the indenture to be qualified, irrespective of any default thereunder, or (iii) any security which it holds as agent for collection, or as custodian, escrow agent or depository, or in any similar representative capacity.

For the purposes of this subsection, the term “underwriter” when used with reference to an obligor upon the indenture securities means every person who, within one year prior to the time as of which the determination is made, was an underwriter of any security of such obligor outstanding at the time of the determination.

Except in the case of a default in the payment of the principal of or interest on any indenture security, or in the payment of any sinking or purchase fund installment, the indenture trustee shall not be required to resign as provided by this subsection if such trustee shall have sustained the burden of proving, on application to the Commission and after opportunity for hearing thereon, that—

(i)

the default under the indenture may be cured or waived during a reasonable period and under the procedures described in such application, and

(ii)

a stay of the trustee’s duty to resign will not be inconsistent with the interests of holders of the indenture securities. The filing of such an application shall automatically stay the performance of the duty to resign until the Commission orders otherwise.

Any resignation of an [indenture trustee](#) shall become effective only upon the appointment of a successor trustee and such successor's acceptance of such an appointment.

(May 27, 1933, ch. 38, title III, § 310, as added Aug. 3, 1939, ch. 411, [53 Stat. 1157](#); amended [Pub. L. 101-550, title IV](#), §§ 406-408, Nov. 15, 1990, [104 Stat. 2723](#), 2724; [Pub. L. 111-203, title IX, § 986\(b\)\(3\)](#), July 21, 2010, [124 Stat. 1936](#).)

15 U.S. Code § 77kk. Preferential collection of claims against obligor

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(a) **TRUSTEE AS CREDITOR OF OBLIGOR** Subject to the provisions of subsection (b) of this section, if the [indenture trustee](#) shall be, or shall become, a creditor, directly or indirectly, secured or unsecured, of an [obligor](#) upon the indenture [securities](#), within three months prior to a [default](#) as defined in the last paragraph of this subsection, or subsequent to such a [default](#), then, unless and until such [default](#) shall be cured, such trustee shall set apart and hold in a special account for the benefit of the trustee individually and the [indenture security holders](#)—

(1)

an amount equal to any and all reductions in the amount due and owing upon any claim as such creditor in respect of principal or interest, effected after the beginning of such three months' period and valid as against such [obligor](#) and its other creditors, except any such reduction resulting from the receipt or disposition of any property described in paragraph (2) of this subsection, or from the exercise of any right of setoff which the trustee could have exercised if a petition

in bankruptcy had been filed by or against such **obligor** upon the date of such **default**; and

(2)

all property received in respect of any claim as such creditor, either as **security** therefor, or in satisfaction or composition thereof, or otherwise, after the beginning of such three months' period, or an amount equal to the proceeds of any such property, if disposed of, subject, however, to the rights, if any, of such **obligor** and its other creditors in such property or such proceeds.

Nothing herein contained shall affect the right of the **indenture trustee**

—

(A)

to retain for its own account (i) payments made on account of any such claim by any person (other than such **obligor**) who is liable thereon, and (ii) the proceeds of the bona fide **sale** of any such claim by the trustee to a third person, and (iii) distributions made in cash, **securities**, or other property in respect of claims filed against such **obligor** in bankruptcy or receivership or in proceedings for reorganization pursuant to the **Bankruptcy Act** or applicable **State** law;

(B)

to realize, for its own account, upon any property held by it as **security** for any such claim, if such property was so held prior to the beginning of such three months' period;

(C)

to realize, for its own account, but only to the extent of the claim hereinafter mentioned, upon any property held by it as **security** for any such claim, if such claim was created after the beginning of such three months' period and such property was received as **security** therefor simultaneously with the creation thereof, and if the trustee shall sustain the burden of proving that at the time such property was so received the trustee had no reasonable cause to believe that a **default** as defined in the last paragraph of this subsection would occur within three months; or

(D)

to receive payment on any claim referred to in paragraph (B) or (C) of this subsection, against the release of any property held

as **security** for such claim as provided in said paragraph (B) or (C), as the case may be, to the extent of the fair value of such property.

For the purposes of paragraphs (B), (C), and (D) of this subsection, property substituted after the beginning of such three months' period for property held as **security** at the time of such substitution shall, to the extent of the fair value of the property released, have the same status as the property released, and, to the extent that any claim referred to in any of such paragraphs is created in renewal of or in substitution for or for the purpose of repaying or refunding any preexisting claim of the **indenture trustee** as such creditor, such claim shall have the same status as such preexisting claim.

If the trustee shall be required to account, the funds and property held in such special account and the proceeds thereof shall be apportioned between the trustee and the **indenture security holders** in such manner that the trustee and the **indenture security holders** realize, as a result of payments from such special account and payments of **dividends** on claims filed against such **obligor** in bankruptcy or receivership or in proceedings for reorganization pursuant to the **Bankruptcy Act** or applicable **State** law, the same percentage of their respective claims, figured before crediting to the claim of the trustee anything on account of the receipt by it from such **obligor** of the funds and property in such special account and before crediting to the respective claims of the trustee and the **indenture security holders** dividends on claims filed against such **obligor** in bankruptcy or receivership or in proceedings for reorganization pursuant to the **Bankruptcy Act** or applicable **State** law, but after crediting thereon receipts on account of the indebtedness represented by their respective claims from all sources other than from such **dividends** and from the funds and property so held in such special account. As used in this paragraph, with respect to any claim, the term "**dividends**" shall include any distribution with respect to such claim, in bankruptcy or receivership or in proceedings for reorganization pursuant to the **Bankruptcy Act** or applicable **State** law, whether such distribution is made in cash, **securities**, or other property, but shall not include any such distribution with respect to the secured portion, if any, of such claim. The court in which such bankruptcy, receivership, or proceeding for reorganization is pending shall have jurisdiction (i) to apportion between the **indenture trustee** and the **indenture security holders**, in

accordance with the provisions of this paragraph, the funds and property held in such special account and the proceeds thereof, or (ii) in lieu of such apportionment, in whole or in part, to give to the provisions of this paragraph due consideration in determining the fairness of the distributions to be made to the [indenture trustee](#) and the [indenture security holders](#) with respect to their respective claims, in which event it shall not be necessary to liquidate or to appraise the value of any [securities](#) or other property held in such special account or as [security](#) for any such claim, or to make a specific allocation of such distributions as between the secured and unsecured portions of such claims, or otherwise to apply the provisions of this paragraph as a mathematical formula.

Any [indenture trustee](#) who has resigned or been removed after the beginning of such three months' period shall be subject to the provisions of this subsection as though such resignation or removal had not occurred. Any [indenture trustee](#) who has resigned or been removed prior to the beginning of such three months' period shall be subject to the provisions of this subsection if and only if the following conditions exist—

(i)

the receipt of property or reduction of claim which would have given rise to the obligation to account, if such [indenture trustee](#) had continued as trustee, occurred after the beginning of such three months' period; and

(ii)

such receipt of property or reduction of claim occurred within three months after such resignation or removal.

As used in this subsection, the term “[default](#)” means any failure to make payment in full of principal or interest, when and as the same becomes due and payable, under any [indenture](#) which has been qualified under this subchapter, and under which the [indenture trustee](#) is trustee and the person of whom the [indenture trustee](#) is directly or indirectly a creditor is an [obligor](#); and the term “[indenture security holder](#)” means all holders of [securities](#) outstanding under any such [indenture](#) under which any such [default](#) exists. In any case commenced under the [Bankruptcy Act](#) of July 1, 1898, or any amendment thereto enacted prior to November 6, 1978, all references

to periods of three months shall be deemed to be references to periods of four months.

(b) EXCLUSION OF CREDITOR RELATIONSHIP ARISING FROM SPECIFIED CLASSES The [indenture to be qualified](#) shall automatically be deemed (unless it is expressly provided therein that any such provision is excluded) to contain provisions excluding from the operation of subsection (a) of this section a creditor relationship arising from—

(1)

the ownership or acquisition of [securities](#) issued under any [indenture](#), or any [security](#) or [securities](#) having a maturity of one year or more at the time of acquisition by the [indenture trustee](#);

(2)

advances authorized by a receivership or bankruptcy court of competent jurisdiction, or by the [indenture](#), for the purpose of preserving the property subject to the lien of the [indenture](#) or of discharging tax liens or other prior liens or encumbrances on the trust estate, if notice of such advance and of the circumstances surrounding the making thereof is given to the [indenture security holders](#), at the time and in the manner provided in the [indenture](#);

(3)

disbursements made in the ordinary course of business in the capacity of trustee under an [indenture](#), transfer agent, registrar, custodian, [paying agent](#), fiscal agent or depositary, or other similar capacity;

(4)

an indebtedness created as a result of services rendered or premises rented; or an indebtedness created as a result of goods or [securities](#) sold in a [cash transaction](#) as defined in the [indenture](#);

(5)

the ownership of stock or of other [securities](#) of a corporation organized under the provisions of [section 25\(a\) \[1\]](#) of the [Federal Reserve Act](#), as amended [[12 U.S.C. 611](#) et seq.], which is directly or indirectly a creditor of an [obligor](#) upon the [indenture securities](#); or

(6)

the acquisition, ownership, acceptance, or negotiation of any drafts, bills of exchange, acceptances, or obligations which fall within the classification of [self-liquidating paper](#) as defined in the [indenture](#).

(May 27, 1933, ch. 38, title III, § 311, as added Aug. 3, 1939, ch. 411, [53 Stat. 1161](#); amended [Pub. L. 101-550, title IV, § 409](#), Nov. 15, 1990, [104 Stat. 2728](#); [Pub. L. 111-203, title IX, § 986\(b\)\(4\)](#), July 21, 2010, [124 Stat. 1936](#).)

15 U.S. Code § 77mmm. Reports by indenture trustee

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(a) **REPORT TO SECURITY HOLDERS; TIME; CONTENTS**The [indenture trustee](#) shall transmit to the [indenture security](#) holders as hereinafter provided, at stated intervals of not more than 12 months, a brief report with respect to any of the following events which may have occurred within the previous 12 months (but if no such event has occurred within such period no report need be transmitted):— [\[1\]](#)

(1)

any change to its eligibility and its qualifications under [section 77jjj of this title](#);

(2)

the creation of or any material change to a relationship specified in paragraph [\[2\]](#) (1) through (10) of [section 77jjj\(b\) of this title](#);

(3)

the character and amount of any advances made by it, as [indenture trustee](#), which remain unpaid on the date of such report, and for the reimbursement of which it claims or may claim a lien or charge, prior to that of the indenture [securities](#), on the trust estate or on property or funds held or collected by it as such trustee, if such advances so remaining unpaid aggregate more than one-half of 1 per centum of the principal amount of the indenture [securities](#) outstanding on such date;

(4)

any change to the amount, interest rate, and maturity date of all other indebtedness owing to it in its individual capacity, on the date of such report, by the [obligor](#) upon the [indenture securities](#), with a brief

description of any property held as collateral security therefor, except an indebtedness based upon a creditor relationship arising in any manner described in paragraphs (2), (3), (4), or (6) of subsection (b) of section 77kkk of this title;

(5)

any change to the property and funds physically in its possession as indenture trustee on the date of such report;

(6)

any release, or release and substitution, of property subject to the lien of the indenture (and the consideration therefor, if any) which it has not previously reported;

(7)

any additional issue of indenture securities which it has not previously reported; and

(8)

any action taken by it in the performance of its duties under the indenture which it has not previously reported and which in its opinion materially affects the indenture securities or the trust estate, except action in respect of a default, notice of which has been or is to be withheld by it in accordance with an indenture provision authorized by subsection (b) of section 77ooo of this title.

(b) ADDITIONAL REPORTS TO SECURITY HOLDERS The indenture trustee shall transmit to the indenture security holders as hereinafter provided, within the times hereinafter specified, a brief report with respect to—

(1)

the release, or release and substitution, of property subject to the lien of the indenture (and the consideration therefor, if any) unless the fair value of such property, as set forth in the certificate or opinion required by paragraph (1) of subsection (d) of section 77nnn of this title, is less than 10 per centum of the principal amount of indenture securities outstanding at the time of such release, or such release and substitution, such report to be so transmitted within 90 days after such time; and

(2)

the character and amount of any advances made by it as such since the date of the last report transmitted pursuant to the provisions of subsection (a) (or if no such report has yet been so transmitted, since

the date of execution of the [indenture](#)), for the reimbursement of which it claims or may claim a lien or charge, prior to that of the [indenture securities](#), on the trust estate or on property or funds held or collected by it as such trustee, and which it has not previously reported pursuant to this paragraph, if such advances remaining unpaid at any time aggregate more than 10 per centum of the principal amount of [indenture securities](#) outstanding at such time, such report to be so transmitted within 90 days after such time.

(c) **ADDITIONAL PARTIES TO WHOM REPORTS TO BE TRANSMITTED** Reports pursuant to this section shall be transmitted by mail—

(1)

to all registered holders of [indenture securities](#), as the names and addresses of such holders appear upon the registration books of the [obligor](#) upon the [indenture securities](#);

(2)

to such holders of [indenture securities](#) as have, within the two years preceding such transmission, filed their names and addresses with the [indenture trustee](#) for that purpose; and

(3)

except in the case of reports pursuant to subsection (b) of this section, to all holders of [indenture securities](#) whose names and addresses have been furnished to or received by the [indenture trustee](#) pursuant to [section 77III of this title](#).

(d) **FILING OF REPORT WITH STOCK EXCHANGES**

A copy of each such report shall, at the time of such transmission to [indenture security](#) holders, be filed with each stock exchange upon which the [indenture securities](#) are listed, and also with the [Commission](#).

(May 27, 1933, ch. 38, title III, § 313, as added Aug. 3, 1939, ch. 411, [53 Stat. 1165](#); amended [Pub. L. 101-550, title IV](#), §§ 411, 412, Nov. 15, 1990, [104 Stat. 2729](#); [Pub. L. 105-353, title III, § 301\(e\)\(3\)](#), Nov. 3, 1998, [112 Stat. 3237](#).)

15 U.S. Code § 77nnn.Reports by obligor; evidence of compliance with indenture provisions

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(a) PERIODIC REPORTS Each person who, as set forth in the registration statement or [application](#), is or is to be an [obligor](#) upon the indenture [securities](#) covered thereby shall—

(1)

file with the [indenture trustee](#) copies of the annual reports and of the information, documents, and other reports (or copies of such portions of any of the foregoing as the [Commission](#) may by rules and regulations prescribe) which such [obligor](#) is required to file with the [Commission](#) pursuant to section [78m](#) or [78o\(d\)](#) of this title; or, if the [obligor](#) is not required to file information, documents, or reports pursuant to either of such sections, then to file with the [indenture trustee](#) and the [Commission](#), in accordance with rules and regulations prescribed by the [Commission](#), such of the supplementary and periodic information, documents, and reports which may be required pursuant to [section 78m of this title](#), in respect of a [security](#) listed and registered on a national [securities](#) exchange as may be prescribed in such rules and regulations;

(2)

file with the [indenture trustee](#) and the [Commission](#), in accordance with rules and regulations prescribed by the [Commission](#), such additional information, documents, and reports with respect to compliance by such [obligor](#) with the conditions and covenants provided for in the [indenture](#), as may be required by such rules and regulations, including, in the case of annual reports, if required by such rules and regulations, certificates or opinions of independent public

accountants, conforming to the requirements of subsection (e) of this section, as to compliance with conditions or covenants, compliance with which is subject to verification by accountants, but no such certificate or opinion shall be required as to any matter specified in clauses (A), (B), or (C) of paragraph (3) of subsection (c);

(3)

transmit to the holders of the indenture securities upon which such person is an obligor, in the manner and to the extent provided in subsection (c) of section 77mmm of this title, such summaries of any information, documents, and reports required to be filed by such obligor pursuant to the provisions of paragraph (1) or (2) of this subsection as may be required by rules and regulations prescribed by the Commission; and

(4)

furnish to the indenture trustee, not less often than annually, a brief certificate from the principal executive officer, principal financial officer or principal accounting officer as to his or her knowledge of such obligor's compliance with all conditions and covenants under the indenture. For purposes of this paragraph, such compliance shall be determined without regard to any period of grace or requirement of notice provided under the indenture.

The rules and regulations prescribed under this subsection shall be such as are necessary or appropriate in the public interest or for the protection of investors, having due regard to the types of indentures, and the nature of the business of the class of obligors affected thereby, and the amount of indenture securities outstanding under such indentures, and, in the case of any such rules and regulations prescribed after the indentures to which they apply have been qualified under this subchapter, the additional expense, if any, of complying with such rules and regulations. Such rules and regulations may be prescribed either before or after qualification becomes effective as to any such indenture.

(b) EVIDENCE OF RECORDING OF INDENTURE If the indenture to be qualified is or is to be secured by the mortgage or pledge of property, the obligor upon the indenture securities shall furnish to the indenture trustee—

(1)

promptly after the execution and delivery of the [indenture](#), an opinion of counsel (who may be of counsel for such [obligor](#)) either stating that in the opinion of such counsel the [indenture](#) has been properly recorded and filed so as to make effective the lien intended to be created thereby, and reciting the details of such action, or stating that in the opinion of such counsel no such action is necessary to make such lien effective; and

(2)

at least annually after the execution and delivery of the [indenture](#), an opinion of counsel (who may be of counsel for such [obligor](#)) either stating that in the opinion of such counsel such action has been taken with respect to the recording, filing, re-recording, and re-filing of the [indenture](#) as is necessary to maintain the lien of such [indenture](#), and reciting the details of such action, or stating that in the opinion of such counsel no such action is necessary to maintain such lien.

(c) EVIDENCE OF COMPLIANCE WITH CONDITIONS PRECEDENT The [obligor](#) upon the [indenture securities](#) shall furnish to the [indenture trustee](#) evidence of compliance with the conditions precedent, if any, provided for in the [indenture](#) (including any covenants compliance with which constitutes a condition precedent) which relate to the authentication and delivery of the [indenture securities](#), to the release or the release and substitution of property subject to the lien of the [indenture](#), to the satisfaction and discharge of the [indenture](#), or to any other action to be taken by the [indenture trustee](#) at the request or upon the [application](#) of such [obligor](#). Such evidence shall consist of the following:

(1)

certificates or opinions made by officers of such [obligor](#) who are specified in the [indenture](#), stating that such conditions precedent have been complied with;

(2)

an opinion of counsel (who may be of counsel for such [obligor](#)) stating that in his opinion such conditions precedent have been complied with; and

(3)

in the case of conditions precedent compliance with which is subject to verification by accountants (such as conditions with respect to the

preservation of specified ratios, the amount of net quick assets, negative-pledge clauses, and other similar specific conditions), a certificate or opinion of an accountant, who, in the case of any such conditions precedent to the authentication and delivery of **indenture securities**, and not otherwise, shall be an independent public accountant selected or approved by the **indenture trustee** in the exercise of reasonable care, if the aggregate principal amount of such indenture **securities** and of other indenture **securities** authenticated and delivered since the commencement of the then current calendar year (other than those with respect to which a certificate or opinion of an accountant is not required, or with respect to which a certificate or opinion of an independent public accountant has previously been furnished) is 10 per centum or more of the aggregate amount of the indenture **securities** at the time outstanding; but no certificate or opinion need be made by any person other than an officer or employee of such **obligor** who is specified in the **indenture**, as to (A) dates or periods not covered by annual reports required to be filed by the **obligor**, in the case of conditions precedent which depend upon a **state** of facts as of a date or dates or for a period or periods different from that required to be covered by such annual reports, or (B) the amount and value of property additions, except as provided in paragraph (3) of subsection (d), or (C) the adequacy of depreciation, maintenance, or repairs.

(d) CERTIFICATES OF FAIR VALUE If the **indenture to be qualified** is or is to be secured by the mortgage or pledge of property or **securities**, the **obligor** upon the indenture **securities** shall furnish to the **indenture trustee** a certificate or opinion of an engineer, appraiser, or other expert as to the fair value—

(1)
of any property or **securities** to be released from the lien of the **indenture**, which certificate or opinion shall **state** that in the opinion of the person making the same the proposed release will not impair the **security** under such **indenture** in contravention of the provisions thereof, and requiring further that such certificate or opinion shall be made by an independent engineer, appraiser, or other expert, if the fair value of such property or **securities** and of all other property or **securities** released since the commencement of the then current calendar year, as set forth in the certificates or opinions

required by this paragraph, is 10 per centum or more of the aggregate principal amount of the indenture securities at the time outstanding; but such a certificate or opinion of an independent engineer, appraiser, or other expert shall not be required in the case of any release of property or securities, if the fair value thereof as set forth in the certificate or opinion required by this paragraph is less than \$25,000 or less than 1 per centum of the aggregate principal amount of the indenture securities at the time outstanding;

(2)

to such obligor of any securities (other than indenture securities and securities secured by a lien prior to the lien of the indenture upon property subject to the lien of the indenture), the deposit of which with the trustee is to be made the basis for the authentication and delivery of indenture securities, the withdrawal of cash constituting a part of the trust estate or the release of property or securities subject to the lien of the indenture, and requiring further that if the fair value to such obligor of such securities and of all other such securities made the basis of any such authentication and delivery, withdrawal, or release since the commencement of the then current calendar year, as set forth in the certificates or opinions required by this paragraph, is 10 per centum or more of the aggregate principal amount of the indenture securities at the time outstanding, such certificate or opinion shall be made by an independent engineer, appraiser, or other expert and, in the case of the authentication and delivery of indenture securities, shall cover the fair value to such obligor of all other such securities so deposited since the commencement of the current calendar year as to which a certificate or opinion of an independent engineer, appraiser, or other expert has not previously been furnished; but such a certificate of an independent engineer, appraiser, or other expert shall not be required with respect to any securities so deposited, if the fair value thereof to such obligor as set forth in the certificate or opinion required by this paragraph is less than \$25,000 or less than 1 per centum of the aggregate principal amount of the indenture securities at the time outstanding; and

(3) to such obligor of any property the subjection of which to the lien of the indenture is to be made the basis for the authentication and

delivery of indenture securities, the withdrawal of cash constituting a part of the trust estate, or the release of property or securities subject to the lien of the indenture, and requiring further that if

(A)

within six months prior to the date of acquisition thereof by such obligor, such property has been used or operated, by a person or persons other than such obligor, in a business similar to that in which it has been or is to be used or operated by such obligor, and

(B)

the fair value to such obligor of such property as set forth in such certificate or opinion is not less than \$25,000 and not less than 1 per centum of the aggregate principal amount of the indenture securities at the time outstanding,

such certificate or opinion shall be made by an independent engineer, appraiser, or other expert and, in the case of the authentication and delivery of indenture securities, shall cover the fair value to the obligor of any property so used or operated which has been so subjected to the lien of the indenture since the commencement of the then current calendar year, and as to which a certificate or opinion of an independent engineer, appraiser, or other expert has not previously been furnished.

The indenture to be qualified shall automatically be deemed (unless it is expressly provided therein that such provision is excluded) to provide that any such certificate or opinion may be made by an officer or employee of the obligor upon the indenture securities who is duly authorized to make such certificate or opinion by the obligor from time to time, except in cases in which this subsection requires that such certificate or opinion be made by an independent person. In such cases, such certificate or opinion shall be made by an independent engineer, appraiser, or other expert selected or approved by the indenture trustee in the exercise of reasonable care.

(e) RECITALS AS TO BASIS OF CERTIFICATE OR OPINION

Each certificate or opinion with respect to compliance with a condition or covenant provided for in the indenture (other than certificates provided pursuant to subsection (a)(4) of this section) shall include (1) a statement that the person making such certificate or opinion has read such covenant or condition; (2) a brief statement

as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based; (3) a statement that, in the opinion of such person, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with; and (4) a statement as to whether or not, in the opinion of such person, such condition or covenant has been complied with.

(f) PARTIES MAY PROVIDE FOR ADDITIONAL EVIDENCE

Nothing in this section shall be construed either as requiring the inclusion in the [indenture to be qualified](#) of provisions that the [obligor](#) upon the indenture [securities](#) shall furnish to the [indenture trustee](#) any other evidence of compliance with the conditions and covenants provided for in the [indenture](#) than the evidence specified in this section, or as preventing the inclusion of such provisions in such [indenture](#), if the parties so agree.

(May 27, 1933, ch. 38, title III, § 314, as added Aug. 3, 1939, ch. 411, [53 Stat. 1167](#); amended [Pub. L. 101-550, title IV, § 413](#), Nov. 15, 1990, [104 Stat. 2729](#).)

15 U.S. Code § 7700o. Duties and responsibility of the trustee

- [U.S. Code](#)

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(a) DUTIES PRIOR TO DEFAULT The [indenture to be qualified](#) shall automatically be deemed (unless it is expressly provided therein that any such provision is excluded) to provide that, prior to default (as such term is defined in such [indenture](#))—

(1)

the [indenture trustee](#) shall not be liable except for the performance of such duties as are specifically set out in such [indenture](#); and

(2)

the indenture trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, in the absence of bad faith on the part of such trustee, upon certificates or opinions conforming to the requirements of the indenture; but the indenture trustee shall examine the evidence furnished to it pursuant to section 77nnn of this title to determine whether or not such evidence conforms to the requirements of the indenture.

(b) NOTICE OF DEFAULTS

The indenture trustee shall give to the indenture security holders, in the manner and to the extent provided in subsection (c) of section 77mmm of this title, notice of all defaults known to the trustee, within ninety days after the occurrence thereof: Provided, That such indenture shall automatically be deemed (unless it is expressly provided therein that such provision is excluded) to provide that, except in the case of default in the payment of the principal of or interest on any indenture security, or in the payment of any sinking or purchase fund installment, the trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee, or a trust committee of directors and/or responsible officers, of the trustee in good faith determine that the withholding of such notice is in the interests of the indenture security holders.

(c) DUTIES OF THE TRUSTEE IN CASE OF DEFAULT

The indenture trustee shall exercise in case of default (as such term is defined in such indenture) such of the rights and powers vested in it by such indenture, and to use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(d) RESPONSIBILITY OF THE TRUSTEE The indenture to be qualified shall not contain any provisions relieving the indenture trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that—

(1)

such indenture shall automatically be deemed (unless it is expressly provided therein that any such provision is excluded) to contain the

provisions authorized by paragraphs (1) and (2) of subsection (a) of this section;

(2)

such [indenture](#) shall automatically be deemed (unless it is expressly provided therein that any such provision is excluded) to contain provisions protecting the [indenture trustee](#) from liability for any error of judgment made in good faith by a responsible officer or officers of such trustee, unless it shall be proved that such trustee was negligent in ascertaining the pertinent facts; and

(3)

such [indenture](#) shall automatically be deemed (unless it is expressly provided therein that any such provision is excluded) to contain provisions protecting the [indenture trustee](#) with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the holders of not less than a majority in principal amount of the indenture [securities](#) at the time outstanding (determined as provided in subsection (a) of [section 77ppp of this title](#)) relating to the time, method, and place of conducting any proceeding for any remedy available to such trustee, or exercising any trust or power conferred upon such trustee, under such [indenture](#).

(e)UNDERTAKING FOR COSTS

The [indenture to be qualified](#) shall automatically be deemed (unless it is expressly provided therein that any such provision is excluded) to contain provisions to the effect that all parties thereto, including the [indenture security](#) holders, agree that the court may in its discretion require, in any suit for the enforcement of any right or remedy under such [indenture](#), or in any suit against the trustee for any action taken or omitted by it as trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorney's fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant: Provided, That the provisions of this subsection shall not apply to any suit instituted by such trustee, to any suit instituted by any [indenture security](#) holder, or group of [indenture security](#) holders, holding in the aggregate more than 10 per centum in principal amount of the

indenture [securities](#) outstanding, or to any suit instituted by any [indenture security](#) holder for the enforcement of the payment of the principal of or interest on any [indenture security](#), on or after the respective due dates expressed in such [indenture security](#).

(May 27, 1933, ch. 38, title III, § 315, as added Aug. 3, 1939, ch. 411, [53 Stat. 1171](#); amended [Pub. L. 101-550, title IV, § 414](#), Nov. 15, 1990, [104 Stat. 2730](#).)

15 U.S. Code § 77ppp.Directions and waivers by bondholders; prohibition of impairment of holder's right to payment; record date

- [U.S. Code](#)

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(a) DIRECTIONS AND WAIVERS BY BONDHOLDERS The [indenture to be qualified](#)—

(1)

shall automatically be deemed (unless it is expressly provided therein that any such provision is excluded) to contain provisions authorizing the holders of not less than a majority in principal amount of the [indenture securities](#) or if expressly specified in such [indenture](#), of any [series](#) of [securities](#) at the time outstanding (A) to direct the time, method, and place of conducting any proceeding for any remedy available to such trustee, or exercising any trust or power conferred upon such trustee, under such [indenture](#), or (B) on behalf of the holders of all such [indenture securities](#), to consent to the waiver of any past default and its consequences; or

(2)

may contain provisions authorizing the holders of not less than 75 per centum in principal amount of the [indenture securities](#) or if expressly specified in such [indenture](#), of any [series](#) of [securities](#) at the time outstanding to consent on behalf of the holders of all such [indenture securities](#) to the postponement of any interest payment for a period not exceeding three years from its due date.

For the purposes of this subsection and paragraph (3) of subsection (d) of section 77000 of this title, in determining whether the holders of the required principal amount of indenture [securities](#) have concurred in

any such direction or consent, indenture securities owned by any obligor upon the indenture securities, or by any person directly or indirectly controlling or controlled by or under direct or indirect common control with any such obligor, shall be disregarded, except that for the purposes of determining whether the indenture trustee shall be protected in relying on any such direction or consent, only indenture securities which such trustee knows are so owned shall be so disregarded.

(b) PROHIBITION OF IMPAIRMENT OF HOLDER'S RIGHT TO PAYMENT

Notwithstanding any other provision of the indenture to be qualified, the right of any holder of any indenture security to receive payment of the principal of and interest on such indenture security, on or after the respective due dates expressed in such indenture security, or to institute suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such holder, except as to a postponement of an interest payment consented to as provided in paragraph (2) of subsection (a), and except that such indenture may contain provisions limiting or denying the right of any such holder to institute any such suit, if and to the extent that the institution or prosecution thereof or the entry of judgment therein would, under applicable law, result in the surrender, impairment, waiver, or loss of the lien of such indenture upon any property subject to such lien.

(c) RECORD DATE

The obligor upon any indenture qualified under this subchapter may set a record date for purposes of determining the identity of indenture security holders entitled to vote or consent to any action by vote or consent authorized or permitted by subsection (a) of this section. Unless the indenture provides otherwise, such record date shall be the later of 30 days prior to the first solicitation of such consent or the date of the most recent list of holders furnished to the trustee pursuant to section 77III of this title prior to such solicitation.

(May 27, 1933, ch. 38, title III, § 316, as added Aug. 3, 1939, ch. 411, 53 Stat. 1172; amended Pub. L. 101-550, title IV, § 415, Nov. 15, 1990, 104 Stat. 2731.)

15 U.S. Code § 77qqq.Special powers of trustee; duties of paying agents

- [U.S. Code](#)

- [Notes](#)

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(a)The [indenture trustee](#) shall be authorized—

(1)

in the case of a default in payment of the principal of any [indenture security](#), when and as the same shall become due and payable, or in the case of a default in payment of the interest on any such [security](#), when and as the same shall become due and payable and the continuance of such default for such period as may be prescribed in such [indenture](#), to recover judgment, in its own name and as trustee of an express trust, against the [obligor](#) upon the indenture [securities](#) for the whole amount of such principal and interest remaining unpaid; and

(2)

to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of such trustee and of the [indenture security](#) holders allowed in any judicial proceedings relative to the [obligor](#) upon the indenture [securities](#), its creditors, or its property.

(b)

Each [paying agent](#) shall hold in trust for the benefit of the [indenture security](#) holders or the [indenture trustee](#) all sums held by such [paying agent](#) for the payment of the principal of or interest on the indenture [securities](#), and shall give to such trustee notice of any default by any [obligor](#) upon the indenture [securities](#) in the making of any such payment.

(May 27, 1933, ch. 38, title III, § 317, as added Aug. 3, 1939, ch. 411, [53 Stat. 1173](#); amended [Pub. L. 101-550, title IV, § 416](#), Nov. 15, 1990, [104 Stat. 2731](#); [Pub. L. 111-203, title IX, § 985\(c\)\(2\)](#), July 21, 2010, [124 Stat. 1934](#).)

15 U.S. Code § 77rrr. Effect of prescribed indenture provisions

- [U.S. Code](#)

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(a) IMPOSED DUTIES TO CONTROL

If any provision of the [indenture to be qualified](#) limits, qualifies, or conflicts with the duties imposed by operation of subsection (c) of this section, the imposed duties shall control.

(b) ADDITIONAL PROVISIONS

The [indenture to be qualified](#) may contain, in addition to provisions specifically authorized under this subchapter to be included therein, any other provisions the inclusion of which is not in contravention of any provision of this subchapter.

(c) PROVISIONS GOVERNING QUALIFIED INDENTURES

The provisions of sections [77jjj](#) to and including [77qqq](#) of this title that impose duties on any person (including provisions automatically deemed included in an [indenture](#) unless the [indenture](#) provides that such provisions are excluded) are a part of and govern every qualified [indenture](#), whether or not physically contained therein, shall be deemed retroactively to govern each [indenture](#) heretofore qualified, and prospectively to govern each [indenture](#) hereafter qualified under this subchapter and shall be deemed retroactively to amend and supersede inconsistent provisions in each such [indenture](#) heretofore qualified. The foregoing provisions of this subsection shall not be deemed to effect the inclusion (by retroactive amendment or otherwise) in the text of any [indenture](#) heretofore qualified of any of the optional provisions contemplated by section [77jjj\(b\)\(1\)](#), [77kkk\(b\)](#), [77nnn\(d\)](#), [77ooo\(a\)](#), [77ooo\(b\)](#), [77ooo\(d\)](#), [77ooo\(e\)](#), or [77ppp\(a\)\(1\)](#) of this title.

(May 27, 1933, ch. 38, title III, § 318, as added Aug. 3, 1939, ch. 411, [53 Stat. 1173](#); amended [Pub. L. 101-550, title IV, § 417](#), Nov. 15, 1990, [104 Stat. 2731](#).)

15 U.S. Code § 77sss. Rules, regulations, and orders

- [U.S. Code](#)

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(a) **AUTHORITY OF COMMISSION; SUBJECT MATTER OF RULES, ETC.**

The [Commission](#) shall have authority from time to time to make, issue, amend, and rescind such rules and regulations and such orders as it may deem necessary or appropriate in the public interest or for the protection of investors to carry out the provisions of this subchapter, including rules and regulations defining accounting, technical, and trade terms used in this subchapter. Among other things, the [Commission](#) shall have authority, (1) by rules and regulations, to prescribe for the purposes of [section 77jjj\(b\) of this title](#) the method (to be fixed in [indentures](#) to be qualified under this subchapter) of calculating percentages of voting [securities](#) and other [securities](#); (2) by rules and regulations, to prescribe the definitions of the terms **“cash transaction”** and **“self-liquidating paper”** which shall be included in [indentures](#) to be qualified under this subchapter, which definitions shall include such of the creditor relationships referred to in paragraphs (4) and (6) of subsection (b) of [section 77kkk of this title](#) as to which the [Commission](#) determines that the [application](#) of subsection (a) of [section 77kkk of this title](#) is not necessary in the public interest or for the protection of investors, having due regard for the purposes of such subsection; and (3) for the purposes of this subchapter, to prescribe the form or forms in which information required in any statement, [application](#), report, or other document filed with the [Commission](#) shall be set forth. For the purpose of its rules or regulations the [Commission](#) may classify persons, [securities](#), [indentures](#), and other matters within its jurisdiction and prescribe different requirements for different classes of persons, [securities](#), [indentures](#), or matters.

(b) RULES AND REGULATIONS EFFECTIVE UPON PUBLICATION

Subject to the provisions of chapter 15 of title 44 and regulations prescribed under the authority thereof, the rules and regulations of the [Commission](#) under this subchapter shall be effective upon publication in the manner which the [Commission](#) shall prescribe, or upon such later date as may be provided in such rules and regulations.

(c) EXEMPTION FROM LIABILITY FOR ANY ACTS TAKEN IN GOOD FAITH IN CONFORMITY WITH RULES, ETC.

No provision of this subchapter imposing any liability shall apply to any act done or omitted in good faith in conformity with any rule, regulation, or order of the [Commission](#), notwithstanding that such rule, regulation, or order may, after such act or omission, be amended or rescinded or be determined by judicial or other authority to be invalid for any reason.

(May 27, 1933, ch. 38, title III, § 319, as added Aug. 3, 1939, ch. 411, [53 Stat. 1173](#); [Pub. L. 105-353, title III, § 301\(e\)\(4\)](#), Nov. 3, 1998, [112 Stat. 3237](#).)

15 U.S. Code § 77ttt. Hearings by Commission

- [U.S. Code](#)

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Hearings may be public and may be held before the [Commission](#), any member or members thereof, or any officer or officers of the [Commission](#) designated by it, and appropriate records thereof shall be kept. (May 27, 1933, ch. 38, title III, § 320, as added Aug. 3, 1939, ch. 411, [53 Stat. 1174](#).)

15 U.S. Code § 77uuu. Special powers of the Commission

- [U.S. Code](#)

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(a) INVESTIGATORY POWERS

For the purpose of any investigation or any other proceeding which, in the opinion of the **Commission**, is necessary and proper for the enforcement of this subchapter, any member of the **Commission**, or any officer thereof designated by it, is empowered to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, contracts, agreements, or other records which the **Commission** deems relevant or material to the inquiry. Such attendance of witnesses and the production of any such books, papers, correspondence, memoranda, contracts, agreements, or other records may be required from any place in the United **States** or in any Territory at any designated place of investigation or hearing. In addition, the **Commission** shall have the powers with respect to investigations and hearings, and with respect to the enforcement of, and offenses and violations under, this subchapter and rules and regulations and orders prescribed under the authority thereof, provided in sections 77t and 77v(b), (c) of this title.

(b) AVAILABILITY OF REPORTS FROM OTHER OFFICES; RESTRICTIONS

The Treasury Department, the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Reserve Banks, and the Federal Deposit Insurance Corporation are authorized, under such conditions as they may prescribe, to make available to the **Commission** such reports, records, or other information as they may have available with respect to trustees or prospective trustees under **indentures** qualified or to be qualified under this subchapter, and to make through their examiners or other employees for the use of the **Commission**, examinations of such trustees or prospective trustees. Every such trustee or prospective trustee shall, as a condition precedent to qualification of such **indenture**, consent that reports of examinations by Federal, **State**, Territorial, or District authorities may be furnished by such authorities to the **Commission** upon request therefor.

Notwithstanding any provision of this subchapter, no report, record, or other information made available to the **Commission** under this subsection, no report of an examination made under this subsection for the use of the **Commission**, no report of an examination made of any trustee or prospective trustee by any Federal, **State**, Territorial, or

District authority having jurisdiction to examine or supervise such trustee, no report made by any such trustee or prospective trustee to any such authority, and no correspondence between any such authority and any such trustee or prospective trustee, shall be divulged or made known or available by the [Commission](#) or any member, officer, agent, or employee thereof, to any person other than a member, officer, agent, or employee of the [Commission](#): Provided, That the [Commission](#) may make available to the Attorney General of the United [States](#), in confidence, any information obtained from such records, reports of examination, other reports, or correspondence, and deemed necessary by the [Commission](#), or requested by him, for the purpose of enabling him to perform his duties under this subchapter.

(c) INVESTIGATION OF PROSPECTIVE TRUSTEES Any investigation of a prospective trustee, or any proceeding or requirement for the purpose of obtaining information regarding a prospective trustee, under any provision of this subchapter, shall be limited—

(1)

to determining whether such prospective trustee is qualified to act as trustee under the provisions of subsection (b) of [section 77jjj of this title](#);

(2)

to requiring the inclusion in the registration statement or [application](#) of information with respect to the eligibility of such prospective trustee under paragraph (1) of subsection (a) of [section 77jjj of this title](#); and

(3)

to requiring the inclusion in the registration statement or [application](#) of the most recent published report of condition of such prospective trustee, as described in paragraph (2) of subsection (a) of [section 77jjj of this title](#), or, if the [indenture](#) does not contain the provision with respect to combined capital and surplus authorized by the last sentence of paragraph (2) of subsection (a) of [section 77jjj of this title](#), to determining whether such prospective trustee is eligible to act as such under paragraph (2) of subsection (a) of [section 77jjj of this title](#).

(d) APPOINTMENT AND COMPENSATION OF EMPLOYEES; LEASE AND ALLOCATION OF REAL PROPERTY The provisions [section 78d\(b\) of this title](#) shall be applicable with respect to the power of the [Commission](#)—

(1)

to appoint and fix the compensation of such employees as may be necessary for carrying out its functions under this subchapter, and

(2)

to lease and allocate such real property as may be necessary for carrying out its functions under this subchapter.

(May 27, 1933, ch. 38, title III, § 321, as added Aug. 3, 1939, ch. 411, [53 Stat. 1174](#); amended [Pub. L. 101-550, title I, § 104\(b\)](#), Nov. 15, 1990, [104 Stat. 2714](#).)

15 U.S. Code § 77vvv. Judicial review

- [U.S. Code](#)

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(a) REVIEW OF ORDERS

Orders of the [Commission](#) under this subchapter (including orders pursuant to the provisions of sections [77eee\(b\)](#) and [77ggg\(c\)](#) of this title) shall be subject to review in the same manner, upon the same conditions, and to the same extent, as provided in section 9 of the [Securities Act of 1933](#) [[15 U.S.C. 77i](#)], with respect to orders of the [Commission](#) under such Act.

(b) JURISDICTION OF OFFENSES AND SUITS

Jurisdiction of offenses and violations under, and jurisdiction and venue of suits and actions brought to enforce any liability or duty created by, this subchapter, or any rules or regulations or orders prescribed under the authority thereof, shall be as provided in section 22(a) of the [Securities Act of 1933](#) [[15 U.S.C. 77v\(a\)](#)].

(May 27, 1933, ch. 38, title III, § 322, as added Aug. 3, 1939, ch. 411, [53 Stat. 1175](#); amended [Pub. L. 101-550, title IV, § 418](#), Nov. 15, 1990, [104 Stat. 2732](#).)

15 U.S. Code § 77www.Liability for misleading statements

- [U.S. Code](#)

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(a)

Any person who shall make or cause to be made any statement in any [application](#), report, or document filed with the [Commission](#) pursuant to any provisions of this subchapter, or any rule, regulation, or order thereunder, which statement was at the time and in the light of the circumstances under which it was made false or misleading with respect to any material fact, or who shall omit to [state](#) any material fact required to be stated therein or necessary to make the statements therein not misleading, shall be liable to any person (not knowing that such statement was false or misleading or of such omission) who, in reliance upon such statement or omission, shall have purchased or sold a [security](#) issued under the [indenture](#) to which such [application](#), report, or document relates, for damages caused by such reliance, unless the person sued shall prove that he acted in good faith and had no knowledge that such statement was false or misleading or of such omission. A person seeking to enforce such liability may sue at law or in equity in any court of competent jurisdiction. In any such suit the court may, in its discretion, require an undertaking for the payment of the costs of such suit and assess reasonable costs, including reasonable attorneys' fees, against either party litigant, having due regard to the merits and good faith of the suit or defense. No action shall be maintained to enforce any liability created under this section unless brought within one year after the discovery of the facts constituting the cause of action and within three years after such cause of action accrued.

(b)

The rights and remedies provided by this subchapter shall be in addition to any and all other rights and remedies that may exist under the [Securities Act of 1933](#) [[15 U.S.C. 77a](#) et seq.] or the [Securities Exchange Act of 1934](#) [[15 U.S.C. 78a](#) et seq.], or otherwise at law or in equity; but no person permitted to maintain a suit for damages under

the provisions of this subchapter shall recover, through satisfaction of judgment in one or more actions, a total amount in excess of his actual damages on account of the act complained of.

(May 27, 1933, ch. 38, title III, § 323, as added Aug. 3, 1939, ch. 411, [53 Stat. 1176](#); amended [Pub. L. 111-203, title IX, § 986\(b\)\(5\)](#), July 21, 2010, [124 Stat. 1936](#).)

15 U.S. Code § 77xxx.Unlawful representations

- [U.S. Code](#)
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It shall be unlawful for any person in offering, selling or issuing any [security](#) to represent or imply in any manner whatsoever that any action or failure to act by the [Commission](#) in the administration of this subchapter means that the [Commission](#) has in any way passed upon the merits of, or given approval to, any trustee, [indenture](#) or [security](#), or any transaction or transactions therein, or that any such action or failure to act with regard to any statement or report filed with or examined by the [Commission](#) pursuant to this subchapter or any rule, regulation, or order thereunder, has the effect of a finding by the [Commission](#) that such statement or report is true and accurate on its face or that it is not false or misleading. (May 27, 1933, ch. 38, title III, § 324, as added Aug. 3, 1939, ch. 411, [53 Stat. 1176](#); amended Aug. 10, 1954, ch. 667, title III, § 305, [68 Stat. 688](#).)

15 U.S. Code § 77yyy.Penalties

- [U.S. Code](#)
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Any person who willfully violates any provision of this subchapter or any rule, regulation, or order thereunder, or any person who willfully, in any [application](#), report, or document filed or required to be filed under the provisions of this subchapter or any rule, regulation, or order thereunder, makes any untrue statement of a material fact or omits

to [state](#) any material fact required to be stated therein or necessary to make the statements therein not misleading, shall upon conviction be fined not more than \$10,000 or imprisoned not more than five years, or both. (May 27, 1933, ch. 38, title III, § 325, as added Aug. 3, 1939, ch. 411, [53 Stat. 1177](#); amended [Pub. L. 94-29, § 27\(d\)](#), June 4, 1975, [89 Stat. 163](#).)

15 U.S. Code § 77zzz. Effect on existing law

- [U.S. Code](#)
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Except as otherwise expressly provided, nothing in this subchapter shall affect (1) the jurisdiction of the [Commission](#) under the [Securities Act of 1933](#) [[15 U.S.C. 77a](#) et seq.] or the [Securities Exchange Act of 1934](#) [[15 U.S.C. 78a](#) et seq.] over any person, [security](#), or contract, or (2) the rights, obligations, duties, or liabilities of any person under such acts; nor shall anything in this subchapter affect the jurisdiction of any other [commission](#), board, agency, or officer of the United [States](#) or of any [State](#) or political subdivision of any [State](#), over any person or [security](#), insofar as such jurisdiction does not conflict with any provision of this subchapter or any rule, regulation, or order thereunder. (May 27, 1933, ch. 38, title III, § 326, as added Aug. 3, 1939, ch. 411, [53 Stat. 1177](#); amended [Pub. L. 111-203, title IX, § 986\(b\)\(6\)](#), July 21, 2010, [124 Stat. 1936](#).)

15 U.S. Code § 77aaaa. Contrary stipulations void

- [U.S. Code](#)
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Any condition, stipulation, or provision binding any person to waive compliance with any provision of this subchapter or with any rule, regulation, or order thereunder shall be void. (May 27, 1933, ch. 38, title III, § 327, as added Aug. 3, 1939, ch. 411, [53 Stat. 1177](#).)

15 U.S. Code § 77b bbb. Separability

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If any provision of this subchapter or the [application](#) of such provision to any person or circumstance shall be held invalid, the remainder of the subchapter and the [application](#) of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby. (May 27, 1933, ch. 38, title III, § 328, as added Aug. 3, 1939, ch. 411, [53 Stat. 1177.](#))