

NET FREE CAPITAL CALCULATION  
MUTUAL FUND DEALER

Company name: \_\_\_\_\_

Date of Financial Information: \_\_\_\_\_

A.	Working Capital	\$	
	Current Assets		
	Less: Current Liabilities		
	Working Capital		===== A
B.	Capital Required		
	1. On Adjusted Liabilities <sup>1</sup> (A/L) – the greater of (a) and (b) below:		
	(a) 10% of the first \$2,500,000 of A/L		
	8% of the next \$2,500,000 of A/L		
	7% of the next \$2,500,000 of A/L		
	6% of the next \$2,500,000 of A/L		
	5% of A/L in excess of \$10,000,000		
		\$ _____	
	(b) \$25,000		
	The greater of line (a) and \$25,000		B.1
	2. Deductible under Brokers Blanket Bond		_____ B.2
	Total Capital Required (line B.1 + line B.2)		=====
C.	Excess Net Free Capital (line A – line B)	\$	=====

Balance in trust account \$ _____		Total receipts into trust account \$ _____
Total trust liabilities \$ _____		Total payment from trust account \$ _____

<sup>1</sup> Adjusted liabilities are calculated in accordance with the definition in Section 14 of the ASC (General) Rules. For most mutual fund dealers, the following calculation gives the same result as the complete definition:

Total liabilities	\$
Less: Cash	
Trust fund assets	_____
	\$ =====