



**Part II Organizational Action** (continued)

**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► PURSUANT TO IRC SECTION 301(C)(1), THE PORTION OF A DISTRIBUTION WHICH IS A DIVIDEND (AS DEFINED UNDER IRC SECTION 316) IS INCLUDABLE IN GROSS INCOME. PURSUANT TO IRC SECTION 301(C)(2), THE PORTION OF THE DISTRIBUTION WHICH IS NOT A DIVIDEND SHALL BE APPLIED AGAINST AND REDUCE THE ADJUSTED BASIS OF THE STOCK.

**18** Can any resulting loss be recognized? ► NOT APPLICABLE TO THIS TRANSACTION AS NO LOSS WOULD BE RECOGNIZED ON THE RETURN OF CAPITAL DISTRIBUTION. THE SHAREHOLDER'S COST BASIS SHOULD BE ADJUSTED TO REFLECT THE RETURN OF CAPITAL DISTRIBUTION WHICH MAY AFFECT THE GAIN OR LOSS REALIZED UPON THE DISPOSITION OF THE SHARES.

**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ► PURSUANT TO IRC SECTION 6045, AS AMENDED BY THE EMERGENCY ECONOMIC STABILIZATION ACT OF 2008, BROKERS ARE REQUIRED TO REFLECT THESE ADJUSTMENTS IN THE COST BASIS REPORTING FOR COVERED SECURITIES. IF A BROKER IS NOT REQUIRED TO PROVIDE COST BASIS TO A PARTICULAR SHAREHOLDER, THE COST BASIS OF THE SHAREHOLDER'S SHARES SHOULD BE ADJUSTED AS OF THE DIVIDEND DATE TO REFLECT THE RETURN OF CAPITAL DESCRIBED ABOVE.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

Signature ►

Print your name ►

**A SIGNED COPY OF THIS FORM IS MAINTAINED AT THE OFFICES OF THE TAXPAYER**

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ►	Firm's EIN ►			
Firm's address ►	Phone no.			

**PART II, QUESTION 14:**

THE CORPORATION DECLARED THE FOLLOWING DISTRIBUTIONS TO SHAREHOLDERS DURING THE YEAR ENDED OCTOBER 31, 2014 WHERE RETURN OF CAPITAL WAS APPLICABLE. 46.82% OF THE DISTRIBUTIONS WERE CONSIDERED A TAXABLE DISTRIBUTION FROM THE CORPORATION'S EARNINGS AND PROFITS AND THE REMAINING 53.18% OF THE DISTRIBUTIONS ARE FROM SOURCES OTHER THAN THE CORPORATION'S EARNINGS AND PROFITS, AND IS THEREFORE A RETURN OF CAPITAL TO THE SHAREHOLDER.

DETAIL OF EACH DISTRIBUTION MADE IS DESCRIBED BELOW:

RECORD DATE	EX-DATE	PAYABLE DATE	AMOUNT	% TAXABLE DIVIDEND	TAXABLE DIVIDEND AMOUNT	% RETURN OF CAPITAL	RETURN OF CAPITAL AMOUNT
DAILY	DAILY	01/31/14	\$ 0.015000		\$ 0.006615		\$ 0.008385
DAILY	DAILY	02/28/14	\$ 0.015000		\$ 0.006615		\$ 0.008385
DAILY	DAILY	03/31/14	\$ 0.015000		\$ 0.006615		\$ 0.008385
DAILY	DAILY	04/30/14	\$ 0.015000		\$ 0.006615		\$ 0.008385
DAILY	DAILY	05/30/14	\$ 0.015000		\$ 0.006615		\$ 0.008385
DAILY	DAILY	06/30/14	\$ 0.015000		\$ 0.006615		\$ 0.008385
DAILY	DAILY	07/31/14	\$ 0.015000		\$ 0.006615		\$ 0.008385
DAILY	DAILY	08/29/14	\$ 0.015000		\$ 0.006615		\$ 0.008385
DAILY	DAILY	09/30/14	\$ 0.015000		\$ 0.006615		\$ 0.008385
DAILY	DAILY	10/31/14	\$ 0.015000		\$ 0.010694		\$ 0.004306

Total \$ 0.150000 46.82% \$ 0.070229 53.18% \$ 0.079771



**Part II Organizational Action** (continued)

**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► PURSUANT TO IRC SECTION 301(C)(1), THE PORTION OF A DISTRIBUTION WHICH IS A DIVIDEND (AS DEFINED UNDER IRC SECTION 316) IS INCLUDABLE IN GROSS INCOME. PURSUANT TO IRC SECTION 301(C)(2), THE PORTION OF THE DISTRIBUTION WHICH IS NOT A DIVIDEND SHALL BE APPLIED AGAINST AND REDUCE THE ADJUSTED BASIS OF THE STOCK.

**18** Can any resulting loss be recognized? ► NOT APPLICABLE TO THIS TRANSACTION AS NO LOSS WOULD BE RECOGNIZED ON THE RETURN OF CAPITAL DISTRIBUTION. THE SHAREHOLDER'S COST BASIS SHOULD BE ADJUSTED TO REFLECT THE RETURN OF CAPITAL DISTRIBUTION WHICH MAY AFFECT THE GAIN OR LOSS REALIZED UPON THE DISPOSITION OF THE SHARES.

**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ► PURSUANT TO IRC SECTION 6045, AS AMENDED BY THE EMERGENCY ECONOMIC STABILIZATION ACT OF 2008, BROKERS ARE REQUIRED TO REFLECT THESE ADJUSTMENTS IN THE COST BASIS REPORTING FOR COVERED SECURITIES. IF A BROKER IS NOT REQUIRED TO PROVIDE COST BASIS TO A PARTICULAR SHAREHOLDER, THE COST BASIS OF THE SHAREHOLDER'S SHARES SHOULD BE ADJUSTED AS OF THE DIVIDEND DATE TO REFLECT THE RETURN OF CAPITAL DESCRIBED ABOVE.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

Signature ►

Print your name ►

**A SIGNED COPY OF THIS FORM IS MAINTAINED AT THE OFFICES OF THE TAXPAYER**

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ►	Firm's EIN ►		Phone no.	
Firm's address ►				

**PART I, QUESTION 10 AND 12:**

CLASS	CUSIP NUMBER	TICKER SYMBOL
Class A	656866100	NOAMX
Class C	45023T104	NORCX
Class I	45023T203	NORIX

**PART II, QUESTION 14:**

THE CORPORATION DECLARED THE FOLLOWING DISTRIBUTIONS TO SHAREHOLDERS DURING THE YEAR ENDED OCTOBER 31, 2014 WHERE RETURN OF CAPITAL WAS APPLICABLE. 0.00% OF THE DISTRIBUTIONS WERE CONSIDERED A TAXABLE DISTRIBUTION FROM THE CORPORATION'S EARNINGS AND PROFITS AND THE REMAINING 100.00% OF THE DISTRIBUTIONS ARE FROM SOURCES OTHER THAN THE CORPORATION'S EARNINGS AND PROFITS, AND IS THEREFORE A RETURN OF CAPITAL TO THE SHAREHOLDER.

DETAIL OF EACH DISTRIBUTION MADE IS DESCRIBED BELOW:

CLASS	RECORD DATE	EX-DATE	PAYABLE DATE	AMOUNT	% TAXABLE DIVIDEND	TAXABLE DIVIDEND AMOUNT	% RETURN OF CAPITAL	RETURN OF CAPITAL AMOUNT
Class A	01/30/14	01/31/14	02/03/14	\$ 0.016000		\$ -		\$ 0.016000
Class A	02/27/14	02/28/14	03/03/14	\$ 0.016000		\$ -		\$ 0.016000
Class A	03/28/14	03/31/14	04/01/14	\$ 0.016000		\$ -		\$ 0.016000
Class A	04/29/14	04/30/14	05/01/14	\$ 0.016000		\$ -		\$ 0.016000
Class A	05/29/14	05/30/14	06/02/14	\$ 0.016000		\$ -		\$ 0.016000
Class A	06/27/14	06/30/14	07/01/14	\$ 0.016000		\$ -		\$ 0.016000
Class A	07/30/14	07/31/14	08/01/14	\$ 0.016000		\$ -		\$ 0.016000
Class A	08/28/14	08/29/14	09/02/14	\$ 0.016000		\$ -		\$ 0.016000
Class A	09/29/14	09/30/14	10/01/14	\$ 0.016000		\$ -		\$ 0.016000
Class A	10/30/14	10/31/14	11/03/14	\$ 0.016000		\$ -		\$ 0.016000

Total Class A \$ 0.160000 0.00% \$ - 100.00% \$ 0.160000

CLASS	RECORD DATE	EX-DATE	PAYABLE DATE	AMOUNT	% TAXABLE DIVIDEND	TAXABLE DIVIDEND AMOUNT	% RETURN OF CAPITAL	RETURN OF CAPITAL AMOUNT
Class C	01/30/14	01/31/14	02/03/14	\$ 0.013000		\$ -		\$ 0.013000
Class C	02/27/14	02/28/14	03/03/14	\$ 0.013000		\$ -		\$ 0.013000
Class C	03/28/14	03/31/14	04/01/14	\$ 0.013000		\$ -		\$ 0.013000
Class C	04/29/14	04/30/14	05/01/14	\$ 0.013000		\$ -		\$ 0.013000
Class C	05/29/14	05/30/14	06/02/14	\$ 0.013000		\$ -		\$ 0.013000
Class C	06/27/14	06/30/14	07/01/14	\$ 0.013000		\$ -		\$ 0.013000
Class C	07/30/14	07/31/14	08/01/14	\$ 0.013000		\$ -		\$ 0.013000
Class C	08/28/14	08/29/14	09/02/14	\$ 0.013000		\$ -		\$ 0.013000
Class C	09/29/14	09/30/14	10/01/14	\$ 0.013000		\$ -		\$ 0.013000
Class C	10/30/14	10/31/14	11/03/14	\$ 0.013000		\$ -		\$ 0.013000

Total Class C \$ 0.130000 0.00% \$ - 100.00% \$ 0.130000

CLASS	RECORD DATE	EX-DATE	PAYABLE DATE	AMOUNT	% TAXABLE DIVIDEND	TAXABLE DIVIDEND AMOUNT	% RETURN OF CAPITAL	RETURN OF CAPITAL AMOUNT
Class I	01/30/14	01/31/14	02/03/14	\$ 0.018000		\$ -		\$ 0.018000
Class I	02/27/14	02/28/14	03/03/14	\$ 0.018000		\$ -		\$ 0.018000
Class I	03/28/14	03/31/14	04/01/14	\$ 0.018000		\$ -		\$ 0.018000
Class I	04/29/14	04/30/14	05/01/14	\$ 0.018000		\$ -		\$ 0.018000
Class I	05/29/14	05/30/14	06/02/14	\$ 0.018000		\$ -		\$ 0.018000
Class I	06/27/14	06/30/14	07/01/14	\$ 0.018000		\$ -		\$ 0.018000
Class I	07/30/14	07/31/14	08/01/14	\$ 0.018000		\$ -		\$ 0.018000
Class I	08/28/14	08/29/14	09/02/14	\$ 0.018000		\$ -		\$ 0.018000
Class I	09/29/14	09/30/14	10/01/14	\$ 0.018000		\$ -		\$ 0.018000
Class I	10/30/14	10/31/14	11/03/14	\$ 0.018000		\$ -		\$ 0.018000

Total Class I \$ 0.180000 0.00% \$ - 100.00% \$ 0.180000

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

1 Issuer's name <b>North American Government Bond Fund, Inc.</b>		2 Issuer's employer identification number (EIN) <b>52-1798921</b>	
3 Name of contact for additional information <b>Margaret Beeler</b>	4 Telephone No. of contact <b>212-446-5607</b>	5 Email address of contact <b>mbeeler@isifunds.com</b>	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact <b>c/o State Street Bank and Trust Company, One Lincoln St.</b>		7 City, town, or post office, state, and Zip code of contact <b>Boston, MA 02111</b>	
8 Date of action <b>See Item 14 Below</b>		9 Classification and description <b>Common Stock Dividends</b>	
10 CUSIP number <b>See Attached Schedule</b>	11 Serial number(s) <b>N/A</b>	12 Ticker symbol <b>See Attached Schedule</b>	13 Account number(s) <b>N/A</b>

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ North American Government Bond Fund, Inc., has a policy to qualify as a regulated investment company under subchapter M of the Internal Revenue Code. As provided therein in any fiscal year in which the Fund so qualifies and distributes at least 90% of its net taxable income, the Fund (but not its shareholders) will be relieved of Federal income tax on the income distributed. As of October 31, 2012, North American Government Bond Fund, Inc., qualified as a regulated investment company in accordance with subchapter M of the Internal Revenue Code. As of 10/31/12, North American Government Bond Fund, Inc. had three classes of stock for which distributions of property were made that resulted in an adjustment to the basis of that stock in the hands of its respective shareholders. Distributions of property in the form of dividends treated as a return of capital were made on the following payment dates in 2012: February 1, March 1, April 2, May 1, June 1, July 2, August 1, September 4, October 1, and November 1. The 2012 dates upon which shareholders of record were measured were as follows: January 30, February 28, March 29, April 27, May 30, June 28, July 30, August 30, September 27, and October 26. As of October 31, 2012, there were 20,894,286 shares of common stock outstanding. This form was filed late because additional information needed to be collected in determining the return of capital.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ The quantitative effect of the distributions reported as a return of capital on a per share basis are set forth in the attached schedule.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ The calculation for the return of capital portion of dividends made to common stock shareholders of North American Government Bond Fund, Inc., during 2012 represents the total distributions made to common shareholders less the amount attributed to ordinary income and capital gains.

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ Internal Revenue Code Section 301(c)(2)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

18 Can any resulting loss be recognized? ▶ Not applicable.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The reportable year is 2012.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

Signature ▶ Margaret M. Beeler Date ▶ 1-18-2013

Print your name ▶ Margaret M. Beeler Title ▶ Vice President & Secretary

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	