

RR Taxonomy Requirements

Document RRT-001, Revision 005

4 January 2007

1. Goal

The goal of this document is to define the scope and features of the Risk/Return ("RR") taxonomies. The intended audience of this document is for a business user familiar with the general purposes of the taxonomy and some XBRL terminology.

2. Scope

The taxonomies will be for possible use by participants in an expanded SEC Voluntary Filing Program that would include the Risk/Return Summary of Form N-1A.

The Risk/Return summary of Form N-1A encompasses items 1, 2 and 3.

Risk/Return summaries may appear in Form N-1A, a registration comprising a prospectus, SAI, and exhibits, often with annual updates appearing as SEC 485 APOS and BPOS filings.

3. Use cases

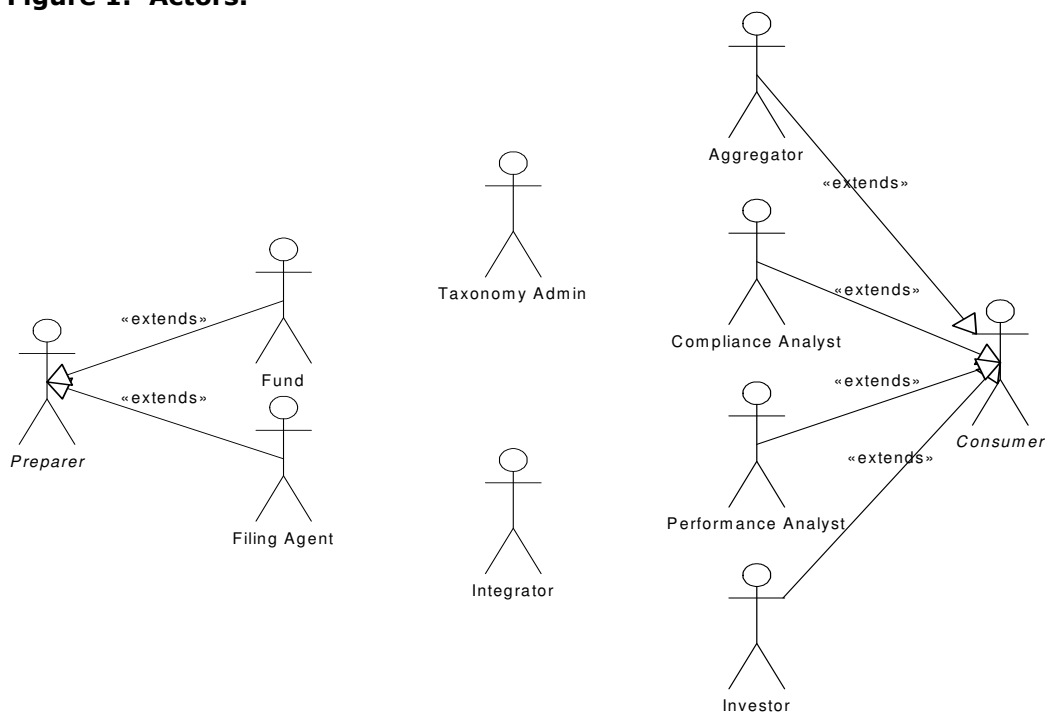
The following figures illustrate the situations in which the taxonomies will be used. These situations are called *use cases*; the use cases justify the requirements that the taxonomies must satisfy, and for what class of users those requirements arise.

The four diagrams may initially appear to be complex engineering drawings, but are actually simple graphical representations of the high-level business terms, users, activities, and their relationships: these are called the *actors*, the *preparation* use cases, the *consumption* use cases, and the *publication* use cases. Establishing a common vocabulary is an important step.

Actor Name	Explanation
Preparer	Generic name for any party (actor) preparing reports using XBRL.
Fund	A kind of preparer. The "fund" in this case means the CFO / controller / compliance officers and other parties responsible for creating regulatory and other external reports.
Filing agent	A party who assists the preparer to ensure timely and compliant reports to the SEC and other regulators.
Taxonomy Admin	Actors who control the published taxonomy that is a basis for many individual reports.
Integrator	Staff responsible for the software technical aspects of integrating the taxonomies and instances into existing systems.
Consumer	Generic name for any actor that is a passive recipient of reports.
Aggregator	A consumer whose main interest is in normalization of incoming report data with an existing (large) historical data set, to be used by others for a variety of purposes.
Compliance analyst	Consumers whose primary interest in the report is to ensure that it is compliant with relevant accounting and other regulations.

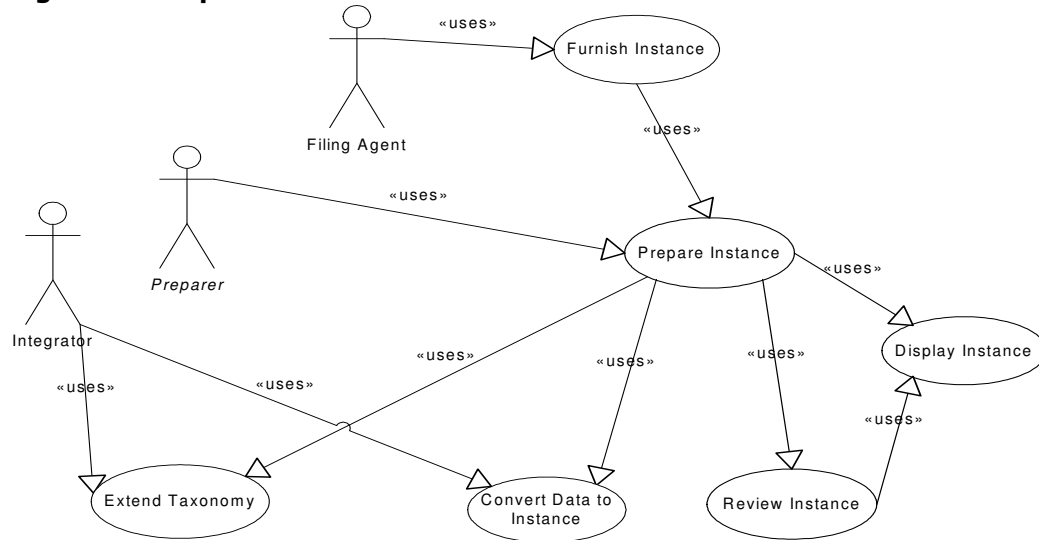
Actor Name	Explanation
Performance analyst	Consumers whose primary interest is the risk and return performance data, its consistency with the stated strategy, and its relative impact on one or more investment theses.
Investor	Consumers whose primary interest is in the report's content and its implications for their own investment portfolio.

Figure 1. Actors.



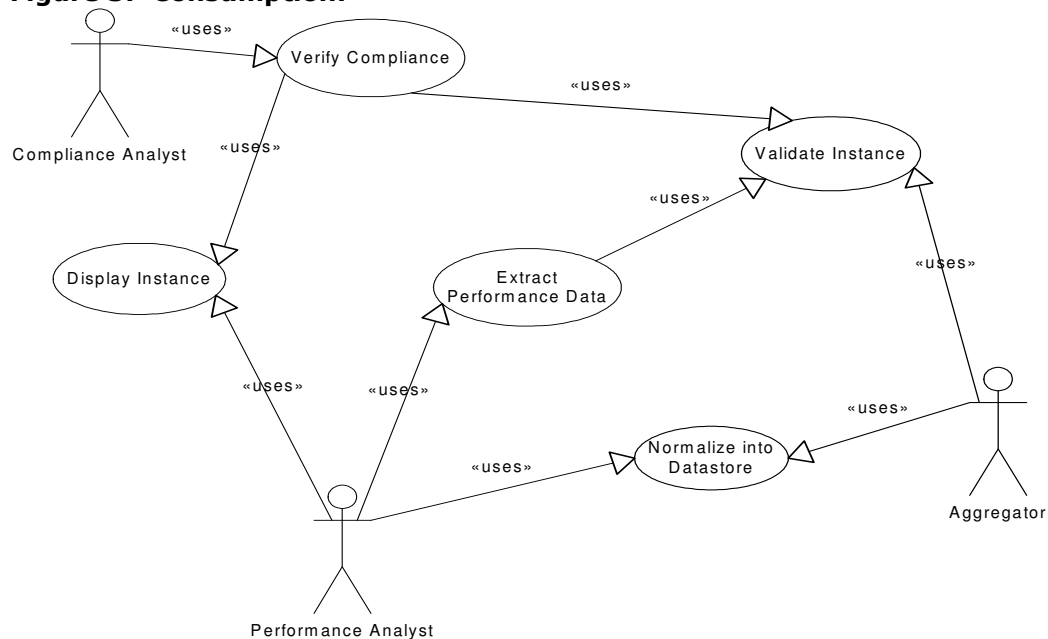
The various use cases related to preparation (furnish instance, prepare instance, review instance...) are shown in the figure below. Each of these supports a particular set of requirements that the taxonomies must satisfy. For example, the taxonomy needs to be organized in such a way that preparers (funds) rarely need to develop major extensions, and are able to map (convert) existing data straightforwardly.

Figure 2. Preparation.



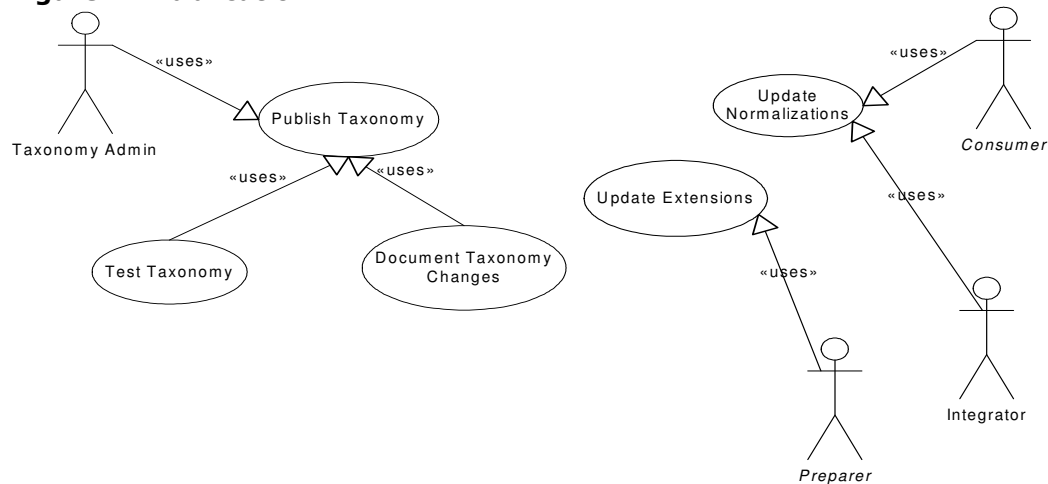
Use cases related to consumption (validate instance, verify compliance...) are shown below. The use case "display instance" appears in both sets of cases. The taxonomy must support both the needs of *compliance* oriented versus *performance* oriented users.

Figure 3. Consumption.



Finally, use cases related to publication of the taxonomy and new versions, although relatively infrequent, should take into account the fact that each newly published version could impact many preparers and consumers.

Figure 4. Publication



4. Requirements

The ordering of these requirements does not necessarily imply importance, although generally requirements stated as a "MUST" would tend to supersede those stated as a "SHOULD". Here, "the Instructions" means "the instructions for SEC Form N-1A".

#	Requirement	Use cases providing justification
01	There MUST be exactly one tag or combination of tags for each numeric figure to be reported in SEC Form N-1A instructions for sections 1, 2 and 3.	Consumption: Verify Compliance;
02	There MUST be at least one tag or combination of tags for each textual topic, heading, or textual explanation required by the instructions.	Consumption: Verify Compliance; Preparation: Update Extensions.
03	The tags MUST allow different levels and multiple paragraphs of textual detail to be reported by different funds, to the extent that the instructions permit.	Preparation: Convert Data to Instance
04	Any disclosures indicated by the instructions as potentially having footnotes MUST be actual XBRL text or number items, and not "abstract" headings.	All.
05	The taxonomies MUST allow the detection of whether the ordering of disclosures is consistent with the ordering required by the instructions.	Consumption: Verify Compliance;
06	Tags appearing in the June 2005 US GAAP Investment Management extension taxonomy ¹ MUST be considered for inclusion if their definitions are consistent and the tags in question are unlikely to be changed in the early 2007 release of the US taxonomies.	Preparation: Convert data to instance; Consumption: Normalize into data store; Publication (all).

#	Requirement	Use cases providing justification
07	The text (narrative) tags SHOULD allow different content for different reports Risk Return Summaries while retaining commonality of topic; for example, "currency risk narrative" is a common topic and therefore should be a tag, even though different funds will express their currency risk differently as text within that tag. The text (narrative) tags SHOULD cover 100% of the narrative disclosure elements required by Items 1, 2 and 3 of Form N-1A and over 90% of the distinct concepts reported in response to these narrative disclosure elements in a sizable sample of prospectuses.	Consumption: Normalize into data store; Publication: Update normalizations.
08	The taxonomies MUST provide sufficient presentation oriented detail that widely available software applications yield a readable display of a valid instance document to knowledgeable users within no more than five mouse clicks.	Preparation and consumption: Display instance.
09	SEC review comments on the June 2005 US GAAP Investment Management extension taxonomy SHOULD be addressed where similar topics are addressed.	Preparation: Review Instance; Consumption: Verify Compliance.
10	The taxonomies or supporting materials MUST provide sufficient validation oriented detail to allow compliance review of completeness and consistency to be supported by automation.	Preparation: Review Instance; Consumption: Verify Compliance; Publication: Test Taxonomy.
11	The taxonomies MUST provide tags usable in related IM related reports and not force redundant concepts and other material to be produced to meet other needs.	Preparation: Convert data to instance.
12	The taxonomies MUST enforce a consistent convention to be used across all filers for CIK, Series and Class identification of reports.	All of the above.
13	The taxonomies MUST enforce a consistent convention to be used across all filers for identifying master-feeder (each feeder having only one master) and fund of funds (many-to-many) relationships among different series identifiers.	All of the above.
14	The licensing terms of the published taxonomies MUST grant royalty-free use while preserving copyright ownership on all published files.	All of the above.
15	An EDGAR filing, with its RR instance and supporting taxonomy extensions, SHOULD NOT require more than twenty file attachments <i>before</i> the taxonomy is copied by the SEC into its own infrastructure.	Preparation: furnish instance.
16	An EDGAR filing, with its instance and supporting taxonomy extensions, SHOULD NOT require more than ten separate file attachments <i>after</i> the taxonomies have been published at a stable location and copied by the SEC into its own infrastructure.	Preparation: furnish instance.

#	Requirement	Use cases providing justification
17	The taxonomies MUST be fully XBRL 2.1 compliant.	Consumption: Validate instance
18	The taxonomies MUST be valid according to the XBRL software implementation current at the SEC, even if this is more restrictive than XBRL 2.1 itself.	Consumption: Validate instance; Publication: Test Taxonomy.
19	Even though a fund prospectus is not a "financial report" within the definition of the XBRL International Financial Reporting Taxonomies Architecture (FRTA) 1.0, the taxonomies MUST comply with all mandatory rules in FRTA 1.0 except for named, justifiable and documented exceptions. Significant rules of this type concern documentation requirements, orderly and consistent use of links, careful attention to sign, debit and credit conventions.	Preparation: Convert data to instance; Consumption: Normalize into data store; Publication (all use cases).
20	The taxonomies SHOULD comply with all recommended rules in FRTA 1.0 except for named and justified exceptions.	Publication (all use cases).
21	The taxonomy should specify a convention to be followed so that facts in an instance are readily associated with their effective date, classes and series to which they pertain.	Consumption: Extract performance data, normalize into data store.

5. References

Term	Reference
EDGAR	www.sec.gov/edgar.shtml
FRTA	www.xbrl.org/TaxonomyGuidance
SEC XBRL	www.sec.gov/spotlight/xbrl.htm
UML	www.vinci.org/uml/usecase.html
US GAAP IM Taxonomy	www.xbrl.org/us/fr/gaap/im/2005-06-28/us-gaap-im%20Summary%20Page.htm
XBRL 2.1	www.xbrl.org/Specifications

6. Document History

CCYY-MM-DD	Editor	Description
2006-07-07	Hamscher	Revision 000 for distribution to staff.
2006-07-14	Hamscher	Revision 001, incorporating multiple edits from staff, for distribution to working group.
2006-07-17	Hamscher	Revision 002, incorporating further comments from staff, for distribution to working group.
2006-07-24	Hamscher	Revision 003, adding requirement pertaining to the use of "effective date" rather than "filing date" in a prospectus.
2006-07-26	Hamscher	Revision 004, correcting a previous edit.
2007-01-04	Hamscher	Revision 005, to accompany review of taxonomy.

¹ There are 9 concepts in the current US-GAAP Taxonomies' "Shareholder Expense Example" section, five of which might appear in N-1A Section 3. There are 34 concepts in the "General Fund Information" section, which appear throughout Form N-1A.