

WALT DISNEY CO/  
Form 8-K  
January 03, 2006

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K  
CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of Earliest Event Reported):

December 30, 2005

Delaware

(State or other jurisdiction of incorporation)

1-11605  
(Commission File Number)

No. 95-4545390  
I.R.S. Employer Identification No.

500 South Buena Vista Street  
Burbank, California 91521  
(818) 560-1000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 2.02 Results of Operations and Financial Condition.****Item 8.01 Other Events.**

The Registrant announced today that beginning with the first quarter of fiscal year 2006 it will report the performance of its operating segments including equity in the income of investees to align with how management will report and measure segment performance for internal management purposes. Previously, equity in the income of investees was reported as a reconciling item between segment operating income and income before income taxes, minority interests and the cumulative effect of accounting changes.

The following tables reconcile segment operating income for fiscal years 2005, 2004 and 2003 under the historical reporting method to segment operating income as it will be reported when equity in the income of investees is included in segment operating income starting in the first quarter of fiscal 2006. Table 1 *As Reported*, plus Table 2 *Equity in the Income of Investees*, equals Table 3 *As Adjusted*.

**Fiscal 2005****Table 1 As Reported**  
(in millions)

	Quarter Ended				Year Ended Oct. 1, 2005
	Jan. 1, 2005	Apr. 2, 2005	July 2, 2005	Oct. 1, 2005	
Segment Operating Income:					
Media Networks	\$444	\$700	\$973	\$ 632	\$2,749
Parks and Resorts	249	183	437	309	1,178
Studio Entertainment	323	241	(44)	(313)	207
Consumer Products	226	106	56	132	520

**Table 2 - Equity in the Income of Investees**  
(in millions)

	Quarter Ended				Year Ended Oct. 1, 2005
	Jan. 1, 2005	Apr. 2, 2005	July 2, 2005	Oct. 1, 2005	
Segment Operating Income:					
Media Networks <sup>(1)</sup>	\$121	\$106	\$119	\$114	\$ 460
Parks and Resorts					
Studio Entertainment					
Consumer Products	4	7	6	6	23

**Table 3 As Adjusted**  
(in millions)

	Quarter Ended				Year Ended Oct. 1, 2005
	Jan. 1, 2005	Apr. 2, 2005	July 2, 2005	Oct. 1, 2005	
Segment Operating Income:					
Media Networks	\$565	\$806	\$1,092	\$ 746	\$3,209
Parks and Resorts	249	183	437	309	1,178
Studio Entertainment	323	241	(44)	(313)	207
Consumer Products	230	113	62	138	543

**Fiscal 2004****Table 1 - As Reported**  
(in millions)

	Dec. 31,	Quarter Ended			Year Ended
		Mar. 31,	June 30,	Sept. 30,	
	2003	2004	2004	2004	Sept. 30, 2004
Segment Operating Income:					
Media Networks	\$344	\$704	\$673	\$448	\$ 2,169
Parks and Resorts <sup>(2)</sup>	232	188	421	282	1,123
Studio Entertainment	458	153	28	23	662
Consumer Products	237	75	76	146	534

**Table 2 - Equity in the Income of Investees**  
(in millions)

	Dec. 31,	Quarter Ended			Year Ended
		Mar. 31,	June 30,	Sept. 30,	
	2003	2004	2004	2004	Sept. 30, 2004
Segment Operating Income:					
Media Networks <sup>(1)</sup>	\$107	\$109	\$122	\$67	\$ 405
Parks and Resorts <sup>(2)</sup>	(12)	(34)			(46)
Studio Entertainment					
Consumer Products	2	2	4	5	13

**Table 3 - As Adjusted**  
(in millions)

	Dec. 31,	Quarter Ended			Year Ended
		Mar. 31,	June 30,	Sept. 30,	
	2003	2004	2004	2004	Sept. 30, 2004
Segment Operating Income:					
Media Networks	\$451	\$813	\$795	\$515	\$ 2,574
Parks and Resorts <sup>(2)</sup>	220	154	421	282	1,077
Studio Entertainment	458	153	28	23	662
Consumer Products	239	77	80	151	547

**Fiscal 2003****Table 1 - As Reported**  
(in millions)

	Dec. 31,	Quarter Ended			Year Ended
		Mar. 31,	June 30,	Sept. 30,	
	2002	2003	2003	2003	Sept. 30, 2003
Segment Operating Income:					
Media Networks	\$ (71)	\$400	\$586	\$298	\$ 1,213
Parks and Resorts <sup>(2)</sup>	225	155	352	225	957
Studio Entertainment	138	206	71	205	620
Consumer Products	190	53	39	102	384

**Table 2 - Equity in the Income of Investees**  
(in millions)

	Dec. 31,	Quarter Ended			Year Ended
		Mar. 31,	June 30,	Sept. 30,	
	2002	2003	2003	2003	Sept. 30, 2003
Segment Operating Income:					
Media Networks <sup>(1)</sup>	\$97	\$ 75	\$92	\$80	\$ 344
Parks and Resorts <sup>(2)</sup>	(7)	(24)	11	9	(11)
Studio Entertainment					
Consumer Products			3	2	5

**Table 3 - As Adjusted**  
(in millions)

	Dec. 31,	Quarter Ended			Year Ended
		Mar. 31,	June 30,	Sept. 30,	
	2002	2003	2003	2003	Sept. 30, 2003
Segment Operating Income:					
Media Networks	\$ 26	\$475	\$678	\$378	\$ 1,557
Parks and Resorts <sup>(2)</sup>	218	131	363	234	946
Studio Entertainment	138	206	71	205	620
Consumer Products	190	53	42	104	389

(1) Substantially all of these amounts relate to investments at Cable Networks. An immaterial amount relates to Broadcasting.

(2) Includes equity in the income/(loss) of Euro Disney and Hong Kong Disneyland for the first two quarters of fiscal 2004 and the full year of fiscal 2003, prior to the consolidation of the results of operations of these businesses beginning with the third quarter of fiscal 2004 as a result of the implementation of FASB Interpretation No. 46R, *Consolidation of Variable Interest Entities*.

The following presents the tables included in the *Segment Information* section of Note 1 to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the fiscal year ended October 1, 2005 (2005 Annual Report) revised to reflect how they will be reported when equity in the income of investees is included in segment operating income. This presentation also corrects a transposition of two digits in the *Supplemental Revenue Data* section relating to fiscal year 2005 Media Networks advertising revenue, which was originally reported in this table in the Company's 2005 Annual Report as \$7,721. This transposition did not affect any other financial information included in the Company's 2005 Annual Report.

## SEGMENT INFORMATION

(in millions)

	2005	2004	2003
<i>Revenues</i>			
Media Networks	\$ 13,207	\$ 11,778	\$ 10,941
Parks and Resorts	9,023	7,750	6,412
Studio Entertainment			
Third parties	7,499	8,637	7,312
Intersegment	88	76	52
	7,587	8,713	7,364
Consumer Products			
Third parties	2,215	2,587	2,396
Intersegment	(88)	(76)	(52)
	2,127	2,511	2,344
Total consolidated revenues	\$ 31,944	\$ 30,752	\$ 27,061
<i>Segment operating income</i>			
Media Networks	\$ 3,209	\$ 2,574	\$ 1,557
Parks and Resorts	1,178	1,077	946
Studio Entertainment	207	662	620
Consumer Products	543	547	389
Total segment operating income	\$ 5,137	\$ 4,860	\$ 3,512
<i>Reconciliation of segment operating income to income before income taxes, minority interests and the cumulative effect of accounting changes</i>			
Segment operating income	\$ 5,137	\$ 4,860	\$ 3,512
Corporate and unallocated shared expenses	(536)	(428)	(447)
Amortization of intangible assets	(11)	(12)	(18)
Gain on sale of businesses and restructuring and impairment charges	(6)	(64)	
Net interest expense	(597)	(617)	(793)
Income before income taxes, minority interests and the cumulative effect of accounting changes	\$ 3,987	\$ 3,739	\$ 2,254

<i>Capital expenditures</i>			
Media Networks	\$ 228	\$ 221	\$ 203
Parks and Resorts			
Domestic	726	719	577
International <sup>(1)</sup>	711	289	
Studio Entertainment	37	39	49
Consumer Products	10	14	44
Corporate	111	145	176
Total consolidated capital expenditures	\$ 1,823	\$ 1,427	\$ 1,049

	2005	2004	2003
<i>Depreciation expense</i>			
Media Networks	\$ 182	\$ 172	\$ 169
Parks and Resorts			
Domestic	756	710	681
International <sup>(1)</sup>	207	95	
Studio Entertainment	26	22	39
Consumer Products	25	44	63
Corporate	132	155	107
Total consolidated depreciation expense	\$ 1,328	\$ 1,198	\$ 1,059
<i>Identifiable assets</i>			
Media Networks <sup>(2)(3)</sup>	\$ 26,926	\$ 26,193	
Parks and Resorts	15,807	15,221	
Studio Entertainment	5,965	6,954	
Consumer Products	877	1,037	
Corporate <sup>(4)</sup>	3,583	4,497	
Total consolidated assets	\$ 53,158	\$ 53,902	
<i>Supplemental revenue data</i>			
Media Networks			
Advertising	\$ 7,271	\$ 6,611	\$ 6,319
Affiliate Fees	5,098	4,408	3,682
Parks and Resorts			
Merchandise, food and beverage	2,879	2,429	1,987
Admissions	2,771	2,547	1,887
<i>Revenues</i>			
United States and Canada	\$ 24,806	\$ 24,012	\$ 22,124
Europe	5,207	4,721	3,171
Asia Pacific	1,451	1,547	1,331
Latin America and Other	480	472	435
	\$ 31,944	\$ 30,752	\$ 27,061
<i>Segment operating income</i>			
United States and Canada	\$ 3,963	\$ 3,307	\$ 2,432
Europe	738	868	595
Asia Pacific	386	582	525
Latin America and Other	50	103	(40)
	\$ 5,137	\$ 4,860	\$ 3,512



*Identifiable assets*

United States and Canada	\$ 45,809	\$ 46,788
Europe	5,120	5,370
Asia Pacific	2,110	1,622
Latin America and Other	119	122
	\$ 53,158	\$ 53,902

(1) Represents 100% of Euro Disney and Hong Kong Disneyland's capital expenditures and depreciation expense for all periods beginning April 1, 2004. For fiscal 2005, Hong Kong Disneyland's capital expenditures totaled \$591 million compared to the prior year amount of \$251 million, which included only six months of activity. Our equity partner contributed \$147 million in fiscal 2005 and \$66 million in the second half of fiscal 2004, which are included as sources of cash in financing activities.

(2) Identifiable assets include

amounts associated with equity method investments, including notes and other receivables of \$1,039 and \$951 in 2005 and 2004, respectively.

- (3) Includes goodwill and other intangible assets totaling \$19,284 and \$19,341 in 2005 and 2004, respectively.
- (4) Primarily deferred tax assets, investments, fixed and other assets.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

The Walt Disney Company

By: /s/ Thomas O. Staggs  
Thomas O. Staggs  
Senior Executive Vice President and  
Chief Financial Officer

Dated: December 30, 2005

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Investment Partnerships: we provide advisory services to limited partnerships and offshore funds (collectively, “Investment Partnerships”). We managed a total of \$265 million in Investment Partnership assets on March 31, 2009.

GAMCO Investors, Inc. is a holding company formed in connection with our initial public offering in February 1999. GGCP, Inc. owns a majority of the outstanding shares of Class B Common Stock of GAMCO Investors, Inc., which ownership represented approximately 95% of the combined voting power of the outstanding common stock and approximately 72% of the equity interest on March 31, 2009. Mr. Mario J. Gabelli (“Mr. Gabelli”) is the Chief Executive Officer, a director and the controlling shareholder. Accordingly, Mr. Gabelli is deemed to control GAMCO Investors, Inc.

Our principal executive offices are located at One Corporate Center, Rye, New York 10580. Our telephone number is (914) 921-5000.

## USE OF PROCEEDS

Unless otherwise indicated in the applicable prospectus supplement, the net proceeds from the sale of the securities offered by this prospectus will be used for general corporate purposes. These purposes may include, but are not limited to, working capital, including the expansion of our business through new investment product offerings, enhanced distribution and marketing of existing investment products and strategic acquisitions as opportunities arise.

If required, we will include a more detailed description of the use of proceeds from any specific offering of securities in the prospectus supplement or other offering materials related to that offering.

## RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our consolidated ratio of earnings to be fixed to charges for the five-year period ended December 31, 2008 and the three months ended March 31, 2008 and 2009.

	Three Months Ended March 31,		Year Ended December 31,			
	2009	2008	2007	2006	2005	2004
Ratio of Earnings to Fixed Charges (a)	3.6	4.7	11.8	10.3	8.5	7.2

(a) These ratios were calculated by dividing the sum of fixed charges into the sum of earnings before taxes and fixed charges. Fixed charges for these purposes consist of all interest expense and the approximate portion of rental expense representing interest.

## DESCRIPTION OF SECURITIES

This prospectus contains summary descriptions of debt securities, Class A Common Stock, preferred stock, stock purchase contracts and stock purchase units that GAMCO Investors, Inc. may sell from time to time. These summary descriptions are not meant to be complete descriptions of each security. However, this prospectus and any prospectus supplement contain the material terms of the securities being offered.

## DESCRIPTION OF DEBT SECURITIES

As used in this prospectus, debt securities means the debentures, notes, bonds and other evidences of indebtedness that GAMCO Investors, Inc. may issue from time to time. Debt securities offered by this prospectus will be either senior debt securities or subordinated debt securities. Senior debt securities will be issued under a “Senior Indenture” and subordinated debt securities will be issued under a “Subordinated Indenture.” This prospectus sometimes refers to the Senior Indenture and the Subordinated Indenture collectively as the “Indentures.” Unless the applicable prospectus supplement states otherwise, the trustee under the Senior Indenture is, and the trustee under the Subordinated Indenture will be, The Bank of New York.

The Senior Indenture and the form of the Subordinated Indenture are filed as exhibits to the registration statement. The statements and descriptions in this prospectus or in any prospectus supplement regarding provisions of the Indentures and debt securities are summaries thereof, do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all of the provisions of the Indentures and debt securities, including the definitions therein of certain terms.

### General

Debt securities will be direct unsecured obligations of GAMCO Investors, Inc. Senior debt securities will rank equally with all of GAMCO Investors, Inc.’s other senior and unsubordinated debt. The subordinated debt securities will be subordinate and junior in right of payment to all of GAMCO Investors, Inc.’s present and future senior indebtedness.

Because GAMCO Investors, Inc. is principally a holding company, its right to participate in any distribution of assets of any subsidiary, upon the subsidiary’s liquidation or reorganization or otherwise, is subject to the prior claims of creditors of the subsidiary, except to the extent GAMCO Investors, Inc. may be recognized as a creditor of that subsidiary. Accordingly, GAMCO Investors, Inc.’s obligations under debt securities will be structurally subordinated to all existing and future indebtedness and liabilities of its subsidiaries, and holders of debt securities should look only to GAMCO Investors, Inc.’s assets for payment thereunder.

The Indentures do not limit the aggregate principal amount of debt securities that GAMCO Investors, Inc. may issue and provide that GAMCO Investors, Inc. may issue debt securities from time to time in one or more series, in each case with the same or various maturities, at par or at a discount. GAMCO Investors, Inc. may issue additional debt securities of a particular series without the consent of the holders of debt securities of such series outstanding at the time of the issuance. Any such additional debt securities, together with all other outstanding debt securities of that series, will constitute a single series of debt securities under the applicable Indenture. The Indentures also do not limit our ability to incur other debt, except as described under “Restrictive Covenants” herein.

Each prospectus supplement will describe the terms relating to the specific series of debt securities being offered. These terms will include some or all of the following:

- the title of debt securities and whether they are subordinated debt securities or senior debt securities;
  - any limit on the aggregate principal amount of such debt securities;
- the price or prices at which GAMCO Investors, Inc. will sell such debt securities;
  - the maturity date or dates of such debt securities;

- the rate or rates of interest, if any, which may be fixed or variable, at which such debt securities will bear interest, or the method of determining such rate or rates, if any;
- the date or dates from which any interest will accrue or the method by which such date or dates will be determined;
  - the right, if any, to extend the interest payment periods and the duration of any such deferral period, including the maximum consecutive period during which interest payment periods may be extended;
- whether the amount of payments of principal of (and premium, if any) or interest on such debt securities may be determined with reference to any index, formula or other method, such as one or more currencies, commodities, equity indices or other indices, and the manner of determining the amount of such payments;
- the dates on which GAMCO Investors, Inc. will pay interest on such debt securities and the regular record date for determining who is entitled to the interest payable on any interest payment date;
  - whether the debt securities will be secured or unsecured;
- the place or places where the principal of (and premium, if any) and interest on such debt securities will be payable;
- if GAMCO Investors, Inc. possesses the option to do so, the periods within which and the prices at which GAMCO Investors, Inc. may redeem such debt securities, in whole or in part, pursuant to optional redemption provisions, and the other terms and conditions of any such provisions;
- GAMCO Investors, Inc.'s obligation, if any, to redeem, repay or purchase such debt securities by making periodic payments to a sinking fund or through an analogous provision or at the option of holders of the debt securities, and the period or periods within which and the price or prices at which GAMCO Investors, Inc. will redeem, repay or purchase such debt securities, in whole or in part, pursuant to such obligation, and the other terms and conditions of such obligation;
- the denominations in which such debt securities will be issued, if other than denominations of \$1,000 and integral multiples of \$1,000;
- the portion, or methods of determining the portion, of the principal amount of such debt securities which GAMCO Investors, Inc. must pay upon the acceleration of the maturity of the debt securities in connection with an Event of Default (as described below), if other than the full principal amount;
- the currency, currencies or currency unit in which GAMCO Investors, Inc. will pay the principal of (and premium, if any) or interest, if any, on such debt securities, if not United States dollars;
- provisions, if any, granting special rights to holders of such debt securities upon the occurrence of specified events;
- any deletions from, modifications of or additions to the Events of Default or GAMCO Investors, Inc.'s covenants with respect to the applicable series of debt securities, and whether or not such Events of Default or covenants are consistent with those contained in the applicable Indenture;
- the application, if any, of the terms of the Indenture relating to defeasance and covenant defeasance (which terms are described below) to such debt securities;
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whether the subordination provisions summarized below or different subordination provisions will apply to such debt securities;

- the terms, if any, upon which the holders may convert or exchange such debt securities into or for GAMCO Investors, Inc.'s common stock, preferred stock or other securities or property;
- whether any of such debt securities will be issued in global form and, if so, the terms and conditions upon which global debt securities may be exchanged for certificated debt securities;
- any change in the right of the trustee or the requisite holders of such debt securities to declare the principal amount thereof due and payable because of an Event of Default;



- the depository for global or certificated debt securities;
- any special tax implications of such debt securities;
- any trustees, authenticating or paying agents, transfer agents or registrars or other agents with respect to such debt securities; and
  - any other terms of such debt securities.

Unless otherwise specified in the applicable prospectus supplement, debt securities will not be listed on any securities exchange.

Unless otherwise specified in the applicable prospectus supplement, debt securities will be issued in fully-registered form without coupons.

Debt securities may be sold at a substantial discount below their stated principal amount, bearing no interest or interest at a rate which at the time of issuance is below market rates. The applicable prospectus supplement will describe the federal income tax consequences and special considerations applicable to any such debt securities. Debt securities may also be issued as indexed securities or securities denominated in foreign currencies, currency units or composite currencies, as described in more detail in the prospectus supplement relating to any of the particular debt securities. The prospectus supplement relating to specific debt securities will also describe any special considerations and certain additional tax considerations applicable to such debt securities.

#### Subordination

The prospectus supplement relating to any offering of subordinated debt securities will describe the specific subordination provisions. However, unless otherwise noted in the prospectus supplement, subordinated debt securities will be subordinate and junior in right of payment to all of GAMCO Investors, Inc.'s Senior Indebtedness, to the extent and in the manner set forth in the Subordinated Indenture.

Under the Subordinated Indenture, "Senior Indebtedness" means all obligations of GAMCO Investors, Inc. in respect of any of the following, whether outstanding at the date of execution of the Subordinated Indenture or thereafter incurred or created:

- the principal of (and premium, if any) and interest due on indebtedness of GAMCO Investors, Inc. for borrowed money;
- all obligations guaranteed by GAMCO Investors, Inc. for the repayment of borrowed money, whether or not evidenced by bonds, debentures, notes or other written instruments;
- all obligations guaranteed by GAMCO Investors, Inc. evidenced by bonds, debentures, notes or similar written instruments, including obligations assumed or incurred in connection with the acquisition of property, assets or businesses (provided, however, that the deferred purchase price of any other business or property or assets shall not be considered indebtedness if the purchase price thereof is payable in full within 90 days from the date on which such indebtedness was created);
- any obligations of GAMCO Investors, Inc. as lessee under leases required to be capitalized on the balance sheet of the lessee under generally accepted accounting principles;

- all obligations of GAMCO Investors, Inc. for the reimbursement on any letter of credit, banker's acceptance, security purchase facility or similar credit transaction;
- all obligations of GAMCO Investors, Inc. in respect of interest rate swap, cap or other agreements, interest rate future or options contracts, currency swap agreements, currency future or option contracts and other similar agreements;
- all obligations of the types referred to above of other persons for the payment of which GAMCO Investors, Inc. is responsible or liable as obligor, guarantor or otherwise; and

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- all obligations of the types referred to above of other persons secured by any lien on any property or asset of GAMCO Investors, Inc. (whether or not such obligation is assumed by GAMCO Investors, Inc.).

Senior Indebtedness does not include:

- indebtedness or monetary obligations to trade creditors created or assumed by GAMCO Investors, Inc. in the ordinary course of business in connection with the obtaining of materials or services;
  - indebtedness that is by its terms subordinated to or ranks equal with the subordinated debt securities; and
- any indebtedness of GAMCO Investors, Inc. to its affiliates (including all debt securities and guarantees in respect of those debt securities issued to any trust, partnership or other entity affiliated with GAMCO Investors, Inc. that is a financing vehicle of GAMCO Investors, Inc. in connection with the issuance by such financing entity of preferred securities or other securities guaranteed by GAMCO Investors, Inc.) unless otherwise expressly provided in the terms of any such indebtedness.

Senior Indebtedness shall continue to be Senior Indebtedness and be entitled to the benefits of the subordination provisions irrespective of any amendment, modification or waiver of any term of such Senior Indebtedness.

Unless otherwise noted in the accompanying prospectus supplement, if GAMCO Investors, Inc. defaults in the payment of any principal of (or premium, if any) or interest on any Senior Indebtedness when it becomes due and payable, whether at maturity or at a date fixed for prepayment or by declaration or otherwise, then, unless and until such default is cured or waived or ceases to exist, GAMCO Investors, Inc. will make no direct or indirect payment (in cash, property, securities, by set-off or otherwise) in respect of the principal of or interest on the subordinated debt securities or in respect of any redemption, retirement, purchase or other requisition of any of the subordinated debt securities.

In the event of the acceleration of the maturity of any subordinated debt securities, the holders of all senior debt securities outstanding at the time of such acceleration will first be entitled to receive payment in full of all amounts due on senior debt securities before the holders of subordinated debt securities will be entitled to receive any payment of principal (and premium, if any) or interest on the subordinated debt securities.

If any of the following events occurs, GAMCO Investors, Inc. will pay in full all Senior Indebtedness before it makes any payment or distribution under subordinated debt securities, whether in cash, securities or other property, to any holder of subordinated debt securities:

- any dissolution or winding-up or liquidation or reorganization of GAMCO Investors, Inc., whether voluntary or involuntary or in bankruptcy, insolvency or receivership;
  - any general assignment by GAMCO Investors, Inc. for the benefit of creditors; or
  - any other marshaling of GAMCO Investors, Inc.'s assets or liabilities.

In such event, any payment or distribution under subordinated debt securities, whether in cash, securities or other property, which would otherwise (but for the subordination provisions) be payable or deliverable in respect of such subordinated debt securities, will be paid or delivered directly to the holders of Senior Indebtedness in accordance with the priorities then existing among such holders until all Senior Indebtedness has been paid in full. If any payment or distribution under subordinated debt securities is received by the trustee of any subordinated debt securities in contravention of any of the terms of the Subordinated Indenture and before all the Senior Indebtedness

has been paid in full, such payment or distribution or security will be received in trust for the benefit of, and paid over or delivered and transferred to, the holders of Senior Indebtedness at the time outstanding in accordance with the priorities then existing among such holders for application to the payment of all Senior Indebtedness remaining unpaid to the extent necessary to pay all such Senior Indebtedness in full.

The Subordinated Indenture does not limit the issuance of additional Senior Indebtedness.

If subordinated debt securities are issued to a trust in connection with the issuance of trust preferred securities, such subordinated debt securities may thereafter be distributed pro rata to the holders of such trust securities in connection with the dissolution of such trust upon the occurrence of certain events described in the applicable prospectus supplement.

#### Restrictive Covenants

Unless an accompanying prospectus supplement states otherwise, the following restrictive covenant shall apply to each series of senior debt securities:

**Limitation on Liens.** So long as any senior debt securities are outstanding, neither GAMCO Investors, Inc. nor any of its subsidiaries will create, assume, incur or guarantee any indebtedness for money borrowed which is secured by any pledge of, lien on or security interest in any capital stock of its Designated Subsidiaries, other than specified types of permitted liens.

However, this restriction will not apply if all debt securities then outstanding and, at our option, any other senior indebtedness ranking equally with such debt securities, are secured at least equally and ratably with the otherwise prohibited secured debt so long as it is outstanding.

This limitation shall not apply to debt secured by a pledge of, lien on or security interest in any shares of stock of any subsidiary at the time it becomes a Designated Subsidiary, including any renewals or extensions of such secured debt. "Designated Subsidiary" means any subsidiary of GAMCO Investors, Inc., the consolidated net worth of which represents at least 10% of the consolidated net worth of GAMCO Investors, Inc.

The Subordinated Indenture does not contain a similar limitation on liens.

#### Consolidation, Merger, Sale of Assets and Other Transactions

GAMCO Investors, Inc. may not (i) merge with or into or consolidate with another person or sell, assign, transfer, lease or convey all or substantially all of its properties and assets to, any other person other than a direct or indirect wholly-owned subsidiary of GAMCO Investors, Inc., and (ii) no person may merge with or into or consolidate with GAMCO Investors, Inc. or, except for any direct or indirect wholly-owned subsidiary of GAMCO Investors, Inc., sell, assign, transfer, lease or convey all or substantially all of its properties and assets to GAMCO Investors, Inc. unless:

- GAMCO Investors, Inc. is the surviving corporation or the person formed by or surviving such merger or consolidation or to which such sale, assignment, transfer, lease or conveyance has been made, if other than GAMCO Investors, Inc., has expressly assumed by supplemental indenture all the obligations of GAMCO Investors, Inc. under such debt securities, the Indentures and any guarantees of preferred securities or common securities issued by certain trusts;
- immediately after giving effect to such transaction, no default or Event of Default has occurred and is continuing; and
- GAMCO Investors, Inc. delivers to the trustee an officers' certificate and an opinion of counsel, each stating that the supplemental indenture complies with the applicable Indenture.

#### Events of Default, Notice and Waiver

Unless an accompanying prospectus supplement states otherwise, the following shall constitute “Events of Default” under the Indentures with respect to each series of debt securities:

- GAMCO Investors, Inc.’s failure to pay any interest on any debt security of such series when due and payable, continued for 30 days;
- GAMCO Investors, Inc.’s failure to pay principal (or premium, if any) on any debt security of such series when due, regardless of whether such payment became due because of maturity, redemption, acceleration or otherwise, or is required by any sinking fund established with respect to such series;

- GAMCO Investors, Inc.'s failure to observe or perform any other of its covenants or agreements with respect to such debt securities for 90 days after it receives notice of such failure;
- certain defaults with respect to GAMCO Investors, Inc.'s debt (other than such debt securities or non-recourse debt) in any aggregate principal amount in excess of \$25,000,000 consisting of the failure to make any payment at maturity or that results in acceleration of the maturity of such debt; and
  - certain events of bankruptcy, insolvency or reorganization of GAMCO Investors, Inc.

If an Event of Default with respect to any debt securities of any series outstanding under either of the Indentures shall occur and be continuing, the trustee under such Indenture or the holders of at least 25% in aggregate principal amount of the debt securities of that series outstanding may declare, by notice as provided in the applicable Indenture, the principal amount (or such lesser amount as may be provided for in the debt securities of that series) of the debt securities of that series outstanding to be due and payable immediately; provided that, in the case of an Event of Default involving certain events in bankruptcy, insolvency or reorganization, acceleration is automatic; and, provided further, that after such acceleration, but before a judgment or decree based on acceleration, the holders of a majority in aggregate principal amount of the outstanding debt securities of that series may, under certain circumstances, rescind and annul such acceleration if all Events of Default, other than the nonpayment of accelerated principal, have been cured or waived.

Upon the acceleration of the maturity of original issue discount securities, an amount less than the principal amount thereof will become due and payable.

Reference is made to the prospectus supplement relating to any original issue discount securities for the particular provisions relating to acceleration of maturity thereof. Any past default under either Indenture with respect to debt securities of any series, and any Event of Default arising therefrom, may be waived by the holders of a majority in principal amount of all debt securities of such series outstanding under such Indenture, except in the case of (i) default in the payment of the principal of (or premium, if any) or interest on any debt securities of such series or (ii) default in respect of a covenant or provision which may not be amended or modified without the consent of the holder of each outstanding debt security of such series affected.

The trustee is required, within 90 days after the occurrence of a default (which is known to the trustee and is continuing), with respect to the debt securities of any series (without regard to any grace period or notice requirements), to give to the holders of debt securities of such series notice of such default; provided, however, that, except in the case of a default in the payment of the principal of (and premium, if any) or interest, or in the payment of any sinking fund installment, on any debt securities of such series, the trustee shall be protected in withholding such notice if it in good faith determines that the withholding of such notice is in the interests of the holders of debt securities of such series.

The trustee, subject to its duties during default to act with the required standard of care, may require indemnification by the holders of debt securities of any series with respect to which a default has occurred before proceeding to exercise any right or power under the Indentures at the request of the holders of debt securities of such series. Subject to such right of indemnification and to certain other limitations, the holders of a majority in principal amount of the outstanding debt securities of any series under either Indenture may direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust or power conferred on the trustee with respect to debt securities of such series.

No holder of a debt security of any series may institute any action against GAMCO Investors, Inc. under either of the Indentures (except actions for payment of overdue principal of (and premium, if any) or interest on such debt security

or for the conversion or exchange of such debt security in accordance with its terms) unless (i) the holder has given to the trustee written notice of an Event of Default and of the continuance thereof with respect to debt securities of such series specifying an Event of Default, as required under the applicable Indenture, (ii) the holders of at least 25% in aggregate principal amount of debt securities of that series then outstanding under such Indenture shall have requested the trustee to institute such action and offered to the trustee indemnity reasonably satisfactory to it against the costs, expenses and liabilities to be incurred in compliance with such request and (iii) the trustee shall not have instituted such action within 60 days of such request.



GAMCO Investors, Inc. is required to furnish annually to the trustee statements as to its compliance with all conditions and covenants under each Indenture.

#### Discharge, Defeasance and Covenant Defeasance

If indicated in the applicable prospectus supplement, GAMCO Investors, Inc. may discharge or defease its obligations under each Indenture as set forth below.

GAMCO Investors, Inc. may discharge certain obligations to holders of any series of debt securities issued under either the Senior Indenture or the Subordinated Indenture which have not already been delivered to the trustee for cancellation and which have either become due and payable or are by their terms due and payable within one year (or scheduled for redemption within one year) by irrevocably depositing with the trustee cash or, in the case of debt securities payable only in U.S. dollars, U.S. Government Obligations (as defined in either Indenture), as trust funds in an amount certified to be sufficient to pay when due, whether at maturity, upon redemption or otherwise, the principal of (and premium, if any) and interest on such debt securities.

If indicated in the applicable prospectus supplement, GAMCO Investors, Inc. may elect either (i) to defease and be discharged from any and all obligations with respect to debt securities of or within any series (except as otherwise provided in the relevant Indenture) (“defeasance”) or (ii) to be released from its obligations with respect to certain covenants applicable to debt securities of or within any series (“covenant defeasance”), upon the deposit with the relevant Indenture trustee, in trust for such purpose, of money and/or government obligations which through the payment of principal and interest in accordance with their terms will provide money in an amount sufficient, without reinvestment, to pay the principal of (and premium, if any) or interest on such debt securities to maturity or redemption, as the case may be, and any mandatory sinking fund or analogous payments thereon. As a condition to defeasance or covenant defeasance, GAMCO Investors, Inc. must deliver to the trustee an opinion of counsel to the effect that the holders of such debt securities will not recognize income, gain or loss for federal income tax purposes as a result of such defeasance or covenant defeasance and will be subject to federal income tax on the same amounts and in the same manner and at the same times as would have been the case if such defeasance or covenant defeasance had not occurred. Such opinion of counsel, in the case of defeasance under clause (i) above, must refer to and be based upon a ruling of the Internal Revenue Service or a change in applicable federal income tax law occurring after the date of the relevant Indenture. In addition, in the case of either defeasance or covenant defeasance, GAMCO Investors, Inc. shall have delivered to the trustee (i) an officers’ certificate to the effect that the relevant debt securities exchange(s) have informed it that neither such debt securities nor any other debt securities of the same series, if then listed on any securities exchange, will be delisted as a result of such deposit and (ii) an officers’ certificate and an opinion of counsel, each stating that all conditions precedent with respect to such defeasance or covenant defeasance have been complied with. GAMCO Investors, Inc. may exercise its defeasance option with respect to such debt securities notwithstanding its prior exercise of its covenant defeasance option.

#### Modification and Waiver

Under the Indentures, GAMCO Investors, Inc. and the applicable trustee may supplement the Indentures for certain purposes which would not materially adversely affect the interests or rights of the holders of debt securities of a series without the consent of those holders. GAMCO Investors, Inc. and the applicable trustee may also modify the Indentures or any supplemental indenture in a manner that affects the interests or rights of the holders of debt securities with the consent of the holders of a least a majority in aggregate principal amount of the outstanding debt securities of each affected series issued under the Indenture. However, the Indentures require the consent of each holder of debt securities that would be affected by any modification which would:

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extend the fixed maturity of any debt securities of any series, or reduce the principal amount thereof, or reduce the rate or extend the time of payment of interest thereon, or reduce any premium payable upon the redemption thereof;

- reduce the amount of principal of an original issue discount debt security or any other debt security payable upon acceleration of the maturity thereof;
  - change the currency in which any debt security or any premium or interest is payable;

- impair the right to institute suit for any payment on or with respect to any debt security;
- reduce the percentage in principal amount of outstanding debt securities of any series, the consent of whose holders is required for modification or amendment of the Indentures or for waiver of compliance with certain provisions of the Indentures or for waiver of certain defaults;
  - reduce the requirements contained in the Indentures for quorum or voting; or
  - modify any of the above provisions.

If subordinated debt securities are held by a trust or a trustee of a trust, a supplemental indenture that affects the interests or rights of the holders of debt securities will not be effective until the holders of not less than a majority in liquidation preference of the preferred securities and common securities of the applicable trust, collectively, have consented to the supplemental indenture; provided, further, that if the consent of the holder of each outstanding debt security is required, the supplemental indenture will not be effective until each holder of the preferred securities and the common securities of the applicable trust has consented to the supplemental indenture.

The Indentures permit the holders of at least a majority in aggregate principal amount of the outstanding debt securities of any series issued under the Indenture which is affected by the modification or amendment to waive GAMCO Investors, Inc.'s compliance with certain covenants contained in the Indentures.

#### Payment and Paying Agents

Unless otherwise indicated in the applicable prospectus supplement, payment of interest on a debt security on any interest payment date will be made to the person in whose name a debt security is registered at the close of business on the record date for the interest.

Unless otherwise indicated in the applicable prospectus supplement, principal, interest and premium on the debt securities of a particular series will be payable at the office of such paying agent or paying agents as GAMCO Investors, Inc. may designate for such purpose from time to time.

Notwithstanding the foregoing, at GAMCO Investors, Inc.'s option, payment of any interest may be made by check mailed to the address of the person entitled thereto as such address appears in the security register.

Unless otherwise indicated in the applicable prospectus supplement, a paying agent designated by GAMCO Investors, Inc. and located in the Borough of Manhattan, The City of New York will act as paying agent for payments with respect to debt securities of each series. All paying agents initially designated by GAMCO Investors, Inc. for debt securities of a particular series will be named in the applicable prospectus supplement. GAMCO Investors, Inc. may at any time designate additional paying agents or rescind the designation of any paying agent or approve a change in the office through which any paying agent acts, except that GAMCO Investors, Inc. will be required to maintain a paying agent in each place of payment for debt securities of a particular series.

All moneys paid by GAMCO Investors, Inc. to a paying agent for the payment of the principal, interest or premium on any debt security which remain unclaimed at the end of two years after such principal, interest or premium has become due and payable will be repaid to GAMCO Investors, Inc. upon request, and the holder of such debt security thereafter may look only to GAMCO Investors, Inc. for payment thereof.

#### Denominations, Registrations and Transfer

Unless an accompanying prospectus supplement states otherwise, debt securities will be represented by one or more global certificates registered in the name of a nominee for The Depository Trust Company, or DTC. In such case, each holder's beneficial interest in the global securities will be shown on the records of DTC and transfers of beneficial interests will only be effected through DTC's records.

A holder of debt securities may only exchange a beneficial interest in a global security for certificated securities registered in the holder's name if:

- DTC notifies GAMCO Investors, Inc. that it is unwilling or unable to continue serving as the depository for the relevant global securities; or
- DTC ceases to maintain certain qualifications under the Exchange Act and no successor depository has been appointed for 90 days; or
  - GAMCO Investors, Inc. determines, in its sole discretion, that the global security shall be exchangeable.

If debt securities are issued in certificated form, they will only be issued in the minimum denomination specified in the accompanying prospectus supplement and integral multiples of such denomination. Transfers and exchanges of such debt securities will only be permitted in such minimum denomination. Transfers of debt securities in certificated form may be registered at the trustee's corporate office or at the offices of any paying agent or trustee appointed by GAMCO Investors, Inc. under the Indentures. Exchanges of debt securities for an equal aggregate principal amount of debt securities in different denominations may also be made at such locations.

#### Governing Law

The Senior Indenture is, and the Subordinated Indenture and debt securities will be, governed by, and construed in accordance with, the internal laws of the State of New York, without regard to its principles of conflicts of laws.

#### Relationship with the Trustees

Unless the applicable prospectus supplement states otherwise, the trustee under the Senior Indenture is, and the trustee under the Subordinated Indenture will be, The Bank of New York. We and our subsidiaries maintain ordinary banking and trust relationships with a number of banks and trust companies, including the trustee under the Indentures.

#### Conversion or Exchange Rights

The prospectus supplement will describe the terms, if any, on which a series of debt securities may be convertible into or exchangeable for GAMCO Investors, Inc.'s Class A Common Stock, preferred stock or other debt securities. These terms will include provisions as to whether conversion or exchange is mandatory, at the option of the holder or at GAMCO Investors, Inc.'s option. These provisions may allow or require the number of shares of GAMCO Investors, Inc.'s Class A Common Stock or other securities to be received by the holders of such series of debt securities to be adjusted.

### DESCRIPTION OF CAPITAL STOCK

The authorized capital stock of GAMCO Investors, Inc. consists of 100,000,000 shares of Class A Common Stock, 100,000,000 shares of Class B Common Stock, and 10,000,000 shares of preferred stock. No preferred stock is outstanding as of the date of this prospectus. Of the 100,000,000 shares of Class A Common Stock authorized, 7,399,483 shares were outstanding as of April 30, 2009, and 868,875 shares have been reserved for issuance pursuant to certain employee benefits plans. Of the 100,000,000 shares of Class B Common Stock authorized, 20,350,931 were outstanding as of April 30, 2009. The following is a summary description of all material terms and provisions relating to GAMCO Investors, Inc.'s capital stock, the Restated Certificate of Incorporation (the "Certificate of Incorporation") and the Amended and Restated Bylaws (the "Bylaws"), but is qualified by reference to the Certificate of Incorporation and Bylaws, copies of which are filed as exhibits to the registration statement of which this prospectus forms a part.

Common Stock

Voting Rights. The holders of Class A Common Stock and Class B Common Stock have identical voting rights except that:

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- (i) holders of Class A Common Stock are entitled to one vote per share while holders of Class B Common Stock are entitled to ten votes per share on all matters to be voted on by shareholders; and
- (ii) holders of Class A Common Stock are not eligible to vote on matters relating exclusively to Class B Common Stock and vice versa.

Holders of shares of Class A Common Stock and Class B Common Stock are not entitled to cumulate their votes in the election of directors. Generally, all matters to be voted on by shareholders must be approved by a majority (or, in the case of election of directors, by a plurality) of the votes that are entitled to be cast by the holders of all shares of Class A Common Stock and Class B Common Stock present in person or represented by proxy, voting together as a single class, subject to any voting rights granted to holders of any preferred stock. Except as otherwise provided by law, and subject to any voting rights granted to holders of any outstanding preferred stock, amendments to GAMCO Investors, Inc.'s Certificate of Incorporation generally must be approved by a majority of the combined voting power of all Class A Common Stock and Class B Common Stock voting together as a single class. Amendments to GAMCO Investors, Inc.'s Certificate of Incorporation that would alter or change the powers, preferences or special rights of the Class A Common Stock or the Class B Common Stock so as to affect them adversely also must be approved by a majority of the votes entitled to be cast by the holders of the shares affected by the amendment, voting as a separate class. Notwithstanding the foregoing, any amendment to GAMCO Investors, Inc.'s Certificate of Incorporation to increase the authorized shares of any class or classes of Stock will be deemed not to affect adversely the powers, preferences or special rights of the Class A Common Stock or Class B Common Stock.

**Dividends.** Holders of Class A Common Stock and Class B Common Stock will receive an equal amount per share in any dividend declared by the Board of Directors, subject to any preferential rights of any outstanding preferred stock. Dividends consisting of shares of Class A Common Stock and Class B Common Stock may be paid only as follows:

- (i) shares of Class A Common Stock may be paid only to holders of Class A Common Stock and shares of Class B Common Stock may be paid only to holders of Class B Common Stock; and
- (ii) shares will be paid proportionally with respect to each outstanding share of Class A Common Stock and Class B Common Stock.

**Other Rights.** On liquidation, dissolution or winding up of GAMCO Investors, Inc., after payment in full of the amounts required to be paid to holders of preferred stock, if any, all holders of common stock, regardless of class, are entitled to share ratably in any assets available for distribution to holders of shares of common stock. No shares of common stock are subject to redemption or have preemptive rights to purchase additional shares of common stock.

In the event of any corporate merger, consolidation, purchase or acquisition of property or stock, or other reorganization in which any consideration is to be received by the holders of Class A Common Stock or the holders of Class B Common Stock as a class, the holders of Class A Common Stock and the holders of Class B Common Stock will receive the same consideration on a per share basis; except that, if such consideration shall consist in any part of voting securities (or of options or warrants to purchase, or of securities convertible into or exchangeable for, voting securities), the holders of Class B Common Stock may receive, on a per share basis, voting securities with up to ten times the number of votes per share as those voting securities to be received by the holders of Class A Common Stock (or options or warrants to purchase, or securities convertible into or exchangeable for, voting securities with up to ten times the number of votes per share as those voting securities issuable upon exercise of the options or warrants, or into which the convertible or exchangeable securities may be converted or exchanged, received by the holders of Class A Common Stock). Accordingly, except with respect to voting rights, the holders of Class B Common Stock will not receive greater value than the holders of Class A Common Stock in an extraordinary corporate transaction involving GAMCO Investors, Inc.





## Preferred Stock

As of the date of this prospectus, no shares of preferred stock are outstanding. The Board of Directors may authorize the issuance of preferred stock in one or more series and may determine, with respect to any such series, the powers, preferences and rights of such series, and its qualifications, limitations and restrictions, including, without limitation,

- (i) the designation of the series;
- (ii) the number of shares of the series, which number the Board of Directors may thereafter (except where otherwise provided in the designations for such series) increase or decrease (but not below the number of shares of such series then outstanding);
- (iii) whether dividends, if any, will be cumulative or noncumulative and the dividend rate of the series;
- (iv) the conditions upon which and the dates at which dividends, if any, will be payable, and the relation that such dividends, if any, will bear to the dividends payable on any other class or classes of stock;
- (v) the redemption rights and price or prices, if any, for shares of the series;
- (vi) the terms and amounts of any sinking fund provided for the purchase or redemption of shares of the series;
- (vii) the amounts payable on and the preferences, if any, of shares of the series, in the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of GAMCO Investors, Inc.;
- (viii) whether the shares of the series will be convertible or exchangeable into shares of any other class or series, or any other security, of GAMCO Investors, Inc. or any other entity, and, if so, the specification of such other class or series or such other security, the conversion price or prices or exchange rate or rates, any adjustments thereof, the date or dates as of which such shares will be convertible or exchangeable and all other terms and conditions upon which such conversion or exchange may be made; and
- (ix) the voting rights, in addition to the voting rights provided by law, if any, of the holders of shares of such series.

The authorized shares of preferred stock will be available for issuance without further action by GAMCO Investors, Inc.'s shareholders unless such action is required by applicable law or the rules of any stock exchange or automated quotation system on which GAMCO Investors, Inc.'s securities may be listed or traded. The NYSE currently requires shareholder approval as a prerequisite to listing shares in several circumstances, including where the present or potential issuance of shares could result in an increase in the number of shares of common stock outstanding, or in the amount of voting securities outstanding, of at least 20%.

Although the Board of Directors has no current intention of doing so, it could issue a series of preferred stock that could, depending on the terms of such series, impede the completion of a merger, tender offer or other takeover attempt. The Board of Directors will make any determination to issue such shares based on its judgment as to the best interests of GAMCO Investors, Inc. and its shareholders. The Board of Directors, in so acting, could issue preferred stock having terms that could discourage a potential acquirer from making, without first negotiating with the Board of Directors, an acquisition attempt through which such acquirer may be able to change the composition of the Board of Directors, including a tender offer or other transaction that some, or a majority, of GAMCO Investors, Inc.'s shareholders might believe to be in their best interests or in which shareholders might receive a premium for their stock over the then current market price of such stock.



## Business Combination Statute

Section 912 of the New York Business Corporation Law (“NYBCL”) prohibits a company from entering into a business combination (e.g., a merger, consolidation, sale of 10% or more of a company’s assets or issuance of securities with an aggregate market value of 5% or more of the aggregate market value of all of the company’s outstanding capital stock) with a beneficial owner of 20% or more of a company’s securities (a “20% shareholder”) for a period of five years following the date such beneficial owner became a 20% shareholder (the “stock acquisition date”), unless, among other things, such business combination or the purchase of stock resulting in the 20% shareholder’s beneficial ownership was approved by the company’s board of directors prior to the stock acquisition date or the business combination is approved by the affirmative vote of the holders of a majority of the outstanding voting stock exclusive of the stock beneficially owned by the 20% shareholder. The Bylaws of GAMCO Investors, Inc. provide that GAMCO Investors, Inc. is not governed by Section 912 of the NYBCL.

## Certificate of Incorporation and Bylaw Provisions

The summary set forth below describes certain provisions of the Certificate of Incorporation and Bylaws. The summary is qualified in its entirety by reference to the provisions of the Certificate of Incorporation and Bylaws, copies of which are filed as exhibits to the registration statement of which this prospectus forms a part.

Certain of the provisions of the Certificate of Incorporation or the Bylaws discussed below may have the effect, either alone or in combination with the provisions of the NYBCL discussed above, of making more difficult or discouraging a tender offer, proxy contest or other takeover attempt that is opposed by the Board of Directors but that a shareholder might consider to be in such shareholder’s best interest. Those provisions include (i) restrictions on the rights of shareholders to remove or elect directors; and (ii) prohibitions against shareholders calling a special meeting of shareholders. In addition, the Certificate of Incorporation contains provisions relating to the allocation of certain corporate opportunities and resolution of certain potential conflicts of interest. See “ – Overview of Corporate Opportunity and Conflict of Interest Policies,” “ – Corporate Opportunity Policy” and “ – Conflict of Interests Policy.”

**Number of Directors; Removal; Filling Vacancies.** The Bylaws provide that, subject to any rights of holders of preferred stock to elect directors under specified circumstances, the number of directors will be fixed from time to time exclusively pursuant to a resolution adopted by directors constituting a majority of the total number of directors that GAMCO Investors, Inc. would have if there were no vacancies on the Board of Directors (the “Whole Board”), with the Whole Board consisting of not more than twelve nor less than three directors. The Certificate of Incorporation and Bylaws also provide that, subject to any rights of holders of preferred stock or any other series or class of stock, and unless the Board of Directors otherwise determines, any vacancies will be filled only by the affirmative vote of a majority of the remaining directors, even if less than a quorum. Accordingly, absent an amendment to the Bylaws, the Board of Directors could prevent any shareholder from enlarging the Board of Directors and filling the new directorships with such shareholder’s own nominees.

The Certificate of Incorporation provides that, subject to the rights of holders of preferred stock to elect directors under specified circumstances, effective as of the date on which Mr. Gabelli beneficially owns less than a majority of the voting power of the Voting Stock (as defined below) (the “Trigger Date”), a director may be removed only for cause and only upon the affirmative vote of holders of at least 80% of the voting power of all the then outstanding shares of stock entitled to vote generally in the election of directors (“Voting Stock”), voting together as a single class. Before the Trigger Date, directors may be removed, without cause, with the affirmative vote of the holders of at least a majority of the voting power of the then outstanding Voting Stock, voting together as a single class.

**Special Meetings.** The Bylaws provide that, subject to the rights of holders of any series of preferred stock to elect additional directors under specified circumstances and the rights of shareholders to call a special meeting to elect a

sufficient number of directors to conduct the business of GAMCO Investors, Inc. under specified circumstances, special meetings of shareholders can be called only by the Board of Directors pursuant to a resolution adopted by a majority of the Whole Board or the Chairman of the Board, except that prior to the Trigger Date, special meetings can also be called at the request of the holders of a majority of the voting power of the then outstanding Voting Stock. Accordingly, effective as of the Trigger Date, shareholders will not be permitted to call a special meeting or to require that the Board of Directors call a special meeting of shareholders except under the limited circumstances described in the preceding sentence. Moreover, the business permitted to be conducted at any special meeting of shareholders is limited to the business brought before the meeting pursuant to the notice of meeting given by GAMCO Investors, Inc.

The provisions of the Bylaws permitting special meetings to be called only by the Chairman or at the request of a majority of the Whole Board may have the effect, after the Trigger Date, of delaying consideration of a shareholder proposal until the next annual meeting. Moreover, a shareholder could not force shareholder consideration of a proposal over the opposition of the Chairman or a majority of the Whole Board by calling a special meeting of shareholders prior to the time such parties believe such consideration to be appropriate.

**Liability of Directors; Indemnification.** GAMCO Investors, Inc.'s Certificate of Incorporation provides that, to the fullest extent permitted by the NYBCL, no director of GAMCO Investors, Inc. shall be liable to GAMCO Investors, Inc. or its shareholders for monetary damages for the breach of fiduciary duty in such capacity. Under the NYBCL, such provision does not eliminate or limit the liability of any director

- (i) if a judgment or other final adjudication adverse to such director establishes that his acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law or that he personally gained a material profit or other advantage to which he was not legally entitled or that his acts violated Section 719 of the NYBCL or
- (ii) for any act or omission prior to the adoption of this provision.

As a result of this provision, GAMCO Investors, Inc. and its shareholders may be unable to obtain monetary damages from a director for breach of his duty of care. Although shareholders may continue to seek injunctive or other equitable relief for an alleged breach of fiduciary duty by a director, shareholders may not have any effective remedy against the challenged conduct if equitable remedies are unavailable.

The Bylaws provide that GAMCO Investors, Inc. will indemnify any person who was or is a party to any threatened, pending, or completed action, suit or proceeding because he or she is or was a director, officer, employee or agent of GAMCO Investors, Inc. or is or was serving at the request of GAMCO Investors, Inc. as a director or officer of another corporation, partnership or other enterprise. The Bylaws provide that indemnification will be from and against expenses, judgments, fines and amounts paid in settlement by the indemnitee. However, this indemnification will only be provided if the indemnitee acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of GAMCO Investors, Inc., and with respect to a criminal action or proceeding, if the indemnitee had no reasonable cause to believe that his or her conduct was unlawful.

**Overview of Corporate Opportunity and Conflict of Interest Policies.** In order to address certain potential conflicts of interest between GAMCO Investors, Inc. and Mr. Gabelli, members of his immediate family and affiliates, Mr. Gabelli and members of his immediate family who are at the time officers or directors of GAMCO Investors, Inc. have agreed to limitations on their activities in the investment management business other than Permissible Accounts. References to "Permissible Accounts" mean the funds and accounts managed outside GAMCO Investors, Inc. which are permitted under the Certificate of Incorporation of GAMCO Investors, Inc. In addition, the Certificate of Incorporation contains provisions concerning the conduct of certain affairs of GAMCO Investors, Inc. as they may involve Mr. Gabelli, members of his immediate family and affiliates, and the powers, rights, duties and liabilities of GAMCO Investors, Inc. and its subsidiaries and their respective officers, directors and shareholders in connection therewith.

For purposes of these provisions, which are summarized below,

- (i) "GAMCO Investors, Inc." includes its subsidiaries and other entities in which we beneficially own 50% or more of the outstanding voting securities or comparable interests, and
- (ii) a "Gabelli" includes Mr. Gabelli, any member of his immediate family who is at the time an officer or director of GAMCO Investors, Inc. and any entity in which one or more Gabellis beneficially own a controlling interest of the

outstanding voting securities or comparable interests.

“Corporate opportunities” potentially allocable to GAMCO Investors, Inc. consist of business opportunities that

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- (i) GAMCO Investors, Inc. is financially able to undertake;
- (ii) are, from their nature, in GAMCO Investors, Inc.'s actual line or lines of business and are of practical advantage to GAMCO Investors, Inc.; and
- (iii) are ones in which GAMCO Investors, Inc. has an interest or reasonable expectancy.

“Corporate opportunities” do not include transactions in which GAMCO Investors, Inc. or a Gabelli is permitted to participate pursuant to any agreement between GAMCO Investors, Inc. and such Gabelli that is in effect as of the time any equity security of GAMCO Investors, Inc. is held of record by any person other than a Gabelli or is subsequently entered into with the approval of the members of the Board of Directors and do not include passive investments.

Before the Trigger Date, the affirmative vote of the holders of a majority of the outstanding Voting Stock, voting together as a single class, will be required to alter, amend or repeal any of these conflict of interest or corporate opportunity provisions in a manner adverse to the interests of any Gabelli. After the Trigger Date, such vote will be increased to 80% to alter, amend, repeal or replace any of the conflict of interest and corporate opportunity provisions.

Corporate Opportunity Policy. Except with respect to opportunities that involve Permissible Accounts, if a Gabelli acquires knowledge of a potential transaction on a matter that is a corporate opportunity for both any Gabelli and GAMCO Investors, Inc., such Gabelli will have a duty to communicate that opportunity to GAMCO Investors, Inc. and may not pursue that opportunity or direct it to another person unless GAMCO Investors, Inc. declines such opportunity or fails to pursue it.

If a director or officer of GAMCO Investors, Inc. other than a Gabelli acquires knowledge of a potential transaction or matter that may be a corporate opportunity for both GAMCO Investors, Inc. and a Gabelli, the Certificate of Incorporation requires that such director or officer act in good faith in accordance with the following two-part policy.

First, a corporate opportunity offered to any person who is a director but not an officer of GAMCO Investors, Inc. and who is also a director (whether or not an officer) of an entity which is at the time a Gabelli will belong to such Gabelli or to GAMCO Investors, Inc., as the case may be, depending on whether the opportunity is expressly offered to the person primarily in his or her capacity as an officer or director of the entity which is at the time a Gabelli or of GAMCO Investors, Inc., respectively. Otherwise, the opportunity will belong to GAMCO Investors, Inc. to the same extent as if the opportunity came directly to GAMCO Investors, Inc.

Second, a corporate opportunity offered to any person who is an officer (whether or not a director) of GAMCO Investors, Inc. and who is also a director or an officer of an entity which is at the time a Gabelli will belong to GAMCO Investors, Inc., unless the opportunity is expressly offered to that person primarily in his or her capacity as a director or officer of the entity which is at the time a Gabelli, in which case the opportunity will belong to such Gabelli to the same extent as if the opportunity came directly to a Gabelli.

Under the Certificate of Incorporation, a director or officer of GAMCO Investors, Inc. (other than a Gabelli) who acts in accordance with the foregoing two-part policy

- (i) will be deemed fully to have satisfied his or her fiduciary duties to GAMCO Investors, Inc. and its shareholders with respect to such corporate opportunity;
- (ii) will not be liable to GAMCO Investors, Inc. or its shareholders for any breach of fiduciary duty by reason of the fact that a Gabelli pursues or acquires such opportunity or directs such corporate opportunity to another person or entity or does not communicate information regarding such opportunity to GAMCO Investors, Inc.;





(iii) will be deemed to have acted in good faith and in a manner he or she reasonably believes to be in the best interests of GAMCO Investors, Inc.; and

(iv) will be deemed not to have breached his or her duty of loyalty to GAMCO Investors, Inc. or its shareholders and not to have derived an improper benefit therefrom.

Under the Certificate of Incorporation, any corporate opportunity that belongs to a Gabelli or to GAMCO Investors, Inc. pursuant to the foregoing policy will not be pursued by the other (or directed by the other to another person or entity) unless and until such Gabelli or GAMCO Investors, Inc., as the case may be, determines not to pursue the opportunity. If the party to whom the corporate opportunity belongs does not, however, within a reasonable period of time, begin to pursue, or thereafter continue to pursue, such opportunity diligently and in good faith, the other party may pursue such opportunity (or direct it to another person or entity).

Conflict of Interests Policy. The Certificate of Incorporation provides that no contract, agreement, arrangement or transaction, or any amendment, modification or termination thereof, or any waiver of any right thereunder, (each, a “Transaction”) between GAMCO Investors, Inc. and

- (i) a Gabelli,
- (ii) any customer or supplier,
- (iii) any entity in which a director of GAMCO Investors, Inc. has a financial interest (a “Related Entity”), or
- (iv) one or more of the directors or officers of GAMCO Investors, Inc. or any Related Entity

will be voidable solely because any of the persons or entities listed in (i) through (iv) above are parties thereto, if the standard specified below is satisfied.

Further, no Transaction will be voidable solely because any such directors or officers are present at or participate in the meeting of the Board of Directors or committee thereof that authorizes the Transaction or because their votes are counted for such purpose, if the standard specified is satisfied. That standard will be satisfied, and such Gabelli, the Related Entity, and the directors and officers of GAMCO Investors, Inc. or the Related Entity (as applicable) will be deemed to have acted reasonably and in good faith (to the extent such standard is applicable to such person’s conduct) and fully to have satisfied any duties of loyalty and fiduciary duties they may have to GAMCO Investors, Inc. and its shareholders with respect to such Transaction if any of the following four requirements are met:

- (i) the material facts as to the relationship or interest and as to the Transaction are disclosed or known to the Board of Directors or the committee thereof that authorizes the Transaction, and the Board of Directors or such committee in good faith approves the Transaction by the affirmative vote of a majority of the disinterested directors on the Board of Directors or such committee, even if the disinterested directors are less than a quorum;
- (ii) the material facts as to the relationship or interest and as to the Transaction are disclosed or known to the holders of Voting Stock entitled to vote thereon, and the Transaction is specifically approved by vote of the holders of a majority of the voting power of the then outstanding Voting Stock not owned by such Gabelli or such Related Entity, voting together as a single class;
- (iii) the Transaction is effected pursuant to guidelines that are in good faith approved by a majority of the disinterested directors on the Board of Directors or the applicable committee thereof or by vote of the holders of a majority of the then outstanding voting Stock not owned by such Gabelli or such Related Entity, voting together as a

single class; or

(iv) the Transaction is fair to GAMCO Investors, Inc. as of the time it is approved by the Board of Directors, a committee thereof or the shareholders of GAMCO Investors, Inc.

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The Certificate of Incorporation also provides that any such Transaction authorized, approved, or effected, and each of such guidelines so authorized or approved, as described in (i), (ii) or (iii) above, will be deemed to be entirely fair to GAMCO Investors, Inc. and its shareholders, except that, if such authorization or approval is not obtained, or such Transaction is not so effected, no presumption will arise that such Transaction or guideline is not fair to GAMCO Investors, Inc. and its shareholders. In addition, the Certificate of Incorporation provides that a Gabelli will not be liable to GAMCO Investors, Inc. or its shareholders for breach of any fiduciary duty that a Gabelli may have as a shareholder of GAMCO Investors, Inc. by reason of the fact that a Gabelli takes any action in connection with any transaction between such Gabelli and GAMCO Investors, Inc. For purposes of these provisions, interests in an entity that are not equity or ownership interests or that constitute less than 10% of the equity or ownership interests of such entity will not be considered to confer a financial interest on any person who beneficially owns such interests.

The New York courts have not ruled on the validity or enforceability of provisions similar to the corporate opportunity and conflicts of interest provisions that are included in GAMCO Investors, Inc.'s Certificate of Incorporation and could rule that certain liabilities which they purport to eliminate remain in effect.

Listing. The Class A Common Stock is listed on the NYSE under the symbol "GBL."

Transfer Agent and Registrar. The transfer agent and registrar for the common stock is Computershare Trust Company, N.A.

DESCRIPTION OF STOCK PURCHASE CONTRACTS  
AND STOCK PURCHASE UNITS

GAMCO Investors, Inc. may issue Stock Purchase Contracts, including contracts obligating holders to purchase from or sell to GAMCO Investors, Inc. and obligating GAMCO Investors, Inc. to sell to or purchase from the holders of these contracts, a specified number of shares of Class A Common Stock or preferred stock at a future date or dates or at the option of GAMCO Investors, Inc. The consideration per share of Class A Common Stock or preferred stock may be fixed at the time the Stock Purchase Contracts are issued or may be determined by reference to a specific formula set forth in the Stock Purchase Contracts. The Stock Purchase Contracts may be issued separately or as a part of units consisting of a Stock Purchase Contract and debt securities or debt obligations of third parties, including U.S. Treasury securities, securing the holders' obligations to purchase or to sell the Class A Common Stock or preferred stock under the Stock Purchase Contracts. The Stock Purchase Contracts may require GAMCO Investors, Inc. to make periodic payments to the holders of the Stock Purchase Units or vice versa, and such payments may be unsecured or prefunded on some basis. The Stock Purchase Contracts may require holders to secure their obligations thereunder in a specified manner.

The applicable prospectus supplement will describe the terms of any Stock Purchase Contracts or Stock Purchase Units. The description in the prospectus supplement will not necessarily be complete, and reference will be made to the Stock Purchase Contracts, and, if applicable, collateral arrangements and depositary arrangements, relating to such Stock Purchase Contracts or Stock Purchase Units.

## PLAN OF DISTRIBUTION

We may sell the securities offered by this prospectus from time to time in one or more transactions;

- directly to purchasers,
- through agents,
- to or through underwriters or dealers, or
- through a combination of these methods.

A distribution of the securities offered by this prospectus may also be effected through the issuance of derivative securities.

In addition, the manner in which we may sell some or all of the securities covered by this prospectus includes, without limitation, through:

- a block trade in which a broker-dealer will attempt to sell as agent, but may position or resell a portion of the block, as principal, in order to facilitate the transaction;
  - purchases by a broker-dealer, as principal, and resale by the broker-dealer for its account; or
  - ordinary brokerage transactions and transactions in which a broker solicits purchasers.

In addition, we may enter into derivative or hedging transactions with third parties, or sell securities not covered by this prospectus to third parties in privately negotiated transactions. In connection with such a transaction, the third parties may sell securities covered by and pursuant to this prospectus and an applicable prospectus supplement or other offering materials, as the case may be. If so, the third party may use securities borrowed from us or others to settle such sales and may use securities received from us to close out any related short positions. We may also loan or pledge securities covered by this prospectus and an applicable prospectus supplement to third parties, who may sell the loaned securities or, in an event of default in the case of a pledge, sell the pledged securities pursuant to this prospectus and the applicable prospectus supplement or other offering materials, as the case may be.

A prospectus supplement with respect to each series of securities will state the terms of the offering of the securities, including:

- the terms of the offering;
- the name or names of any underwriters or agents and the amounts of securities underwritten or purchased by each of them, if any;
- the public offering price or purchase price of the securities and the net proceeds to be received by us from the sale;
  - any delayed delivery arrangements;
  - any initial public offering price;

- any underwriting discounts or agency fees and other items constituting underwriters' or agents' compensation;

- any discounts or concessions allowed or reallocated or paid to dealers; and
- any securities exchange on which the securities may be listed.

The offer and sale of the securities described in this prospectus by us, the underwriters or the third parties described above may be effected from time to time in one or more transactions, including privately negotiated transactions, either:

- at a fixed price or prices, which may be changed;
- in an “at the market” offering within the meaning of Rule 415(a)(4) of the Securities Act of 1933 (the “Securities Act”);
- at prices related to the prevailing market prices; or
- at negotiated prices.

#### General

Underwriters, dealers, agents and remarketing firms that participate in the distribution of the offered securities may be “underwriters” as defined in the Securities Act. Any discounts or commissions they receive from us and any profits they receive on the resale of the offered securities may be treated as underwriting discounts and commissions under the Securities Act. We will identify any underwriters, agents or dealers and describe their commissions, fees or discounts in the applicable prospectus supplement, as the case may be.

#### Underwriters and Agents

If underwriters are used in a sale, they will acquire the offered securities for their own account. The underwriters may resell the offered securities in one or more transactions, including negotiated transactions. These sales will be made at a fixed public offering price or at varying prices determined at the time of the sale. We may offer the securities to the public through an underwriting syndicate or through a single underwriter. The underwriters in any particular offering will be mentioned in the applicable prospectus supplement or other offering materials, as the case may be.

Unless the applicable prospectus supplement states otherwise, the obligations of the underwriters to purchase the offered securities will be subject to certain conditions contained in an underwriting agreement that we will enter into with the underwriters at the time of the sale to them. The underwriters will be obligated to purchase all of the securities of the series offered if any of the securities are purchased, unless the applicable prospectus supplement says otherwise. Any initial public offering price and any discounts or concessions allowed, reallocated or paid to dealers may be changed from time to time.

We may designate agents to sell the offered securities. Unless the applicable prospectus supplement states otherwise, the agents will agree to use their best efforts to solicit purchases for the period of their appointment. We may also sell the offered securities to one or more remarketing firms, acting as principals for their own accounts or as agents for us. These firms will remarket the offered securities upon purchasing them in accordance with a redemption or repayment pursuant to the terms of the offered securities. A prospectus supplement or other offering materials, as the case may be, will identify any remarketing firm and will describe the terms of its agreement, if any, with us and its compensation.

In connection with offerings made through underwriters or agents, we may enter into agreements with such underwriters or agents pursuant to which we receive our outstanding securities in consideration for the securities being

offered to the public for cash. In connection with these arrangements, the underwriters or agents may also sell securities covered by this prospectus to hedge their positions in these outstanding securities, including in short sale transactions. If so, the underwriters or agents may use the securities received from us under these arrangements to close out any related open borrowings of securities.



#### Dealers

We may sell the offered securities to dealers as principals. The dealer may then resell such securities to the public either at varying prices to be determined by the dealer or at a fixed offering price agreed to with us at the time of resale.

#### Direct Sales

We may choose to sell the offered securities directly. In this case, no underwriters or agents would be involved.

#### Institutional Purchasers

We may authorize agents, dealers or underwriters to solicit certain institutional investors to purchase offered securities on a delayed delivery basis pursuant to delayed delivery contracts providing for payment and delivery on a specified future date. The applicable prospectus supplement or other offering materials, as the case may be, will provide the details of any such arrangement, including the offering price and commissions payable on the solicitations.

We will enter into such delayed contracts only with institutional purchasers that we approve. These institutions may include commercial and savings banks, insurance companies, pension funds, investment companies and educational and charitable institutions.

#### Indemnification; Other Relationships

We may have agreements with agents, underwriters, dealers and remarketing firms to indemnify them against certain civil liabilities, including liabilities under the Securities Act. Agents, underwriters, dealers and remarketing firms, and their affiliates, may engage in transactions with, or perform services for, us in the ordinary course of business. This includes commercial banking and investment banking transactions.

#### Market-Making, Stabilization and Other Transactions

There is currently no market for any of the offered securities, other than our Class A Common Stock which is listed on the NYSE. If the offered securities are traded after their initial issuance, they may trade at a discount from their initial offering price, depending upon prevailing interest rates, the market for similar securities and other factors. While it is possible that an underwriter could inform us that it intends to make a market in the offered securities, such underwriter would not be obligated to do so, and any such market-making could be discontinued at any time without notice. Therefore, no assurance can be given as to whether an active trading market will develop for the offered securities. We have no current plans for listing of the debt securities or preferred stock on any securities exchange or quotation system; any such listing with respect to any particular debt securities or preferred stock will be described in the applicable prospectus supplement or other offering materials, as the case may be.

Any underwriter may engage in stabilizing transactions, syndicate covering transactions and penalty bids in accordance with Rule 104 under the Exchange Act. Stabilizing transactions involve bids to purchase the underlying security in the open market for the purpose of pegging, fixing or maintaining the price of the securities. Syndicate covering transactions involve purchases of the securities in the open market after the distribution has been completed in order to cover syndicate short positions.

Penalty bids permit the underwriters to reclaim a selling concession from a syndicate member when the securities originally sold by the syndicate member are purchased in a syndicate covering transaction to cover syndicate short positions. Stabilizing transactions, syndicate covering transactions and penalty bids may cause the price of the

securities to be higher than it would be in the absence of these transactions. The underwriters may, if they commence these transactions, discontinue them at any time.

## Fees and Commissions

In compliance with the guidelines of the Financial Industry Regulatory Authority, or “FINRA,” the aggregate maximum discount, commission or agency fees or other items constituting underwriting compensation to be received by any FINRA member or independent broker-dealer will not exceed 8% of any offering pursuant to this prospectus and any applicable prospectus supplement or other offering materials, as the case may be; however, it is anticipated that the maximum commission or discount to be received in any particular offering of securities will be significantly less than this amount.

## Gabelli & Company

Gabelli & Company is a member of FINRA and may participate in distributions of the offered securities. Accordingly, offerings of offered securities in which Gabelli & Company participates will conform with the requirements set forth in NASD Conduct Rule 2720.

This prospectus, together with any applicable prospectus supplement may also be used by Gabelli & Company in connection with offers and sales of the offered securities in market-making transactions, including block positioning and block trades, at negotiated prices related to prevailing market prices at the time of sale. Gabelli & Company may act as principal or agent in such transactions but it does not however have any obligation to make a market in any of the offered securities and may discontinue any market-making activities at any time without notice, at its sole discretion.

## LEGAL MATTERS

Unless otherwise specified in the applicable prospectus supplement, the validity of the securities offered hereby will be passed upon for us by Christopher J. Michailoff, Associate General Counsel of GAMCO Investors, Inc. Mr. Michailoff beneficially owns unvested restricted shares of the Class A Common Stock of GAMCO Investors, Inc. Certain other legal matters will be passed upon for us by Skadden, Arps, Slate, Meagher & Flom LLP, New York, New York. If legal matters in connection with offerings made by this prospectus are passed on by counsel for the underwriters, dealers or agents, if any, that counsel will be named in the applicable prospectus supplement.

## EXPERTS

The consolidated financial statements of GAMCO Investors, Inc. appearing in GAMCO Investors, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2008 and the effectiveness of GAMCO Investors, Inc.'s internal control over financial reporting as of December 31, 2008 have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their reports thereon, included therein and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such reports given on the authority of such firm as experts in accounting and auditing.

## PART II

## INFORMATION NOT REQUIRED IN PROSPECTUS

## Item 14. Other Expenses of Issuance and Distribution.

The registrant has agreed to pay all expenses of the offering. All the amounts shown are estimates, except for the SEC registration fee:

Securities and Exchange Commission Registration Fee	\$ 0
Accounting Fees and Expenses	20,000
Legal Fees	50,000
Printing and Engraving Expenses	10,000
Trustee Fees and Expenses	25,000
Miscellaneous Expenses	25,000
Total	\$ 130,000

## Item 15. Indemnification of Directors and Officers.

GAMCO Investors, Inc.'s Certificate of Incorporation provides that no director of GAMCO Investors, Inc. will be personally liable to GAMCO Investors, Inc. or any of its shareholders for monetary damages arising from the director's breach of fiduciary duty as a director, with certain limited exceptions. See "Description of Capital Stock – Certificate of Incorporation and Bylaw Provisions – Liability of Directors; Indemnification" in the prospectus.

Sections 721-726 of the New York Business Corporation Law provide that a corporation may indemnify its officers and directors (or persons who have served, at the corporation's request, as officers or directors of another corporation) against the reasonable expenses, including attorneys' fees, actually and reasonably incurred by them in connection with the defense of any action by reason of being or having been directors or officers, if such person shall have acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the corporation, except that if such action shall be in the right of the corporation, no such indemnification shall be provided as to any claim, issue or matter as to which such person shall have been adjudged to have been liable to the corporation unless and only to the extent that the court in which the action was brought, or, if no action was brought, any court of competent jurisdiction determines upon application that, in view of all of the circumstances of the case, the person is fairly and reasonably entitled to indemnification.

The power to indemnify applies to actions brought by or in the right of the corporation as well, but only to the extent of defense and settlement expenses and not to any satisfaction of a judgment or settlement of the claim itself, and with the further limitation that in such actions no indemnification will be made in the event of any adjudication of negligence or misconduct unless the court, in its discretion, believes that in light of all the circumstances indemnification should apply.

To the extent any of the persons referred to in the two immediately preceding paragraphs is successful in the defense of such actions, such person is entitled, pursuant to the laws of New York State, to indemnification as described above.

GAMCO Investors, Inc.'s Bylaws provide for indemnification to officers and directors of GAMCO Investors, Inc. to the fullest extent permitted by the New York Business Corporation Law. See "Description of Capital Stock – Certificate of Incorporation and Bylaw Provisions – Liability of Directors; Indemnification" in the prospectus.

## Item 16. List of Exhibits.

The Exhibits to this registration statement are listed in the Index to Exhibits on page II-6.

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Item 17. Undertakings.

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in amount and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement.

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

Provided, however, that paragraphs (a)(1)(i), (a)(1)(ii) and (a)(1)(iii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the registrant pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser:

(i) Each prospectus filed by the registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(ii)

Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii), or (x) for the purpose of providing the information required by section 10(a) of the Securities Act of 1933 shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.



(5) That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of securities, the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;