

SAM—GENERAL LEDGER ACCOUNTS

ACCOUNT NO. 2013, PREMIUM ON SECURITIES
(Revised 5/87)

10424

Normal Balance: Debit

Purpose: This account shows the unamortized premium on securities purchased at more than par value. Premium is amortized during the expected holding period or the securities using the "interest method" which yields an equal periodic rate of interest.

Subsidiaries: Investments Ledger

Normal Entries:

Entry No.	Debits	Entry No.	Credits
33.	Investment securities are purchased.	34.	Investment securities mature or are sold.
		35.	Interest is received on investment securities.
		A-5.	Interest is accrued on investments.