

BOULDER GROWTH & INCOME FUND

Form N-Q

October 29, 2018

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED**

**MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number: 811-02328

Boulder Growth & Income Fund, Inc.

(Exact name of registrant as specified in charter)

1290 Broadway, Suite 1100, Denver, CO 80203

(Address of principal executive offices) (Zip code)

Christopher A. Moore

Boulder Growth & Income Fund, Inc.

1290 Broadway, Suite 1100

Denver, CO 80203

(Name and address of agent for service)

Registrant's telephone number, including area code: (303) 623-2577

Date of fiscal year end: November 30

Date of reporting period: August 31, 2018

**Item 1 – Schedule of Investments.**

The Schedule of Investments is included herewith.

| PORTFOLIO OF INVESTMENTS   | BOULDER GROWTH &<br>INCOME<br>FUND, INC. |                   |
|--|--|-------------------|
| Description  | Shares/Principle<br>Amount               | Value (Note<br>2) |
| August 31, 2018 (Unaudited)  |  |                   |
| <b>LONG TERM INVESTMENTS 88.32%</b>                                      |  |                   |
| <b>DOMESTIC COMMON STOCK 85.13%</b>                                      |  |                   |
| <b>Banks 5.44%</b>   |  |                   |
| MidCountry Financial Corporation <sup>*(1)(2)(3)</sup>                   | 310,300                                  | \$4,002,870       |
| Wells Fargo & Co.  | 1,233,600                                | 72,140,928        |
|  |  | 76,143,798        |
| <b>Construction Machinery 4.95%</b>                                      |  |                   |
| Caterpillar, Inc.  | 498,700                                  | 69,244,495        |
| <b>Diversified 33.06%</b>  |  |                   |
| Berkshire Hathaway, Inc., Class A*                                       | 1,144                                    | 361,275,200       |
| Berkshire Hathaway, Inc., Class B*                                       | 485,000                                  | 101,229,200       |
|  |  | 462,504,400       |
| <b>Diversified Financial Services 9.85%</b>                              |  |                   |
| American Express Co.   | 140,000                                  | 14,837,200        |
| JPMorgan Chase & Co.   | 1,028,000                                | 117,788,240       |
| South Street Securities Holdings, Inc. <sup>*(1)(2)(3)</sup>             | 25,000                                   | 5,246,500         |
|  |  | 137,871,940       |
| <b>Healthcare Products &amp; Services 2.41%</b>                          |  |                   |
| Johnson & Johnson  | 250,000                                  | 33,672,500        |
| <b>Insurance 0.00%<sup>(4)</sup></b>                                     |  |                   |
| Forethought Financial Group, Inc., Escrow, Class A <sup>*(1)(2)(3)</sup> | 19,678                                   | 27,093            |
| <b>Oil &amp; Gas 1.58%</b>   |  |                   |
| Chevron Corp.  | 186,100                                  | 22,045,406        |
| <b>Pharmaceuticals 3.58%</b>   |  |                   |
| Pfizer, Inc.   | 1,207,100                                | 50,118,792        |
| <b>Real Estate Investment Trusts (REITs) 2.90%</b>                       |  |                   |
| LTC Properties, Inc.   | 112,000                                  | 5,202,400         |

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|  |           |             |
|--|-----------|-------------|
| Ventas, Inc.                                 | 590,000   | 35,323,300  |
|  |           | 40,525,700  |
| Registered Investment Companies (RICs) 3.22% |           |             |
| Cohen & Steers Infrastructure Fund, Inc.     | 1,914,058 | 45,018,644  |
| Retail 9.28%                                 |           |             |
| Walmart, Inc.                                | 577,000   | 55,311,220  |
| Yum! Brands, Inc.                            | 857,000   | 74,464,730  |
|  |           | 129,775,950 |
| Software & Services 1.52%                    |           |             |
| International Business Machines Corp.        | 145,200   | 21,268,896  |
| Technology, Hardware & Equipment 6.22%       |           |             |
| Cisco Systems, Inc.                          | 1,822,200 | 87,046,494  |

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| Description  | Shares/Principal Amount | Value (Note 2) |
|--|-------------------------|----------------|
| Telecommunications 1.12%                                   |                         |                |
| Verizon Communications, Inc.                               | 289,000                 | \$ 15,712,930  |
| <b>TOTAL DOMESTIC COMMON STOCK</b><br>(Cost \$454,545,129) |                         | 1,190,977,038  |
| FOREIGN COMMON STOCK 2.12%                                 |                         |                |
| Beverages 2.12%  |                         |                |
| Heineken Holding NV  | 180,000                 | 17,153,573     |
| Heineken NV  | 126,780                 | 12,529,199     |
|  |                         | 29,682,772     |
| <b>TOTAL FOREIGN COMMON STOCK</b><br>(Cost \$8,831,666)    |                         | 29,682,772     |
| LIMITED PARTNERSHIPS 0.98%                                 |                         |                |
| Enterprise Products Partners LP                            | 476,800                 | 13,636,480     |
| <b>TOTAL LIMITED PARTNERSHIPS</b><br>(Cost \$10,814,578)   |                         | 13,636,480     |
| HEDGE FUND 0.09%   |                         |                |
| Ithan Creek Partners L.P. *(2)(3)                          |                         | 1,308,665      |
| <b>TOTAL HEDGE FUND</b><br>(Cost \$530,590)                |                         | 1,308,665      |
| <b>TOTAL LONG TERM INVESTMENTS</b><br>(Cost \$474,721,963) |                         | 1,235,604,955  |
| SHORT TERM INVESTMENTS 11.92%                              |                         |                |
| U.S. Treasury Bills 8.48%                                  |                         |                |
| U.S. Treasury Bills <sup>(5)</sup>                         |                         |                |
| 1.864%, 09/06/2018   | \$ 8,250,000            | 8,249,137      |
| 1.871%, 09/13/2018   | 8,250,000               | 8,246,076      |
| 1.848%, 09/20/2018   | 10,000,000              | 9,991,533      |
| 1.851%, 09/27/2018   | 10,250,000              | 10,237,574     |
| 1.893%, 10/04/2018   | 10,250,000              | 10,233,515     |
| 1.919%, 10/11/2018   | 10,250,000              | 10,229,378     |
| 1.903%, 10/18/2018   | 10,250,000              | 10,225,258     |
| 1.939%, 10/25/2018   | 10,250,000              | 10,221,176     |
| 1.974%, 11/01/2018   | 10,250,000              | 10,216,890     |
| 2.001%, 11/08/2018   | 10,250,000              | 10,212,338     |
| 2.007%, 11/15/2018   | 10,250,000              | 10,208,385     |
| 2.063%, 11/23/2018   | 10,500,000              | 10,452,167     |
|  |                         | 118,723,427    |
| Money Market Funds 3.44%                                   |                         |                |

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State Street Institutional U.S. Government Money Market Fund,  
Administration Class,  
7-Day Yield - 1.611%

13,072,911

13,072,911

| Description   | Shares/Principal Amount | Value (Note 2)  |
|---|-------------------------|-----------------|
| Money Market Funds (continued)  |                         |                 |
| State Street Institutional U.S. Government Money Market Fund, Investor Class,<br>7-Day Yield - 1.781% | 35,000,000              | \$35,000,000    |
| <b>TOTAL SHORT TERM INVESTMENTS</b><br>(Cost \$166,781,437)   |                         | 166,796,338     |
| <b>TOTAL INVESTMENTS 100.24%</b><br>(Cost \$641,503,400)  |                         | 1,402,401,293   |
| <b>OTHER ASSETS AND LIABILITIES (0.24%)</b>   |                         | (3,398,414 )    |
| <b>TOTAL NET ASSETS AVAILABLE TO COMMON STOCKHOLDERS 100.00%</b>                                      |                         | \$1,399,002,879 |

\*Non-income producing security.

(1) Fair valued using significant unobservable inputs as determined in good faith in accordance with procedures established by the Fund's Board of Directors.

(2) Restricted security; these securities may only be resold in transactions exempt from registration under the Securities Act of 1933. (See Notes 4 and 5).

(3) Fair valued security under procedures established by the Fund's Board of Directors. Total value of fair valued securities as of August 31, 2018 was \$10,585,128 or 0.76% of Total Net Assets Available to Common Stockholders.

(4) Less than 0.005% of Total Net Assets Available to Common Stockholders.

(5) Rate shown represents the bond equivalent yield to maturity at date of purchase.

Percentages are stated as a percent of the Total Net Assets Available to Common Stockholders.

**Regional Breakdown as a % of  
Total Net Assets Available to  
Common Stockholders**

|                              |         |
|------------------------------|---------|
| United States                | 98.12%  |
| Netherlands                  | 2.12%   |
| Other Assets and Liabilities | (0.24)% |
| Total Net Assets             | 100.00% |

*See accompanying Notes to Quarterly Portfolio of Investments.*



**Boulder Growth & Income Fund, Inc.**

**Notes to Quarterly Portfolio of Investments**

**August 31, 2018 (Unaudited)**

**Note 1. Fund Organization**

Boulder Growth & Income Fund, Inc. (the “Fund”), is a non-diversified, closed-end management company organized as a Maryland corporation and is registered with the Securities and Exchange Commission (“SEC”) under the Investment Company Act of 1940, as amended (the “1940 Act”). The Fund is considered an investment company for financial reporting purposes under generally accepted accounting principles in the United States of America (“GAAP”).

**Note 2. Valuation and Investment Practices**

**Portfolio Valuation:** Equity securities for which market quotations are readily available (including securities listed on national securities exchanges and those traded over-the-counter) are valued based on the last sales price at the close of the applicable exchange. If such equity securities were not traded on the valuation date, but market quotations are readily available, they are valued at the bid price provided by an independent pricing service or by principal market makers. Equity securities traded on NASDAQ are valued at the NASDAQ Official Closing Price. Debt securities are valued at the mean between the closing bid and asked prices, or based on a matrix system which utilizes information (such as credit ratings, yields and maturities) from independent pricing services, principal market makers, or other independent sources. Money market mutual funds are valued at their net asset value. Short-term fixed income securities such as Commercial Paper, Bankers Acceptances and U.S. Treasury Bills, are valued using market quotations provided by a pricing service. If prices are not available from the pricing service, then the securities will be priced at “fair value” under procedures approved by the Board of Directors (the “Board”). The Board has delegated to the Valuation Committee, the responsibility of determining the fair value of any security or financial instrument owned by the Fund for which market quotations are not readily available or where the pricing agent or market maker does not provide a valuation or methodology, or provides a valuation or methodology that, in the judgment of the Valuation Committee, does not represent fair value (“Fair Value Securities”). The Valuation Committee uses a third-party pricing consultant to assist the committee in analyzing, developing, applying and documenting a methodology with respect to certain Fair Value Securities. The Valuation Committee and the valuation consultant, as appropriate, use valuation techniques that could utilize both observable and unobservable inputs. In such circumstances, the Valuation Committee is responsible for (i) identifying Fair Value Securities, (ii) analyzing each Fair Value Security and developing, applying and documenting a methodology for valuing Fair Value Securities, and (iii) periodically reviewing the appropriateness and accuracy of the methods used in valuing Fair Value Securities. The appointment of any officer or employee of the investment adviser or Fund to the Valuation Committee shall be promptly reported to the Board and ratified by the Board at its next regularly scheduled meeting. The Valuation Committee is responsible for reporting to the Board, on a quarterly basis, valuations and certain findings with respect to the Fair Value Securities. Such valuations and findings are reviewed by the entire Board on a quarterly basis.

The Portfolio of Investments includes investments valued at \$10,585,128 (0.76% of total net assets), whose fair values have been estimated by management in the absence of readily available market quotations. Due to the inherent uncertainty of the valuation of these investments, these values may differ from the values that would have been used had a ready market for these investments existed and the differences could be material.

The Fund's investment in an unregistered pooled investment vehicle ("Hedge Fund") is valued, as a practical expedient, at the most recent net asset value determined by the Hedge Fund manager according to such manager's policies and procedures based on valuation information reasonably available to the Hedge Fund manager at that time; provided, however, that the Valuation Committee may consider whether it is appropriate, in light of relevant circumstances, to adjust such valuation in accordance with the Fund's valuation procedures. If the Hedge Fund does not report a value to the Fund on a timely basis, the fair value of the Hedge Fund shall be based on the most recent value reported by the Hedge Fund, as well as any other relevant information available at the time the Fund values its portfolio. The frequency and timing of receiving valuations for the Hedge Fund investment is subject to change at any time, without notice to investors, at the discretion of the Hedge Fund manager or the Fund.

For valuation purposes, the last quoted prices of non-U.S. equity securities may be adjusted under certain circumstances. If the Valuation Committee determines that developments between the close of a foreign market and the close of the New York Stock Exchange ("NYSE") will, in its judgment, materially affect the value of some or all of the Fund's portfolio securities, the Valuation Committee may adjust the previous closing prices to reflect what it believes to be the fair value of the securities as of the close of the NYSE. In deciding whether it is necessary to adjust closing prices to reflect fair value, the Valuation Committee reviews a variety of factors, including developments in foreign markets, the performance of U.S. securities markets, and the performance of instruments trading in U.S. markets that represent foreign securities and baskets of foreign securities. The Valuation Committee may also fair value securities in other situations, such as when a particular foreign market is closed but the U.S. market is open. The Valuation Committee may use outside pricing services to provide it with closing prices. The Valuation Committee may consider whether it is appropriate, in light of relevant circumstances, to adjust such valuation in accordance with the Fund's valuation procedures. The Valuation Committee cannot predict how often it will use closing prices and how often it will determine it necessary to adjust those prices to reflect fair value. If the Valuation Committee adjusts prices, the Valuation Committee will periodically compare closing prices, the next day's opening prices in the same markets and those adjusted prices as a means of evaluating its security valuation process.

Options are valued at the mean of the highest bid and lowest ask prices on the principal exchange on which the option trades. If no quotations are available, fair value procedures will be used. Fair value procedures will also be used for any options traded over-the-counter.

Various inputs are used to determine the value of the Fund's investments. Observable inputs are inputs that reflect the assumptions market participants would use based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions based on the best information available in the circumstances.

These inputs are summarized in the three broad levels listed below.

Level 1—Unadjusted quoted prices in active markets for identical investments

Level 2—Significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3—Significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

The following is a summary of the inputs used as of August 31, 2018 in valuing the Fund's investments carried at value:

| <b>Investments in Securities at Value*</b> | <b>Level 1 -<br/>Quoted Prices</b> | <b>Level 2 -<br/>Significant<br/>Observable<br/>Inputs</b> | <b>Level 3 -<br/>Significant<br/>Unobservable<br/>Inputs</b> | <b>Total</b>           |
|--|------------------------------------|--|--|------------------------|
| Domestic Common Stock                      |                                    |  |  |                        |
| Banks                                      | \$72,140,928                       | \$—  | \$ 4,002,870   | \$76,143,798           |
| Diversified Financial Services             | 132,625,440                        | —  | 5,246,500  | 137,871,940            |
| Insurance                                  | —                                  | —  | 27,093   | 27,093                 |
| Other                                      | 976,934,207                        | —  | —  | 976,934,207            |
| Foreign Common Stock                       |                                    |  |  |                        |
| Other                                      | 29,682,772                         | —  | —  | 29,682,772             |
| Limited Partnerships                       | 13,636,480                         | —  | —  | 13,636,480             |
| Hedge Fund**                               | N/A                                | N/A  | N/A  | 1,308,665              |
| Short Term Investments                     |                                    |  |  |                        |
| Money Market Funds                         | 48,072,911                         | —  | —  | 48,072,911             |
| U.S. Treasury Bills                        | —                                  | 118,723,427  | —  | 118,723,427            |
| <b>TOTAL</b>                               | <b>\$1,273,092,738</b>             | <b>\$118,723,427</b>                                       | <b>\$ 9,276,463</b>  | <b>\$1,402,401,293</b> |

*\*For detailed descriptions, see the accompanying Portfolio of Investments.*

*In accordance with ASU 2015-07 and Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amount presented in the Total column of this table is intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Portfolio of Investments.*

The Fund evaluates transfers into or out of Level 1, Level 2 and Level 3 as of the end of the reporting period.

During the nine months ended August 31, 2018, there were no transfers between Level 1 and 2 securities.

The following is a reconciliation of assets in which significant unobservable inputs (Level 3) were used in determining fair value:

|   | Domestic<br>Common<br>Stock |
|---|-----------------------------|
| Balance as of November 30, 2017   | \$9,356,660                 |
| Realized Gain/(Loss)  | -                           |
| Change in Unrealized Appreciation/Depreciation  | (80,197 )                   |
| Purchases   | -                           |
| Sales Proceeds  | -                           |
| Transfer into Level 3   | -                           |
| Transfer out of Level 3   | -                           |
| Balance as of August 31, 2018   | \$9,276,463                 |
| Net change in unrealized appreciation/(depreciation) included attributable to Level 3 investments held at August 31, 2018 | \$(80,197 )                 |

The table below provides additional information about the Level 3 Fair Value Measurements as of August 31, 2018 where the Fund used its own significant assumptions:

Quantitative Information about Level 3 Fair Value Measurements

| Asset Class             | Industry Group                 | Fair Value (USD) | Valuation Technique                          | Unobservable Inputs <sup>(a)</sup>    | Value/Range |
|-------------------------|--------------------------------|------------------|--|---------------------------------------|-------------|
| Domestic Common Stocks: |                                |                  |  |                                       |             |
|                         | Banks                          | \$4,002,870      | Comparable Company Approach                  | Discount for Lack of Marketability    | 10 %        |
|                         |                                |                  |  | Price to Tangible Book Value Multiple | 1.599 x     |
|                         | Diversified Financial Services | \$5,246,500      | Comparable Company Approach                  | Discount for Lack of Marketability    | 10 %        |
|                         |                                |                  |  | Price to Tangible Book Value Multiple | 2.474 x     |
|                         | Insurance                      | \$27,093         | Future Cash Distribution less a 20% discount | Discount for Lack of Marketability    | 20 %        |
|                         |                                |                  |  | Future Cash Distribution              | \$ 1.72     |

|                |             |
|----------------|-------------|
| Grand<br>Total | \$9,276,463 |
|----------------|-------------|

*(a) A change to the unobservable input may result in a significant change to the value of the investment as follows:*

| <b>Unobservable Input</b>             | <b>Impact to Value if Input Increases</b> | <b>Impact to Value if Input Decreases</b> |
|---------------------------------------|---|---|
| Discount for Lack of Marketability    | Decrease                                  | Increase                                  |
| Price to Tangible Book Value Multiple | Increase                                  | Decrease                                  |
| Future Cash Distribution              | Increase                                  | Decrease                                  |

**Securities Transactions and Investment Income:** Securities transactions are recorded as of the trade date. Realized gains and losses from securities sold are recorded on the identified cost basis. Dividend income is recorded as of the ex-dividend date or for certain foreign securities when the information becomes available to the Fund. Non-cash dividends included in dividend income, if any, are recorded at the fair market value of the securities received. Interest income, including amortization of premium and accretion of discount on debt securities, as required, is recorded on the accrual basis.

Dividend income from investments in real estate investment trusts (“REITs”) is recorded at management’s estimate of income included in distributions received. Distributions received in excess of this amount are recorded as a reduction of the cost of investments. The actual amount of income and return of capital are determined by each REIT only after its fiscal year-end, and may differ from the estimated amounts. Such differences, if any, are recorded by the Fund in the following annual financial reporting period.

**Foreign Currency Translations:** The Fund may invest a portion of its assets in foreign securities. In the event that the Fund executes a foreign security transaction, the Fund will generally enter into a forward foreign currency contract to settle the foreign security transaction. Foreign securities may carry more risk than U.S. securities, such as political, market and currency risks. See Foreign Issuer Risk below.

The books and records of the Fund are maintained in U.S. dollars. Foreign currencies, investments and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars at the exchange rate prevailing at the end of the period, and purchases and sales of investment securities, income and expenses transacted in foreign currencies are translated at the exchange rate on the dates of such transactions. Foreign currency gains and losses result from fluctuations in exchange rates between trade date and settlement date on securities transactions, foreign currency transactions, and the difference between the amounts of foreign interest and dividends recorded on the books of the Fund and the amounts actually received.

The portion of realized and unrealized gains or losses on investments due to fluctuations in foreign currency exchange rates is not separately disclosed and is included in realized and unrealized gains or losses on investments, when applicable.

**Foreign Issuer Risk:** Investment in non-U.S. issuers may involve unique risks compared to investing in securities of U.S. issuers. These risks may include, but are not limited to: (i) less information about non-U.S. issuers or markets may be available due to less rigorous disclosure, accounting standards or regulatory practices; (ii) many non-U.S. markets are smaller, less liquid and more volatile thus, in a changing market, the advisers may not be able to sell the Fund's portfolio securities at times, in amounts and at prices they consider reasonable; (iii) currency exchange rates or controls may adversely affect the value of the Fund's investments; (iv) the economies of non-U.S. countries may grow at slower rates than expected or may experience downturns or recessions; and, (v) withholdings and other non-U.S. taxes may decrease the Fund's return.

**Concentration Risk:** The Fund operates as a "non-diversified" investment company, as defined in the 1940 Act. As a result of being "non-diversified" with respect to 50% of the Fund's portfolio, the Fund must limit the portion of its assets invested in the securities of a single issuer to 5%, measured at the time of purchase. In addition, no single investment can exceed 25% of the Fund's total assets at the time of purchase. A more concentrated portfolio may cause the Fund's net asset value to be more volatile and thus may subject stockholders to more risk. Thus, the volatility of the Fund's net asset value and its performance in general, depends disproportionately more on the performance of a smaller number of holdings than that of a more diversified fund. As a result, the Fund is subject to a greater risk of loss than a fund that diversifies its investments more broadly.

As of August 31, 2018, the Fund held more than 25% of its assets in Berkshire Hathaway, Inc. In addition to market appreciation of the issuer since the time of purchase, the Fund acquired additional interest in Berkshire Hathaway, Inc. in the March 20, 2015 reorganization. After the reorganization was completed, shares held of the issuer were liquidated to bring the concentration to 25%. Concentration of the Berkshire Hathaway, Inc. position was a direct result of market appreciation and decreased leverage since the time the Fund and the funds acquired in the reorganization purchased the security.



### Note 3. Derivative Financial Instruments

As a part of its investment strategy the Fund may invest to a lesser extent in derivatives contracts. In doing so, the Fund will employ strategies in differing combinations to permit it to increase, decrease, or change the level or types of exposure to market factors. Central to those strategies are features inherent in derivatives that make them more attractive for this purpose than equity or debt securities; they require little or no initial cash investment, they can focus exposure on only certain selected risk factors, and they may not require the ultimate receipt or delivery of the underlying security (or securities) to the contract. This may allow the Fund to pursue its objectives more quickly and efficiently than if it were to make direct purchases or sales of securities capable of affecting a similar response to market factors.

**Risk of Investing in Derivatives:** The Fund's use of derivatives can result in losses due to unanticipated changes in the market risk factors and the overall market. In instances where the Fund is using derivatives to decrease, or hedge, exposures to market risk factors for securities held by the Fund, there are also risks that those derivatives may not perform as expected, resulting in losses for the combined or hedged positions.

Derivatives may have little or no initial cash investment relative to their market value exposure and therefore can produce significant gains or losses in excess of their cost. This use of embedded leverage allows the Fund to increase its market value exposure relative to its net assets and can substantially increase the volatility of the Fund's performance.

Associated risks from investing in derivatives exist and potentially could have significant effects on the valuation of the derivative and the Fund. Typically, the associated risks are not the risks that the Fund is attempting to increase or decrease exposure to, per its investment objectives, but are the additional risks from investing in derivatives.

Examples of these associated risks are liquidity risk, which is the risk that the Fund will not be able to sell or close out the derivative in a timely manner, and counterparty credit risk, which is the risk that the counterparty will not fulfill its obligation to the Fund. In addition, use of derivatives may increase or decrease exposure to the following risk factors:

*Equity Risk:* Equity risk relates to the change in value of equity securities as they relate to increases or decreases in the general market. Associated risks can be different for each type of derivative and are discussed by each derivative type in the notes that follow.

**Option Contracts:** The Fund may enter into options transactions for hedging purposes and for non-hedging purposes such as seeking to enhance return. The Fund may write covered put and call options on any stocks or stock indices,

currencies traded on domestic and foreign securities exchanges, or futures contracts on stock indices, interest rates and currencies traded on domestic and, to the extent permitted by the Commodity Futures Trading Commission, foreign exchanges. A call option on an asset written by the Fund obligates the Fund to sell the specified asset to the holder (purchaser) at a stated price (the exercise price) if the option is exercised before a specified date (the expiration date). A put option on an asset written by the Fund obligates the Fund to buy the specified asset from the purchaser at the exercise price if the option is exercised before the expiration date. Premiums received when writing options are recorded as liabilities and are subsequently adjusted to the current value of the options written. Premiums received from writing options that expire are treated as realized gains. Premiums received from writing options, which are either exercised or closed, are offset against the proceeds received or amount paid on the transaction to determine realized gains or losses.

#### **Note 4. Restricted Securities**

As of August 31, 2018, investments in securities included issuers that are considered restricted. Restricted securities are often purchased in private placement transactions, are not registered under the Securities Act of 1933, may have contractual restrictions on resale, and may be valued under methods approved by the Board as reflecting fair value.

Restricted securities as of August 31, 2018 are as follows:

| Issuer Description                                  | Acquisition Date | Cost        | Value August 31, 2018 | Value as Percentage of Net Assets Available to Common Stockholders February 28, 2018 |    |
|---|------------------|-------------|-----------------------|--|----|
| Forethought Financial Group, Inc., Escrow - Class A | 11/13/09-9/30/10 | \$0         | \$27,093              | 0.00   | %* |
| Ithan Creek Partners L.P.                           | 6/2/08           | 530,590     | 1,308,665             | 0.09   | %  |
| MidCountry Financial Corp.                          | 10/22/04         | 4,654,500   | 4,002,870             | 0.29   | %  |
| South Street Securities Holdings, Inc.              | 12/8/03          | 2,500,000   | 5,246,500             | 0.38   | %  |
|   |                  | \$7,685,090 | \$10,585,128          | 0.76   | %  |

\*Less than 0.005% of Total Net Assets Available to Common Stockholders.

#### Note 5. Investment in a Hedge Fund

As of August 31, 2018, the Fund holds a residual interest in a Hedge Fund. As of June 30, 2014, the Fund had notified the managing general partner of the Hedge Fund that it was withdrawing its interest in the Hedge Fund. A portion of the interest was withdrawn at that time. However, certain illiquid securities designated at the discretion of the managing general partner of the Hedge Fund had been segregated in “side pockets”, and were not immediately available for distribution. Such illiquid securities are referred to as “Designated Investments”. As a result, the Fund continues to maintain a residual, non-participating interest in the Hedge Fund, associated with the Designated Investments held in side pockets. Due to the reorganization, the Fund acquired additional residual, non-participating interest in the Hedge Fund from The Denali Fund Inc. The Fund will maintain such interest until all the Designated Investments within the side pockets have been liquidated and distributed, which will likely occur incrementally and over a period of years. Because of the illiquidity of the Designated Investments, the limitation on withdrawal rights and because limited partnership interests are not tradable, the investment in the Hedge Fund is an illiquid investment and involves a high degree of risk. A management fee at an annual rate of 1% of net assets and an incentive fee of 20% of net profits is included in the partnership agreement. The value assigned to the Hedge Fund is based on available information and may not necessarily represent the amount which might ultimately be realized. Due to the inherent uncertainty of valuation, the estimated fair value may differ from the value that would have been realized had the Hedge Fund been liquidated and this difference could be material.

**Item 2 - Controls and Procedures.**

The Registrant's Principal Executive Officer and Principal Financial Officer concluded that the Registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940 (17 CFR 270.30a-3(c))) were effective as of a date within 90 days of the filing date of this report (the "Evaluation Date"), based on their evaluation of the effectiveness of the Registrant's disclosure controls and procedures as of the Evaluation Date.

There were no changes in the Registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940 (17 CFR 270.30a-3(d))) that occurred during the Registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting.

**Item 3 – Exhibits.**

(a) Certification of Principal Executive Officer and Principal Financial Officer of the Registrant as required by Rule 30a-2(a) under the Investment Company Act of 1940 (17 CFR 270.30a-2(a)) is attached hereto as Exhibit 99CERT.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Registrant Boulder Growth & Income Fund, Inc.

By: /s/ Joel W. Looney  
Joel W. Looney, President  
(Principal Executive Officer)

Date: October 29, 2018

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

By: /s/ Joel W. Looney  
Joel W. Looney, President  
(Principal Executive Officer)

Date: October 29, 2018

By: /s/ Kathryn Burns  
Kathryn Burns, Treasurer  
(Principal Financial Officer)

Date: October 29, 2018