

PORTFOLIO OF INVESTMENTS

February 29, 2020 (Unaudited)

| <u>Shares/\$ Par</u> | | <u>Value</u> |
|--|---|--------------------------------|
| Preferred Stock & Hybrid Preferred Securities^s — 73.4% | | |
| Banking — 37.4% | | |
| | | |
| 34,400 | BancorpSouth Bank, 5.50%, Series A | \$ 866,880 ^{*(1)} |
| \$ 2,550,000 | Bank of America Corporation, 5.875% to 03/15/28 then 3ML + 2.931%, Series FF . . | 2,775,203 ^{*(1)(2)} |
| 19,820 | Capital One Financial Corporation, 5.00%, Series I | 488,761 ^{*(1)} |
| | Citigroup, Inc.: | |
| \$ 450,000 | 4.70% to 01/30/25 then SOFRRATE + 3.234%, Series V | 445,781 ^{*(1)} |
| \$ 1,120,000 | 5.95% to 05/15/25 then 3ML + 3.905%, Series P | 1,207,578 ^{*(1)} |
| 227,619 | 6.875% to 11/15/23 then 3ML + 4.13%, Series K | 6,145,713 ^{*(1)(2)} |
| 155,338 | 7.125% to 09/30/23 then 3ML + 4.04%, Series J | 4,279,562 ^{*(1)(2)} |
| | Citizens Financial Group, Inc.: | |
| 50,000 | 6.35% to 04/06/24 then 3ML + 3.642%, Series D | 1,338,750 ^{*(1)(2)} |
| \$ 1,300,000 | 6.375% to 04/06/24 then 3ML + 3.157%, Series C | 1,393,528 ^{*(1)(2)} |
| | CoBank ACB: | |
| 9,984 | 6.125%, Series G, 144A**** | 1,038,336 ^{*(1)} |
| 17,500 | 6.20% to 01/01/25 then 3ML + 3.744%, Series H, 144A**** | 1,895,425 ^{*(1)} |
| 25,000 | 6.25% to 10/01/22 then 3ML + 4.557%, Series F, 144A**** | 2,675,000 ^{*(1)(2)} |
| \$ 609,000 | 6.25% to 10/01/26 then 3ML + 4.66%, Series I, 144A**** | 654,675 ^{*(1)} |
| | Fifth Third Bancorp: | |
| 68,236 | 6.00%, Series A | 1,813,597 ^{*(1)(2)} |
| 299,287 | 6.625% to 12/31/23 then 3ML + 3.71%, Series I | 8,267,055 ^{*(1)(2)} |
| | First Horizon National Corporation: | |
| 875 | First Horizon Bank, 3ML + 0.85%, min 3.75%, 3.75% ⁽³⁾ , 144A**** | 737,187 ^{*(1)} |
| 3 | FT Real Estate Securities Company, 9.50% 03/31/31, 144A**** | 3,918,750 |
| | Goldman Sachs Group: | |
| \$ 300,000 | 4.95% to 02/10/25 then T5Y + 3.224%, Series R | 305,041 ^{*(1)} |
| \$ 382,000 | 5.00% to 11/10/22 then 3ML + 2.874%, Series P | 377,993 ^{*(1)(2)(4)} |
| \$ 830,000 | 5.50% to 08/10/24 then T5Y + 3.623%, Series Q | 872,077 ^{*(1)} |
| 57,668 | 6.375% to 05/10/24 then 3ML + 3.55%, Series K | 1,558,478 ^{*(1)(2)} |
| | HSBC Holdings PLC: | |
| \$ 1,400,000 | HSBC Capital Funding LP, 10.176% to 06/30/30 then 3ML + 4.98%, 144A**** . . | 2,255,141 ⁽¹⁾⁽²⁾⁽⁵⁾ |
| | Huntington Bancshares, Inc.: | |
| 140,000 | 6.25%, Series D | 3,633,000 ^{*(1)(2)} |
| \$ 1,400,000 | 5.70% to 04/15/23 then 3ML + 2.88%, Series E | 1,404,186 ^{*(1)(2)} |
| | JPMorgan Chase & Company: | |
| \$ 325,000 | 4.60% to 02/01/25 then SOFRRATE + 3.125%, Series HH, 144A**** | 325,731 ^{*(1)} |
| \$ 465,000 | 5.00% to 08/01/24 then SOFRRATE + 3.38%, Series FF | 475,837 ^{*(1)} |
| \$ 3,423,000 | 3ML + 3.47%, 5.2395% ⁽³⁾ , Series I | 3,422,127 ^{*(1)} |
| \$ 750,000 | 6.00% to 08/01/23 then 3ML + 3.30%, Series R | 776,771 ^{*(1)(2)} |
| \$ 4,791,000 | 6.75% to 02/01/24 then 3ML + 3.78%, Series S | 5,362,590 ^{*(1)(2)} |
| 114,568 | KeyCorp, 6.125% to 12/15/26 then 3ML + 3.892%, Series E | 3,088,043 ^{*(1)(2)} |
| \$ 265,000 | Lloyds TSB Bank PLC, 12.00% to 12/16/24 then 3ML + 11.756%, 144A**** | 320,405 ⁽¹⁾⁽⁵⁾ |
| \$ 3,500,000 | M&T Bank Corporation, 6.45% to 02/15/24 then 3ML + 3.61%, Series E | 3,847,182 ^{*(1)(2)} |
| 21,000 | Merchants Bancorp, 6.00% to 10/01/24 then 3ML + 4.569%, Series B | 530,565 ^{*(1)} |

PORTFOLIO OF INVESTMENTS (Continued)

February 29, 2020 (Unaudited)

| <u>Shares/\$ Par</u> | | <u>Value</u> |
|--|---|---------------------------------|
| Preferred Stock & Hybrid Preferred Securities — (Continued) | | |
| Banking — (Continued) | | |
| | Morgan Stanley: | |
| 213,700 | 5.85% to 04/15/27 then 3ML + 3.491%, Series K | \$ 5,718,612 ^{*(1)(2)} |
| 89,000 | 6.875% to 01/15/24 then 3ML + 3.94%, Series F | 2,478,650 ^{*(1)(2)} |
| 86,900 | 7.125% to 10/15/23 then 3ML + 4.32%, Series E | 2,427,986 ^{*(1)(2)} |
| 235,200 | New York Community Bancorp, Inc., 6.375% to 03/17/27 then 3ML + 3.821%, Series A | 6,290,424 ^{*(1)(2)} |
| 23,066 | People's United Financial, Inc., 5.625% to 12/15/26 then 3ML + 4.02%, Series A . . | 612,979 ^{*(1)} |
| 280,453 | PNC Financial Services Group, Inc., 6.125% to 05/01/22 then 3ML + 4.067%, Series P | 7,471,969 ^{*(1)(2)} |
| 127,400 | Regions Financial Corporation, 5.70% to 08/15/29 then 3ML + 3.148%, Series C . . | 3,517,832 ^{*(1)(2)} |
| | Sovereign Bancorp: | |
| 3,000 | Sovereign REIT, 12.00%, Series A, 144A**** | 3,173,145 ⁽¹⁾ |
| | State Street Corporation: | |
| \$ 500,000 | 5.625% to 12/15/23 then 3ML + 2.539%, Series H | 523,372 ^{*(1)} |
| 157,400 | 5.90% to 03/15/24 then 3ML + 3.108%, Series D | 4,127,421 ^{*(1)(2)} |
| 13,416 | Sterling Bancorp, 6.50%, Series A | 351,835 ^{*(1)} |
| 55,500 | Synchro Financial, 5.625%, Series A | 1,405,537 ^{*(1)} |
| 91,848 | Synovus Financial Corporation, 5.875% to 07/01/24 then T5Y + 4.127%, Series E . . | 2,407,566 ^{*(1)(2)} |
| 21,000 | TriState Capital Holdings, Inc., 6.375% to 07/01/26 then 3ML + 4.088%, Series B . . | 557,235 ^{*(1)} |
| 39,000 | Valley National Bancorp, 5.50% to 09/30/22 then 3ML + 3.578%, Series B | 1,016,211 ^{*(1)} |
| | Wells Fargo & Company: | |
| 24,393 | 5.625%, Series Y | 622,875 ^{*(1)} |
| 325 | 7.50%, Series L | 489,450 ^{*(1)} |
| \$ 783,000 | 3ML + 3.77%, 5.6636% ⁽³⁾ , Series K | 783,979 ^{*(1)} |
| 81,100 | 5.85% to 09/15/23 then 3ML + 3.09%, Series Q | 2,099,176 ^{*(1)(2)} |
| \$ 1,250,000 | 5.875% to 06/15/25 then 3ML + 3.99%, Series U | 1,385,244 ^{*(1)(2)(4)} |
| 106,200 | 6.625% to 03/15/24 then 3ML + 3.69%, Series R | 2,929,527 ^{*(1)(2)} |
| | Zions Bancorporation: | |
| 5,000 | 6.30% to 03/15/23 then 3ML + 4.24%, Series G | 135,418 ^{*(1)} |
| \$ 1,800,000 | 7.20% to 09/15/23 then 3ML + 4.44%, Series J | 1,981,251 ^{*(1)(2)} |
| | | <u>121,004,642</u> |
| | Financial Services — 1.7% | |
| \$ 2,530,000 | AerCap Holdings NV, 5.875% to 10/10/24 then T5Y + 4.535%, 10/10/79 | 2,572,441 ^{** (5)} |
| \$ 640,000 | E*TRADE Financial Corporation, 5.30% to 03/15/23 then 3ML + 3.16%, Series B . . | 648,314 ^{*(1)(2)(4)} |
| | General Motors Financial Company: | |
| \$ 610,000 | 5.75% to 09/30/27 then 3ML + 3.598%, Series A | 598,297 ^{*(1)(2)(4)} |
| \$ 1,000,000 | 6.50% to 09/30/28 then 3ML + 3.436%, Series B | 1,011,745 ^{*(1)(2)(4)} |
| 29,000 | Stifel Financial Corp., 6.25%, Series B | 749,505 ^{*(1)} |
| | | <u>5,580,302</u> |
| | Insurance — 18.8% | |
| 46,925 | Allstate Corporation, 5.10%, Series H | 1,201,515 ^{*(1)(2)} |
| 67,000 | American Equity Investment Life Holding Company, 5.95% to 12/01/24 then T5Y + 4.322%, Series A | 1,662,270 ^{*(1)} |

Flaherty & Crumrine Total Return Fund Incorporated
PORTFOLIO OF INVESTMENTS (Continued)
February 29, 2020 (Unaudited)

| <u>Shares/\$ Par</u> | | <u>Value</u> |
|--|---|---------------------------------|
| Preferred Stock & Hybrid Preferred Securities — (Continued) | | |
| Insurance — (Continued) | | |
| \$ 2,150,000 | American International Group, Inc., 8.175% to 05/15/38 then 3ML + 4.195%, 05/15/58. | \$ 2,938,502 ⁽²⁾⁽⁴⁾ |
| \$ 1,290,000 | Aon Corporation, 8.205% 01/01/27 | 1,668,402 ⁽²⁾⁽⁴⁾ |
| | Arch Capital Group, Ltd.: | |
| 16,000 | 5.25%, Series E | 404,240 ^{*(1)(5)} |
| 14,200 | 5.45%, Series F | 361,461 ^{*(1)(5)} |
| | Aspen Insurance Holdings Ltd.: | |
| 25,000 | 5.625% | 634,375 ^{*(1)(5)} |
| 5,674 | 5.95% to 07/01/23 then 3ML + 4.06% | 147,184 ^{*(1)(5)} |
| 120,000 | Athene Holding Ltd., 6.35% to 06/30/29 then 3ML + 4.253%, Series A | 3,333,000 ^{*(1)(2)(5)} |
| \$ 620,000 | AXA SA, 6.379% to 12/14/36 then 3ML + 2.256%, 144A**** | 822,346 ^{*(1)(2)(5)} |
| 6,915 | Axis Capital Holdings Ltd., 5.50%, Series E. | 174,707 ^{*(1)(5)} |
| \$ 880,000 | Axis Specialty Finance LLC, 4.90% to 01/15/30 then T5Y + 3.186%, 01/15/40. ... | 872,625 ⁽²⁾⁽⁵⁾ |
| | Chubb Ltd.: | |
| \$ 1,550,000 | Ace Capital Trust II, 9.70% 04/01/30 | 2,326,263 ⁽²⁾⁽⁴⁾ |
| 224,200 | Delphi Financial Group, 3ML + 3.19%, 4.8818% ⁽³⁾ 05/15/37 | 5,408,825 ⁽²⁾⁽⁴⁾ |
| 61,000 | Enstar Group Ltd., 7.00% to 09/01/28 then 3ML + 4.015%, Series D | 1,667,282 ^{*(1)(2)(5)} |
| \$ 1,519,000 | Everest Reinsurance Holdings, 3ML + 2.385%, 4.0768% ⁽³⁾ 05/15/37 | 1,483,098 ⁽²⁾⁽⁴⁾ |
| \$ 6,351,000 | Liberty Mutual Group, 7.80% 03/15/37, 144A**** | 8,233,214 ⁽²⁾⁽⁴⁾ |
| | MetLife, Inc.: | |
| \$ 5,335,000 | 9.25% 04/08/38, 144A**** | 7,956,432 ⁽²⁾⁽⁴⁾ |
| \$ 4,130,000 | 10.75% 08/01/39 | 6,883,471 ⁽²⁾⁽⁴⁾ |
| \$ 577,000 | MetLife Capital Trust IV, 7.875% 12/15/37, 144A**** | 776,853 ⁽²⁾⁽⁴⁾ |
| | PartnerRe Ltd.: | |
| 26,750 | 5.875%, Series I | 681,991 ^{*(1)(2)(5)} |
| 13,539 | 6.50%, Series G | 348,020 ^{*(1)(2)(5)} |
| 26,386 | 7.25%, Series H | 703,187 ^{*(1)(2)(5)} |
| 24,400 | RenaissanceRe Holdings Ltd., 5.75%, Series F. | 644,253 ^{*(1)(5)} |
| \$ 1,300,000 | SBL Holdings, Inc., 7.00% to 05/13/25 then T5Y + 5.58%, Series A, 144A**** | 1,217,938 ⁽¹⁾ |
| | Unum Group: | |
| \$ 5,803,000 | Provident Financing Trust I, 7.405% 03/15/38 | 7,232,656 ⁽²⁾⁽⁴⁾ |
| 33,000 | Voya Financial, Inc., 5.35% to 09/15/29 then T5Y + 3.21%, Series B | 878,397 ⁽¹⁾ |
| | | <u>60,662,507</u> |
| Utilities — 5.6% | | |
| 54,010 | Algonquin Power & Utilities Corporation, 6.20% to 07/01/24 then 3ML + 4.01%, 07/01/79, Series 2019-A | 1,468,397 ⁽⁵⁾ |
| \$ 900,000 | CenterPoint Energy, Inc., 6.125% to 09/01/23 then 3ML + 3.27%, Series A | 928,624 ^{*(1)(2)} |
| | Commonwealth Edison: | |
| \$ 3,394,000 | COMED Financing III, 6.35% 03/15/33. | 3,830,977 ⁽²⁾⁽⁴⁾ |
| \$ 400,000 | Dominion Energy, Inc., 4.65% to 12/15/24 then T5Y + 2.993%, Series B | 413,550 ⁽¹⁾ |
| \$ 2,940,000 | Emera, Inc., 6.75% to 06/15/26 then 3ML + 5.44%, 06/15/76, Series 2016A | 3,412,914 ⁽²⁾⁽⁴⁾⁽⁵⁾ |

PORTFOLIO OF INVESTMENTS (Continued)

February 29, 2020 (Unaudited)

| <u>Shares/\$ Par</u> | | <u>Value</u> |
|--|--|---------------------------------|
| Preferred Stock & Hybrid Preferred Securities – (Continued) | | |
| Utilities – (Continued) | | |
| 17,800 | Indianapolis Power & Light Company, 5.65% | \$ 1,846,928 ^{*(1)(2)} |
| 94,233 | Integrays Energy Group, Inc., 6.00% to 08/01/23 then 3ML + 3.22%, 08/01/73 | 2,591,407 ⁽²⁾ |
| | NiSource, Inc.: | |
| \$ 440,000 | 5.65% to 06/15/23 then T5Y + 2.843%, Series A | 449,016 ^{*(1)} |
| 40,000 | 6.50% to 03/15/24 then T5Y + 3.632%, Series B | 1,068,900 ^{*(1)(2)} |
| | Southern California Edison: | |
| 320 | SCE Trust II, 5.10%, Series G | 7,672 ^{*(1)} |
| 42,740 | SCE Trust V, 5.45% to 03/15/26 then 3ML + 3.79%, Series K | 1,009,733 ^{*(1)(2)} |
| \$ 600,000 | Southern California Edison Company, 6.25% to 02/01/22 then | |
| | 3ML + 4.199%, Series E | 621,306 ^{*(1)} |
| 16,070 | Southern Company, 4.95% 01/30/80, Series 2020A | 399,581 |
| | | <u>18,049,005</u> |
| Energy – 6.4% | | |
| | DCP Midstream LP: | |
| \$ 1,550,000 | 7.375% to 12/15/22 then 3ML + 5.148%, Series A | 1,413,205 ⁽¹⁾⁽²⁾⁽⁴⁾ |
| 5,200 | 7.875% to 06/15/23 then 3ML + 4.919%, Series B | 114,218 ⁽¹⁾ |
| \$ 750,000 | DCP Midstream LLC, 5.85% to 05/21/23 then 3ML + 3.85%, 05/21/43, 144A**** | 677,576 |
| \$ 1,500,000 | Enbridge, Inc., 6.00% to 01/15/27 then 3ML + 3.89%, 01/15/77 | 1,558,868 ⁽²⁾⁽⁴⁾⁽⁵⁾ |
| | Energy Transfer LP: | |
| | Energy Transfer Operating LP: | |
| \$ 901,000 | 7.125% to 05/15/30 then T5Y + 5.306%, Series G | 852,571 ⁽¹⁾ |
| 136,020 | 7.375% to 05/15/23 then 3ML + 4.53%, Series C | 3,120,639 ⁽¹⁾⁽²⁾ |
| 169,000 | 7.60% to 05/15/24 then 3ML + 5.161%, Series E | 3,975,303 ⁽¹⁾⁽²⁾ |
| 2,100 | 7.625% to 08/15/23 then 3ML + 4.738%, Series D | 49,571 ⁽¹⁾ |
| \$ 1,000,000 | Enterprise Products Operating L.P., 5.25% to 08/16/27 then | |
| | 3ML + 3.033%, 08/16/77, Series E | 1,016,745 ⁽²⁾⁽⁴⁾ |
| \$ 2,120,000 | MPLX LP, 6.875% to 02/15/23 then 3ML + 4.652%, Series B | 2,046,839 ⁽¹⁾ |
| 45,500 | NuStar Logistics LP, 3ML + 6.734%, 8.5653% ⁽³⁾ 01/15/43 | 1,126,434 ⁽²⁾ |
| | Transcanada Pipelines, Ltd.: | |
| \$ 810,000 | 5.30% to 03/15/27 then 3ML + 3.208%, 03/15/77, Series 2017-A | 829,638 ⁽²⁾⁽⁵⁾ |
| \$ 2,250,000 | 5.50% to 09/15/29 then 3ML + 4.154%, 09/15/79 | 2,375,449 ⁽²⁾⁽⁵⁾ |
| \$ 1,500,000 | 5.875% to 08/15/26 then 3ML + 4.64%, 08/15/76, Series 2016-A | 1,615,118 ⁽²⁾⁽⁴⁾⁽⁵⁾ |
| | | <u>20,772,174</u> |
| Communication – 0.3% | | |
| \$ 900,000 | Vodafone Group PLC, 7.00% to 04/04/29 then SW5 + 4.873%, 04/04/79 | 1,039,839 ⁽⁵⁾ |
| | | <u>1,039,839</u> |
| Real Estate Investment Trust (REIT) – 0.0% | | |
| 4,540 | Annaly Capital Management, Inc., 6.95% to 09/30/22 then 3ML + 4.993%, Series F | 113,886 ⁽¹⁾ |
| | | <u>113,886</u> |

Flaherty & Crumrine Total Return Fund Incorporated
PORTFOLIO OF INVESTMENTS (Continued)
February 29, 2020 (Unaudited)

| Shares/\$ Par | Value |
|--|---|
| Preferred Stock & Hybrid Preferred Securities — (Continued) | |
| Miscellaneous Industries — 3.2% | |
| \$ 440,000 | Apollo Management Holdings LP, 4.95% to 12/17/24 then T5Y + 3.266%, 01/14/50, 144A**** \$ 442,803 |
| | BHP Billiton Limited: |
| \$ 600,000 | BHP Billiton Finance U.S.A., Ltd., 6.75% to 10/19/25 then SW5 + 5.093%, 10/19/75, 144A**** 698,547 ⁽⁵⁾ |
| \$ 718,000 | General Electric Company, 5.00% to 01/21/21 then 3ML + 3.33%, Series D 704,153 ^{*(1)(2)} |
| | Land O' Lakes, Inc.: |
| \$ 1,500,000 | 7.00%, Series C, 144A**** 1,384,688 ^{*(1)} |
| \$ 4,350,000 | 7.25%, Series B, 144A**** 4,169,192 ^{*(1)} |
| 34,700 | Ocean Spray Cranberries, Inc., 6.25%, 144A**** 2,984,200 ^{*(1)} |
| | 10,383,583 |
| | Total Preferred Stock & Hybrid Preferred Securities |
| | (Cost \$221,009,375) 237,605,938 |
| Contingent Capital Securities† — 19.8% | |
| Banking — 17.8% | |
| \$ 2,550,000 | Australia & New Zealand Banking Group Ltd., 6.75% to 06/15/26 then ISDA5 + 5.168%, 144A**** 2,877,254 ^{***(1)(2)(4)(5)} |
| | Banco Bilbao Vizcaya Argentaria SA: |
| \$ 3,000,000 | 6.125% to 11/16/27 then SW5 + 3.87% 3,017,955 ^{***(1)(2)(5)} |
| \$ 1,000,000 | 6.50% to 03/05/25 then T5Y + 5.192%, Series 9 1,041,805 ^{***(1)(5)} |
| | Banco Mercantil del Norte SA: |
| \$ 492,000 | 7.50% to 06/27/29 then T10Y + 5.47%, 144A**** 556,826 ^{***(1)(5)} |
| \$ 710,000 | 7.625% to 01/06/28 then T10Y + 5.353%, 144A**** 802,680 ^{***(1)(5)} |
| | Barclays Bank PLC: |
| \$ 1,110,000 | 7.75% to 09/15/23 then SW5 + 4.842% 1,191,246 ^{***(1)(2)(5)} |
| \$ 3,220,000 | 7.875% to 03/15/22 then SW5 + 6.772%, 144A**** 3,406,586 ^{***(1)(2)(5)} |
| \$ 2,285,000 | 8.00% to 06/15/24 then T5Y + 5.672% 2,512,232 ^{***(1)(2)(5)} |
| \$ 670,000 | BBVA Bancomer SA, 5.875% to 09/13/29 then T5Y + 4.308%, 09/13/34, 144A**** 746,615 ⁽⁵⁾ |
| | BNP Paribas: |
| \$ 475,000 | 4.50% to 02/25/30 then T5Y + 2.944%, 144A**** 449,766 ^{***(1)(5)} |
| \$ 560,000 | 7.00% to 08/16/28 then SW5 + 3.98%, 144A**** 644,104 ^{***(1)(5)} |
| \$ 7,830,000 | 7.375% to 08/19/25 then SW5 + 5.15%, 144A**** 8,872,917 ^{***(1)(2)(5)} |
| \$ 2,000,000 | 7.625% to 03/30/21 then SW5 + 6.314%, 144A**** 2,073,750 ^{***(1)(2)(5)} |
| \$ 395,000 | Credit Agricole SA, 7.875% to 01/23/24 then SW5 + 4.898%, 144A**** 438,450 ^{***(1)(5)} |
| | Credit Suisse Group AG: |
| \$ 280,000 | 5.10% to 01/24/30 then T5Y + 3.293%, 144A**** 278,950 ^{***(1)(5)} |
| \$ 1,500,000 | 6.375% to 08/21/26 then T5Y + 4.822%, 144A**** 1,604,378 ^{***(1)(5)} |
| \$ 1,000,000 | 7.25% to 09/12/25 then T5Y + 4.332%, 144A**** 1,105,695 ^{***(1)(2)(5)} |
| \$ 1,100,000 | 7.50% to 07/17/23 then SW5 + 4.60%, 144A**** 1,188,160 ^{***(1)(2)(5)} |

PORTFOLIO OF INVESTMENTS (Continued)

February 29, 2020 (Unaudited)

| <u>Shares/\$ Par</u> | <u>Value</u> |
|---|--------------------------------------|
| Contingent Capital Securities — (Continued) | |
| Banking — 17.8% | |
| HSBC Holdings PLC: | |
| \$ 500,000 6.00% to 05/22/27 then ISDA5 + 3.746% | \$ 520,418 ^{** (1)(5)} |
| \$ 4,265,000 6.50% to 03/23/28 then ISDA5 + 3.606% | 4,620,338 ^{** (1)(2)(4)(5)} |
| \$ 1,370,000 6.875% to 06/01/21 then ISDA5 + 5.514% | 1,414,710 ^{** (1)(2)(4)(5)} |
| \$ 2,750,000 Lloyds Banking Group PLC, 7.50% to 09/27/25 then SW5 + 4.496% | 3,059,581 ^{** (1)(5)} |
| \$ 730,000 Macquarie Bank Ltd., 6.125% to 03/08/27 then SW5 + 3.703%, 144A ^{****} | 771,672 ^{** (1)(5)} |
| \$ 6,000,000 Societe Generale SA, 6.75% to 04/06/28 then SW5 + 3.929%, 144A ^{****} | 6,567,390 ^{** (1)(2)(4)(5)} |
| Standard Chartered PLC: | |
| \$ 3,510,000 7.50% to 04/02/22 then SW5 + 6.301%, 144A ^{****} | 3,680,007 ^{** (1)(2)(4)(5)} |
| \$ 1,500,000 7.75% to 04/02/23 then SW5 + 5.723%, 144A ^{****} | 1,616,985 ^{** (1)(2)(4)(5)} |
| \$ 2,500,000 UBS Group Funding Switzerland AG, 7.000% to 01/31/24 then SW5 + 4.344%, 144A ^{****} | 2,667,863 ^{** (1)(5)} |
| | <u>57,728,333</u> |
| Financial Services — 0.1% | |
| \$ 400,000 Deutsche Bank AG, 6.00% to 04/30/26 then T5Y + 4.524% | 367,424 ^{** (1)(5)} |
| | <u>367,424</u> |
| Insurance — 1.9% | |
| \$ 5,300,000 QBE Insurance Group Ltd., 7.50% to 11/24/23 then SW10 + 6.03%, 11/24/43, 144A ^{****} | 6,069,560 ⁽²⁾⁽⁴⁾⁽⁵⁾ |
| | <u>6,069,560</u> |
| Total Contingent Capital Securities | |
| (Cost \$59,811,651) | <u>64,165,317</u> |
| Corporate Debt Securities^s — 4.9% | |
| Banking — 1.5% | |
| 175,067 Texas Capital Bancshares Inc., 6.50% 09/21/42, Sub Notes | 4,569,249 ⁽²⁾ |
| 10,900 Zions Bancorporation, 6.95% to 09/15/23 then 3ML + 3.89%, 09/15/28, Sub Notes . . | 325,929 |
| | <u>4,895,178</u> |
| Insurance — 1.6% | |
| \$ 3,000,000 Liberty Mutual Insurance, 7.697% 10/15/97, 144A ^{****} | 5,115,133 ⁽²⁾⁽⁴⁾ |
| | <u>5,115,133</u> |
| Energy — 0.4% | |
| Energy Transfer LP: | |
| \$ 940,000 Energy Transfer Operating LP, 8.25% 11/15/29 | 1,248,591 ⁽²⁾⁽⁴⁾ |
| | <u>1,248,591</u> |
| Communication — 0.5% | |
| Qwest Corporation: | |
| 29,941 6.50% 09/01/56 | 734,004 |
| 41,820 6.75% 06/15/57 | 1,047,750 |
| | <u>1,781,754</u> |

Flaherty & Crumrine Total Return Fund Incorporated
PORTFOLIO OF INVESTMENTS (Continued)
February 29, 2020 (Unaudited)

| Shares/\$ Par | Value |
|---|--------------------------------|
| Corporate Debt Securities — (Continued) | |
| Miscellaneous Industries — 0.9% | |
| \$ 2,160,000 Pulte Group, Inc., 7.875% 06/15/32 | \$ 2,922,958 ⁽²⁾⁽⁴⁾ |
| | 2,922,958 |
| Total Corporate Debt Securities (Cost \$12,522,072) | 15,963,614 |
| Money Market Fund — 0.1% | |
| 267,396 BlackRock Liquidity Funds: T-Fund, Institutional Class | 267,396 |
| Total Money Market Fund (Cost \$267,396) | 267,396 |
| Total Investments (Cost \$293,610,494 ^{***}) 98.2% | 318,002,265 |
| Other Assets And Liabilities (Net) 1.8% | 5,766,527 |
| Total Managed Assets 100.0% † | \$ 323,768,792 |
| Loan Principal Balance | (107,900,000) |
| Total Net Assets Available To Common Stock | \$ 215,868,792 |

\$ Date shown is maturity date unless referencing the end of the fixed-rate period of a fixed-to-floating rate security.
 * Securities eligible for the Dividends Received Deduction and distributing Qualified Dividend Income.
 ** Securities distributing Qualified Dividend Income only.
 *** Aggregate cost of securities held.
 **** Securities exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional buyers. At February 29, 2020, these securities amounted to \$97,892,325 or 30.2% of total managed assets.
 (1) Perpetual security with no stated maturity date.
 (2) All or a portion of this security is pledged as collateral for the Fund's loan. The total value of such securities was \$189,288,341 at February 29, 2020.
 (3) Represents the rate in effect as of the reporting date.
 (4) All or a portion of this security has been rehypothecated. The total value of such securities was \$72,685,253 at February 29, 2020.
 (5) Foreign Issuer.
 † A Contingent Capital Security is a hybrid security with contractual loss-absorption characteristics.
 ‡ The percentage shown for each investment category is the total value of that category as a percentage of total managed assets.

ABBREVIATIONS:

| | |
|-----------------|--|
| 3ML | — 3-Month ICE LIBOR USD A/360 |
| ISDA5 | — 5-year USD ICE Swap Semiannual 30/360 |
| SOFRRATE | — Secured Overnight Funding Rate, Federal Reserve Bank of New York |
| SW5 | — 5-year USD Swap Semiannual 30/360 |
| SW10 | — 10-year USD Swap Semiannual 30/360 |
| T5Y | — Federal Reserve H.15 5-Yr Constant Maturity Treasury Semiannual yield |
| T10Y | — Federal Reserve H.15 10-Yr Constant Maturity Treasury Semiannual yield |

FINANCIAL HIGHLIGHTS⁽¹⁾

For the period December 1, 2019 through February 29, 2020 (Unaudited)

For a Common Stock share outstanding throughout the period

PER SHARE OPERATING PERFORMANCE:

| | |
|--|----------|
| Net asset value, beginning of period | \$ 21.72 |
|--|----------|

INVESTMENT OPERATIONS:

| | |
|--|-------------|
| Net investment income | 0.33 |
| Net realized and unrealized gain/(loss) on investments | (0.07) |
| Total from investment operations | <u>0.26</u> |

DISTRIBUTIONS TO COMMON STOCK SHAREHOLDERS:

| | |
|--|------------------|
| From net investment income | (0.37) |
| Total distributions to Common Stock Shareholders | <u>(0.37)</u> |
| Net asset value, end of period | <u>\$ 21.61</u> |
| Market value, end of period | <u>\$ 20.25</u> |
| Common Stock shares outstanding, end of period | <u>9,991,053</u> |

RATIOS TO AVERAGE NET ASSETS AVAILABLE TO COMMON STOCK SHAREHOLDERS:

| | |
|---|--------|
| Net investment income† | 6.00%* |
| Operating expenses including interest expense | 2.45%* |
| Operating expenses excluding interest expense | 1.21%* |

SUPPLEMENTAL DATA: ††

| | |
|---|------------|
| Portfolio turnover rate | 3%** |
| Total managed assets, end of period (in 000's) | \$ 323,769 |
| Ratio of operating expenses including interest expense to average total managed assets | 1.65%* |
| Ratio of operating expenses excluding interest expense to average total managed assets | 0.81%* |

⁽¹⁾ These tables summarize the three months ended February 29, 2020 and should be read in conjunction with the Fund's audited financial statements, including notes to the financial statements, in its Annual Report dated November 30, 2019.

* Annualized.

** Not annualized.

† The net investment income ratio reflects income net of operating expenses, including interest expense.

†† Information presented under heading Supplemental Data includes loan principal balance.

Flaherty & Crumrine Total Return Fund Incorporated

FINANCIAL HIGHLIGHTS (Continued)
Per Share of Common Stock (Unaudited)

| | Total Dividends Paid | Net Asset Value | NYSE Closing Price | Dividend Reinvestment Price⁽¹⁾ |
|-------------------------|-------------------------------------|----------------------------|-------------------------------|--|
| December 31, 2019 | \$0.1410 | \$21.98 | \$22.29 | \$21.98 |
| January 31, 2020 | 0.1150 | 22.48 | 23.44 | 22.48 |
| February 28, 2020 | 0.1150 | 21.61 | 20.25 | 21.57 |

⁽¹⁾ Whenever the net asset value per share of the Fund's Common Stock is less than or equal to the market price per share on the reinvestment date, new shares issued will be valued at the higher of net asset value or 95% of the then current market price. Otherwise, the reinvestment shares of Common Stock will be purchased in the open market.

NOTES TO PORTFOLIO OF INVESTMENTS (Unaudited)

1. Aggregate Information for Federal Income Tax Purposes

At February 29, 2020, the aggregate cost of securities for federal income tax purposes was \$298,537,769, the aggregate gross unrealized appreciation for all securities in which there was an excess of value over tax cost was \$26,454,391 and the aggregate gross unrealized depreciation for all securities in which there was an excess of tax cost over value was \$6,989,895.

2. Additional Accounting Standards

Fair Value Measurements: The Fund has analyzed all existing investments to determine the significance and character of all inputs to their fair value determination. The levels of fair value inputs used to measure the Fund's investments are characterized into a fair value hierarchy. Where inputs for an asset or liability fall into more than one level in the fair value hierarchy, the investment is classified in its entirety based on the lowest level input that is significant to that investment's valuation. The three levels of the fair value hierarchy are described below:

- Level 1 – quoted prices in active markets for identical securities
- Level 2 – other significant observable inputs (including quoted prices for similar securities, 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 inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. Transfers in and out of levels are recognized at market value at the end of the period.

NOTES TO PORTFOLIO OF INVESTMENTS (Unaudited) (Continued)

A summary of the inputs used to value the Fund's investments as of February 29, 2020 is as follows:

| | Total Value at February 29, 2020 | Level 1 Quoted Price | Level 2 Significant Observable Inputs | Level 3 Significant Unobservable Inputs |
|---|--|----------------------------|--|--|
| Preferred Stock & Hybrid Preferred Securities | | | | |
| Banking | \$121,004,642 | \$97,435,022 | \$23,569,620 | \$ — |
| Financial Services | 5,580,302 | 5,580,302 | — | — |
| Insurance | 60,662,507 | 22,888,877 | 37,773,630 | — |
| Utilities | 18,049,005 | 5,917,763 | 12,131,242 | — |
| Energy | 20,772,174 | 18,047,759 | 2,724,415 | — |
| Communication | 1,039,839 | 1,039,839 | — | — |
| Real Estate Investment Trust (REIT) | 113,886 | 113,886 | — | — |
| Miscellaneous Industries | 10,383,583 | 1,402,700 | 8,980,883 | — |
| Contingent Capital Securities | | | | |
| Banking | 57,728,333 | 46,676,294 | 11,052,039 | — |
| Financial Services | 367,424 | 367,424 | — | — |
| Insurance | 6,069,560 | — | 6,069,560 | — |
| Corporate Debt Securities | | | | |
| Banking | 4,895,178 | 4,895,178 | — | — |
| Insurance | 5,115,133 | — | 5,115,133 | — |
| Energy | 1,248,591 | — | 1,248,591 | — |
| Communication | 1,781,754 | 1,781,754 | — | — |
| Miscellaneous Industries | 2,922,958 | — | 2,922,958 | — |
| Money Market Fund | 267,396 | 267,396 | — | — |
| Total Investments | \$318,002,265 | \$206,414,194 | \$111,588,071 | \$ — |

During the reporting period, there were no transfers into or out of Level 3.

The fair values of the Fund's investments are generally based on market information and quotes received from brokers or independent pricing services that are approved by the Board of Directors and are unaffiliated with the Adviser. To assess the continuing appropriateness of security valuations, management, in consultation with the Adviser, regularly compares current prices to prior prices, prices across comparable securities, actual sale prices for securities in the Fund's portfolio, and market information obtained by the Adviser as a function of being an active market participant.

NOTES TO PORTFOLIO OF INVESTMENTS (Unaudited) (Continued)

Securities with quotes that are based on actual trades or actionable bids and offers with a sufficient level of activity on or near the measurement date are classified as Level 1. Securities that are priced using quotes derived from implied values, indicative bids and offers, or a limited number of actual trades—or the same information for securities that are similar in many respects to those being valued—are classified as Level 2. If market information is not available for securities being valued, or materially-comparable securities, then those securities are classified as Level 3. In considering market information, management evaluates changes in liquidity, willingness of a broker to execute at the quoted price, the depth and consistency of prices from pricing services, and the existence of observable trades in the market.