

---

In a settled enforcement action, the Securities and Exchange Commission charged a fund auditor with violating auditor independence rules when its consulting affiliate maintained a business relationship with a trustee serving on the boards and audit committees of three funds it audited. [1] The SEC also settled charges against the trustee for causing related reporting violations by the funds and the funds' administrator with causing the funds' violation of rule 38a-1 under the Investment Company Act of 1940 (1940 Act).

---

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete.

Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.