
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).

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