

## Rule 17e-1 -- Brokerage Transactions on a Securities Exchange

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For purposes of [section 17\(e\)\(2\)\(A\)](#) of the Act, a commission, fee or other remuneration shall be deemed as not exceeding the usual and customary broker's commission, if:

- a. The commission, fee, or other remuneration received or to be received is reasonable and fair compared to the commission, fee or other remuneration received by other brokers in connection with comparable transactions involving similar securities being purchased or sold on a securities exchange during a comparable period of time;
- b. The board of directors, including a majority of the directors of the investment company who are not interested persons thereof:
  1. Has adopted procedures which are reasonably designed to provide that such commission, fee, or other remuneration is consistent with the standard described in paragraph (a) of this section;
  2. Makes and approves such changes as the board deems necessary; and
  3. Determines no less frequently than quarterly that all transactions effected pursuant to this section during the preceding quarter (other than transactions in which the person acting as broker is a person permitted to enter into a transaction with the investment company by [Rule 17a-10](#)) were effected in compliance with such procedures;
- c. The board of directors of the investment company satisfies the fund governance standards defined in [Rule 0-1\(a\)\(7\)](#) and
- d. The investment company:
  1. Shall maintain and preserve permanently in an easily accessible place a copy of the procedures (and any modification thereto) described in paragraph (b)(1) of this section; and
  2. Shall maintain and preserve for a period not less than six years from the end of the fiscal year in which any transactions occurred, the first two years in an easily accessible place, a record of each such transaction (other than any transaction in which the person acting as broker is a person permitted to enter into a transaction with the investment company by [Rule 17a-10](#)) setting forth the amount and source of the commission, fee or other remuneration received or to be received, the identity of the person acting as broker, the terms of the transaction, and the information or materials upon which the findings described in paragraph (b)(3) of this section were made.