

Rule 17a-10 -- Exemption for Transactions with Certain Subadvisory Affiliates

- a. *Exemption.* A person that is prohibited by [section 17\(a\)](#) of the Act from entering into a transaction with a fund solely because such person is, or is an affiliated person of, a subadviser of the fund, or a subadviser of a fund that is under common control with the fund, may nonetheless enter into such transaction, if:
1. *Prohibited relationship.* The person is not, and is not an affiliated person of, an investment adviser responsible for providing advice with respect to the portion of the fund for which the transaction is entered into, or of any promoter, underwriter, officer, director, member of an advisory board, or employee of the fund.
 2. *Prohibited conduct.* The advisory contracts of the subadviser that is (or whose affiliated person is) entering into the transaction, and any subadviser that is advising the fund (or portion of the fund) entering into the transaction:
 - i. Prohibit them from consulting with each other concerning transactions for the fund in securities or other assets; and
 - ii. If both such subadvisers are responsible for providing investment advice to the fund, limit the subadvisers' responsibility in providing advice with respect to a discrete portion of the fund's portfolio.
- b. *Definitions.*
1. *Fund* means a registered investment company and includes a separate series of a registered investment company.
 2. *Subadviser* means an investment adviser as defined in [section 2\(a\)\(20\)\(B\)](#) of the Act.