

15-106.

(B) (1) SUBJECT TO THE PROVISIONS OF PARAGRAPH (2) OF THIS SUBSECTION, A CORPORATE FIDUCIARY MAY INVEST AND REINVEST FIDUCIARY FUNDS AND OTHER FUNDS OVER WHICH THE CORPORATE FIDUCIARY HAS INVESTMENT DISCRETION IN SECURITIES OF, OR OTHER INTERESTS IN, AN A NO-LOAD OPEN-END MANAGEMENT TYPE INVESTMENT COMPANY, OR INVESTMENT TRUST REGISTERED UNDER THE PROVISIONS OF THE FEDERAL INVESTMENT COMPANY ACT OF 1940 THAT DOES NOT IMPOSE A CONTINGENT DEFERRED SALES CHARGE OR DISTRIBUTION CHARGE ON THAT INVESTMENT OR REINVESTMENT.

(2) THE PROVISIONS OF PARAGRAPH (1) OF THIS SUBSECTION APPLY EVEN IF THE CORPORATE FIDUCIARY OR AN AFFILIATE OF THE CORPORATE FIDUCIARY PROVIDES SERVICES AS INVESTMENT ADVISER OR MANAGER, SPONSOR, DISTRIBUTOR, CUSTODIAN, TRANSFER AGENT, REGISTRAR, OR SIMILAR RELATED SERVICES TO THE INVESTMENT COMPANY OR INVESTMENT TRUST AND RECEIVES REASONABLE COMPENSATION FOR THOSE SERVICES IF:

(I) THE INVESTMENT IS AUTHORIZED BY THE AGREEMENT OR INSTRUMENT THAT GIVES THE CORPORATE FIDUCIARY INVESTMENT AUTHORITY, OR BY COURT ORDER; OR

(II) THE CORPORATE FIDUCIARY DISCLOSES TO ITS PRINCIPAL OR, IF THE ASSETS ARE HELD IN TRUST, TO ANY CURRENT INCOME BENEFICIARIES OF THE TRUST:

1. THE SERVICES PROVIDED BY THE CORPORATE FIDUCIARY OR ITS AFFILIATE TO THE INVESTMENT COMPANY OR INVESTMENT TRUST; AND

2. THE RATE, FORMULA, OR OTHER METHOD BY WHICH COMPENSATION PAID TO THE CORPORATE FIDUCIARY OR ITS AFFILIATE IS DETERMINED.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1991.

Approved May 14, 1991.