

MEETING MINUTES

U.S. Securities and Exchange Commission Investor Advisory Committee Minutes of the Meeting held on March 11, 2021

The Investor Advisory Committee (IAC) met on March 11, 2021, in a public meeting held remotely online at <https://www.sec.gov>. The meeting convened at 10:00 am¹ and was broadcast live by webcast. The webcast archive can be found on the IAC web page at https://www.sec.gov/video/webcast-archive-player.shtml?document_id=iac031121.

The following persons participated in the meeting:

Commissioners of the Securities and Exchange Commission (SEC)

Allison Herren Lee, Acting Chair
Hester Peirce, Commissioner
Elad Roisman, Commissioner
Caroline Crenshaw, Commissioner

Members of the Investor Advisory Committee

Jennifer Marietta-Westberg, Chair
Heidi Stam, Vice Chair
Theodore Daniels, Secretary
J.W. Verret, Asst. Secretary
Jamila Abston
Cambria Allen-Ratzlaff
Cien Asoera
Allison Bennington
Rick Fleming
Elissa Germaine
Brian Hellmer
Nancy LeaMond
Lori Lucas
Paul Mahoney
Christopher Mirabile
Mina Nguyen
Sandra Peters
Paul Sommerstad
Alice Stinebaugh
Leslie Van Buskirk
Joanne Yoo

¹ All times listed are for the local Washington, DC time.

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Panelists

Jocelyn Arel
William R. Carrigan
Courtney Eccles
Michael P. Kreps
Mary L. Mohr
Michael O'Donovan
Michael Ohlogge
Dan Primack
Dana Settle
J. Spencer Williams

SEC Staff

Adam Anicich

Opening

Chair Marietta-Westberg called the meeting to order at 10:00 am.

Initial Business

Chair Marietta-Westberg welcomed new Members to the IAC.

A roll call of members was taken.

Chair Marietta-Westberg then turned the floor over for opening remarks from Acting Chair Lee and Commissioners Pierce, Roisman, and Crenshaw.

Approval of Minutes

A motion was put forward and seconded to approve the minutes of the IAC meeting held on December 3, 2020. The minutes were approved and subsequently posted to the [IAC webpage](#).

Panel Discussion Regarding Self Directed IRAs

Chair Marietta-Westberg turned over the floor to Ms. Lucas to introduce the panel topic and moderate. Ms. Lucas introduced the panel followed by remarks from each panelist listed below:

- **Michael P. Kreps**, Principal, Groom Law Group, Chartered, provided information on small account 401(k) cash-outs. He described how employees with small amounts in a 401(k) plan are more likely than those with larger sums to take a distribution when leaving an employer and estimates of how many employees forget about and/or lose track of small amount 401(k)s.
- **J. Spencer Williams**, Founder, President and CEO, Retirement Clearinghouse, provided additional information on small account 401(k) concerns and posited that individuals are better off

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in an employer sponsored 401(k) plan rather than cashing out a 401(k) or in a safe harbor IRA. He emphasized the need for policies that encourage 401(k) portability and consolidation.

- **Courtney Eccles**, Director, Secure Choice Savings Program, Illinois State Treasurer's Office, provided information about the Illinois State IRA-program. She described the program and explained some of the features and objectives.
- **Mary L. Mohr**, Executive Director, Retirement Industry Trust Association, provided information on self-directed IRAs and the custodians who hold alternative assets in Self-Directed IRAs. She provided commentary on how these custodians execute the account owner's investment instructions and the issues surrounding fiduciary capacity.
- **William R. Carrigan**, Deputy Commissioner for Securities, Vermont Department of Financial Regulation, provided information related to self-directed IRAs. He provided commentary on custodial issues with traditional IRAs and Self-Directed IRAs, and on the disclosure practices regarding self-directed IRAs.

After the panelists' presentations, a discussion between panelists and Committee members occurred.

Recess

Chair Marietta-Westberg took the Meeting into recess at 12:12 pm.

Non-Public Administrative Session

Chair Marietta-Westberg took the Committee into a non-public administrative session at 12:15 pm.

Afternoon Session

Chair Marietta-Westberg called the afternoon session to order at 1:00 pm and asked Mr. Mirabile to introduce the panel topic and moderate.

Panel Discussion on Special Purpose Acquisition Corporations

Mr. Mirabile introduced each panelist followed by remarks from each panelist in the order listed below:

- **Dan Primack**, Business Editor, Axios, provided information on the history of SPACs and commented on the increased number of SPACs seen today. He also provided commentary on various aspects of SPAC transactions and the impact to the market.
- **Jocelyn Arel**, Partner; National Head of SPAC Practice, Goodwin Procter LLP, provided information on SPACs' increase in popularity and on recent business combinations. She also provided commentary on common perceptions of SPACs, due diligence, sequence of SPAC investments, and valuation.
- **Dana Settle**, Co-Founder & Partner, Greycroft, and Chair of Powered Brands, provided information on her experience with SPACs and how they can be used to achieve various business goals. She provided commentary on the use of SPACs for growth and board composition.
- **Michael O'Donovan**, Partner, Strategic Advisory Group, PJT Partners, provided information on how companies have different alternatives to go public, including SPACs. He provided

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commentary on the future state of SPACs, and indicated that demand may slow as the market becomes more discerning about SPACs.

- **Michael Ohlrogge**, Assistant Professor of Law, NYU School of Law, provided information on his policy recommendations for SPACs based on his research. He commented on improved disclosure of SPAC costs and dilutions, and the establishment of a unified framework for evaluating IPOs, direct listings, and SPACs.

After the panelists' presentations, discussion between panelists and Committee members occurred.

Discussion of Recommendation Regarding Minority and Underserved Inclusion

Chair Marietta-Westberg called upon Mr. Daniels to present the proposed recommendation on minority and underserved investment inclusion.

Mr. Daniels provided comments on the proposed recommendation.

A vote was held via voice vote to approve the recommendation with all members in attendance voting in the affirmative to approve the recommendation.²

Mr. Mahoney, Mr. Verret, and Ms. Abston provided additional comments regarding the recommendation.

Discussion of Recommendation Regarding Credit Rating Agencies

Chair Marietta-Westberg called upon Mr. Verret to present the proposed recommendation on credit rating agencies.

Mr. Verret provided comments on the proposed recommendation.

Ms. Nguyen provided additional comments regarding the recommendation.

A vote was held via voice vote to approve the recommendation with all members in attendance voting in the affirmative to approve the recommendation.

Subcommittee Reports

Chair Marietta-Westberg called upon Mr. Asoera to report on matters of the Investor-as-Purchaser Subcommittee; Ms. Stam to report on matters of the Investor-as-Owner Subcommittee; Mr. Verret to report on the matters of the Market Structure Subcommittee.

Adjournment

Chair Marietta-Westberg adjourned the meeting at 3:00 pm.

² Mr. Mirabile was not in attendance for the vote on either recommendation, but provided a proxy in the affirmative to Chair Marietta-Westberg.