ORDER REGARDING REVIEW OF FASB ACCOUNTING SUPPORT FEE FOR 2011 UNDER SECTION 109 OF THE SARBANES-OXLEY ACT OF 2002

The Sarbanes-Oxley Act of 2002 (the “Act”) provides that the Securities and Exchange Commission (the “Commission”) may recognize, as generally accepted for purposes of the securities laws, any accounting principles established by a standard setting body that meets certain criteria. Consequently, Section 109 of the Act provides that all of the budget of such a standard setting body shall be payable from an annual accounting support fee assessed and collected against each issuer, as may be necessary or appropriate to pay for the budget and provide for the expenses of the standard setting body, and to provide for an independent, stable source of funding, subject to review by the Commission. Under Section 109(f) of the Act, the amount of fees collected for a fiscal year shall not exceed the “recoverable budget expenses” of the standard setting body. Section 109(h) amends Section 13(b)(2) of the Securities Exchange Act of 1934 to require issuers to pay the allocable share of a reasonable annual accounting support fee or fees, determined in accordance with Section 109 of the Act.

On April 25, 2003, the Commission issued a policy statement concluding that the Financial Accounting Standards Board (“FASB”) and its parent organization, the Financial Accounting Foundation (“FAF”), satisfied the criteria for an accounting
standard-setting body under the Act, and recognizing the FASB’s financial accounting
and reporting standards as “generally accepted” under Section 108 of the Act. As a
consequence of that recognition, the Commission undertook a review of the FASB’s
accounting support fee for calendar year 2011. In connection with its review, the
Commission also reviewed the budget for the FAF and the FASB for calendar year 2011.

Section 109 of the Act also provides that the standard setting body can have
additional sources of revenue for its activities, such as earnings from sales of
publications, provided that each additional source of revenue shall not jeopardize, in the
judgment of the Commission, the actual or perceived independence of the standard setter.
In this regard, the Commission also considered the interrelation of the operating budgets
of the FAF, the FASB and the Governmental Accounting Standards Board (“GASB”), the
FASB’s sister organization, which sets accounting standards used by state and local
government entities. The Commission has been advised by the FAF that neither the FAF,
the FASB nor the GASB accept contributions from the accounting profession.

After its review, the Commission determined that the 2011 annual accounting
support fee for the FASB is consistent with Section 109 of the Act. Accordingly,

IT IS ORDERED, pursuant to Section 109 of the Act, that the FASB may act in
accordance with this determination of the Commission.

By the Commission.

Elizabeth M. Murphy
Secretary

1 Financial Reporting Release No. 70.