

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

EQUITY MARKET STRUCTURE ADVISORY COMMITTEE

CHARTER

(1) Committee's Official Designation.

The committee's official designation is "Securities and Exchange Commission Equity Market Structure Advisory Committee" (the "Committee").

(2) Authority.

The Committee is established by the Securities and Exchange Commission ("Commission"), through the exercise of its discretionary authority, in accordance with the Federal Advisory Committee Act, as amended, 5 U.S.C. – App.

(3) Objectives and Scope of Activities.

The Committee's objectives and scope of activities are to provide the Commission with diverse perspectives on the structure and operations of the U.S. equities markets, as well as advice and recommendations on matters related to equity market structure.

(4) Description of Duties.

In accordance with the provisions of Section 9(b) of the Federal Advisory Committee Act, 5 U.S.C. App. 2, § 9(b), the duties of the Committee shall be solely advisory. Its duties shall extend only to providing advice, including advice in the form of recommendations, to the Commission. The Commission shall retain full authority to determine actions to be taken and policies to be expressed with respect to matters within its jurisdiction upon which the Committee may provide advice.

(5) Officials to Whom the Committee Reports.

The Committee shall provide its advice to the Commission, directly or through its designee. The Committee need not reach consensus on every issue, and may choose to provide the Commission with differing views or a range of views.

(6) Support.

The Commission shall provide any necessary support services for the Committee, primarily through its Division of Trading and Markets, to the extent permitted by law and subject to the availability of resources.

(7) Estimated Annual Operating Costs and Staff Years.

The estimated annual operating costs of the Committee in dollars and staff years are as follows:

- (a) Dollar cost: approximately \$28,000.00, for travel expenses of Committee members and other miscellaneous expenses; and
- (b) Staff years: one-half staff year for a six-month period of Commission personnel time to support the Committee on a continuing basis.

(8) Designated Federal Officer.

At least one full-time or permanent part-time Commission employee will be appointed to serve as Designated Federal Officer (“DFO”) of the Committee. The DFO, or an alternate DFO, will approve or call all meetings of the Committee and any of its subcommittees, approve all meeting agendas, attend all meetings, adjourn any meeting when the DFO or an alternate DFO determines adjournment to be in the public interest, and chair meetings when directed to do so by the Commission.

(9) Estimated Number and Frequency of Meetings.

The Committee shall meet at such times as are necessary to carry out its duties. It is estimated that meetings of the Committee will occur two times during the six-month period.

(10) Duration and Termination.

The Committee shall operate for a term of six months from the date this charter is filed with the appropriate entities unless the Commission directs that the Committee terminate on an earlier date. Prior to the expiration of this six-month period, the charter may be renewed as authorized in accordance with Section 14 of the Federal Advisory Committee Act.

(11) Membership and Designation.

The Committee shall be composed of no more than 17 members representing a cross-section of those directly affected by, interested in, and/or qualified to provide advice to the Commission on matters related to equity market structure as set forth in Article 3. Committee membership shall include at least one representative of retail investors, institutional investors, exchanges or other self-regulatory organizations, broker-dealers and other market participants, as well as industry consultants and academics. The Committee’s representative membership will be balanced fairly in terms of points of view represented and functions to be performed. Members shall be appointed and may be removed by the Commission at any time. No special government employees, within the meaning of 18 U.S.C. §202(a), shall be named to the Committee. In the event of a vacancy, Commission staff will recommend for Commission approval, a nominee to fill such vacancy. All vacancies will be filled in a manner that will preserve the Committee’s balanced membership.

(12) Subcommittees.

The Committee may form and dissolve subcommittee or subgroups as it deems appropriate with the approval of the DFO. Any such subcommittees and subgroups shall report any recommendations and advice to the Committee for full deliberations and discussion. Subcommittees or subgroups shall have no authority to make decisions on behalf of the Committee, nor may they report directly to the Commission or to any federal officer or employee. It is expected that subgroups or subcommittees will meet periodically, as necessary.

(13) Recordkeeping.

The official records generated by or for the Committee shall be handled in accordance with General Records Schedule 6.2, or another approved Commission records disposition

schedule. These records shall be available for public inspection and copying, subject to the Freedom of Information Act, 5 U.S.C. §552.

(14) Filing Date.

The Committee is authorized to meet and take action as of the date of the filing of this Charter with the Chair of the Commission, the Committee on Banking, Housing, and Urban Affairs of the United States Senate, the Committee on Financial Services of the United States House of Representatives, the Committee Management Secretariat of the General Services Administration, and the Library of Congress.

Dated: February 9, 2017