

**Securities and Exchange Commission  
Investor Advisory Committee**

**By-Laws and Operating Procedures**

(As adopted on July \_\_, 2009)

The following By-Laws and Operating Procedures (“By-Laws”) will govern the operations of the Securities and Exchange Commission Investor Advisory Committee (the “Committee”).

- A. **Meetings.** Meetings of the Committee shall be presided over by one or more of the Co-Chairs of the Committee or the Commission Sponsor. Unless otherwise agreed to by the Co-Chairs and the Commissioner Sponsor, the Co-Chairs and Commission Sponsor will alternate responsibility for presiding over all meetings of the Committee. The person presiding at the meeting may determine the procedure for conduct of the meeting, consistent with the Federal Advisory Committee Act (“FACA”) and these By-Laws. Members and Official Observers may participate in a meeting by telephone or similar communication if all Members and Official Observers can hear one another and members of the public can hear.
- B. **Members and Official Observers.** The Members of the Committee are appointed by and serve at the pleasure of the Chairman of the Commission as may be appropriate for the accomplishment of the Committee’s purposes and in order to balance the viewpoints required to effectively address those purposes. Official Observers are invited by the Chairman to serve as official observers of the Committee; they also serve at the pleasure of the Chairman. Official Observers have all rights of Members of the Committee except the right to vote or to make a motion for a vote.
- C. **Agenda.** The Co-Chairs of the Committee, in consultation with the Commission Sponsor, will agree upon an agenda for each meeting of the Committee sufficiently in advance of the meeting to permit a copy or summary of the agenda to be published with the notice of the meeting. Items for the agenda may be submitted to the Co-Chairs through the designated federal officer (“DFO”) by any Member or Official Observer of the Committee or by any member of the public.
- D. **Voting.** A Member must be participating in a meeting, in person or by telephone or similar communication, to cast a vote. When a decision or recommendation of the Committee is required, the presiding officer will request a motion for a vote. Any Member may make a motion for a vote and vote. No second after a motion will be required to bring any issue or recommendation to a vote. Committee action based on a vote requires a simple majority of the votes cast at a meeting at which there is a quorum.

- E. **Quorum.** A quorum will consist of a simple majority of the Members.
- F. **Minutes.** The DFO will prepare minutes of each meeting of the Committee and submit them to the Co-Chairs of the Committee for certification. The DFO will distribute copies of the certified minutes to each Member and Official Observer.
- G. **Subcommittees.** The Co-Chairs of the Committee, in consultation with the Commission Sponsor and with the approval of the DFO, may convene subcommittees to support the Committee's functions and may appoint Members to, and Chairs of, any subcommittees. Only Members of the Committee will have the right to vote and make a motion to vote in a subcommittee. No subcommittee will have any authority to provide advice or recommendations (1) directly to the Commission or any agency official or (2) to be adopted by the Committee without discussion or consideration at an open meeting of the Committee. All activities of the subcommittees will be in compliance with FACA.
- H. **Amendments.** These By-Laws may be amended from time to time by vote of the Members.