

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

INVESTOR ADVISORY COMMITTEE

CHARTER

A. Committee's Official Designation. The official designation of the committee is "Securities and Exchange Commission Investor Advisory Committee" (the "Committee").

B. Authority. The Committee is being established in accordance with the provisions of the Federal Advisory Committee Act, as amended, 5 U.S.C.-App. 1, § 9(c).

C. Objective and Scope of Activities. The Committee's objective is to provide the Commission with the views of a broad spectrum of investors on their priorities concerning the Commission's regulatory agenda, including:

- 1) advising the Commission regarding matters of concern to investors in the securities markets;
- 2) providing the Commission with investors' perspectives on current, non-enforcement, regulatory issues; and
- 3) serving as a source of information and recommendations to the Commission regarding the Commission's regulatory programs from the point of view of investors.

The scope does not, however, include any policies, practices, actions or decisions concerning the Commission's enforcement program. The Committee need not reach consensus on every issue, and may chose to provide the Commission with differing or a range of opinions. The Committee should conduct its work with a view to furthering the Commission's mission of protecting investors; maintaining fair, orderly and efficient markets; and facilitating capital formation.

D. Description of Duties. The Committee shall function as an advisory body according to the procedures set forth in the Act. Its duties shall be solely advisory and shall extend only to the submission of advice or recommendations to the Commission. Determinations of actions to be taken and policy to be expressed with respect to matters within the Commission's authority upon which the Committee provides advice shall be made solely by the Commission.

E. Agency or Official to Whom the Committee Reports. The Chairman of the Commission, or a designee, shall receive the advice of the Committee on behalf of the Commission.

F. Support. The Commission shall provide any necessary support services for the Committee.

G. Estimated Annual Operating Costs and Staff Years. The estimated annual operating costs of the Committee in dollars and staff-years are as follows:

- (1) dollar cost: \$175,836 per year, for the travel, per diem, and miscellaneous expenses of the Committee members and Commission personnel; and
- (2) staff years: one staff-year, per year, of Commission personnel time on a continuing basis.

H. Designated Federal Officer. A Commission employee will be appointed to serve as the Designated Federal Officer. The DFO, or a designee, will approve or call the Committee's and subcommittees' meetings, approve the meeting agendas, attend the Committee and subcommittee meetings, adjourn any meeting when the DFO determines adjournment to be in the public interest and chair meetings when directed to do so by the Chairman or a designee.

I. Estimated Number and Frequency of Meetings. The Committee shall meet at such intervals as are necessary to carry out its duties, currently anticipated to be quarterly.

J. Duration. The Committee shall operate until the earlier of the termination date as set forth in Article K below, or the date on which the Commission determines that its continuance is no longer in the public interest.

K. Termination Date. The Committee shall terminate on June 24, 2011, which may be extended by amendment of this Article and renewal of this Charter in accordance with the Act before the termination date.


L. Membership and Designation. The Committee shall be composed of not more than 20 members who can effectively represent the varied interests of investors. The Committee's membership may include investors or investor representatives from a broad spectrum of institutions, such as mutual funds, foundations, and pension funds; investors representing different geographical regions; investors of different sizes and investment strategies; and individual investors. The Committee's membership will be fairly balanced in terms of points of view represented and the functions to be performed.

M. Subcommittees. The Commission may form subgroups or subcommittees as necessary to provide effective representation by all segments of the investor community. Such subcommittees and subgroups shall report any recommendations and advice to the Committee for full deliberations and discussion. Subcommittees or subgroups have no authority to make decisions on behalf of the Committee nor can they

report directly to the Commission or any Federal officers or employees. Subgroups or subcommittees may meet more frequently, but are currently anticipated to meet approximately four times a year.

N. Recordkeeping. The official records generated by or for the Committee shall be handled in accordance with General Records Schedule 26, Item 2 or other approved agency 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.

O. Filing of Charter. The Committee is authorized to meet and take action as of the date of the filing of this Charter on June 24, 2009 with the Chairman of the Commission, the Committee on Banking, Housing, and Urban Affairs of the United States Senate, and the Committee on Financial Services of the U.S. House of Representatives.


Mary L. Schapiro
Chairman

Date: June 24, 2009