

Securities and Exchange Commission Investor Advisory Committee

CHARTER

(As adopted on June 12, 2012)

- 1. Committee's Official Designation.** The official designation of the committee is the "Securities and Exchange Commission Investor Advisory Committee" (the "Committee").
- 2. Authority.** The Committee is established in accordance with Section 911 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act").
- 3. Purpose.** The Committee's purpose is to advise and consult with the U.S. Securities and Exchange Commission (the "Commission") on:
 - (1) regulatory priorities of the Commission;
 - (2) issues relating to the regulation of securities products, trading strategies, fee structures, and the effectiveness of disclosure;
 - (3) initiatives to protect investor interest; and
 - (4) initiatives to promote investor confidence and the integrity of the securities marketplace.
- 4. Committee Duties.** The Committee will submit to the Commission such findings and recommendations as the Committee determines are appropriate, including recommendations for proposed legislative changes, by a majority vote held at a Committee meeting.
- 5. Meetings.** The Committee will meet at the call of the Chairman of the Committee not less frequently than twice annually and, from time to time, at the call of the Commission. Meetings will be open to the public and at a venue selected by the Commission staff.
- 6. Notice of Meetings.** The Chairman of the Committee will give each member of the Committee written notice of each meeting not later than two weeks before the date of the meeting.
- 7. Membership.** The members of the Committee will be:
 - (1) the Investor Advocate;
 - (2) a representative of State securities commissions;
 - (3) a representative of the interests of senior citizens; and
 - (4) not fewer than 10, and not more than 20, members appointed by the Commission, from among individuals who: represent the interests of individual equity and debt investors, including investors in mutual funds; or represent the interests of institutional investors, including the interests of pension funds and registered investment companies; or are knowledgeable about investment issues and decisions; and each must have reputations of integrity.

8. Membership Term. Each member of the Committee shall serve for a term of four years. Members shall not be deemed to be employees or agents of the Commission solely because of membership on the Committee.

9. Chairman; Vice Chairman; Secretary; Assistant Secretary. The members of the Committee will elect, from the members of the Committee:

- (1) a Chairman, who may not be employed by an issuer;
- (2) a Vice Chairman, who may not be employed by an issuer;
- (3) a Secretary; and
- (4) an Assistant Secretary.

Each member elected shall serve a term of three years in the capacity for which the member was elected.

10. Compensation and Travel Expenses. Each member of the Committee who is not a full-time employee of the United States is entitled to receive:

- (1) compensation at a rate not to exceed the daily equivalent of the annual rate of basic pay in effect for a position at level V of the Executive Schedule under Section 5316 of Title 5, United States Code, for each day during which the member is engaged in the actual performance of the duties of the Committee; and
- (2) while away from the home or regular place of business of the member in the performance of services for the Committee, be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under Section 5703(b) of Title 5, United States Code.

11. Subcommittees. The Committee may form subcommittees or subgroups as it deems appropriate by a majority vote after notice to Commission staff. Any subcommittees and subgroups will report any recommendations and advice to the Committee for full deliberations and discussion. Subcommittees or subgroups will 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. Any subcommittee may create written product for consideration by the Committee.

12. Recordkeeping. The official records generated by or for the Committee shall be handled in accordance with General Records Schedule 26, Item 2, or another approved agency records disposition schedule. These records will be available for public inspection and copying, subject to the Freedom of Information Act, 5 U.S.C. § 552.