

CHARTER OF THE JOINT CFTC-SEC ADVISORY COMMITTEE ON EMERGING REGULATORY ISSUES

(1) Committee's Official Designation (Title).

The committee's official designation is the "Joint CFTC-SEC Advisory Committee on Emerging Regulatory Issues."

(2) Authority.

This committee is a discretionary committee jointly established by the authority of the Commodity Futures Trading Commission ("CFTC") and by the authority of the Securities and Exchange Commission ("SEC"), in accordance with the Federal Advisory Committee Act, as amended, 5 U.S.C. App. 2. Section 621 of the Consolidated Appropriations Act, 2010, P.L. 111-117 (HR 3288) and Continuing Appropriations Resolution, 2013, P.L. 112-175 (H.J.Res.117) grant the CFTC and SEC the discretion to jointly fund this committee.

(3) Objectives and Scope of Activities.

The committee's objectives and scope of activities shall be to conduct public meetings, to submit reports and recommendations to the CFTC and the SEC and otherwise to serve as a vehicle for discussion and communication on regulatory issues of mutual concern and their effect on the CFTC's and SEC's statutory responsibilities. Subjects to be addressed by the committee shall include, but will not be limited to, identification of emerging regulatory risks, assessment and quantification of the impact of such risks and their implications for investors and market participants, and the agencies' efforts on regulatory harmonization. The committee shall work to develop clear and specific goals toward identifying and addressing emerging regulatory risks, protecting investors and customers, and furthering regulatory harmonization, and to recommend processes and procedures for achieving and reporting on those goals.

(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. Determinations of action to be taken and policy to be expressed with respect to the reports or recommendations of the committee shall be made by the respective agencies.

(5) Agency or Official to Whom the Committee Reports.

The committee shall submit its reports and recommendations to the Chairman of the CFTC, acting on behalf of the CFTC, and to the Chairman of the SEC, acting on behalf of the SEC.

- (6) **Support.**
The CFTC and the SEC will jointly support this committee.
- (7) **Estimated Annual Operating Costs and Staff Years.**
The estimated annual operating costs are approximately \$150,000. We estimate that 1.5 staff years per year of CFTC personnel time and 1.5 staff years per year of SEC personnel time will be needed to support the committee on a continuing basis.
- (8) **Co-Designated Federal Officers.**
There shall be two co-designated federal officers of the committee. The Chairman of the CFTC shall appoint a CFTC employee to serve as one co-designated federal officer of the committee and the Chairman of the SEC shall appoint an SEC employee to serve as the other co-designated federal officer of the committee. The co-designated federal officers, acting jointly, shall approve or call all of the advisory committee's and subcommittees' meetings, prepare and approve all meeting agendas, adjourn any meeting when they jointly determine adjournment to be in the public interest, and chair meetings when directed to do so. The co-designated federal officers shall attend all committee and subcommittee meetings. The Chairmen of the CFTC and of the SEC shall serve as Co-Chairmen of the advisory committee.
- (9) **Estimated Number and Frequency of Meetings.**
The committee shall meet at such intervals as are necessary to carry out its functions. It is estimated that meetings of the committee will occur six times per year.
- (10) **Duration and Termination.**
The committee shall operate for a term of two years from the date this charter is filed with Congress unless either the Chairman of the CFTC or the Chairman of the SEC shall direct that the committee terminate on an earlier date. After this two-year period, the charter may be renewed as authorized in accordance with Section 14 of the Federal Advisory Committee Act.
- (11) **Membership and Designation.**
Members shall be appointed and may be removed by either the Chairman of the CFTC or the Chairman of the SEC. No individual who is a registered federal lobbyist shall be appointed to serve as a member. Members may be appointed or removed at any time. Approximately 10-15 members shall serve on the advisory committee.

Each member who is not a regular government employee shall serve on the committee as the representative of an organization or identifiable group of persons with interests affected by the work of the committee, unless it is specified at the time of appointment that the member is appointed to serve as

a special government employee. Representative members serve on the committee primarily in order to convey to the CFTC, the SEC, and the committee the views and interests of the organizations or groups they represent.

(12) Subcommittees.

The SEC and CFTC, or the co-designated federal officers of the committee, may jointly establish and dissolve subcommittees. Any subcommittees shall report to the advisory committee and not directly to the CFTC or SEC.

Subcommittees may include as members individuals who are members of the full committee and/or other individuals. Members of subcommittees shall be appointed in the same manner as members of the committee.

(13) Recordkeeping.

Records of the committee and any subcommittees are maintained in accordance with CFTC records disposition schedule N1-180-00-1, Items 307, 308, and 309 and General Records Schedule 26, Item 2 or other approved SEC records disposition schedule. Records of open committee meetings are available to the public on request. Other committee and subcommittee records are available to the public pursuant to the Freedom of Information Act.

(14) Filing Date.

This charter has been filed with the CFTC; SEC; the Senate Committee on Agriculture, Nutrition and Forestry; the House of Representatives Committee on Agriculture; the Senate Committee on Banking, Housing, and Urban Affairs; House Committee on Financial Services; the U.S. General Services Administration's Committee Management Secretariat; and the Library of Congress.