

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

CHARTER OF THE SECURITIES AND EXCHANGE COMMISSION
ADVISORY COMMITTEE ON CORPORATE DISCLOSURE

Preamble

In accordance with the terms and provisions of the Federal Advisory Committee Act, 5 U.S.C. App. I, 86 Stat. 770 (1972), Chairman Roderick M. Hills, with the concurrence of the other members of the Securities and Exchange Commission, hereby establishes an advisory committee which will conduct an extensive examination of the system of corporate disclosure. The committee will seek to define the purposes and objectives of a corporate disclosure system, to assess the present system in light of those objectives, and to recommend to the Commission any changes it may consider necessary or appropriate to better equate the operation of the disclosure system administered by the Commission with those objectives.

Charter

Pursuant to Section 9(c)(A)-9(c)(J) of the Federal Advisory Committee Act, and by direction of the Chairman of the Securities and Exchange Commission, with the concurrence of the other members of the Commission:

(A) The Committee's official designation is the Securities and Exchange Commission Advisory Committee on Corporate Disclosure.

(B) The Committee's objectives are as follows:

1. To identify the characteristics and functions of the present system of corporate disclosure and of the role of the Commission within that system;
2. To assess the costs of the present system of corporate disclosure and to weigh those costs against the benefits it produces;
3. To articulate the objectives of a system of corporate disclosure and to measure the Commission's present disclosure policies against those objectives;
4. If necessary, to formulate recommendations to the Commission for adjustments to Commission policies to better effectuate those objectives.

(C) The Committee shall operate on a continuing basis until the Chairman of the Securities and Exchange Commission, with the concurrence of the other members of the Commission, determines that its continuance is no longer necessary in the public interest, subject to paragraph (I) of this Charter, set forth below, and Section 14(a)(2) of the Federal Advisory Committee Act.

(D) The Committee shall submit its reports and recommendations to the Securities and Exchange Commission.

(E) The Securities and Exchange Commission shall provide any necessary support services.

(F) The duties of the Committee shall be solely advisory and shall extend only to the submission of reports and recommendations to the Securities and Exchange Commission.

Determinations of action to be taken and policy to be expressed with respect to the recommendations of the Advisory Committee shall be made solely by the Commission.

(G) The estimated annual operating costs in dollars and man-years of the Advisory Committee are as follows:

Dollar Costs -- \$26,400 for travel, per diem and miscellaneous expenses for Committee members and Commission personnel per year on a continuing basis.

Man-Years -- 7-1/2 man-years, per year, for Commission personnel on a continuing basis.

(H) The Advisory Committee shall meet at such intervals as are necessary to carry out its functions. It is estimated the meetings of the full committee generally will not occur more frequently than monthly.

(I) The Advisory Committee shall terminate at the end of eighteen months from the date of its establishment unless, prior to such time, its Charter is renewed in accordance with the Federal Advisory Committee Act, or unless the Chairman, with the concurrence of the other members of the Commission, determines that continuance of the Committee no longer is in public interest. Upon such a determination, the Chairman, with the concurrence of the other members of the Commission, shall direct by amendment to this Charter that the Advisory Committee terminate at such earlier date.

(J) This Charter has been filed with the Chairman of the Securities and Exchange Commission and with the House Committee on Interstate and Foreign Commerce, the Senate Committee on Banking, Housing and Urban Affairs and the Library of Congress on January 30, 1976.

Roderick M. Hills
Chairman