

Shareholder Communications Coalition
September 15, 2009

The SEC announced earlier today the formation of 3 subcommittees within its Investor Advisory Committee, to evaluate substantive issues of interest to both institutional and individual investors.

Pasted below is the SEC press release announcing this new subcommittee structure. You will see that the third subcommittee—the Investor as Shareholder Subcommittee—is responsible for evaluating proxy voting and shareholder communications as a part of its regulatory agenda. This Subcommittee will be chaired by Stephen Davis of the Millstein Center for Corporate Governance at the Yale School for Management.

This will certainly be a group that the Coalition will be interacting with, as the SEC evaluates proxy infrastructure issues.

To learn more about the SEC's Investor Advisory Committee and its activities, click on the following link: <http://www.sec.gov/spotlight/investoradvisorycommittee.shtml>

Thank you for your interest in the Shareholder Communications Coalition.

Niels Holch
Executive Director

SEC Investor Advisory Committee Forms Subcommittees to Tackle Ambitious Agenda on Behalf of Investors

FOR IMMEDIATE RELEASE
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Washington, D.C., Sept. 15, 2009 — The Securities and Exchange Commission's newly-formed Investor Advisory Committee today announced that three subcommittees have been formed to address specific categories of regulatory issues as the Committee tackles its wide-ranging agenda. The subcommittees will focus on investor education, investor protection, and shareholder voting and corporate governance.

The [SEC's Investor Advisory Committee was formed](#) by SEC Chairman Mary L. Schapiro to give investors a greater voice in the Commission's work.. Richard Hisey from AARP Financial and Hye-Won Choi from TIAA-CREF co-chair the Committee in consultation with SEC Commissioner Luis A. Aguilar, who serves as the Committee's sponsor and chief liaison to the Commission..

"The Committee has identified three important and timely broad subject areas to delve into, and the Commission looks forward to receiving its perspectives," said Chairman Schapiro. "Investor views are integral to the SEC's mission, and the work of these subcommittees will greatly inform the SEC's regulatory agenda."

Commissioner Aguilar added, "The Investor Advisory Committee has decided to form three subcommittees focused on key issues of concern to investors. Investors are engaged in the capital markets in many ways, including as purchasers and shareholders, and these subcommittees will assist the Committee to examine and make recommendations on issues across this spectrum. This is critical work and I look forward to seeing the subcommittees in action."

The three subcommittees are:

An Investor Education Subcommittee chaired by Dallas Salisbury (President and CEO, Employee Benefit Research Institute) plans to focus on matters related to financial literacy, the efficacy of layered educational resources that may permit investors to access information at

varying levels of detail reflecting their needs, the ways that issuers and boards of directors communicate with investors, and the types of technology that can be utilized for education.

An Investor as Purchaser Subcommittee chaired by Mercer Bullard (Founder and President of Fund Democracy, Inc. and Associate Professor of Law, University of Mississippi School of Law) expects to examine the needs of investors when they purchase specific products (mutual funds, hedge funds, money market funds) and services (brokerage, investment advisory, and financial planning). This subcommittee also will consider the fiduciary duty owed to investors by those who provide investment advice, as well as issues related to pre-sale and other disclosure, intermediary fees and compensation practices, arbitration, and technology.

An Investor as Shareholder Subcommittee chaired by Stephen Davis (Executive Director of Yale School for Management's Millstein Center for Corporate Governance, and board member of Hermes Equity Ownership Service) intends to review proxy solicitation and disclosure issues, proxy voting and process (including the role of proxy advisory firms), majority voting, Regulation FD, executive compensation practices, the responsibilities of shareholders, international issues, and technology related to shareholder communications and voting.

The SEC's Investor Advisory Committee plans to hold its next meeting in early October.

A new Web page with more information about the work of the SEC's Investor Advisory Committee is available at <http://www.sec.gov/spotlight/investoradvisorycommittee.shtml>.

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