



Via Email

June 5, 2020

Jay Clayton
Chairman
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Re: SEC Investor Advisory Committee Appointment Process

Dear Chairman Clayton:

We are writing on behalf of our respective investor communities to express concern about the degree of transparency associated with the process for appointing members of the Securities and Exchange Commission (SEC) Investor Advisory Committee (IAC). We believe decision-making with respect to IAC nominations and selection should be clear and well understood by all, and would appreciate the opportunity to discuss this with you.

The Council of Institutional Investors (“CII”) is a nonprofit, nonpartisan association of U.S. public, corporate and union employee benefit funds, other employee benefit plans, state and local entities charged with investing public assets, and foundations and endowments with combined assets under management of approximately \$4 trillion. Our member funds include major long-term shareowners with a duty to protect the retirement savings of millions of workers and their families, including public pension funds with more than 15 million participants. Our associate members include non-U.S. asset owners with about \$4 trillion in assets, and a range of asset managers with more than \$35 trillion in assets under management.¹

The Institutional Limited Partners Association (“ILPA”) is the voice of the institutional investors invested in private funds, known as “Limited Partners” or “LPs.” Our 550 member organizations represent over \$2 trillion in private equity assets under management globally and include public and private pension funds, insurance companies, university endowments, charitable foundations,

¹ For more information about the Council of Institutional Investors (“CII”), including its board and members, please visit CII’s website at <http://www.cii.org>.

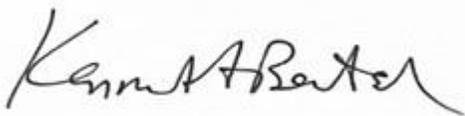
family offices and sovereign wealth funds. LPs provide the capital that fuels private equity and venture capital investment, generating economic growth and job creation across America and around the world. In addition to providing this critical capital for economic growth, LPs are trusted financial stewards for millions of Americans. Limited Partner beneficiaries include teachers, first responders, students receiving university scholarships, charity recipients, and insurance policyholders, among others.

We believe that investor input is critical to the work of the SEC and other key financial regulators, including the Financial Accounting Standards Board, the International Accounting Standards Board, the Public Company Accounting Oversight Board and stock exchanges. We appreciate that the SEC has taken a strong interest historically in soliciting investor views, including through the IAC and other committees. More recently, we also appreciate the inclusion of CII and ILPA members on the newly formed SEC Asset Management Advisory Committee.

We routinely receive questions from our members on how IAC members are selected, and in the past have had concerns about the transparency of the nomination process. Currently, the process seems even more unclear, and it is difficult to advise interested and highly qualified members. Given the importance of the IAC to providing investors a voice in SEC policy development, we urge the SEC to set forth a transparent process for seeking nominees, and making appointments, to the IAC. Our organizations believe a more transparent process would benefit the Commission as well as investors and markets generally.

We would like to request a meeting at your earliest convenience to discuss ways in which to make this nomination and appointment process more transparent and ensure the important viewpoints of our members are recognized.

Sincerely,



Kenneth A. Bertsch
Executive Director
Council of Institutional Investors



Steve Nelson
Chief Executive Officer
Institutional Limited Partners Association (ILPA)

cc: Investor Advocate Rick Fleming
Commissioner Allison Herren Lee
Commissioner Hester M. Peirce
Commissioner Elad L. Roisman