

**UNITED STATES
COMMODITY FUTURES TRADING COMMISSION
CHARTER OF THE TECHNOLOGY ADVISORY COMMITTEE**

PREAMBLE

1. In accordance with the provisions of the Federal Advisory Committee Act, 5 U.S.C. App. 2, et seq., as amended, the Commodity Futures Trading Commission has determined to renew its Technology Advisory Committee, which was established to advise the Commission on the impact and implications of technological innovation in the financial services and commodity markets.
2. Pursuant to Section 14(a)(2)(A) of the Federal Advisory Committee Act, 5 U.S.C. App. 2, § 14(a)(2)(A), and the rules issued thereunder, the Commission's determination to renew the Technology Advisory Committee was made after consultation with the Committee Management Secretariat of the General Services Administration, with notice published in the Federal Register.
3. The Commission has determined that the continuance of the Technology Advisory Committee will be in the public interest in connection with duties imposed on the Commission by the Commodity Exchange Act, as amended.
4. The Technology Advisory Committee will have no operational responsibilities.
5. The meetings and operations of the Technology Advisory Committee shall be conducted in conformance with the requirements of the Federal Advisory Committee Act.
6. Commissioner Thomas J. Erickson will serve as Chairman and Designated Federal Official of the Technology Advisory Committee.

The following charter provisions set forth the objectives and scope of the activities of the Technology Advisory Committee, as well as other information required by the Federal Advisory Committee Act.

CHARTER

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

- (A) The advisory committee's official designation is the "Technology Advisory Committee."
- (B) The advisory committee's objectives include assisting the Commission in
 - (1) identifying new technologies utilized by financial services and commodity markets and their participants,
 - (2) analyzing the application of new technologies in financial services and commodity markets, as well as by market professionals and market users, particularly in the areas of system capacities and readiness, order flow practices, and clearing and payment activities,
 - (3) reviewing the Commodity Exchange Act and the regulations promulgated thereunder in light of new technologies employed by market participants and ensuring the Commission's ability to exercise appropriate fraud and manipulation authority, and
 - (4) examining ways that the Commission may respond to the use of technology in financial services and commodity markets through appropriate legislative proposals and/or regulatory reform.
- (C) The advisory committee shall operate on a continuing basis until the Chairman of the Commission, with the concurrence of the other members of the Commission, determines that its continuance is no longer 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 Chairman of the advisory committee shall receive the advice of the committee on behalf of the Commission.
- (E) The Commission shall provide the necessary support for the advisory committee.
- (F) The duties of the advisory committee shall be solely advisory and shall extend only to the submission of advice or recommendations to the Commission. Determinations of action to be taken and policy to be expressed with respect to matters upon which the advisory committee provides advice or recommendations shall be made solely by the Commission.
- (G) The estimated annual operating costs in dollars and staff-years of the Advisory Committee are as follows:
 - (1) Dollar Cost: \$14,000 per year, for miscellaneous advisory committee support services and for

travel, per diem and miscellaneous expenses of Commission personnel.

(2) Staff-Years: .3 staff-years, per year, of Commission personnel time on a continuing basis.

(H) The advisory committee shall meet at such intervals as are necessary to carry out its functions. It is estimated that meetings of the full advisory committee will occur two to three times per year; meetings of subgroups of the full advisory committee may occur more frequently.

(I) The advisory committee shall terminate at the end of 2 years from the date of its renewal 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, shall direct that the advisory committee terminate on an earlier date.

(J) This charter is being filed with the Chairman of the Commission, the Senate Committee on Agriculture, Nutrition and Forestry, the House of Representatives Committee on Agriculture, and the Library of Congress on November 8, 2001.

JEAN A. WEBB
Secretary of the
Commission