

**CHARTER OF THE  
ADVISORY COMMITTEE  
ON THE AUDITING PROFESSION**

This charter is prepared and filed in accordance with the Federal Advisory Committee Act, as amended, (the "Act") (Public Law No. 92-463, 5 U.S.C. App. 2).

A. Official Title. The official title of the Committee is the Advisory Committee on the Auditing Profession (the "Committee").

B. Objective and Scope. The objective of the Committee shall be to provide informed advice and recommendations to the Secretary of the Treasury and the Department of the Treasury on the sustainability of a strong and vibrant public company auditing profession. The Committee should consider, among other things, 1) the auditing profession's ability to attract and retain the human capital necessary to meet developments in the business and financial reporting environment; 2) audit market competition and concentration; and 3) the financial resources of the auditing profession, including the effect of existing limitations on auditing firms' structure.

The Committee should conduct its work with a view to furthering the mission of the Department of the Treasury, as the steward of the economic and financial systems of the United States, to promote and encourage the conditions for prosperity and stability in the United States and the rest of the world and to predict and prevent, to the extent possible, economic and financial crises.

The Department of the Treasury shall assure that the Committee reflects balanced membership and includes a cross-section of members representing the views of non-government entities or groups having an interest in the auditing profession, such as auditors, investors, public companies, and other financial market participants.

C. Period of Time Necessary to Carry Out Purpose. The Committee shall operate until the earlier of the termination date set forth in paragraph I below or the date on which the Department of the Treasury determines that the Committee's continuance is no longer necessary.

D. Reports. Reports and recommendations shall be provided to the Secretary of the Treasury, or his delegate, who shall be solely responsible for any action taken with respect to such reports or recommendations.

E. Support. The Department of the Treasury, Office of Domestic Finance, shall provide any necessary support services to the Committee, including maintaining any and all records and reports required under the Act.

F. Duties. The duties of the Committee shall be to identify issues, analyze information, and provide recommendations regarding the objectives set forth in paragraph B above. The members of the Committee shall offer constructive observations

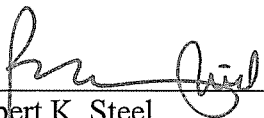
and suggested improvements for the auditing profession. The duties of the Committee shall be solely advisory and shall extend only to the submission of advice or recommendations to the Department of the Treasury. No determination of fact or policy shall be made by the Committee.

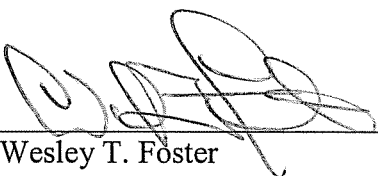
G. Costs. The estimated annual operating costs of the Committee are approximately \$195,000.00 and 1.3 staff year. Annual operating costs include travel, staff salary, and other operating expenses. Committee members shall not be paid for their time or service. Members shall be reimbursed for their travel-related expenses to attend meetings in accordance with 5 U.S.C. 5703 (as for persons employed intermittently in the government service).

H. Number and Frequency of Meetings. The Committee shall meet at such intervals as are necessary to carry out its duties. It is estimated that the Committee will meet not more than eight times.

I. Termination Date. The termination date of the Committee shall be the second anniversary of the date the charter is filed.

J. Filing Date. The charter of the Committee is filed with the appropriate committees of Congress, the General Services Administration, and the Library of Congress on JUL 3 2007.

Submitted By:  May 17, 2007  
Date  
Robert K. Steel  
Under Secretary for Domestic Finance  
U.S. Department of the Treasury

Approved By:  6-5-07  
Date  
Wesley T. Foster  
Acting Assistant Secretary for Management  
U.S. Department of the Treasury