

may prescribe, such periodic, current, and supplementary information, documents, and reports as would be required pursuant to section 78m of this title if the Tennessee Valley Authority were an issuer of a security registered pursuant to section 78l of this title. Notwithstanding the preceding sentence, the Tennessee Valley Authority shall not be required to register any securities under this chapter, and shall not be deemed to have registered any securities under this chapter.

**(b) Limited treatment as issuer**

Commencing with the issuance by the Tennessee Valley Authority of an annual report on Commission Form 10-K (or any successor thereto) for fiscal year 2006 and thereafter, the Tennessee Valley Authority shall be deemed to be an issuer for purposes of section 78j-1 of this title, other than for subsection (m)(1) or (m)(3) of section 78j-1 of this title. The Tennessee Valley Authority shall not be required by this subsection to comply with the rules issued by any national securities exchange or national securities association in response to rules issued by the Commission pursuant to section 78j-1(m)(1) of this title.

**(c) No effect on TVA authority**

Nothing in this section shall be construed to diminish, impair, or otherwise affect the authority of the Board of Directors of the Tennessee Valley Authority to carry out its statutory functions under the Tennessee Valley Authority Act of 1933 [16 U.S.C. 831 et seq.].

(June 6, 1934, ch. 404, title I, §37, as added Pub. L. 108-447, div. H, title V, §520(2), Dec. 8, 2004, 118 Stat. 3267.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original “this title”. See References in Text note set out under section 78a of this title and Codification note below.

The Tennessee Valley Authority Act of 1933, referred to in subsec. (c), is act May 18, 1933, ch. 32, 48 Stat. 58, as amended, which is classified generally to chapter 12A (§831 et seq.) of Title 16, Conservation. For complete classification of this Act to the Code, see section 831 of Title 16 and Tables.

CODIFICATION

Pub. L. 108-447, which directed amendment of the Securities Exchange Act of 1934 by adding this section at the end, is reflected in the source credit above as adding this section to title I of the Securities Exchange Act of 1934, to reflect the probable intent of Congress.

**§ 78oo. Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Home Loan Banks**

**(a) Federal National Mortgage Association and Federal Home Loan Mortgage Corporation**

No class of equity securities of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation shall be treated as an exempted security for purposes of section 78l, 78m, 78n, or 78p of this title.

**(b) Federal Home Loan Banks**

**(1) Registration**

Each Federal Home Loan Bank shall register a class of its common stock under section

78l(g) of this title, not later than 120 days after July 30, 2008, and shall thereafter maintain such registration and be treated for purposes of this chapter as an “issuer”, the securities of which are required to be registered under section 78l of this title, regardless of the number of members holding such stock at any given time.

**(2) Standards relating to audit committees**

Each Federal Home Loan Bank shall comply with the rules issued by the Commission under section 78j-1(m) of this title.

**(c) Definitions**

For purposes of this section, the following definitions shall apply:

**(1) Federal Home Loan Bank; member**

The terms “Federal Home Loan Bank” and “member”, have the same meanings as in section 1422 of title 12.

**(2) Federal National Mortgage Association**

The term “Federal National Mortgage Association” means the corporation created by the Federal National Mortgage Association Charter Act [12 U.S.C. 1716 et seq.].

**(3) Federal Home Loan Mortgage Corporation**

The term “Federal Home Loan Mortgage Corporation” means the corporation created by the Federal Home Loan Mortgage Corporation Act [12 U.S.C. 1451 et seq.].

(June 6, 1934, ch. 404, title I, §38, as added Pub. L. 110-289, div. A, title I, §1112, July 30, 2008, 122 Stat. 2677.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (b)(1), was in the original “this title”. See References in Text note set out under section 78a of this title and Codification note below.

The Federal National Mortgage Association Charter Act, referred to in subsec. (c)(2), is title III of act June 27, 1934, ch. 847, 48 Stat. 1252, which is classified generally to subchapter III (§1716 et seq.) of chapter 13 of Title 12, Banks and Banking. For complete classification of this Act to the Code, see Short Title note set out under section 1716 of Title 12 and Tables.

The Federal Home Loan Mortgage Corporation Act, referred to in subsec. (c)(3), is title III of Pub. L. 91-351, July 24, 1970, 84 Stat. 451, which is classified generally to chapter 11A (§1451 et seq.) of Title 12, Banks and Banking. For complete classification of this Act to the Code, see Short Title and Statement of Purpose note set out under section 1451 of Title 12 and Tables.

CODIFICATION

Pub. L. 110-289, which directed amendment of the Securities Exchange Act of 1934 by adding this section at the end, is reflected in the source credit above as adding this section to title I of the Securities Exchange Act of 1934, to reflect the probable intent of Congress.

**§ 78pp. Investor Advisory Committee**

**(a) Establishment and purpose**

**(1) Establishment**

There is established within the Commission the Investor Advisory Committee (referred to in this section as the “Committee”).

**(2) Purpose**

The Committee shall—

(A) advise and consult with the Commission on—

- (i) regulatory priorities of the Commission;
- (ii) issues relating to the regulation of securities products, trading strategies, and fee structures, and the effectiveness of disclosure;
- (iii) initiatives to protect investor interest; and
- (iv) initiatives to promote investor confidence and the integrity of the securities marketplace; and

(B) submit to the Commission such findings and recommendations as the Committee determines are appropriate, including recommendations for proposed legislative changes.

## **(b) Membership**

### **(1) In general**

The members of the Committee shall be—

- (A) the Investor Advocate;
- (B) a representative of State securities commissions;
- (C) a representative of the interests of senior citizens; and
- (D) not fewer than 10, and not more than 20, members appointed by the Commission, from among individuals who—

- (i) represent the interests of individual equity and debt investors, including investors in mutual funds;
- (ii) represent the interests of institutional investors, including the interests of pension funds and registered investment companies;
- (iii) are knowledgeable about investment issues and decisions; and
- (iv) have reputations of integrity.

### **(2) Term**

Each member of the Committee appointed under paragraph (1)(B) shall serve for a term of 4 years.

### **(3) Members not Commission employees**

Members appointed under paragraph (1)(B) shall not be deemed to be employees or agents of the Commission solely because of membership on the Committee.

## **(c) Chairman; vice chairman; secretary; assistant secretary**

### **(1) In general**

The members of the Committee shall elect, from among the members of the Committee—

- (A) a chairman, who may not be employed by an issuer;
- (B) a vice chairman, who may not be employed by an issuer;
- (C) a secretary; and
- (D) an assistant secretary.

### **(2) Term**

Each member elected under paragraph (1) shall serve for a term of 3 years in the capacity for which the member was elected under paragraph (1).

## **(d) Meetings**

### **(1) Frequency of meetings**

The Committee shall meet—

(A) not less frequently than twice annually, at the call of the chairman of the Committee; and

(B) from time to time, at the call of the Commission.

### **(2) Notice**

The chairman of the Committee shall give the members of the Committee written notice of each meeting, not later than 2 weeks before the date of the meeting.

### **(e) Compensation and travel expenses**

Each member of the Committee who is not a full-time employee of the United States shall—

(1) be entitled to receive compensation at a rate not to exceed the daily equivalent of the annual rate of basic pay in effect for a position at level V of the Executive Schedule under section 5316 of title 5 for each day during which the member is engaged in the actual performance of the duties of the Committee; and

(2) while away from the home or regular place of business of the member in the performance of services for the Committee, be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b)<sup>1</sup> of title 5.

### **(f) Staff**

The Commission shall make available to the Committee such staff as the chairman of the Committee determines are necessary to carry out this section.

### **(g) Review by Commission**

The Commission shall—

(1) review the findings and recommendations of the Committee; and

(2) each time the Committee submits a finding or recommendation to the Commission, promptly issue a public statement—

- (A) assessing the finding or recommendation of the Committee; and
- (B) disclosing the action, if any, the Commission intends to take with respect to the finding or recommendation.

### **(h) Committee findings**

Nothing in this section shall require the Commission to agree to or act upon any finding or recommendation of the Committee.

### **(i) Federal Advisory Committee Act**

The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply with respect to the Committee and its activities.

### **(j) Authorization of appropriations**

There is authorized to be appropriated to the Commission such sums as are necessary to carry out this section.

(June 6, 1934, ch. 404, title I, §39, as added Pub. L. 111-203, title IX, §911, July 21, 2010, 124 Stat. 1822.)

#### REFERENCES IN TEXT

The Federal Advisory Committee Act, referred to in subsec. (i), is Pub. L. 92-463, Oct. 6, 1972, 86 Stat. 770,

<sup>1</sup>So in original. Section 5703 of Title 5 does not contain a subsec. (b).

which is set out in the Appendix to Title 5, Government Organization and Employees.

## EFFECTIVE DATE

Section effective 1 day after July 21, 2010, except as otherwise provided, see section 4 of Pub. L. 111-203, set out as a note under section 5301 of Title 12, Banks and Banking.

### CHAPTER 2B-1—SECURITIES INVESTOR PROTECTION

Sec.	
78aaa.	Short title.
78bbb.	Application of Securities Exchange Act of 1934.
78ccc.	Securities Investor Protection Corporation.
78ddd.	SIPC Fund.
78eee.	Protection of customers.
78fff.	General provisions of a liquidation proceeding.
78fff-1.	Powers and duties of a trustee.
78fff-2.	Special provisions of a liquidation proceeding.
78fff-3.	SIPC advances.
78fff-4.	Direct payment procedure.
78ggg.	SEC functions.
78hhh.	Examining authority functions.
78iii.	Functions of self-regulatory organizations.
78jjj.	Prohibited acts.
78kkk.	Miscellaneous provisions.
78lll.	Definitions.

#### § 78aaa. Short title

This chapter may be cited as the “Securities Investor Protection Act of 1970”.

(Pub. L. 91-598, §1(a), Dec. 30, 1970, 84 Stat. 1636.)

## REFERENCES IN TEXT

This chapter, referred to in text, was in the original “This Act”, meaning Pub. L. 91-598, Dec. 30, 1970, 84 Stat. 1636. For complete classification of this Act to the Code, see Tables.

## SHORT TITLE OF 1978 AMENDMENT

Pub. L. 95-283, §1, May 21, 1978, 92 Stat. 249, provided that: “This Act [enacting sections 78fff-1 to 78fff-4 of this title, amending sections 77c, 78c, 78k, and 78ccc to 78lll of this title and enacting provisions set out as a note under section 78k of this title] may be cited as the ‘Securities Investor Protection Act Amendments of 1978.’”

#### § 78bbb. Application of Securities Exchange Act of 1934

Except as otherwise provided in this chapter, the provisions of the Securities Exchange Act of 1934 [15 U.S.C. 78a et seq.] (hereinafter referred to as the “1934 Act”) apply as if this chapter constituted an amendment to, and was included as a section of, such Act.

(Pub. L. 91-598, §2, Dec. 30, 1970, 84 Stat. 1637.)

## REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 91-598, Dec. 30, 1970, 84 Stat. 1636. For complete classification of this Act to the Code, see Tables.

The Securities Exchange Act of 1934, referred to in text, is act June 6, 1934, ch. 404, 48 Stat. 881, which is classified principally to chapter 2B (§78a et seq.) of this title. For complete classification of this Act to the Code, see section 78a of this title and Tables.

### § 78ccc. Securities Investor Protection Corporation

#### (a) Creation and membership

##### (1) Creation

There is hereby established a body corporate to be known as the “Securities Investor Protection Corporation” (hereafter in this chapter referred to as “SIPC”). SIPC shall be a nonprofit corporation and shall have succession until dissolved by Act of the Congress. SIPC shall—

(A) not be an agency or establishment of the United States Government; and

(B) except as otherwise provided in this chapter, be subject to, and have all the powers conferred upon a nonprofit corporation by, the District of Columbia Nonprofit Corporation Act.

##### (2) Membership

###### (A) Members of SIPC

SIPC shall be a membership corporation the members of which shall be all persons registered as brokers or dealers under section 78o(b) of this title, other than—

(i) persons whose principal business, in the determination of SIPC, taking into account business of affiliated entities, is conducted outside the United States and its territories and possessions;

(ii) persons whose business as a broker or dealer consists exclusively of (I) the distribution of shares of registered open end investment companies or unit investment trusts, (II) the sale of variable annuities, (III) the business of insurance, or (IV) the business of rendering investment advisory services to one or more registered investment companies or insurance company separate accounts; and

(iii) persons who are registered as a broker or dealer pursuant to section 78o(b)(11)(A) of this title.

###### (B) Commission review

SIPC shall file with the Commission a copy of any determination made pursuant to subparagraph (A)(i). Within thirty days after the date of such filing, or within such longer period as the Commission may designate of not more than ninety days after such date if it finds such longer period to be appropriate and publishes its reasons for so finding, the Commission shall, consistent with the public interest and the purposes of this chapter, affirm, reverse, or amend any such determination of SIPC.

###### (C) Additional members

SIPC shall provide by rule that persons excluded from membership in SIPC under subparagraph (A)(i) may become members of SIPC under such conditions and upon such terms as SIPC shall require by rule, taking into account such matters as the availability of assets and the ability to conduct a liquidation if necessary.

###### (D) Disclosure

Any broker or dealer excluded from membership in SIPC under subparagraph (A)(i)