

**Securities and Exchange Commission Investor Advisory Committee
Minutes of the Meeting of March 10, 2022**

The Investor Advisory Committee (IAC) met on March 10, 2022, in a public meeting held remotely online at <https://www.sec.gov>. The meeting convened at 10:00 am¹ and was broadcast live by webcast. Part 1 of the webcast archive can be found through the IAC web page at <https://www.youtube.com/watch?v=LFRahZVxVSQ>. Part 2 can be found at <https://www.youtube.com/watch?v=68XeFbIJxCh>.

The following persons participated in the meeting:

Commissioners of the Securities and Exchange Commission (SEC)

Gary Gensler, Chair
Hester Peirce, Commissioner
Caroline Crenshaw, Commissioner

Members of the Investor Advisory Committee

Christopher Mirabile, Chair
Cambria Allen-Ratzlaff
Cien Asoera
Ted Daniels
Rick Fleming
Elissa Germaine
Brian Hellmer
Nancy LeaMond
Paul Mahoney
Sandy Peters
Paul Sommerstad
Alice Stinebaugh
Leslie Van Buskirk
JW Verret
Joanne Yoo
Lori Lucas

Panelists

Tamra Moore
Melissa Nysewander, PhD.
Julie Varga
Miriam Vogel
Keith Cassidy
Athanasia Karananou
Joshua Mitts

¹ All times listed are for the local Washington, DC time.

Jeffrey Tricoli

SEC Staff

Adam Anicich

Opening

Chair Mirabile called the meeting to order at 10:00 am and a roll call of members was taken.

Initial Business

Mr. Mirabile announced that this was the final meeting on the IAC for JW Verret and Paul Mahoney, as their terms were expiring. Mr. Mirabile introduced himself and welcomed Leslie Van Buskirk (vice chair), Brian Hellmer (Assistant Secretary), and Theodore Daniels (Secretary) into their positions.

The Chair and Commissioners present were recognized and provided opening remarks to the IAC members and panelists.

Approval of Minutes

A motion was put forward and seconded to approve the minutes of the IAC meeting held in December 2021. The minutes were approved and subsequently posted to the [IAC webpage](#).

Panel Discussion Regarding Ethical AI and RoboAdvisor Fiduciary Responsibilities

Chair Mirabile turned over the floor to Mr. Sommerstad to introduce the panel topic and moderate. Mr. Sommerstad introduced the panel, followed by remarks from each panelist in the order listed below:

- **Miriam Vogel**, President, Equal AI
- **Tamra Moore**, Partner at King & Spaulding
- **Melissa Nysewander**, Workplace Investing Artificial Intelligence Center of Excellence Leader, Fidelity Investments
- **Julie Varga**, VP, Investment and Product Specialist, Morningstar

Ms. Vogel opened with a discussion of AI technology, focusing on the value of AI but cautioning that care should be taken to ensure that AI is not used to reinforce historical bias and discrimination. Ms. Vogel laid out several suggestions for regulation that might best further AI while protecting against historical discrimination.

Ms. Moore provided insights on the laws that presently govern RoboAdvisors, the tools that regulators currently have at their disposal regarding RoboAdvisors, and developments that could arise in the near future. She closed by highlighting oversight, explainability, and potential disparate impacts of RoboAdvisors as areas of concern in which companies have the chance to be proactive.

Dr. Nysewander discussed the evolution of AI and of its governance and ethics. She opened with a discussion of the interests that went into the development of modern AI. She advocated for educated and tailored oversight that culminates into a single clear mandate.

Ms. Varga talked about RoboAdvice and the potential impacts and biases of AI in the RoboAdvice industry. She warned of potential bias that could arise in the involved data and algorithms and emphasized the importance of diversity of thought in the development of RoboAdvice technology.

A Q&A session between panelists and Committee members occurred, moderated by Mr. Sommerstad.

Recess

Chair Mirabile took the Meeting into recess at 12:00 pm.

Afternoon Session

Chair Mirabile called the afternoon session to order at 1:30 pm and asked Ms. Allen-Ratzlaff and Mr. Hellmer to introduce the panelists for the afternoon session.

Panel Discussion Regarding Cybersecurity

Ms. Allen-Ratzlaff and Mr. Hellmer introduced each panelist followed by remarks from each panelist in the order listed below:

- **Keith Cassidy**, Associate Director, Technology Controls Program, Division of Examinations, U.S. Securities and Exchange Commission
- **Jeffrey Tricoli**, Managing Director for Technology Risk Management, Charles Schwab
- **Joshua Mitts**, Associate Professor of Law and Milton Handler Fellow, Columbia Law School
- **Athanasia Karananou**, Director of Governance and Research, Principles for Responsible Investment (United Kingdom)

Mr. Cassidy reviewed the current developments in the cybersecurity space and provided an overview of the current state of the field. He then discussed some of the interests that factor into the logistics of governing cybersecurity operations.

Mr. Tricoli presented his views on what companies should be doing to ensure they have the best possible cybersecurity in place. He emphasized the importance of having systems, protocols, and people in place to predict and respond to any potential cybersecurity threats.

Mr. Mitts discussed the results of his research relating to cybersecurity vulnerabilities and emphasized the importance of adequate disclosure of such vulnerabilities. He advocated for several policies he believes the Commission should adopt to improve its cybersecurity policies.

Ms. Karananou opened by reviewing Principles for Responsible Investment and explaining why cybersecurity is important from the perspective of investors. She went over some key indicators of good cybersecurity and the type of engagement that she has found effective in getting companies to disclose these indicators. She closed with several recommendations for improving disclosure requirements for cybersecurity.

A Q&A session was held between the panelists and Committee members after each presentation, moderated by Ms. Allen-Ratzlaff and Mr. Hellmer.

Subcommittee Reports

Chair Mirabile called upon Mr. Asoera to report on matters of the Investor as Purchaser Subcommittee. Chair Mirabile then called upon Ms. Allen-Ratzlaff to deliver the report on matters of the Investor as Owner Subcommittee. Mr. Mirabile then called upon Mr. Hellmer to report on matters of the recently formed Disclosure Subcommittee.

Adjournment

Chair Mirabile adjourned the meeting at 3:10 pm.