Finance Committee Charter **Municipal Securities Rulemaking Board**
(October 1, 2020)

I. Statement of Purpose

The Finance Committee ("Committee") is a standing committee of the Board of Directors ("Board"). The purpose of the Committee is to assist the Board in fulfilling its oversight responsibility relating to (i) the monitoring of financial performance and the budgeting process; (ii) the non-Chief Executive Officer compensation levels; and (iii) the fulfillment of the other responsibilities set out herein.

II. Organization

A. *Charter*

At least annually, this charter shall be reviewed and reassessed by the Committee and any proposed changes shall be submitted to the Board for approval.

B. *Members*

The five members of the Committee shall be appointed by the Board Chair in compliance with the Board's Policies and Procedures Section 6.1. At least one Committee member shall have served on the Committee in the prior fiscal year. A Committee Chair shall be appointed by the Board Chair from among the Committee members.

C. *Meetings*

In order to discharge its responsibilities, the Committee shall each year establish a schedule of meetings; additional meetings may be scheduled as required. In planning the annual schedule of meetings, the Committee shall ensure that sufficient opportunities exist for its members: (i) to meet separately with any consultants, without management present; (ii) to meet separately with management, without any consultants present; and (iii) to meet in private with only the Committee members present. The Committee may delegate any of its functions to a member or subcommittee of the Committee, which member or subcommittee shall report to the Committee on its activities, determinations and recommendations.

D. *Quorum and Voting*

The quorum necessary for the transaction of business at Committee meetings will be a majority of the members of the Committee. All determinations of the Committee must be approved by at least the number of members required to constitute a quorum.

E. *Agenda, Summaries and Reports*

An agenda, together with materials relating to the subject matter of each meeting, shall be sent to members of the Committee prior to each meeting. Summaries for all meetings of the Committee shall be prepared to document the Committee's discharge of its responsibilities. The summaries shall be considered and approved by the Committee. The Committee shall make regular reports to the Board.

F. *Access to Records, Consultants and Others*

The Committee shall have full authority: (i) to investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Municipal Securities Rulemaking Board (MSRB); (ii) to retain, terminate and set the compensation of outside legal, accounting or other consultants to advise the Committee, including, but not limited to, the salary consultant to be retained pursuant to Section 8.5 of the Board's Policies and Procedures; and (iii) to request any officer or employee of the MSRB, the MSRB's outside counsel, or other consultant to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. The Committee shall advise the Chief Financial Officer of the outside work being contemplated as well as the expected resource needs. If the project is unbudgeted and expected to exceed $25,000, then the Chief Financial Officer should be notified by the Committee prior to obligating resources. The Committee is encouraged to rely on the MSRB internal legal counsel to ensure that the planned use of outside experts does not violate the Code of Ethics and Business Conduct, and for legal contract review and negotiation. The Committee Chair shall provide the Chief Financial Officer with the agreement for services for any outside consultants that are retained to advise the Committee.

III. Responsibilities

A. *Financial Performance*

The Committee shall monitor financial performance, including the review of quarterly financial reports, the examination of actual and budgeted expenses and other items, the examination, at least semi-annually, of cash flow projections for the current year and the two successive fiscal years, and the review and recommendation of the annual budget.

B. *Investment Management*

The Committee shall review the investment strategy at least annually and recommend any changes to the Investment Policy (Exhibit K of the Board's Policies and Procedures) to the Board for approval.

C. *Non-Chief Executive Officer Compensation*

The Committee shall review and recommend compensation programs and retention agreements for non-Chief Executive Officer staff pursuant to the Board's Compensation Strategy as set forth in Section 8.5 and Exhibit L of the Board's Policies and Procedures, including, but not limited to, engaging a salary consultant as provided therein. The Committee shall make such recommendations to the Board with regard to compensation matters as provided in the Compensation Strategy.

D. *Responsibilities Regarding Retirement Plans*

The Committee shall carry out the settlor functions of the MSRB 401(k) Retirement Plan, as delegated by the Board, which shall include the power to adopt, amend and terminate the plan.

E. *Other Delegated Responsibilities*

The Committee shall also carry out such other duties as may be delegated to it by the Board from time to time.

F. *Committee Performance Evaluation*

The Committee shall annually review its own performance.