

INNOVATION ADVISORY COUNCIL CHARTER

Effective Date: March 7, 2022

The Innovation Advisory Council (IAC) is a private-sector advisory group convened by the Federal Reserve Bank of New York (the “New York Fed”).

Objectives

The primary goal of the IAC is to present to the New York Fed views and perspectives on the emerging issues related to financial technologies and digital innovation, the application and market impact of these technologies and innovations, and the potential impact on the Federal Reserve Bank of New York’s ability to achieve its missions.

Membership

The New York Fed will have sole discretion to appoint and remove members. Members will be selected based on their expertise across the breadth of issues relevant to digital innovation, including financial technologies. Membership will be sufficiently diverse to include financial institutions, non-financial institutions, new entrants, consumer organizations, technology providers, cross-border payments entities, consultants, and academic institutions, among others. The IAC will be composed of approximately 12 members at any given time. The normal term of membership will be two years. Members may be appointed to consecutive terms at the New York Fed’s sole discretion. Names of IAC members will be posted on the New York Fed’s public webpage.

If a member wishes to resign from the IAC, departs from his or her organization, or changes roles within his or her organization, then the member shall inform the Chair as soon as practicable. In case of a departure or role change, the New York Fed may either terminate the member or ask the member to continue membership in the IAC as a representative of his or her new employer.

Each meeting will either be held virtually or in-person at the discretion of the Chair. Each member should attend all IAC meetings, contribute as appropriate to the IAC’s agenda-setting, discussions, and recommendations, and participate actively in any IAC-sponsored projects.

Governance

A New York Fed staff member will serve as Chair and will be responsible for conducting IAC meetings and guiding its agenda. One or two staff members from the New York Fed will also serve as secretariat (co-secretariats) with responsibility for acting as the official repository of

IAC documents, including agendas, minutes, and public communications. A member of the New York Fed's Legal Group will attend all IAC meetings.

The IAC may establish standing subcommittees or working groups to focus on specific issues or projects.

Everyone who participates in the IAC, a subcommittee or a working group must (i) conduct themselves according to the spirit and the letter of state and federal antitrust laws, (ii) adhere to the terms of this Charter and any Antitrust Guidelines supplied by the New York Fed, and (iii) review and acknowledge the Charter and Antitrust Guidelines at least annually.

Meeting Procedures

The IAC will meet at least three times per year. Meeting agendas will be prepared for each meeting by the secretariat and circulated to members in advance of the meeting. The secretariat will keep minutes of each meeting to include, at a minimum: (i) a list of attendees and (ii) a general description of the topics discussed.

The secretariat will circulate draft minutes to IAC members as soon as practicable following each meeting. Members may propose changes to the draft minutes by notifying the secretariat. The IAC will adopt final minutes via email correspondence, after addressing any changes that have been proposed. The secretariat shall publish all adopted minutes on the IAC's webpage generally no later than 30 days after each meeting.

Materials presented by members at IAC meetings may be published on the New York Fed's public website. Members sharing presentation materials at IAC meetings are responsible for ensuring that they have all necessary rights and licenses to enable the New York Fed to publish the contents of such materials and that such materials do not contain competitively sensitive information.

The members will not be compensated for their participation in the IAC.

Federal Reserve Conduct Rules¹

New York Fed staff participating in the IAC are subject to the Code of Conduct and Communicating with the Public Policy and the Federal Open Market Committee's Policy on External Communications of Federal Reserve System Staff. New York Fed staff are prohibited

¹ For purposes of this section the term "IAC" shall also encompass any subcommittees and working groups that the advisory group may establish.

from discussing material non-public or confidential supervisory information with members of the IAC. Opinions expressed or statements made by New York Fed staff in the course of the IAC's activities are solely those of the participant and do not necessarily reflect the views of the New York Fed or the Federal Reserve System.

Statements published by the IAC do not reflect the views of the New York Fed or the Federal Reserve System.