

**McCARTHY (CA)**  
**028**

**AMENDMENT TO THE DISCUSSION DRAFT OF OCTOBER  
1, 2009 [INVESTOR PROTECTION ACT  
OF 2009]**

**OFFERED BY MR. MCCARTHY OF CALIFORNIA,**

Page 86, at the end of title IV, insert the following  
new section (and conform the table of contents accordingly):

**SEC. 414. OMBUDSMAN.**

(a) **APPOINTMENT.**—Not later than 180 days after  
the date of enactment of this section, the Chairman of  
the Securities and Exchange Commission shall appoint an  
Ombudsman who shall report directly to the Chairman.

(b) **DUTIES OF OMBUDSMAN.**—The Ombudsman appointed under subsection  
(a) shall –

- (1) act as a liaison between the agency and any affected persons with  
respect to any problem such person may have in dealing with the agency  
resulting from the regulatory activities of the agency; and
- (2) review and make recommendations regarding Commission policies and  
procedures to encourage persons to present questions to the Commission  
regarding compliance with federal securities laws; and
- (3) maintain confidentiality of communications between such persons and  
the Ombudsman.

(c) **LIMITATION.**—In carrying out the duties under  
subsection (b), the Ombudsman shall utilize personnel of  
the Commission to the extent practicable. Nothing in this  
section is intended to replace, alter, or diminish the activities of any  
ombudsman or similar office in any other agency.

(d) **REPORT.**—Each year, the Ombudsman shall submit a report to the  
Commission for inclusion in the annual report that describes the activities,  
and evaluates the effectiveness of the Ombudsman during the preceding  
year. In that report, the Ombudsman shall include solicited comments and  
evaluations from registrants in regards to the effectiveness of the  
Ombudsman.