



RESOLUTION 2009-01 - Investor Protections

WHEREAS, the future viability of the U.S. economy is, in large measure, dependent on investor confidence in capital markets, including the reliability of (i) underlying financial information regarding corporate operations, (ii) credit worthiness, and (iii) regulatory safeguards to protect the investor and stability of the system; and,

WHEREAS, public pension systems collectively invest trillions of dollars for the financial well-being of millions of working and retired citizens and their families, and their broadly diversified portfolios expose them to the global capital markets; and

WHEREAS, in keeping with their fiduciary responsibilities, it is incumbent on all public pension systems to be proactive in the pursuit of reforms designed to provide additional safeguards for investors and dramatically reduce the potential for corporate malfeasance, systemic risk and resulting financial disasters.

NOW, THEREFORE, BE IT RESOLVED, that the National Association of State Retirement Administrators (NASRA) supports efforts to rebuild and modernize sensible regulatory structures to protect the public interest and restore confidence in the capital market system, by providing for:

- improved independence, standards and oversight of credit rating agencies, auditors and accountants.
- improved financial disclosure rules that require accurate and understandable financial reports and added transparency regarding financial activity -- including security trading, participant accounting, credit rating activity and counterparty exposure.
- more effective regulatory oversight, with independence, authority and the financial resources to better execute necessary enforcement measures, preserve and improve shareholder rights, increase access to information and enhance investor confidence in the financial marketplace.
- a systemic risk monitor with the ability to collect sufficient information across the global capital marketplace to identify potential risks while also protecting proprietary property.
- preservation of public pension systems' ability to invest in all capital markets to provide growth and lower risk through the optimum mix of investments to meet their fiduciary obligations.

AND, BE IT FURTHER RESOLVED, that the National Association of State Retirement Administrators believes long-term institutional investors will play a significant role in providing patient, stable capital to the financial marketplace and assisting with the nation's economic recovery efforts.

**Amended Resolution 2006-02 on April 6, 2009
Further Amended and Adopted on August 5, 2009**