

Exhibit 1

SEF Application

Exhibit C – Fitness Standards for Board of Directors

EXHIBIT C
FITNESS STANDARDS FOR BOARD OF DIRECTORS

A narrative that sets forth the fitness standards for the Board of Directors and its composition, including the number and percentage of public directors.

The following is a narrative that sets forth the fitness standards for tpSEF's Board of Directors and its composition, including the number and percentage of public directors. Capitalized terms used but not defined herein have the meanings assigned to them in the currently effective version of the tpSEF Inc. Rulebook.

1. Description of Fitness Standards for Board of Directors:

Directors of the tpSEF Board of Directors (the "Board") must meet the qualifications set forth from time to time in the tpSEF By-Laws. Such qualifications include being of sufficiently good repute and having (i) prior industry (or related) experience, (ii) an understanding of swaps, (iii) a familiarity with the rules and regulations pertaining to swaps and (iv) sufficient expertise in financial services. In addition, no Director can be subject to any of the conditions set forth in CFTC Regulation 1.63(b)(1) – (6).

As set forth in tpSEF Rule 2301(b), an individual may not serve as a Director, serve on a committee established by the Board or serve on any SEF Panel if the individual:

- (1) within the prior three (3) years has been found by a final decision of the SEF, a Self-Regulatory Organization, an administrative law judge, a court of competent jurisdiction or a Government Agency to have committed a Disciplinary Offense;
- (2) within the prior three (3) years has entered into a settlement agreement in which any of the findings or, in the absence of such findings, any of the acts charged, included a Disciplinary Offense;
- (3) is currently suspended from trading on a DCM, is suspended or expelled from membership in a Self-Regulatory Organization, is serving any sentence or probation or owes any portion of a fine or penalty related to either:
 - i. a finding of a Disciplinary Offense by a final decision of the SEF, a Self-Regulatory Organization, an administrative law judge, a court of competent jurisdiction or a Government Agency; or
 - ii. a settlement agreement in which any of the findings or, in the absence of such findings, any of the acts charged included a Disciplinary Offense;
- (4) is currently subject to an agreement with a Government Agency, the SEF or a Self-Regulatory Organization not to apply for registration with the Government Agency or for membership in the SEF or the Self-Regulatory Organization;
- (5) is currently, or within the past three (3) years has been, subject to a revocation or suspension of registration by the CFTC for any reason;
- (6) has been convicted of a felony listed in Section 8a(2)(D)(ii) through (iv) of the CEA; or
- (7) is currently subject to a denial, suspension or disqualification from serving on a disciplinary committee, arbitration panel or governing board of any self-regulatory organization as that term is defined in Section 3(a)(26) of the Exchange Act.

2. Number of Directors: 5

3. Percentage of Public Directors: 60%