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**Standards of Fitness for Members of the Board of Directors**

CMSEF believes that it is important that all members of its board must individually and collectively be of the highest integrity, sufficient experience and commitment, and able to make proper judgment when exercising their obligations of oversight and guidance over a swap execution facility.

In order to be a member of the board of CMSEF, an individual must have the following:

- Be of sound moral character
- Have a solid reputation
- Sound judgment and the ability to exercise that judgment when required
- Have the requisite skills and experience to properly govern and oversee the management and operation of the swaps execution facility
- A clear understanding of the responsibility of a board member
- The necessary time to commit to the responsibilities of a board member
- Public Directors shall server for two year terms from the date of their election
- Any other requirements set forth in the CMSEF Rule Book

The number of directors which shall constitute the whole Board of Directors shall be determined from time to time by resolution of the stockholders or the Board of Directors, but in no event shall be less than two, and no more than nine. The number of directors may be decreased at any time and from time to time either by the stockholders or by a majority of the directors then in office, but only to eliminate vacancies existing by reason of the death, resignation, removal or expiration of the term of one or more directors, and the number of Directors can in no event be less than two or the minimum number required by CFTC regulations. At all times, at least 35%of the directors shall be “Public Directors” as such term is defined in the CMSEF Rulebook.

Initially there will be five members of the Board of Directors, of which at least three (sixty percent) will be independent directors.

**Standards of Fitness for Members of the Regulatory Oversight Committee**

CMSEF believes that it is important that all members of its Regulatory Oversight Committee (ROC) individually and collectively be of the highest integrity, sufficient experience and commitment, and able to make proper judgment when exercising their obligations of oversight and guidance over a swap execution facility.

In order to be a member of the ROC of CMSEF, an individual must have the following:

- Be of sound moral character
- Have a solid reputation
- Sound judgment and the ability to exercise that judgment when required
- Have the requisite skills and experience to properly preform regulatory oversight of the swaps execution facility
- A clear understanding of the responsibility of a ROC member
- The necessary time to commit to the responsibilities of a ROC member
- Any other requirements set forth in the CMSEF Rule Book

The number of members of the ROC which shall constitute the whole Committee shall be determined from time to time by resolution of the Board of Directors, but in no event shall be less than two, and no more than nine. The number of members may be decreased at any time and from time to time by a majority of the directors then in office, but only to eliminate vacancies existing by reason of the death, resignation, removal or expiration of the term of one or more members, and the number of members of the ROC can in no event be less than two or the minimum number required by CFTC regulations.

Initially there will be three members of the ROC, of which at least two (sixty six percent) will be independent directors.

**CLEAR MARKETS**  
**REGULATORY OVERSIGHT COMMITTEE**  
**CHARTER**

**I. Purpose**

The Regulatory Oversight Committee (“**ROC**”) is a committee of the Board of Directors (“**Board**”) of Clear Markets North America, Inc. (“**CMSEF**”) established in accordance with the Commodity Exchange Act and Commodity Futures Trading Commission (“**CFTC**”) Regulations promulgated thereunder. The ROC is responsible for (i) independent oversight of CMSEF’s regulatory program (“**CMSEF Regulatory Program**”), including trade practice and market surveillance, (ii) assisting the Board in minimizing potential conflicts of interests relating to CMSEF’s self-regulatory obligations, (iii) confirming that CMSEF Regulatory Program is fair and impartial to CMSEF participants, and (iv) monitoring CMSEF Regulatory Program for sufficiency, effectiveness, and independence.

**II. Responsibilities and Authority****Responsibilities**

The ROC shall monitor CMSEF Regulatory Program for sufficiency, effectiveness, and independence.

The ROC shall oversee all facets of CMSEF Regulatory Program, including:

- Trade practice and market surveillance; audits, examinations, and other regulatory responsibilities with respect to CMSEF participants (including ensuring compliance with, if applicable, financial integrity, financial reporting, sales practice, recordkeeping, and other requirements); and the conduct of investigations;
- Reviewing the size and allocation of the regulatory budget and resources, and the number, hiring, termination, and compensation of regulatory personnel;
- Reviewing the performance of the Chief Compliance Officer of CMSEF (“**CCO**”), and making recommendations with respect to such performance to the Board;
- Maintaining minutes and records of its meetings, deliberations and analyses, including records of all decisions made by the ROC;
- Recommending changes that would ensure fair, vigorous, and effective regulation; and
- Reviewing all regulatory proposals prior to implementation and advising the Board as to whether and how such changes may impact regulation.

The ROC shall review such other matters and perform such additional activities, within the scope of its responsibilities, as the Board deems necessary or appropriate.

**Authority**

The ROC shall have the authority, discretion, and necessary resources to:

- Conduct its own inquiries;
- Consult directly with SEF regulatory staff;
- Review all relevant documents;
- Interview employees, officers, and directors of CMSEF;
- Otherwise exercise its independent analysis and judgment to fulfill its regulatory obligations; and
- Ask members of management or others to attend meetings and provide information.

The ROC may delegate its day-to-day authority over self-regulatory functions and personnel to the CCO.

**III. Membership Composition**

The ROC shall have the number or percentage of “public directors” required under any relevant CFTC governance rules not later than the applicable compliance date of such rules. The members of the ROC shall be appointed in accordance with CMSEF Bylaws. The Board shall designate the Chairperson of the ROC.

Each member of the ROC and its Chairperson shall serve until his or her successor is appointed or until the earlier of his or her resignation or removal.

**IV. Meetings**

The ROC shall meet as often as it may deem necessary and appropriate in its judgment, but in no event less than once each quarter.

Each ROC member not subject to a recusal (for reasons including, but not limited to, an actual or potential conflict of interest) shall have one vote in all matters requiring a vote by the ROC. A majority, but not fewer than two, of the ROC members shall constitute a quorum for the transaction of business; provided, that in the event that one or more members of the ROC has been recused, the remaining member(s) of the ROC shall constitute a quorum. The act of a majority of the ROC members not subject to a recusal at any duly constituted meeting, if a quorum is present, shall be the act of the ROC. In the event of a tie vote, the vote of the Chairperson of the ROC shall decide the matter.

**V. Reporting**

The ROC Chairperson, or his or her designee, shall make regular reports of the ROC’s activities to the Board.

The ROC shall prepare periodic reports for the Board and an annual report assessing the effectiveness, sufficiency and independence of CMSEF’s self-regulatory program for the Board and the CFTC, which

describes the self-regulatory program and sets forth the self-regulatory program's expenses, describes its staffing and structure, catalogues disciplinary actions taken during the year, reviews the performance of disciplinary committees and panels, and includes any proposals to remedy unresolved regulatory deficiencies.

In the event that the Board rejects any recommendation or supersedes any action of the ROC, CMSEF shall prepare and submit a report to the CFTC as required by CFTC Regulations.

The ROC shall reassess the adequacy of this Charter no less frequently than annually and submit any recommended changes to the full Board for approval.

**VI. Publicly Available Information**

CMSEF shall make this Charter publicly available.