

**GFI SWAPS EXCHANGE LLC
PARTICIPATION COMMITTEE CHARTER**

I. Purpose

The Participation Committee is a committee of the board of directors (the “**Board**”) of GFI Swaps Exchange LLC (the “**SEF**”) established in accordance with the Commodity Exchange Act and the regulations promulgated thereunder (collectively referred to as the “**Regulatory Requirements**”). The Participation Committee is responsible for (i) determining the standards and requirements for initial and continuing participant eligibility, (ii) reviewing appeals of staff denials of prospective and current participant applications and (iii) approving any provision of the SEF’s Rulebook (the “**Rules**”) that would result in different categories or classes of participants receiving disparate access to the SEF.

II. Responsibilities and Authority

Responsibilities

The Participation Committee shall determine the standards and requirements, including financial requirements, for initial and continuing membership eligibility.

The Participation Committee shall review appeals of SEF staff denials of applications for approval as a SEF participant or for expanded participant authority. In reviewing such appeals, the Participation Committee shall not uphold the staff denial if the relevant application demonstrates that the applicant meets the standards and requirements that have been established by the Participation Committee or by the Board.

The Participation Committee shall approve any provision of the Rules that would result in different categories or classes of participants receiving disparate access. The Participation Committee shall not, however, recommend that the Board restrict access or impose burdens on access to the facilities of the SEF in a discriminatory manner, within each category or class of participants or between similarly situated categories or classes of participants.

The Participation Committee shall keep minutes and records of its meetings, deliberations and analysis including records of all decisions made by the Participation Committee.

The Participation Committee 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 Participation Committee will have the authority, discretion, and necessary resources to:

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

III. Membership, Composition, & Organization

The members of the Participation Committee shall be appointed in accordance with the Limited Liability Company Agreement of the SEF and the Board shall designate the Chairperson of the Participation Committee. Each member of the Participation Committee and its Chairperson shall serve until his or her successor is appointed or until his or her earlier resignation or removal.

At least thirty-five 35 percent of the members of the Participation Committee shall qualify as a “public director” (as such term is used in the Regulatory Requirements).

IV. Meetings

The Participation Committee shall meet as often as it may deem necessary and appropriate in its judgment.

The majority of the Participation Committee members shall constitute a quorum for the transaction of business. Each Participation Committee 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 of the Participation Committee. The act of a majority of the Participation Committee members not subject to a recusal at any duly constituted meeting, if a quorum is present, shall be the act of the

Participation Committee. In the event of a tie vote, the vote of the Chairperson of the Participation Committee shall decide the matter.

V. Reporting

The Chairperson of the Participation Committee, or his or her designee, will make regular reports of the Participation Committee's activities to the Board.

In the event that the Board rejects any recommendation or supersedes any action of the Participation Committee, the SEF shall prepare and submit a report to the Commodity Futures Trading Commission as required under the Regulatory Requirements.

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

VI. Publicly Available Information

The SEF shall make this Charter publicly available.