

Board Composition/Core Principles Narrative

*b. a description of the manner in which the composition of the board allows the Applicant to comply with applicable core principles, regulations, as well as the rules of the Applicant.*

The OTC derivatives industry is extremely complex and the Board of the Global Trade Repository for Commodities (U.S.) LLC (the “Company”) is well positioned to comply with the applicable regulations, the core principles as outlined by the CFTC and the rules of the Company in a manner that will allow the Company to satisfy its mission to the financial community and the public generally.

The Board of Directors of the Company is comprised of individuals with the highest levels of integrity, judgment, character and competence to serve this vitally important role at the Company. As we noted in other documents, we expect each Board member to bring significant industry experience to the table and that a variety of skill sets and backgrounds are represented on the Board, such that the Board has a diversity of experience represented. Each Director will be an accomplished professional within his or her own organization and would be presented for Board membership in the Company only if their firm had the highest regard for these individuals. Additionally, having participant fee-payers, DTCC Directors and EFET members as Board members ensures that the interests of the financial community and regulatory mandates remain of paramount importance on all deliberations brought before the Board. Finally, the Derivatives Industry is a global market and by having a significant portion of its Board members from outside the US, the Company receives the benefit of a global perspective when addressing the myriad of issues that will be presented.

The Board has diversified membership comprised of members of the OTC derivatives industry representing a global perspective. As such, there should not be any motivation on the part of the Board to try to limit membership or to create rules that would restrain competition. The size of the Board and the diversity of its membership along with a clearly articulated Code of Ethics and Conflict of Interest Policy is designed to minimize conflicts in the decision-making process. Additionally, many board members have a finance background or have experience with the financial requirements of his or her own firm and they have been selected for the Board in part due to this skill and background.