

**LATAM SEF, LLC  
REGULATORY OVERSIGHT COMMITTEE  
CHARTER**

**I. Purpose**

The Regulatory Oversight Committee (“**ROC**”) is a committee of the Board of Directors (“**Board**”) of LatAm SEF, LLC (“**SEF**”) 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 the SEF’s regulatory program (“**SEF Regulatory Program**”), including trade practice and market surveillance, (ii) assisting the Board in minimizing potential conflicts of interests relating to the SEF’s self-regulatory obligations, (iii) confirming that the SEF Regulatory Program is fair and impartial to SEF Participants, and (iv) monitoring the SEF Regulatory Program for sufficiency, effectiveness, and independence.

**II. Responsibilities and Authority**

**Responsibilities**

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

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

- Trade practice and market surveillance; audits, examinations, and other regulatory responsibilities with respect to SEF Participants (including ensuring compliance with, if applicable, financial integrity, financial reporting, sales practice, recordkeeping, and other requirements); and the conduct of investigations;
- Supervising the quality and effectiveness of the Regulatory Service Provider, if any;
- 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 the SEF (“**CCO**”) (in accordance with Section 5h(f)(15) of the CEA), 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 or compliance proposals prior to implementation and advising the Board as to whether and how such changes may impact regulation or compliance, as applicable.

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 the SEF;
- 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 the SEF Limited Liability Company Agreement. 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 the SEF'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, the SEF 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**

The SEF shall make this Charter publicly available.