

**NASDAQ Futures, Inc.**  
**Regulatory Oversight Committee Charter**

**Purpose**

As authorized by the Board of Directors of NASDAQ Futures, Inc., the Board hereby establishes a Regulatory Oversight Committee with the following responsibilities:

- Monitor NASDAQ Future's regulatory program for sufficiency, effectiveness, and independence;
- Oversee all facets of the regulatory program, including trade practice and market surveillance; audits, examinations, and other regulatory responsibilities with respect to member firms (insuring compliance with financial integrity, financial reporting, sales practice, recordkeeping, and other requirements); and the conduct of investigations;
- Provide oversight over the systems of internal controls established by management and the Board and NASDAQ Future's legal and compliance process;
- Review the size and allocation of the regulatory budget and resources and the number, hiring and termination, and compensation of regulatory personnel;
- Supervise the Chief Regulatory Officer, who will report directly to the Regulatory Oversight Committee;
- Prepare an annual report assessing NASDAQ Future's self-regulatory program for the Board of Directors and the Commodity Futures Trading Commission, which sets forth the regulatory program's expenses, describes its staffing and structure, catalogues disciplinary actions taken during the year, and reviews the performance of disciplinary committees and panels;
- Recommend changes that would ensure fair, vigorous, and effective regulation; and
- Review regulatory proposals and advise the Board as to whether and how such changes may impact regulation.

Specifically, the Regulatory Oversight Committee will:

1. meet regularly in Executive Session with the Chief Regulatory Officer to report on regulatory issues;
2. be informed on the compensation of the Chief Regulatory Officer, his promotion or termination, including reasons;

3. meet in Executive Session with any regulatory employee of NASDAQ Futures who believes that he or she is being prevented from discharging his or her regulatory responsibilities;
4. annually review the Regulatory Budget and specifically inquire into the adequacy of the resources available in the budget for regulatory activities and
5. receive reports on a regular basis from Internal Audit on the findings of reviews of the discharge of NASDAQ Future's regulatory responsibilities.

### **Committee Composition**

The Regulatory Oversight Committee shall consist of four Public Directors.

### **Term of Office**

A Regulatory Oversight Committee member shall hold office for a term of one year.

### **Meetings**

The Committee shall meet at least three times during a calendar year or more, as circumstances dictate, and such meetings shall be requested by the Chief Regulatory Officer. The meetings will be announced in advance to determine a quorum. The frequency of meetings should not be overly burdensome but conducted only as necessary to transact business.