U.S. COMMODITY FUTURES TRADING COMMISSION

RENEWAL CHARTER OF THE MARKET RISK ADVISORY COMMITTEE

(1) Committee's Official Designation.
The advisory committee's official designation is the Market Risk Advisory Committee ("MRAC").

(2) Authority.
The MRAC is a discretionary advisory committee and is established by the authority of the U.S. Commodity Futures Trading Commission ("Commission") in accordance with the Federal Advisory Committee Act ("FACA"), as amended, 5 U.S.C. App. 2.

(3) Objectives and Scope of Activities.
The MRAC's objectives and scope of activities shall be to conduct public meetings and submit reports and recommendations to the Commission on: (1) systemic issues that impact the stability of the derivatives markets and other related financial markets; and (2) the impact and implications of the evolving market structure of the derivatives markets and other related financial markets. The MRAC will also advise and make recommendations on monitoring and managing systemic risk and on ensuring the integrity of the derivatives markets and other related financial markets to support the Commission's mission.

(4) Description of Duties.
In accordance with 5 U.S.C. App. 2 § 9(b) of the FACA the duties of the MRAC shall be solely advisory. The MRAC may, by simple majority vote, call for reports and/or recommendations by the MRAC or MRAC subcommittee(s), adopt reports and/or recommendations, transmit reports to the Commission, and make recommendations to the Commission. Reports and/or recommendations shall be developed in consultation with all members of the MRAC and any transmission to the Commission shall include dissenting or minority views, if any. No determination of fact or policy shall be made by MRAC on behalf of the Commission. Determinations of actions to be taken and policy to be expressed with respect to the reports and/or recommendations of the MRAC shall be made solely by the Commission.

(5) Agency or Official to Whom the Committee Reports.
The MRAC shall submit its reports and recommendations to the Commission. The MRAC will also have a "Sponsor," who may be the Chairman of the Commission, a Commissioner, or a designee of the Commission, and who will be responsible for ensuring that the advice and recommendations of the MRAC are provided to the Commission.

(6) Support.
The Commission shall provide necessary support services for the MRAC.

(7) **Estimated Annual Operating Costs and Staff Years.**
The estimated annual operating costs for supporting the MRAC are approximately $130,000. This cost estimate includes costs associated with meeting expenses as well as the cost of .40 of one full-time Commission employee needed to support the MRAC on a continuing basis. MRAC members will not be compensated by the Commission for their services and will not be reimbursed or receive per diem from the Commission for travel-related expenses to attend MRAC meetings.

(8) **Designated Federal Officer.**
The Commission shall appoint a full-time or permanent part-time Commission employee to serve as the Designated Federal Officer ("DFO") of the MRAC and any established MRAC subcommittees. The Commission may appoint one or more full-time or permanent part-time Commission employee to serve as an alternate DFO for any established subcommittees. The DFO or alternate DFO shall prepare and approve all meeting agendas; approve or call all MRAC or subcommittee meetings; attend all MRAC and subcommittee meetings; adjourn any meeting when the DFO or alternate DFO determines adjournment to be in the public interest, chair meetings when directed to do so by the Sponsor, MRAC Chair or MRAC subcommittee Chair; and assist in the preparation and certification of meeting minutes.

(9) **Estimated Number and Frequency of Meetings.**
The MRAC shall meet at such intervals as are necessary to carry out its functions. It is estimated that meetings of the MRAC will occur two to four times per year; meetings of the subcommittees of the full MRAC may occur more frequently.

(10) **Duration.**
The MRAC will continue until two years from the date of renewal, unless the Commission directs that it terminate on an earlier date.

(11) **Termination.**
The MRAC shall terminate two years from the date of renewal, unless the charter is renewed again in accordance with Section 14(a)(2)(A) of the FACA prior to such time.

(12) **Membership and Designation.**
Members shall be appointed and may be removed by vote of the Commission. Members may be appointed or removed at any time. The Sponsor shall designate a member of the MRAC or MRAC subcommittee to serve as the Chair absent the objection of a majority of the Commission. The MRAC shall consist of no more than 37 total voting and nonvoting members.

Each voting member who is not a regular government employee shall serve on the MRAC either as a special government employee ("SGE") or as a representative of an organization or identifiable group of persons with interests affected by the work of the MRAC. SGE members provide advice to the Commission on the basis of their expertise and best, independent judgment in a manner free from conflicts of interest. The

Commission shall not appoint any federally registered lobbyist to serve as an SGE on the MRAC.

Voting representative members serve on the MRAC primarily to convey to the Commission and to the MRAC the views and interests of the organizations and/or groups that they represent. Representative members are also designated by the Commission to represent one of the viewpoint categories listed below. Though the precise number of representative members in any category may vary over time, the Commission anticipates that the MRAC will have approximately 18-35 members representing the following viewpoint categories:

(i) end-users (4-6);
(ii) exchanges (1-2);
(iii) swap execution facilities (2-4);
(iv) swap data repositories (1-2)
(v) clearinghouses (1-3);
(vi) intermediaries (1-4);
(vii) market makers (4-6);
(viii) service providers (1-2);
(ix) academia (1-2);
(x) public interest groups (1-2); and
(xi) regulators (1-2).

In addition to voting representative members, the Commission may also appoint nonvoting representative members from Regional Reserve Banks of the Federal Reserve System to convey to the Commission and to the MRAC the views and interests of their respective Regional Reserve Banks.

(13) Subcommittees.
The Commission may establish and dissolve MRAC subcommittees. Subcommittees may include as members individuals who are members of the full MRAC and/or other individuals. Members of subcommittees shall be appointed in the same manner as members of the MRAC. Any subcommittees shall report to the MRAC and may not provide reports and/or recommendations directly to the Commission or to any Commission officer or employee. MRAC subcommittees may, by simple majority vote, adopt reports and/or recommendations of the MRAC subcommittee, transmit reports to the MRAC, and make recommendations to the MRAC. Reports and/or recommendations shall be developed in consultation with all members of the MRAC subcommittee and any transmission to the MRAC shall include dissenting or minority views, if any. MRAC subcommittees shall have no authority to make decisions on behalf of the MRAC. No determination of fact or policy shall be made by any MRAC subcommittee on behalf of the Commission.

(14) Recordkeeping.
Records of the MRAC and any subcommittees shall be maintained in accordance with the General Records Schedule 6.2 and other Commission records guidance. Records of open MRAC meetings will be made available to the public on the Commission's website.

(15) Filing Date.
This charter has been filed with the Senate Committee on Agriculture, Nutrition and Forestry, the House of Representatives Committee on Agriculture, the Library of Congress, and the Secretariat of the U.S. General Services Administration on May 20, 2016.

Christopher J. Kirkpatrick
Secretary of the Commission

Dated: May 20, 2016
Washington, D.C.