

**NODAL CLEAR, LLC
RISK ADVISORY COMMITTEE
CHARTER**

I. Purpose

The Risk Advisory Committee (“**RAC**”) is a committee established under the authority of the Chairman of the Risk Management Committee (“**RMC**”) of the Board of Directors (“**Board**”) of Nodal Clear, LLC (“**Nodal Clear**”) as well as the Chief Risk Officer (“**CRO**”) of Nodal Clear in accordance with Section II.(h) of the RMC Charter and Nodal Clear Rule 2.4.3(g). The RAC advises Nodal Clear in managing the risk associated with being the central counterparty to contracts cleared by Nodal Clear. The RAC will:

- (i) Advise Nodal Clear on significant changes to Nodal Clear’s risk model and default procedures;
- (ii) Advise Nodal Clear regarding products eligible for clearing; and
- (iii) Advise Nodal Clear regarding any risk related matter they believe is significant to Nodal Clear’s role as a central counterparty.

II. Responsibilities and Authority

Responsibilities

The Risk Advisory Committee shall provide advice, at the discretion of each member of the RAC, to Nodal Clear regarding the Nodal Clear risk program, including:

- (a) providing advice on major risk management policy issues, financial safeguards, and financial surveillance issues;
- (b) recommending changes that would ensure fair, vigorous, and effective risk management;
- (c) recommending changes that would support the broader financial system or other relevant public interest considerations;
- (d) advising on risk management related matters for products eligible for clearing;
- (e) maintaining confidentiality of information and discussions as appropriate;
- (f) maintaining minutes and records of its meetings; and

- (g) reviewing such other matters and perform such additional activities, within the scope of its responsibilities, as the Chairman of the RAC deems necessary or appropriate.

Authority

The RAC shall have the authority and discretion to consult directly with Nodal Clear staff. The RAC is an advisory committee and has no decision making authority. Accordingly, formal voting procedures do not apply.

Any RAC member may request in writing that any recommendation of the RAC, or individual RAC member, be presented to the RMC and the Board at their next scheduled meeting. A consensus of the RAC is not required to request recommendations be presented to the RMC or Board.

III. Membership Composition

The CRO of Nodal Clear shall be a member of the RAC and its Chairman. Any clearing member of Nodal Clear can appoint at least one person to be a member of the RAC. The Chairman of the RAC may appoint additional individuals with relevant risk experience to be members of the RAC at his or her discretion. The Chairman of the RAC has the right to remove any individual from the RAC at his or her discretion.

Each member of the RAC and its Chairman shall serve until his or her successor is appointed or until the earlier of his or her resignation or removal.

IV. Meetings

The RAC shall meet as often as the Chairman of the RAC may deem necessary and appropriate in his or her judgment.

RAC meetings may be held collectively as a group and members may participate by teleconference or via webinar as appropriate. There is no minimum number of members who must be invited to, or be present at, any meeting; the quorum consists of those who attend the meeting. RAC members may also meet with Nodal Clear in their RAC role without other RAC members present.

V. Reporting

The RAC Chairman, or his or her designee, shall make regular reports of the RAC's activities to the RMC and the Board.

If so requested in writing by any RAC member, any recommendation of the RAC, or individual RAC member, shall be presented to the RMC and the Board at their next scheduled meeting.

There is no duty to report advice from any RAC member to other RAC members. Unless specifically requested otherwise, any individual advice provided by RAC members to Nodal Clear may also be shared with other RAC members.

VI. Public Availability

Nodal Clear shall make this Charter publicly available. Membership of the RAC is not considered to be confidential information.