

ARTICLE VII: BOARD OF DIRECTORS

Section 1: General.

The duties of the Board of Directors shall include the management of NFA's business, the adoption of NFA's Bylaws, and the fulfillment of NFA's fundamental purposes.

~~Section 2: Composition of the Board until the Annual Meeting of the Board of Directors Held in February 2016.~~

~~Until the regular annual meeting of the Board of Directors as set forth in Bylaw 506 (hereinafter "regular annual meeting of the Board" or "Board's regular annual meeting") held in February 2016, the Board of Directors shall be comprised as follows:~~

~~(a) Contract Market Representatives.~~

~~(i) In the event that there are four (4) or less Contract Market Members having annual transaction volume during the prior calendar year of more than 1,000,000, then one representative of each such Contract Market Member.~~

~~(ii) In the event that there are more than four (4) Contract Market Members with annual transaction volume during the prior calendar year of more than 1,000,000:~~

~~(a) One representative of each Contract Market Member ranked in the top three (3) Contract Market Members based on annual transaction volume during the prior calendar year.~~

~~(b) One (1) elected representative of Contract Market Members with annual transaction volume during the prior calendar year of more than 1,000,000 that are not included in Section 2(a)(ii)(a) above. Only Contract Market Members not represented in accordance with Section 2(a)(ii)(a) shall be eligible to vote for the representatives elected in accordance with this Section 2(a)(ii)(b).~~

~~(iii) A specific Contract Market's annual transaction volume shall be the number of commodity futures contracts and swaps contracts entered into on the Contract Market during the calendar year. The number of contracts entered into on a Contract Market shall be adjusted where necessary because of differences in sizes of contracts (e.g., one 5,000 oz. contract for a particular commodity would equal five 1,000 oz. contracts for that commodity for purposes of the computation).~~

~~(iv) A Contract Market Member and all Contract Market Members with which it is affiliated shall have no more than one representative on the~~

~~Board at any one time. For the purposes of this limitation, a Contract Market Member shall be deemed to be affiliated with another Contract Market Member if it directly or indirectly owns 100 percent of or is owned 100 percent by or has 100 percent ownership in common with such other Contract Market Member.~~

~~(b) Futures Commission Merchant, Leverage Transaction Merchant and Introducing Broker Representatives.~~

~~Nine (9) elected representatives of registered Futures Commission Merchant Members, registered Leverage Transaction Merchant Members and registered Introducing Broker Members, divided as follows:~~

~~(i) Seven (7) representatives of FCMs, including (A) at least three (3) representatives of FCMs ranked in the top ten FCMs and (B) at least three (3) representatives of FCMs and LTMs not ranked in the top ten FCMs based on the total of futures customer segregated funds and foreign futures or foreign options secured amounts, as those terms are defined in the applicable Commission regulations, held as of June 30 of the prior calendar year.~~

~~(ii) One representative of IBs required to maintain minimum adjusted net capital.~~

~~(iii) One representative of IBs not required to maintain minimum adjusted net capital.~~

~~(c) Commodity Pool Operator and Commodity Trading Advisor Representatives~~

~~Five (5) elected representatives of registered Commodity Pool Operators and registered Commodity Trading Advisors that are NFA Members, including at least three (3) representatives of CPOs or CTAs that rank within the top 20 percent, one (1) of which must rank within the top 5 percent of CPOs or CTAs reporting any funds under management allocated to futures and swaps (as defined in Article XVIII) on NFA Form PQR and NFA Form PR as of June 30 of the prior calendar year.~~

~~(d) Swap Dealer and Major Swap Participant Representatives and Retail Foreign Exchange Dealer Members.~~

~~Seven (7) elected representatives of registered or provisionally registered Swap Dealers, registered or provisionally registered Major Swap Participants and registered Retail Foreign Exchange Dealers, divided as follows:~~

~~(i) At least three (3) representatives of SDs that are Large Financial Institutions, as of June 30 of the prior calendar year.~~

~~(ii) At least three (3) representatives of SDs or RFEDs that are not included in paragraph (d)(i) above, as of June 30 of the prior calendar year.~~

~~(iii) One representative of MSPs: *Provided, however,* that if there are no persons willing and eligible to be a representative of MSPs, then one (1) representative of SDs and RFEDs.~~

~~(e) Public Representatives.~~

~~(a) Effective as of the 2013 annual meeting of the Board, eleven (11) individuals who are Public Representatives (see Article XVIII); and~~

~~(b) Effective as of the 2016 annual meeting of the Board, individuals who are Public Representatives (see Article XVIII) shall constitute thirty-five percent (35%) of the Board's voting representatives.~~

~~(f) An FCM, LTM, RFED, IB, CTA, CPO, SD or MSP Member and all of its Affiliates (See Article XVIII (b)) shall have no more than one representative on the Board at any one time.~~

Section 2A: Composition of the Board from and after the Annual Meeting of the Board of Directors Held in February ~~2016~~ 2024.

Notwithstanding anything to the contrary contained herein, ~~the terms of office of all Directors in office shall expire at the regular annual meeting of the Board of Directors as set forth in Bylaw 506 (hereinafter "regular annual meeting of the Board" or "Board's regular annual meeting") held in February 2024 2016~~ the terms of office of all Directors in office shall expire. From and after the regular annual meeting of the Board held in February 2024 2016, the Board of Directors shall be comprised of no more than 23 Directors, the exact number and allocation in each Board category to be fixed by the Board of Directors from time to time pursuant to resolution adopted by the Board of Directors and shall include the following as follows:

(a) Contract Market Representatives.

No more than two (2) Contract Market Representatives as follows:

(i) In the event that there is only one (1) Contract Market Member of NFA having annual transaction volume during the prior calendar year of more than 1,000,000, then one (1) representative of that Contract Market Member.

(ii) In the event there are at least two (2) Contract Market Members having annual transaction volume during the prior calendar year of more than 1,000,000:

- (a) one (1) representative of the Contract Market Member with the greatest annual transaction volume during the prior calendar year; and
- (b) one (1) representative from a Contract Market Member not included in Section 2(a)(ii)(a) above. Only Contract Market Members not represented in accordance with Section 2(a)(ii)(a) above shall be eligible to vote for the representative elected in accordance with this Section 2(a)(ii)(b).

~~(i) In the event that there are three (3) or less Contract Market Members having annual transaction volume during the prior calendar year of more than 1,000,000, then one (1) representative of each such Contract Market Member.~~

~~(ii) In the event that there are more than three (3) Contract Market Members with annual transaction volume during the prior calendar year of more than 1,000,000:~~

~~(a) One (1) representative of each Contract Market Member ranked in the top two (2) Contract Market Members based on annual transaction volume during the prior calendar year; and~~

~~(b) One (1) elected representative of Contract Market Members with annual transaction volume during the prior calendar year of more than 1,000,000 that are not included in Section 2A(a)(ii)(a) above. Only Contract Market Members not represented in accordance with Section 2A(a)(ii)(a) shall be eligible to vote for the representatives elected in accordance with this Section 2A(a)(ii)(b).~~

(iii) A specific Contract Market's annual transaction volume shall be the number of commodity futures contracts and swaps contracts entered into on the Contract Market during the calendar year. The number of contracts entered into on a Contract Market shall be adjusted where necessary because of differences in sizes of contracts (e.g., one 5,000 oz. contract for a particular commodity would equal five 1,000 oz. contracts for that commodity for purposes of the computation).

(iv) A Contract Market Member and all Contract Market Members with which it is affiliated shall have no more than one (1) representative on the Board at any one time. For the purposes of this limitation, a Contract Market Member shall be deemed to be affiliated with another Contract Market Member if it directly or indirectly owns 100 percent of or is owned

100 percent by or has 100 percent ownership in common with such other Contract Market Member.

(b) Futures Commission Merchant, and Leverage Transaction Merchant and ~~Introducing Broker~~ Representatives.

~~Seven (7) elected representatives of registered Futures Commission Merchant Members, registered Leverage Transaction Merchant Members and registered Introducing Broker Members, divided as follows:~~

No more than four (4) and no fewer than three (3) elected representatives of registered Futures Commission Merchants (FCMs) and registered Leverage Transaction Merchants (LTMs), divided as follows:

~~(i) Five (5) representatives of FCMs, including (A) at least two (2) representatives of FCMs ranked in the top ten FCMs and (B) at least two (2) representatives of FCMs and LTMs not ranked in the top ten FCMs based on the total of futures customer segregated funds and foreign futures or foreign options secured amounts, as those terms are defined in the applicable Commission regulations, held as of June 30 of the prior calendar year.~~

(i) If there are four (4) representatives, then two (2) representatives of FCMs ranked in the top ten FCMs and two (2) representatives of FCMs and LTMs not ranked in the top ten FCMs based on the total of futures customer segregated funds, cleared swaps customer collateral and foreign futures or foreign options secured amounts, as those terms are defined in the applicable Commission regulations, held as of June 30 of the prior calendar year; or

(ii) If there are three (3) representatives, then two (2) representatives of FCMs ranked in the top ten FCMs and one (1) representative of FCMs and LTMs not ranked in the top ten FCMs based on the total of futures customer segregated funds, cleared swaps customer collateral and foreign futures or foreign options secured amounts, as those terms are defined in the applicable Commission regulations, held as of June 30 of the prior calendar year.

~~(ii) One (1) representative of IBs required to maintain minimum adjusted net capital.~~

~~(iii) One (1) representative of IBs not required to maintain adjusted net capital.~~

(c) Introducing Broker Representatives.

One (1) representative of registered Introducing Brokers.

(de) Commodity Pool Operator and Commodity Trading Advisor Representatives.

Three (3) ~~(4)~~ elected representatives of registered Commodity Pool Operators (CPOs) and registered Commodity Trading Advisors (CTAs) that are NFA Members reporting funds under management allocated to futures and swaps (as defined in Article XVIII) on NFA Form PQR and NFA Form PR as of June 30 the prior calendar year (Funds Under Management Allocated to Futures and Swaps) divided as follows: one (1) representative from CPOs or CTAs ranked within the top ten (10) percent based on Funds Under Management Allocated to Futures and Swaps, one (1) representative from CPOs or CTAs ranked within the top twenty (20) percent based on Funds Under Management Allocated to Futures and Swaps; and one at large representative from CPOs or CTAs with no restriction on its rank among CPOs and CTAs reporting Funds Under Management Allocated to Futures and Swaps. including (i) at least one (1) representative of CPOs or CTAs ranked within the top five (5) percent and (ii) at least one (1) representative of CPOs or CTAs ranked within the top ten (10) percent of CPOs or CTAs reporting any funds under management allocated to futures and swaps (as defined in Article XVIII) on NFA Form PQR and NFA Form PR as of June 30 of the prior calendar year.

(ed) Swap Dealer and Major Swap Participant Representatives and Retail Foreign Exchange Dealer Members.

No more than four (4) and no fewer than three (3) ~~Five (5)~~ elected representatives of registered or provisionally registered Swap Dealers (SDs), registered or provisionally registered Major Swap Participants (MSPs) and registered Retail Foreign Exchange Dealers (RFEDs), divided as follows:

(i) ~~At least two (2) representatives of SDs that are Large Financial Institutions, as of June 30 of the prior calendar year; and~~

(ii) ~~At least two (2) representatives of SDs, MSPs or RFEDs that are not included in paragraph (d)(i) above, as of June 30 of the prior calendar year.~~

(i) If there are four (4) representatives, then two (2) representatives of SDs that are Large Financial Institutions, as of June 30 of the prior

calendar year and two (2) representatives of SDs, MSPs or RFEDs that are not Large Financial Institutions, as of June 30 of the prior calendar year; or

(ii) If there are three (3) representatives, then two (2) must be representatives of SDs that are Large Financial Institutions, as of June 30 of the prior calendar year and one (1) representative must be of SDs, MSPs or RFEDs that are not Large Financial Institutions, as of June 30 of the prior calendar year.

(fe) Public Representatives.

No more than nine (9) Ten (10)-individuals who are Public Representatives (see Article XVIII).

(gf) An FCM, LTM, RFED, IB, CTA, CPO, SD or MSP Member and all of its Affiliates (See Article XVIII) shall have no more than one (1) representative on the Board at any one time.

Section 3: Nominations; Election.

The elected Directors shall be chosen as follows:

~~(a) Nominating Committee.~~

~~The Nominating Committee (see Article X) shall nominate at least one candidate for each elected FCM and LTM; IB; CPO and CTA; and SD, MSP and RFED Director position to be filled. These nominations shall be made in accordance with the eligibility requirements contained in this Article. The Nominating Committee shall nominate candidates whose election shall result in diverse segments of each category being represented on the Board based upon the size of the Member, the type of business conducted by the Member and the type of customer serviced by the Member.~~

~~(b) Petition Procedure.~~

~~Nominations may be made for elected FCM and LTM; IB; CPO and CTA; and SD, MSP and RFED Director positions by:~~

~~(i) Petition signed by 50 or more NFA Members in the category for which the nomination is made (i.e., FCM and LTM; SD, MSP and RFED; IB; and CPO and CTA); or~~

~~(ii) Petition submitted by any organization or association recognized by NFA as fairly representing the category (See (b)(i) above) for which the nomination is made.~~

~~Petitions shall be submitted in the manner specified in the Bylaws. No petition may nominate more than one candidate for the same position.~~

~~(c) Election.~~

~~If there is a contested election in any category (See (b)(i) above) of NFA Members, the Members in that category shall thereafter elect by plurality vote from such nominees the Directors that are to represent that category. The election shall be conducted in the manner provided in the Bylaws, which shall provide for an Annual Election. If there is not a contested election in any category of NFA Members, the Directors that are to represent that category shall be elected to the Board by the members of the Executive Committee, other than the members who are Public Representatives (and solely for such purposes shall be deemed the sole voting members under the General Corporation Law of the State of Delaware).~~

~~(d) Public Representatives.~~

~~The Public Representatives shall be chosen as follows: Before the Annual Election, the Board shall solicit the nomination of individuals to serve on the Board in the Public Representative category. At the Board's regular annual meeting, the Board shall, by majority vote, elect the Public Representatives to serve on the Board.~~

~~(e) Contract Markets~~

~~At the Annual Election held in 2016 and at all Annual Elections held thereafter, in the event of an election as described in Article VII, Section 2A(a)(ii)(b), the Contract Market representatives shall be elected as follows: Before the Annual Election, the Board shall solicit from Contract Market Members eligible to have representatives pursuant to Article VII, Section 2A(a)(ii)(b) the nomination of individuals to serve on the Board as representatives of such Contract Market Members. If there is a contested election of such Contract Market Members, the Contract Market Members eligible to vote pursuant to Article VII, Section 2A(a)(ii)(b) shall thereafter elect by plurality vote from such nominees the Directors that will represent them. The election shall be conducted in the manner provided in the Bylaws, which shall provide for an Annual Election. If there is not a contested election of such Contract Market Members, the Directors that are to represent that category shall be elected to the Board by the members of the Executive Committee, other than the members who are Public Representatives (and solely for such purposes shall be deemed the sole voting members under the General Corporation Law of the State of Delaware).~~

(a) Member Category Representatives.

Member Category Directors, other than Contract Markets, shall be nominated in accordance with the process established by the Nominating and Governance

Committee (see Bylaw 706). If there is a contested election in an NFA Member category, the Members in that category shall thereafter elect by plurality vote from such nominees the Directors that are to represent that category (See Bylaw 406). The election shall be conducted in the manner provided in the Bylaws, which shall provide for an Annual Election. If there is not a contested election in a category of NFA Member, the Directors who represent that category and who are to be elected shall be elected to the Board by the Board of Directors (and solely for such purposes shall be deemed the sole voting members under the General Corporation Law of the State of Delaware).

(b) Public Representatives.

The Public Representatives shall be nominated by the Nominating and Governance Committee for election by the Board of Directors in accordance with the process established by the Nominating and Governance Committee. Before the Annual Election, the Board shall solicit the names of individuals for consideration to serve on the Board in the Public Representative category. At the Board's regular annual meeting, the Board shall, by majority vote, elect the Public Representatives to serve on the Board.

(c) Contract Market Representatives.

In the event of an election as described in Article VII, Section 2(a)(ii)(b), Contract Market representatives shall be elected as follows: Before the Annual Election, the Board shall solicit from Contract Market Members eligible to have a representative pursuant to Article VII, Section 2(a)(ii)(b) the nomination of individuals to serve on the Board as a representative of such Contract Market Members. If there is a contested election of such Contract Market Members, the Contract Market Members eligible to vote pursuant to Article VII, Section 2(a)(ii)(b) shall thereafter elect by plurality vote from such nominees the Director that will represent them. The election shall be conducted in the manner provided in the Bylaws, which shall provide for an Annual Election. Tie votes may be resolved by the Board by random lot. If there is not a contested election of such Contract Market Members, the Director that represents Contract Markets described in Article VII, Section 2(a)(ii)(b) shall be elected to the Board by the Board of Directors (and solely for such purposes shall be deemed the sole voting members under the General Corporation Law of the State of Delaware). The Director that represents the Contract Market described in Article VII, Section 2(a)(ii)(a) shall be elected to the Board by the Board of Directors (and solely for such purposes shall be deemed the sole voting members under the General Corporation Law of the State of Delaware).

Section 4: Terms of Directors.

(a) Contract Market Directors.

~~Notwithstanding anything to the contrary contained herein, the terms of office of all Directors in office shall expire at the regular annual meeting of the Board held in February 2016. From and after the regular annual meeting of the Board held in February 2016, Directors representing Contract Market Members shall serve for one year terms, from the date of the Board's regular annual meeting until the date of the Board's regular annual meeting one year hence.~~

~~(b) Other Directors.~~

~~Notwithstanding anything to the contrary contained herein, the terms of office of all Directors in office shall expire at the regular annual meeting of the Board held in February 2016. The Board of Directors, pursuant to a resolution adopted by the Board, shall determine which Directors whose terms begin on the date of the regular annual meeting of the Board held in February 2024 shall serve one-year or two-year terms. The Nominating Committee shall determine which Directors, other than Contract Market Directors and Public Representatives, whose terms begin on the date of the regular annual meeting of the Board held in February 2016 shall serve two-year terms. as follows: three (3) representatives of FCMS and LTMs, at least one (1) of which is described in Section 2A(b)(i)(A) and at least one (1) of which is described in Section 2A(b)(i)(B); one (1) representative of IBs; two (2) representatives of CPOs or CTAs, at least one (1) of which is described in Sections 2A(c)(i) and 2A(c)(ii); and three (3) representatives of SDs, MSPs and RFEDs, at least one (1) of which is described in Section 2A(d)(i) and at least one (1) of which is described in Section 2A(d)(ii). The remainder of such Directors shall serve one-year terms. The Board shall determine which five (5) of the Public Representatives whose terms begin on the date of the regular annual meeting of the Board held in February 2016 shall serve two-year terms. The remainder of the Public Representatives shall serve one-year terms. Except as provided above, Directors other than Contract Market Member Directors shall serve for two-year terms, from the date of the Board's regular annual meeting following the Annual Election at which they are elected until the date of the Board's regular annual meeting two years hence.~~

Section 5: Voting; Quorum.

Each Director shall have one vote upon any matter coming before the Board for official action, and, except as otherwise provided in these Articles or NFA's Bylaws, the affirmative vote of a majority of the Directors present and voting at a meeting of the Board shall be NFA's official act if a quorum is present. A quorum of the Board shall consist of one-half of the Directors, except where NFA Bylaws specify a lesser number in emergency situations.

Section 6: Establishment of Major Plans and Priorities.

The Board shall establish for observance by the Executive Committee (See Article VIII) and NFA staff major plans and priorities, including those regarding the commitment and expenditure of NFA funds.

Section 7: ~~Chairman and Vice Chairman~~

There shall be a ~~Chairman and Vice Chairman~~ of the Board. They Chair shall serve for a one-year terms and shall be elected by the Board at its regular annual meeting, by majority vote. The ~~Chairman~~ shall be elected from among the Directors in office and the ~~Vice Chairman~~ shall be elected from among ~~Directors elected to serve on the Executive Committee~~. No Director is eligible to serve as Chair without completing one (1) full two (2) year term as a Director.

Section 8: Vacancies.

A vacancy that occurs on the Board before the expiration of a Director's term or because additional Directors in existing or new Member categories are required shall be filled (for the unexpired term) by an eligible individual elected by majority vote of the remaining Directors who represent the category of Members in which the vacancy occurred, except that if the vacancy involves a representative of a Contract Market Member, that Contract Market Member shall designate the successor. In the event there are no Directors remaining who represent the category of Members in which the vacancy occurred, the vacancy shall be filled by an eligible individual elected by the Board.

Section 9: Removal.

In accordance with Section 141(j) of the General Corporation Law of the State of Delaware, notwithstanding anything to the contrary set forth in the other provisions of the General Corporation Law of the State of Delaware, including the other provisions of Section 141, Directors may be removed from office as follows:

(a) Any Director representing a Contract Market Member; ~~described in Article VII and any FCM and LTM; SD, and MSP and RFED; IB; or CPO and CTA Director~~ may be removed by a majority of the Members eligible to elect the Director whenever, in their judgment, the best interests of NFA will be served thereby; or

(b) Upon recommendation of the Nominating and Governance Committee ~~Executive Committee~~, any Director may be removed by two-thirds of the Directors present and voting at a duly convened meeting of the Board whenever, in their judgment, the best interests of NFA will be served thereby.

Section 10: Director Qualifications.

In addition to any other Director qualification set forth herein or in the Bylaws or any other policy of the Board or NFA, no Director who has been removed from office in

accordance with Section 9 of Article VII hereof shall be qualified to be a Director at any time following such removal.

ARTICLE VIII: EXECUTIVE COMMITTEE

Section 1: General.

There shall be an Executive Committee of the Board, which may exercise all powers of the Board except as set forth in Section 2 below. The authorized actions of the Executive Committee shall be deemed actions of the Board.

Section 2: Board Powers Not Exercisable By Executive Committee.

(a) General Prohibitions.

The Executive Committee shall not exercise any power of the Board when the Board is in session, and the Executive Committee shall at no time take any action with respect to any matter that is the subject of a notice of a pending Board meeting without the concurrence of the Board.

(b) Specific Prohibitions.

The Executive Committee shall at no time exercise any of the following powers of the Board:

- (i) The adoption, amendment or repeal of any Bylaw unless such power has been delegated by the Board in accordance with Article XI, Section 1; or the ratification of any proposal to adopt, amend or repeal these Articles.
- (ii) The establishment of major plans and priorities, including those regarding the commitment and expenditure of NFA funds, except that the Board may authorize the Executive Committee to make expenditures within specific monetary limits prescribed in the Bylaws or Board Resolutions.
- (iii) ~~Except as provided in Article VII, Section 3(c) and Section 3(e),~~ I the election, appointment or removal of any NFA Director, officer or committee member.
- (iv) The adoption of a plan of merger or consolidation with another entity.
- (v) The sale, lease, exchange or mortgage of all or substantially all of NFA property or assets.
- (vi) The voluntary dissolution of NFA or the revocation of proceedings therefor.

(vii) The adoption of a plan for the distribution of NFA assets.

(viii) The amendment or repeal of any Board Resolution that, by its terms, provides that it shall not be amended or repealed by the Executive Committee.

Section 3: Composition.

The Executive Committee shall be comprised of the following:

(a) NFA's President, who shall be an *ex officio*, non-voting member; and

(b) The ~~Chairman~~ of the Board, who shall be a non-voting member except in the case of tie votes; and

(c) ~~Eight (8) Thirteen (13) Directors~~ (including the Chair of the Board) drawn as follows from the following Board categories, with the Board Chair acting as a representative of their Board category (provided that, as noted in clause (b) above, the Chair of the Board shall be a non-voting member except in the case of tie votes), as follows:

(i) One (1) Director ~~Two (2) Directors~~ representing Contract Markets:

~~(A) One (1) representative of a Contract Market that had transaction volume of more than 20 percent of aggregate contract market transaction volume during the prior calendar year. A specific Contract Market's transaction volume shall be the number of commodity futures contracts and swaps contracts entered into on the Contract Market. The aggregate contract market transaction volume shall be the number of such contracts entered into on all U.S. contract markets. The number of contracts entered into on a Contract Market shall be adjusted where necessary because of differences in sizes of contracts (e.g., one 5,000 oz. contract for a particular commodity would equal five 1,000 oz. contracts for that commodity for purposes of the computation); and~~

~~(B) One (1) representative of a Contract Market other than a Contract Market described in clause (A) above: *Provided, however,* if no Contract Market described in clause (A) above is represented on the Board, there shall be two Directors on the Committee from Contract Markets represented on the Board;~~

- (ii) One (1) Two (2) Directors representing FCMs and, LTMs or IBs;
- (iii) One (1) Director representing IBs;
- (iv) One (1) Two (2) Directors representing CPOs and CTAs;
- (v) One (1) Two (2) Directors representing SDs, MSPs or and RFEDs;
and
- (vi) Three (3) Five (5) Directors who are Public Representatives (see Article XVIII(s)).

Section 4: ~~Election of Members~~ Board Appointment; Vacancies.

The Nominating and Governance Committee shall recommend (other than the Chair of the Board) Directors to serve on the Executive Committee. Upon consideration of these recommendations, the Board shall appoint by majority vote members of the Executive Committee (other than the Chair of the Board and NFA's President) in accordance with Section 3 of this Article VIII. ~~The elected members of the Executive Committee shall be chosen by the Board at the regular annual meeting, as follows: The Directors representing Contract Markets that had transaction volume of more than 20 percent of aggregate Contract Market transaction volume during the prior calendar year shall elect the Committee member in category (c)(i)(A) above; the Directors representing all other Contract Markets shall elect the Committee member in category (c)(i)(B) above; the Directors representing FCMs, LTMs and IBs shall elect the Committee members in category (c)(ii) above; the Directors representing CPOs and CTAs shall elect the Committee members in category (c)(iii) above; the Directors representing SDs, MSPs and RFEDs shall elect the Committee members in category (c)(iv) above; and the Public Representative Directors shall elect the Committee members in category (c)(v) above.~~ A vacancy that occurs on the Executive Committee before the expiration of a Committee Member's term or because additional Committee Members in existing or new Member categories are required shall be filled in like manner. Tie votes may be resolved by the Board by random draw.

Section 5: Voting; Quorum.

Each member of the Executive Committee shall have one vote on Executive Committee matters. A majority of the Executive Committee members shall constitute a quorum.

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ARTICLE X: ~~NOMINATING COMMITTEE~~ RESERVED

~~Section 1: General.~~

~~There shall be a Nominating Committee, composed of four Subcommittees, one for each of the following categories of Members: (i) FCMs and LTMs, (ii) IBs, (iii) CPOs and CTAs and (iv) SDs, MSPs and RFEDs. Each Subcommittee shall nominate at least one candidate for each position to be filled on the Board in the Subcommittee's category, in accordance with the eligibility requirements of Article VII.~~

~~Section 2: Composition; Term of Members.~~

~~(a) Each Subcommittee of the Nominating Committee shall be composed of three representatives of the Subcommittee's category, except that:~~

~~(i) The FCM and LTM Subcommittee shall be composed of three representatives, including (A) until the regular annual meeting of the Board held in February 2016, at least one representative of FCMs described in Article VII, Section 2(b)(i)(A) and at least one representative of FCMs or LTMs described in Article VII, Section 2(b)(i)(B) and (B) from and after the regular annual meeting of the Board held in February 2016, at least one representative of FCMs described in Article VII, Section 2A(b)(i)(A) and at least one representative of FCMs or LTMs described in Article VII, Section 2A(b)(i)(B);~~

~~(ii) The IB Subcommittee shall be composed of three representatives, including at least one representative of IBs required to maintain minimum adjusted net capital and at least one representative of IBs not required to maintain minimum adjusted net capital;~~

~~(iii) The CPO and CTA Subcommittee shall include at least one representative that primarily acts as a CPO and at least one representative that primarily acts as a CTA; and~~

~~(iv) The SD, MSP and RFED Subcommittee shall be composed of three representatives, including (A) until the regular annual meeting of the Board held in February 2016, at least one representative of SDs described in Article VII, Section 2(d)(i) and at least one representative of SDs or RFEDs described in Article VII, Section 2(d)(ii) and (B) from and after the regular annual meeting of the Board held in February 2016, at least one representative of SDs described in Article VII, Section 2A(d)(i) and at least one representative of SDs, MSPs, or RFEDs described in Article VII, Section 2A(d)(ii).~~

~~(b) Members of the Nominating Committee shall serve staggered terms of three years from the date of the Board's regular annual meeting following the Annual Election at which they are elected until the date of the Board's regular annual meeting three years hence.~~

~~Section 3: Selection of Committee Members.~~

~~Each Subcommittee of the Nominating Committee shall nominate, for each position to be filled on the Nominating Committee, one eligible individual for election by the Members to that Subcommittee for the following term. Additional nominations may be made for each such position by petition in the manner set forth in Article VII, Section 3. The procedures for such election shall be the same as those prescribed in Article VII, Section 3. No person shall be nominated or elected to the Nominating Committee who has served on the Nominating Committee during the preceding term, and no person shall be nominated or elected to the Nominating Committee who, at the time of such nomination or election, is a Director. Any vacancy that occurs on the Nominating Committee shall be filled by the Board from among persons eligible under this Article to serve thereon.~~

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ARTICLE XVII: ADOPTION, AMENDMENT AND REPEAL OF ARTICLES

No provision of these Articles may be adopted, amended or repealed except in the manner prescribed in this Article. Each such proposed change to the Articles shall be reviewed by the Board, and shall be submitted to the Members of NFA only upon approval of the proposal by the Board by two-thirds of the Directors present and voting. If any such proposed change relates to Article III, Section 2, such proposed change shall not be considered by the Board for approval unless at least 60 days written notice of the proposed change has been given to each Contract Market Member. Upon such approval, the proposal shall be submitted to a vote of the Members and shall be adopted upon the affirmative vote of a majority of those Members that cast a vote in each of the categories set forth in Sections 2A(a)-2(e)~~A(d)~~ of Article VII.

ARTICLE XVIII: DEFINITIONS.

As used in this Certificate of Incorporation-

(a) "Act"-means the Commodity Exchange Act, as amended from time to time.

(b) "Affiliate"-means, unless otherwise provided, any person that directly or indirectly owns more than 50% of or is owned more than 50% by or has more than 50% ownership in common with another person.

(c) "Associate"-means a person who is associated with a Member within the meaning of the term "associated person" as used in the Act or Commission Rules and who is required to be registered as an "associated person" with the Commission; and any other person designated by the Board to be an Associate.

(d) "Board" or "Board of Directors"-means the Board of Directors of NFA.

(e) "Clearing Organization"-means an entity (whether a unit or division of the Contract Market, or a separate organization) that clears commodity futures transactions or swaps transactions executed on a Contract Market.

(f) "Commission"-means the Commodity Futures Trading Commission.

(g) "Commodity Pool Operator" or "CPO"-means a commodity pool operator as that term is used in the Act, and that is required to be registered as such under the Act and Commission Rules, except any CPO that the Board has designated to be an Associate.

(h) "Commodity Trading Advisor" or "CTA"-means a commodity trading advisor as that term is used in the Act, and that is required to be registered as such under the Act and Commission Rules, except any CTA that the Board has designated to be an Associate.

(i) "Contract Market"-means an exchange registered by the Commission as a designated contract market.

(j) "Fees"-means charges for processing applications, administering qualifications examinations, conducting arbitrations, and other clerical and administrative fees. The term "Fees" does not include dues, assessments or similar charges.

(k) "Futures"-includes options contracts traded on a Contract Market, and such other commodity-related instruments as the Board may from time to time declare by Bylaw to be properly a subject of NFA regulation and oversight.

(l) "Futures Commission Merchant" or "FCM"-means a futures commission merchant as that term is used in the Act, and that is required to be registered as such under the Act and Commission Rules.

(m) "Introducing Broker" or "IB"-means an introducing broker as that term is used in the Act, and that is required to be registered as such under the Act and Commission Rules.

(n) "Large Financial Institution"-means a Swap Dealer included in a well defined, publicly available and independent list of financial institutions that the Board of Directors identifies by resolution from time to time.

(o) "Leverage Transaction Merchant" or "LTM"-means a leverage transaction merchant as that term is used in the Act, and that is required to be registered as such under the Act and Commission Rules.

(p) "Major Swap Participant" or "MSP"-means a major swap participant as that term is used in the Act, and that is required to be registered as such under the Act and Commission Rules.

(q) "Member"-means a member of NFA.

(r) "Person"-includes individuals, corporations, partnerships, trusts, associations and other entities.

(s) "Public Representative"-refers to those members of the Board of Directors who are public directors and who meet the requirements of Bylaw 517. ~~as that term is defined in Section (b)(2) of Core Principle 16 in Appendix B to Part 38 of the Commission's Rules and is read in the context as applied to NFA.~~

(t) "Requirements"-includes any duty, restriction, procedure, or standard imposed by a charter, bylaw, rule, regulation, resolution or similar provision.

(u) "Retail Foreign Exchange Dealer" or "RFED"-means a retail foreign exchange dealer as that term is used in the Act, and that is required to be registered as such under the Act and Commission Rules.

(v) "Swap Dealer" or "SD"-means a swap dealer as that term is used in the Act, and that is required to be registered as such under the Act and Commission Rules.

(w) "Swaps"-means swaps as used and defined in the Act and in the Commission Rules, and such other swap-related agreement, contract or transaction as the Board may from time to time declare by Bylaw to be properly a subject of NFA regulation and oversight.