



Nasdaq CXC Limited

Regulatory Oversight Committee Mandate

**NASDAQ CXC LIMITED
REGULATORY OVERSIGHT COMMITTEE MANDATE**

Approved ●, 2018

Committee Purpose

The Regulatory Oversight Committee (the “**Committee**”) of the board of directors (the “**Board**”) of Nasdaq CXC Limited (“**Nasdaq Canada**”) exercises general oversight with respect to Nasdaq Canada’s regulatory and self-regulatory activities to ensure that such activities are in keeping with Nasdaq Canada’s public interest mandate. The Committee assesses Nasdaq Canada’s regulatory performance, assists the Board (and other committees of the Board, as may be required) in reviewing the regulatory plan and overall effectiveness of regulatory functions; and assumes any other responsibilities that may be assigned by the Board to ensure the sound fulfillment of Nasdaq Canada’s regulatory and self-regulatory responsibilities.

Terms used but not otherwise defined in this charter have the respective meanings given to them in the recognition order of the Ontario Securities Commission (the “**Commission**”) recognizing each of the Ensoleillement Inc. (“**CXCH**”) and Nasdaq Canada as an exchange dated December 21, 2017, as the same may be amended from time to time (the “**Recognition Order**”).

To fulfill its purpose, the Committee shall:

Regulatory Oversight

1. Review annual the regulatory budget and specifically inquire into the adequacy of resources available in the budget for regulatory activities.
2. Meet with the Chief Compliance Officer to review regulatory issues and be informed on the compensation of the Chief Compliance Officer, his promotion or termination, including reasons.
3. Review and decide, or make recommendations to the Board, on proposed regulations and rules that must be submitted to the Commission for review and approval under the Recognition Order.

Conflicts of Interest

4. Consider and address any real or perceived conflicts of interest that may arise, including but not limited to the following contexts:
 - a) ownership interests in CXCH by any Nasdaq Canada marketplace participant with representation on the Board of CXCH or the Board of Nasdaq Canada,
 - b) significant changes in ownership of Nasdaq Canada and CXCH, and
 - c) the profit-making objective and the public interest responsibilities of Nasdaq Canada, including general oversight of the management of the regulatory and public interest responsibilities of Nasdaq Canada.
5. Oversee the establishment of mechanisms to avoid and appropriately manage conflicts of interest or potential conflicts of interest, perceived or real, including any policies and

procedures that are developed by Nasdaq Canada, including those that are required to be established pursuant to the Recognition Order.

6. Monitor the operation of mechanisms that deal with conflicts of interest, including oversight of reporting of conflicts of interest by Nasdaq Canada and CXCH.
7. Review regularly, and at least annually, the effectiveness of the policies and procedures regarding conflicts of interest.
8. Annually prepare a written report examining the avoidance and management of conflicts of interest, the mechanisms used and the effectiveness of those mechanisms and provide the report to the Board promptly, and to the Commission within 30 days of providing it to its Board.

Periodic Reporting to the Commission

9. Report in writing directly to the Commission on any matter that the Committee deems appropriate or that is required by the Commission without first requiring Board approval for such reporting and provide such information as may be required by the Commission from time to time.
10. Provide to the Commission meeting materials provided to the Committee members in conjunction with each meeting in the manner required by the Recognition Order.

Responding to Breaches or Possible Breaches

11. Review any notice provided by a director, officer or employee of Nasdaq Canada who becomes aware of a breach or a possible breach of any of the terms and conditions applicable to Nasdaq Canada under the Recognition Order.
12. Notify the Commission of a breach or possible breach and confirm to the Commission that the breach or possible breach is under investigation under the timelines specified in the Recognition Order.
13. Cause to be conducted an investigation of any breach or possible breach and notify the Commission once there is a determination of whether a breach occurred, with a description of any actions that will be taken to address it, in the manner required by the Recognition Order.

Membership

The Committee shall be composed of three or more directors, a majority of whom shall be independent (as defined in the Recognition Order), and each of whom shall be appointed annually by the Board.

Meetings and Quorum

The Committee shall meet regularly as required, and at least two times per year. The quorum necessary for the transaction of business at a meeting of the Committee is a majority of the number of members of the Committee then in office, a majority of whom shall be independent.