



# BANK OF ENGLAND

## Money Markets Committee: Terms of Reference

### Purpose

The Money Markets Committee provides a senior-level forum to enable market participants, infrastructure providers, and the relevant UK public authorities to discuss issues concerning the UK unsecured deposits and funding market, the securities lending market and the repo market.

### Objectives

1. To discuss important domestic and global market or structural developments affecting the UK money, repo and securities lending markets.
2. Where appropriate, to propose responses to any issues identified.
3. To aid understanding and enhance monitoring of the functioning of the UK money markets.
4. To endorse and facilitate continuing market-wide adoption of the UK Money Markets Code<sup>1</sup> (the Code), a voluntary code of good practice for the money and securities financing markets<sup>2</sup>.
5. To identify and address any high-level issues concerning contingency planning in the UK money markets and payment systems, having regard to international developments.

### Membership

6. The Committee is chaired and administered by the Bank of England, who will also provide the secretariat.
7. The Committee comprises appropriately senior practitioners from key active UK money market, repo and securities lending participants, including appropriate representation from banks, building societies, investment managers, non-financial institutions, infrastructure providers, and the UK authorities.
8. Members are invited by the Chair due to their seniority, and experience in combination with the level of appropriate market activity by their firm.
9. It is expected that members represent themselves as senior market participants, their firms or the association which they represent, the wider interests of their sector of the market and represent the best interests of the function of the market as a whole.
10. Generally membership is on an individual rather than on a firm basis. Therefore, a member who steps down cannot automatically pass on their seat to a replacement within their firm.

### Organisation of the Committee

11. Meetings will be held a minimum of four times per year but can be held more frequently if required.

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<sup>1</sup> See the Terms of reference of the UK Money Markets Code Committee

<sup>2</sup> The Code is produced, reviewed, maintained and updated by a Sub-Committee of this Committee

12. Members should aim to attend all Committee meetings and should contact the Secretary directly if they are unable to attend a meeting.
13. Members should attend the meetings themselves, sending alternates only in exceptional circumstances and by prior arrangement with the Secretary.
14. Agendas will be circulated one week in advance of meetings.
15. The Committee will have two permanent sub-committees: the UK Money Markets Code Committee and the Securities Lending Committee.
16. The Committee may create other permanent or temporary sub-committees as required in the light of market developments with agreed terms of reference.

### **Governance**

17. Draft non-attributable minutes of meetings will be circulated to members and when these have been agreed by the Committee, they will be published on the Bank of England's website.
18. Decisions of the Committee will usually be made by general consensus but the Chair may ask for a decision by majority vote if agreement cannot otherwise be reached.
19. The committee requires a minimum attendance of 10 members, in addition to the Chair, to be quorate. If the committee is not quorate then meetings may proceed, however, the committee shall not be able to make decisions.

### **Arrangements in the event of a crisis or significant market instability**

11. In the event of a crisis or significant market instability, the Chair of the Committee will facilitate the co-ordination of UK money market participants and related infrastructure providers via telephone conference calls or using other appropriate electronic communications.
12. In such circumstances, the Chair may, in its absolute discretion, deem it appropriate for specific institutions to be represented in any co-ordination of participants.
13. Each member should nominate an alternate who can participate in such contingency arrangements if needed and asked by the Chair. Alternates must be at a similarly appropriate level of seniority within the organisation.
20. When asked to participate in such circumstances members or their alternates (who may only be nominated for this specific purpose) should have sufficient authority to speak for their organisation.

### **Confidentiality**

21. Any information disclosed or opinions expressed during Committee meetings will be treated as confidential unless and until the Committee has authorised their public release. Committee members may be exposed to sensitive information and, potentially, to material non-public information in the course of their work. It is understood that Committee members' staff may see some documents relating to the Committee. Unnecessary involvement of third parties in handling this material is strongly discouraged. In all cases where third parties see Committee documentation, individual members are expected to accept responsibility for ensuring that those third parties are aware of and

respect the confidentiality and sensitivity which attaches to the Committee and the documents in question.

### **Competition Law**

22. It is the responsibility of Committee members to ensure they understand their responsibilities under all applicable competition laws, including UK and EU competition law. To the extent any Committee member is unclear of these, they should consult the legal and/or compliance teams at their respective institution for further guidance. If, during a Committee meeting, a member has concerns about the discussion from a competition law compliance perspective, the members should make their concerns known and the discussion giving rise to such concerns should cease.

### **Future Developments**

23. These Terms of Reference will be reviewed annually to ensure that they remain current and relevant.