

Minutes

Foreign Exchange Joint Standing Committee Legal Sub-Committee

18 September 2017

Location: CLS Services Ltd, One Harbour Exchange Square, London E14 9GE

Attendees: **Bank of America Merrill Lynch:** Mayank Patel

Barclays: Nasia Pachitipallikaropolou

Citigroup: Sharon Blackman

CLS: Gaynor Wood

Deutsche Bank: Simon Goldsworthy

Financial Conduct Authority: David Harris, Edwin Schooling-Latter (Guest Speaker)

HSBC: Ben Rossan

JP Morgan: Tamsin Rolls

RBS: David Cole

Standard Chartered: Rakesh Shah

TP ICAP: Simon Helm

XTX Markets: Sunil Sumani

Goldman Sachs: Dan Parker (Chair)

Bank of England: Jonathan Grant (Secretary), Jonathan Keane, Chris Cox (Guest Speaker)

Apologies: **Bank of America Merrill Lynch:** Jateen Shah

Bank of New York Mellon: Jacqueline Joyston-Bechal

Barclays: James Sinclair

HSBC: Christian Bettley

HSBC: Harkamal Singh Atwal

JP Morgan: Syed Riaz Ali

Morgan Stanley: Barra Little

RBS: Baljit Saini

UBS: Richard Lamb

Minute no.	Minute	Action owner and due date
1.	<p>Approval of 20th April 2017 minutes The minutes of the 20th April 2017 meeting were approved by the sub-committee members with one minor correction.</p>	
2.	<p>FXJSC Legal Sub-committee Terms of Reference Review and Legal Sub-committee transparency The Chair referred members to the revised draft Terms of Reference (ToR) circulated ahead of the meeting for members' consideration. Two key changes had been made to the ToR: (i) an explicit link had been drawn between membership of the Legal Sub-Committee and adherence to the FX Global Code (the Code); and (ii) the Foreign Exchange Joint Standing Committee's (FXJSC) membership of the Global Foreign Exchange Committee (GFXC) had been formally noted. These changes were in line with those made to the ToR of both the FXJSC and the FXJSC Operations Sub-Committee. The ToR were approved by members.</p> <p>The Chair went on to note the Bank of England's proposal that, going forward, the sub-committees of the FXJSC should publish their ToR, membership lists and minutes on the FXJSC section of the Bank of England's website alongside the equivalent FXJSC documents, which were already published in this way. Members agreed to this proposal, with the minutes of the current meeting to be published following approval at the next meeting of the sub-committee on 2 November 2017.</p> <p>Finally, the Chair noted that both he and the secretary of the sub-committee considered that it would also be appropriate for the competition guidelines owned by the sub-committee to be made available on the FXJSC website. The guidelines were in the process of being reviewed by external counsel, and the results of that review would be brought to the next meeting.</p>	
3.	<p>FX Global Code adherence update</p> <p>(a) GFXC Update - Chris Cox (Bank of England)</p> <p>CC provided the Sub-Committee with an update on current work relating to the Global FX Committee and the FX Global Code.</p> <p>CC started by noting that the GFXC was constituted at the end of May 2017 at the same time as the FX Global Code was launched. CC noted that the GFXC would, over the next few months, be focussing mainly on the following</p> <ol style="list-style-type: none"> <li data-bbox="323 1610 1219 1794">(1) Request for Feedback on 'Last Look' Practices: On 25 May, the GFXC published a Request for feedback on Last Look practices in the Foreign Exchange Market. The deadline for responses to this request for feedback is 21 September 2017. After the deadline, the responses will be reviewed and a response paper will be prepared. The plan is to publish the paper towards the end of the year. <li data-bbox="323 1823 1219 1906">(2) Public Registers: CC noted that, on 25 July 2017, the GFXC published a set of Recommendations relating to the Establishment of Public Registers. <li data-bbox="323 1935 1219 2063">(3) FX Global Code Survey: The GFXC have finalised a survey to be circulated to market participants (including FXJSC committee members). The purpose of this survey is to gauge how the Code has impacted the market and to assist the GFXC in identifying areas of 	

future work. The survey will be circulated in the week commencing 25 September 2017.

Lastly, for those that are interested, CC recommended Chris Salmon's 12 September 2017 speech, entitled "[Securing Success for the FX Global Code](#)".

(b) Implementation by firms

An open discussion took place, discussing issues members and their firms are facing when going through the process in order to sign the Statement of Commitment in relation to the Code.

- 4 **Conduct risk in FX Markets – Edwin Schooling-Latter (FCA)**
ESL, Head of Markets Policy at the FCA, spoke to the Sub-Committee about the issues raised in his November 2016 speech at FX Week Europe: "[Conduct Risk in FX Markets](#)"
- 5 **Future Agenda**
The following items were suggested for future meetings:
 - MiFID2 Implementation Update
 - Benchmark Regulation
 - PRIIPs Regulatory Update
- 6 **The next meeting of the FXJSC Legal Sub-Committee will be on 2nd November 2017.**