

Minutes

Foreign Exchange Joint Standing Committee Legal Sub-Committee

3 December 2018

Location: XTX Markets, R7 14-18 Handyside Street, London N1C 4DN

Attendees: **Bank of England:** Jonathan Grant (Secretary), Charlotte Pope-Williams,
Bank of England: Grigoria Christodoulou, Tim Scott (Guest Speakers)
Bank of New York Mellon: Mark Compton
Deutsche Bank: Simon Goldsworthy
Financial Conduct Authority (FCA): David Harris
Goldman Sachs: Dan Parker (Chair)
JP Morgan: Tamsin Rolls
Morgan Stanley: Nimisha Kanabar
RBS/Natwest Markets: Baljit Saini
Standard Chartered: Rakesh Shah
TP ICAP: Simon Helm
XTX Markets: Sunil Samani (Host)

Dialled in: **Barclays:** Nasia Pachitipallikaropoulou
HSBC: Harkamal Singh Atwal

Apologies: **Bank of America Merrill Lynch:** Jateen Shah
Bank of New York Mellon: Jacqueline Joyston-Bechal
Citigroup: Sharon Blackman
CLS: Gaynor Wood
LCH: Diane Bouwmeester
UBS: Richard Lamb

Minute no. Minute

1. Introduction and Minutes

The minutes of the 4 September 2018 meeting were approved.

2. GFXC Meeting Report

Grigoria Christodoulou and Jonathan Grant reported on the recent GFXC Meeting, held on 29 and 30 November in Paris, France. On the first day of the meeting, the GFXC received updates from the 4 working groups that the GFXC had established to consider specific issues regarding: (i) the use of 'cover and deal' in the global FX market; (ii) the role that disclosures can play in establishing clarity around trading practices between market participants; (iii) "embedding the Code" in the global FX market; and (iv) "buy-side outreach" to further buy-side adoption of the FX Global Code.

On the second day, the GFXC Vice-Chairs facilitated a discussion on recent developments and emerging trends in foreign exchange markets. Following this, representatives from each of the GFXC committees

provided an update on recent activities and developments in their jurisdictions. Of particular note was the update from the Tokyo FX Committee, who informed the GFXC that, as a result of the imperial transition planned for April and May 2019, the traditional Golden Week holidays in Japan will be longer in 2019, with 10 consecutive non-business days from 27 April to 6 May. The Tokyo FXC asked local FXCs to ensure their markets were aware of this extended public holiday in Japan, and ensure their participants were aware of any implications for FX settlement.

3. **EU Withdrawal Update**

Following the update he provided to the April 2018 FXJSC Legal Sub-Committee meeting, Tim Scott of the EU Withdrawal Division of the Bank's Legal Directorate returned to provide a further update on recent developments in relation to the UK leaving the EU, including the passing of the European Union (Withdrawal) Act 2018 and the arrangements being made by HM Treasury, working with the Bank of England and the Financial Conduct Authority, to "onshore" existing EU laws so, following the UK's departure from the EU, such laws continue to operate as part of UK domestic law with any necessary amendments.

4. **Any Other Business**

None