

Location:

30 South Colonnade, London and
40 Princes Street, Edinburgh and dial in.

Date: Tuesday 30th May 2017

Time: 2.30pm UK

Participants**Members**

Shirley Barrow (TR)
David Clark (Chair, iNED)
Alan Clarke (Industry SME)
Stephan Flagel (TR)
Stephen Grady (Industry SME)
Kyle Jannece (EBS-NEX)
Peter Gloyne (Industry SME)
Ian Martin Dalziel (iNED)

Guests

Alan Dove (TR, Co Sec)
Carl Chambers (TR)
Tristan Long (TR)

Apologies

David Newns (Currenex)
Paul Clarke (Thomson
Reuters Matching)

1. Call to Order and Conflicts of Interest

The Chair opened the meeting, declared a quorum and called on members to raise any conflicts of interest. Stephen Grady noted a change in roles.

The chair proposed a review of the WM/Reuters Benchmark Oversight Committee charter, with new Terms of Reference to be taken to the TRBSL Board for approval.

a. Review and recommendation to adopt minutes as a true and accurate record

The Chair proposed the adoption of the 'long' version of the minutes from 24th April, with comments provided and taken, and the minutes duly **APPROVED** by the committee.

The 'short' form minutes were also reviewed with comments provided and taken. The minutes were duly **APPROVED** by the committee.

b. Review of Outstanding Action Items

Discussion took place for each action item and items moved to closed or continued as appropriate

2. Thomson Reuters Monitoring & Surveillance Platform Solution

The Benchmark Surveillance Specialist, Thomson Reuters Benchmark Services, presented a WebEx to the oversight committee demonstrating the platform solution designed to provide monitoring and surveillance of the WM/Reuters London Close benchmark rates.

This presentation supplemented that provided on 24th April, and included a demonstration of the platform's full functionality, including a walk-through of a particular alert scenario.

Discussion followed around tolerance changes within this system and the auditing of these, with further detail to be provided at the next oversight committee meeting. In addition a list of the whole range of alerts was requested and this would also be provided to the committee.

It was confirmed that ongoing the Governance reporting would detail all alerts breached the previous month, and the outcome of each alert. It was proposed that a draft review of data

collated by the Monitoring & Surveillance team be prepared for next month's meeting. It was also confirmed that records of the alerts would be kept for a period of 5 years.

The Chair noted the importance of completing this presentation and thanked the Benchmark Surveillance Specialist for his contribution.

3. Operational Business Update

- a. The WM/Reuters Operations team lead provided the Operations updates for April.
- b. The WM/Reuters Business Manager presented Business Updates as at May.
 - 3.b.1. Cross Calculation Methodology Project update noted that research continues and it was confirmed that a sub group would be set up to review the findings when this initial work is complete.
- c. The WM/Reuters Business Manager presented the Data Governance Reports for April.
 - 3.c.1. The Chair **noted** the Data Governance reports for April as presented.
- d. The Compliance Manager presented the Regulatory updates.

4. Any Other Business

The WM/Reuters Business Manager raised for discussion the proposal WM/Reuters intend to take to client consultation, to provide a notional benchmark for clients using the Nigerian Naira. An overview of the current market situation in Nigeria was provided highlighting the economic situation and the existence of a separate market for institutional investors, followed by a detailed explanation of the notional benchmark solution that WM/Reuters proposed.

Confirmation was given that the calculation methodology would be transparent to clients and that the use of exchange data was a controlling factor. It was also confirmed that the notional rate was an alternative rate and not a replacement.

The conclusion of the discussions was that the matter should be raised with the Board for review.

Meeting Closed 4.00pm