

Terms of Reference for the LPMCL Board

LONDON PRECIOUS METALS CLEARING LIMITED (LPMCL) BOARD OF DIRECTORS

Its general purpose is to:

1. To maintain an efficient Loco London bullion clearing service to facilitate international trading on the over the counter precious metals market centred in London.
2. To ensure only LGD accredited and quality bars are accepted in the London market for the purposes of transactions permitted under the provisions of the LPMCL Unallocated and Allocated Accounts.
3. To ensure all activities are conducted in observance of prevailing regulatory rules and legislation and within the Global Precious Metals Code of Conduct.
4. Partner with the LBMA on matters concerning the maintenance and development of the London OTC Market.
5. Run LPMCL on a Not for profit basis.

Its general activities are to:

1. Maintain and review the Unallocated and Allocated Precious Metal Account Agreements and the LPMCL Rules.
2. Maintain and review the SLA with the LBMA for the provision of Secretarial and Support Services.
3. Set up sub committees and Operating Working Groups as required to undertake the work of the LPMCL.
4. Maintain and develop the electronic Aurum system including Business Resiliency processes and procedures. Test Business Resiliency Plans on at least an annual basis.
5. Enter into Vendor contracts for the provision of Technology Services.
6. Process new membership applications under the criteria defined within the Rules.
7. Provide MIS to the LBMA and Regulatory Authorities as required e.g Clearing Stat Submissions and BoE statistics.
8. Maintain a Vault Metric of acceptable vaulting locations on a member to member bi lateral basis.
9. Keep LPMCL Shareholders informed of company and board activity on a regular basis.
10. Set objectives and strategy to ensue the LPMCL remains relevant and fit for purpose as a major markets infrastructure company.

Reporting line:	N/A.
Delegated authorities:	Advises the LPMCL Technical Committee when required.
Chair:	Chair appointed by LPMCL Board.
Term of Chair/Vice Chair:	Three years where by there must then be an election. Members are permitted to serve two terms.
Membership:	As per LPMCL Rules.
Attendees:	LBMA representatives.
Quorum for meeting:	No fewer than four Directors.
Decision making rules:	As per LPMCL Articles of Association.
Minimum frequency of meetings:	Quarterly.

Location:	LBMA offices.
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