

Meeting Minutes

Meeting Details:

Subject	ACI European President Conference Call – No. 1 2016
Date	03 February 2016
Time	4 p.m. – 5.30 p.m. CET

Participants:

	Init.	Country	Function	Present
Bruno Langfritz	BL	Switzerland	President of ACI Europe	✓
Christine Habel	CH	Denmark	ACI Regulatory Working Group	✓
Christian Buschmann,	CB	Germany	Chair Board of Education (hereinafter: BOE)	✓
Marcel Zimmermann	MZ	Switzerland	Vice President of ACI Suisse	✓
Morgan Mc Donnell	MD	United Kingdom	President of ACI UK	✓
Branko Petrovic	BP	Serbia	President of ACI Serbia	✓
Istvan Gondi	IG	Hungary	President of ACI Hungary	✓
Alain Strappart	AS	Belgium	President of ACI Belgium	✓
Kim Winding Larsen	KL	Denmark	President of ACI Denmark	✓
Michael Schneider	MS	Germany	Board Member ACI Germany	✓
Ger O'Brian	GB	Ireland	President ACI Ireland	✓
Luc Van Laarhoven	LVL	Luxembourg	President ACI Luxembourg	✓
Vincenzo Giunta	VG	Luxembourg	Board Member ACI Luxembourg	✓
Hans Daamen	HD	Netherlands	President ACI Netherlands	✓
Victor Andrei	VA	Romania	President ACI Romania	✓
Sergey Romanchuk	SR	Russia	President ACI Russia	✓

Agenda:

No.	Issue
1.	Introduction
2.	Update on regulatory landscape
3.	Update on new ACI Diploma
4.	'Global Code of Conduct for FX'
5.	Update ACI Luxemburg & Assiom Forex Italy
6.	AOB, Proxys, ACI Jakarta

Info / Documents:

No.	Name	Document
1.	The New ACI Diploma	

Subjects agreed (meeting decisions):

No.	Description
1.	<p>Introduction – Bruno Langfritz</p> <p>BL updated all participants about the MB Agenda/conf calls: Main topic where ELAC, Figures 2015 and Budget 2016, and the Board of Education Report when the new diplomas will be available and if the trainers are ready.</p> <ul style="list-style-type: none"> • ELAC is very good underway and we see more Banks and corporates to sign up for it. Marshall and Ralph just came back from various and successful trips, details will be provided in Jakarta. • BIS MPG and FXWG will be in Tokyo end of this month and Marshall and Marcel will be there. • Marshall organized meeting with several Japanese Banks. • Figures 2015 & Budget 2016 are being prepared and will be distributed to all councilors in time in order to review them prior the meeting in Jakarta • MB engaged very closely with the BoE in order to make the education an even stronger ACI asset. • Jakarta is so far a sad story and only a few have so far registered from Europe 20 as of Jan 25th. Latest figures from Branko 117 are from overseas (total so far over 550) <ul style="list-style-type: none"> ○ The terrorist incident in Jakarta was a bad timing but given the way they reacted it looks

	<p>to me they have it very much so under control. ACI Jakarta assured us they will do the utmost for our safety.</p> <ul style="list-style-type: none"> • Italy and Luxembourg case; we could not discuss as we did not had any information at all. • Council Meeting in autumn, we have several countries who volunteered to host the next Council Meeting, the MB will present in Jakarta at least 2 different location for the council to decide on.
2.	<p>Update on regulatory landscape – Christine Habel</p> <p>CH informed all participants that ACI Regulatory Working Group has held a meeting on the 1st February with Germany regulatory working group, aiming to explore if there is an opportunity for cooperation and joint work on global/international regulatory issues. They agreed to keep each other updated on the work done by each of the working groups. The groups have decided to cooperate as much as possible. The German regulatory WG primarily work on liquidity related issues whereas the international WG has a broader scope.</p> <p>CH also stressed that alleged postponement of the implementation of MIFID is expected to be announced shortly. The new implementation date is therefore not announced yet. However, it could be heard that postponement should be to the benefits of the industry but not regulators. She also let us know that ACI Regulatory Working Group counts 13 people and invited all others to join this working group and support their work. The latest member is also part of the UK regulatory WG.</p> <p>Kim W. Larsen pointed out during this presentation, that if the ACI aims to remain on the leading edge in education of professionals at the financial market, it should include regulatory part in the exams and teaching materials, as well as to update this part in timely manner. Aiming to achieve this, close cooperation between the Board of Education and the ACI Regulatory Working Group is necessary.</p>
3.	<p>Update on the new ACI Diploma – Christian Buschmann</p> <p>CB informed all participants that the new ACI Diploma will start as of 1st March 2016. Moreover, he highlighted that there will be a transition period until 31st December 2016. Namely, all those who already booked the exam or preparation course will be able to take the old ACI Diploma exam till 31.12.2016.</p> <p>The four basic modules for the new ACI Diploma have been developed up to now:</p> <ul style="list-style-type: none"> - FX, - MM and Fixed Income, - Asset and Liability Management, - Advanced Derivatives. <ul style="list-style-type: none"> - Roll out for Diploma Modules ready - First course on new ALM Diploma Module was undertaken by Frankfurt School. Eight participants from Germany, Singapore, Egypt, Kenya and Arabia joined the course. All candidates which took the first exam on this module passed the exams. - Transition period 2016. Prep courses and exams for the old Diploma can still be taken. As long as they were officially scheduled for / in 2016. - During the Meeting of the Trainers Contact Group, most of the trainers announced their willingness to train the new Diploma modules. Patrick Haas: FX, FIMM, ALM; Peter Skerritt: FX, FIMM, ALM, maybe Advanced Derivatives; Bob Steiner: FX, FIMM; Lex van der Wielen (not present): FX, FIMM, ALM. - Frankfurt School will train all four modules - Marketing Material for the new Diploma in preparation from Frankfurt School - National presidents will be informed about the new Diploma soon before the launch. - Start developing three new diplomas: Precious Metals & Commodities, Operations, Compliance & Regulation - BoE started discussion on Study guides - Decision on IT tender - to be announced later on - Talks with Luxembourg on Education will be increased. <p>CB underlined that BoE is currently considering whether books and other teaching materials will be prepared by ACI or it will be outsourced through the trainers. No outsourcing to control the quality of the teaching materials. However, trainers can use their own teaching material but ACI teaching materials reflect the contents of the exams more properly.</p> <p>The question about marketing and promotion of the new ACI Diploma has been addressed to CB. CB stated that he chairs BOE and not the Board of Marketing; however BoE will prepare some promotional materials and syllabus which could be used for marketing purposes. BoE will be, of course, supportive in</p>

	<p>any marketing efforts as far as possible.</p> <p>The title CFMP which was proposed at the Autumn Council Meeting 2015 as a trademark for someone who hold ACI Diploma seems to be occupied by a Honk Kong based institution. Consequently, BoE is currently exploring possible legal constraints for this option, as well as other alternatives. The current alternative is CMP. Certified Markets Professional.</p> <p>Finally, CB highlighted that BoE is planning to slightly modify ACI Dealing and ACI Operations, aiming to align their content with the newest market development. LVL: Still waiting for BoE to contact our Education officer Mr Pascal Berg. BoE would investigate potential collaboration with Luxembourg Training institution IFBL, as agreed in council Prague</p>
4.	<p>'Global Code of Conduct for FX' – Marcel Zimmermann</p> <p>Marcel Zimmermann, ACI Suisse, reported as follows: In May 2015, the Central Bank Governors represented at the Bank for International Settlements agreed to set up a working group under the auspices of the Markets Committee in order to create a Global Code of Conduct. This working group (FXWG) became operational in July 2015. Membership covers major financial centers in both advanced and emerging economies. From Europe, the ECB, the Bank of England, the Swedish Riksbank and the Swiss National Bank are represented. The FXWG is supported by a Market Participants Group (MPG). The MPG includes participants from the sell side and buy side of the market as well as FX infrastructure providers. It is chaired by David Puth, Chief Executive Officer of CLS. The objectives and application of the Global Code are:</p> <ol style="list-style-type: none"> 1. Establishment of a single global code of conduct to be adopted across jurisdictions globally. 2. To maintain and enhance principles-based approaches to best practice. 3. To develop proposals to promote and incentivise adherence to The Code. <p>The Code will cover the wholesale foreign exchange market and be broad-ranging across market participants and infrastructures, with appropriate consideration to local circumstances. The Code shall include a set of clear examples and guidelines of behaviours that are consistent with, and inconsistent with, the standards and principles adopted. Per yesterday, work on version 2 of the draft has been completed. This version will now be circulated and discussed more broadly, which means that in many countries the respective Foreign Exchange Committees will be included to obtain feedback. For the Euro Area, where many participants in today's call are located, this would be the ECB's FX Contact Group. The release of the first chapters of the Global Code is planned for May 2016, the full release for May 2017. The Q&A focussed on the following points:</p> <ul style="list-style-type: none"> • MZ reiterates that the Global Code will make existing codes; at least as far as their FX coverage is concerned, redundant. This applies to the relevant parts of the ACI Model Code as well as the local codes that exist in the jurisdictions represented in the FXWG. • On how ELAC will be affected, BL confirms that ELAC can be sourced with the Global Code (or other codes of relevance) and as such is still well positioned as a tool when the Global Code will have been introduced. • On a question whether there are plans to extend the Global Code beyond FX markets, MZ answers that there are no such discussions in the FXWG right now. • Finally, regarding the enforcement of the Global Code, MZ answers that this represents the second big area of work of the FXWG (next to drafting the code). The focus is mainly on creating instruments to incentivize adherence to the code (shy of regulation, however, this question needs to be addressed country by country) and to come to an environment where all wholesale market participant want to demonstrate adherence.
5.	<p>Update – ACI Luxemburg & Assiom Forex Italy – Morgan Mc Donnell</p> <p>MD stated that few constructive meetings regarding this issue have taken place in previous months, but the final one at which the decision will be made will take place in following weeks. Bearing in mind the sensitivity of this issue MD insisted not to reveal any additional information at the conference call. At the same time, he promised to deliver the full feedback to ACI Europe just after the final meeting.</p>

6.	<p>AOB</p> <p>LVL: Luxembourg not sure if it can participate in the Jakarta Council. This will be a last minute call. Nothing to do with attacks but with cost and logistics. Luxembourg currently close to 50 International members (up from 10).</p> <p>Proxys: BL please do not forget to pass on your proxys to a Council Member (if you cannot make it to Jakarta) who will act and vote in the way your Board has decided on and it is in your interest. Deadline is 19.2. Several councilors asked for a much closer deadline to the council meeting in Jakarta.</p> <p>Article XIV.4.2: Proxies should be given 8 days before council meeting. Last year some of the proxys were accepted even 1 day prior the meeting. Hans Daamen cancelled the trip in the last minute to the council meeting because of a death in his family and he passed on his proxys to Switzerland. Is this a breach of the Governance and should have been not taken in as a valid vote? Answer will follow. As several council members will only decide in the last minute, councilors are asking MB to change the given deadline Feb 19th to a much closer date. BL will discuss it with MB and comes back with a possible new deadline for the proxys.</p>
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Actions to be taken:

No.	Who	What	By when
1.	BL and BP	Meeting Minutes	ASAP
2.	BL & MB	Proxys due date and answer Netherlands	ASAP
3.	MD	Update – ACI Luxemburg & Assion Forex Italy	ASAP

Next meeting: in Jakarta 27.5. 22.6 Conference Call, 19.10. Conference Call

Meeting Minutes prepared by:

Bruno Langfritz and Branko Petrovic