APPROVED
by decision of the Board of Directors of SRO NFA
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Terms of Reference

The ACI-NFA Moscow FX Joint Standing Committee

Moscow, 2019
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1.1 The ACI-NFA Moscow FX Joint Standing Committee (hereinafter referred to as the Moscow FXJSC of the Self-regulating Organization "National Financial Association" (hereinafter referred to as SRO NFA) and the Regional Public Organization ACI Russia - The Financial Markets Association (hereinafter referred to as ACI Russia) is a permanent working body of SRO NFA established in the field of activity of SRO NFA as regards development and approval of professional standards for participants of the foreign exchange market of the Russian Federation.

1.2 The Board is established by resolution of the Board of Directors of SRO NFA ("SRO NFA BOD") and acts on a voluntary basis with participation of the Bank of Russia and professional financial market participants.

1.3 The creation of the Committee is intended to create a platform for interaction between the Bank of Russia, financial market participants and infrastructure providers in order to create and support a reliable, liquid, open and, to the necessary extent, transparent foreign currency market in the Russian Federation where all participants are able to conduct transactions in accordance with accepted professional standards of conduct. The Committee recognizes the diversity of the foreign exchange market and seeks to ensure broad representation and plurality of views in its discussions and working groups.

1.4 The Board of Directors of SRO NFA ("SRO NFA BOD") shall approve:

1.4.1 Regulations on the Board.
1.4.2 Board Chairman.

1.5 In its activity, the Board shall be governed by the legislation of the Russian Federation, the Charter of SRO NFA, decisions of the General Meeting of Members of SRO NFA and the Board of Directors of SRO NFA, these Regulations, and other internal documents of SRO NFA.

1.6 The Committee shall conduct its activity on the principles of lawfulness, transparency, independence and equality of rights of its members.

1.7 Decisions of the Board related to its competence are final and do not require approval by the decision of the Board of SRO NFA.

2. Main tasks of the Committee

2.1 The main tasks of the Committee are as follows:

2.1.1 Development of standards by SRO NFA for operation on wholesale (interbank, over-the-counter) currency market.
2.1.2 Participation in work of the international Global FX Committee through its representatives.
2.1.3 Preparation of proposals for government authorities, the Bank of Russia and the Board of SRO NFA in the event of threats or structural changes in the currency market.
market that significantly affect its operation, organization of Committee meetings in person, in absentia and telephone conferences to ensure reliable and efficient operation of the Russian currency market.

2.1.4 Participation in consideration of complaints and proposals of the foreign exchange market participants in order to ensure proper quality of its operation (upon request of SRO NFA).

2.1.5 Implementation of the best business practices to ensure smooth functioning of the foreign exchange market and prevent market abuse.

2.1.6 Discussion of best practices and technical issues of the foreign exchange market, improvement of risk management in the foreign exchange market.

2.1.7 Development and updating of the contractual base for foreign exchange operations in the Russian Federation.

2.1.8 Expert examination of changes in the legal and regulatory framework and development of initiatives in the field of foreign exchange market regulation.

2.1.9 Preparation of proposals on composition of the Committee for the President of SRO NFA.

2.2 The Committee implements the following measures to solve the set tasks:

2.2.1 Conducting regular meetings at which it makes decisions aimed at fulfillment of the main tasks (in accordance with subparagraph 2.1. of paragraph 2 of the present Regulations).

2.2.2 Explore and apply the best practices of other organizations, including international organizations, such as Global FX Committee, ACI-Russia and others, in the area of its activities.

2.2.3 Delegates from its representatives to the Global FX Committee (one from the Bank of Russia and one from a commercial organization operating in the foreign exchange market). By default, these functions are performed by the Chairman of the Committee and his deputy.

2.2.4 If necessary, create working groups to resolve issues related to the tasks of the Committee (in accordance with subparagraph 2.1. of paragraph 2 of this Regulation).

3. Personnel of the Committee

3.1 The Committee is established by decision of the BOD of SRO NFA from representatives of all significant segments of the foreign exchange market: financial and non-financial organizations (corporations) active on the wholesale foreign exchange market, brokerage organizations, infrastructure providers, professional associations and regulatory bodies. The personnel of the Committee is approved by the President of SRO NFA.

3.2 The Committee may include both independent experts and representatives of organizations, but in the course of its work in the Committee they shall be based on the interests of the market as a whole and not on the interests of their companies.
3.3 Representatives of the Bank of Russia and ACI Russia shall be members of the Committee and shall participate in voting on all issues on a common basis.

3.4 The member of the Committee shall personally participate in the work of the Committee without the right to transfer the decisive vote to another person who is not a member of the Committee. In case of impossibility of personal participation, the member of the Committee has the right to transfer his vote to another member of the Committee, having drawn up a power of attorney and having notified SRO NFA about it. Involvement of experts in the Committee members is based on the principle of personal participation and is based on their personal professional experience and brought to the work of the Committee of expertise.

3.5 Members of the Committee shall be elected for 1 (one) year and may be repeatedly re-elected. If necessary, the Committee shall prepare proposals for changes in the personal composition of the Committee, which is approved by the President of SRO NFA in accordance with the established procedure.

3.6 Any member of the Committee may withdraw from the Committee upon application.

3.7 The Committee is headed by the Chairman of the Committee, who presides at the meetings of the Committee and carries out general management of the activities of the Committee in the period between its meetings. For the period of temporary absence of the Head of the Committee, the Acting Head of the Committee (hereinafter referred to as "the Head of the Committee") shall be appointed by the President of SRO NFA from among the members of the Committee.

3.8 The Chairman of the Committee shall be approved by the Board of SRO NFA for the period of 1 (one) year. If there were no objections to the approved current candidature of the Chairman of the Committee from the Board of SRO NFA, President of SRO NFA and members of the Committee to the ED SRO NFA, the candidature of the Chairman shall be extended for the next term in accordance with the above procedure. Early termination of powers of the Chairman may be initiated by the Chairman of the Supervisory Board and also by decision of the Board of SRO NFA.

3.9 The Chairman of the Committee shall make contacts with mass media within the competence of the Committee and by agreement with the President of SRO NFA.

4. Organization of the work of the Committee

4.1 Committee meetings are convened by the Chairman of the Committee (in case of his absence - by the Acting Chairman of the Committee) as required, at the proposal of the simple majority of Committee members, as well as at the proposal of the President of SRO NFA, but not less than 1 (One) time per quarter. At that the Chairman of the Committee sends a letter to the Executive Directorate of SRO NFA (hereinafter referred to as ED SRO NFA) with information on the date and agenda of the Committee meeting for approval by the Committee members.
4.2 The agenda items of the next Committee meeting shall be prepared by the Chairman of the Committee taking into account decisions of the Board of SRO NFA, proposals of Committee members, proposals of market participants and regulatory bodies.

4.3 Notification on the date of the planned Committee meeting shall be sent to Committee members by the ED SRO NFA not later than 8 (eight) working days prior to the meeting date. Notification of the date unscheduled (emergency) meetings of the Committee in person and in absentia may be sent to the Publishing House of SRO NFA without any time limit.

4.4 Information and working materials on the agenda items proposed for consideration shall be prepared by the Chairman of the Committee and the Publishing House of SRO NFA and shall be sent to the Committee members not later than 3 (three) working days before the planned meeting date. The draft information and working materials on the agenda items shall be prepared by the initiators of the issues and sent to the Chairman of the Committee and the Publishing House of the SRO NFA no later than 7 (seven) working days before the planned meeting date.

4.5 In case a Committee member has an issue that is not on the agenda of the current meeting, this issue may be included in the main agenda, in the "Miscellaneous" issue or moved to the next Committee meeting by the decision of the Chairman of the Committee. This information will be sent to the members of the Committee.

4.6 The members of the Committee attend the meetings of the Committee:

4.6.1 Committee members;
4.6.2 Representatives of state regulation bodies, including the Bank of Russia;
4.6.3 Invited persons as well as experts involved in solving the issues and tasks of the Committee.

4.7 Meetings of the Committee may be held both in an extended format (as part of the Committee, as well as experts and invited persons) and in a closed format. Only the members of the Committee are invited to the meetings of the Committee in a closed format. The format of the meeting is determined by the Chairman of the Committee.

4.8 To draw up the minutes of the Committee meeting and to maintain current documentation of the Committee, the responsible secretary of the Committee shall be appointed from the staff of the Publishing House SRO NFA.

4.9 Decisions of the Committee can be made by voting in absentia. The Committee members' absentee votes are taken by ID SRO NFA on behalf of the Committee Chairman. The results shall be signed by the Chairman of the Committee and sent to the Committee members within 1 (One) working day after the signing.

5. Decision of the Committee

5.1 The Board shall have the authority to take decisions during a meeting if at least 50% of the Board members are present. If less than 50% of the members of the Committee are present at
the meeting, the issues are discussed, but decisions on them are taken on the basis of absentee voting of all the members of the Committee.

5.2 Decisions that are taken directly during the meeting of the Board shall be taken by a simple majority of the votes of the Board members attending the meeting, with each Board member having one vote. In case of equality of votes, the Chairman of the Committee (presiding) has the casting vote.

5.3 On the proposal of the Chairman of the Board, decisions of the Board may be taken by absentee voting. Decisions of the Committee are considered valid if they are taken by a simple majority of votes of all Committee members.

5.4 Decisions of the Board shall be executed by minutes of the Board meeting.

6. Committee documentation

6.1 At the end of each Committee meeting, a draft minutes of the meeting shall be prepared, including the Committee's decisions on the issues discussed. The minutes shall be drawn up on the form of the SRO NFA and signed by the Chairman and the Executive Secretary of the Committee.

6.2 Draft minutes shall be prepared by the responsible secretary of the Committee and sent to the members of the Committee (including the Chairman of the Committee) not later than 3 (three) working days from the date of the Committee meeting in person. Documents can be exchanged in hard copy, by e-mail or fax.

6.3 The members of the Committee shall send the motivated comments and proposals on the draft protocol to the ED of SRO NFA within 5 (five) working days from the date of distribution of the draft protocol (in accordance with subparagraph 6.2 of paragraph 6 of these Regulations).

6.4 The summary of proposals of the Committee members shall be executed by the responsible secretary of the Committee and sent to the Chairman of the Committee not later than 2 (two) working days from the date of receiving proposals of the Committee members (in accordance with subparagraph 6.3. of paragraph 6 of the present Regulations).

6.5 The Chairman of the Board shall draw up the final text of the minutes, sign it and send it to SRO NFA within 2 (two) working days from the date of receipt of the set of comments from SRO NFA (in accordance with subparagraph 6.4 of paragraph 6 of these Regulations).

6.6 The ED of SRO NFA shall draw up the minutes in accordance with subparagraph 6.1 of paragraph 6 of the present Regulations and send them to the Committee members within 1 (One) working day from the date of receiving the signed minutes from the Chairman of the Committee.
6.7 If the Committee member does not agree with the wording of the protocol already approved, he may send a letter to the Chairman of the Committee and the ED of SRO NFA containing the list of disagreements and their substantiation. In this case, the letter of the Board member shall be attached to the minutes and kept with the minutes as an integral part of the minutes at the ED of the SRO NFA.

6.8 In the event of an emergency meeting, the draft minutes shall be sent to the members of the Board, approved and published within the deadlines specially set by the Board at the meeting.

6.9 The original minutes of the Committee meetings shall be kept in the ED of the SRO NFA.

6.10 Minutes of the Committee meetings shall be published on the websites of SRO NFA, ACI Russia.

7. Organizational and technical support

7.1 The organizational and technical support of the Committee's activities is provided by the ED of SRO NFA.

8. Amendment of these Regulations

8.1 All amendments and additions to these Regulations shall be made by the decision of the ED of SRO NFA (in accordance with subparagraph 1.4. of paragraph 1. of these Regulations) on the agreed proposals of the Committee members on the basis of a written request of the Chairman of the Committee.