



GLOBAL FUND SERVICES

TERMS OF REFERENCE - 2024

REGULATORY WORKING GROUP

Objectives

1. Name and Constitution

- 1.1 The organisation shall be called “The GFS Regulatory Working Group” (hereinafter called “The Regulatory W Group”) and is a subordinate group of the GFS Governance Group (hereinafter called “Group”).

GFS Regulatory W Group’s Objectives are aligned to those of the Group:-

Our key aims are to: -

- a) Support and influence change where operational efficiencies can be improved across the Asset Servicing industry;
 - b) Maintain and enhance the reputation and standing of the TA industry; and
 - c) Provide a centre of excellence for the development of knowledge and understanding of the TA industry.
- 1.2 The objective of the Regulatory W Group is to provide a specialist organisation covering the field of Regulatory and related subjects; to this end the Group shall:
- a) seek to shape opinion, to develop best and standard practice guidelines for the benefit of the TA industry and our customers, and to ensure compliance with the provisions of all relevant laws and regulations;
 - b) represent the views of the TA industry;
 - c) afford opportunities for communication among the members, including the arrangement of meetings and social functions;
 - d) arrange for: the reading of industry related papers; discussions; the delivery of lectures; the arrangement of conferences and the acquisition and dissemination of useful information by publication on the Group’s website and other means;
 - e) act as a source of technical advice for Group members;
 - f) conduct correspondence, carry on discussions and appropriate negotiations with professional or other bodies or persons on matters relevant to Regulatory and related subjects.

1.3 The key responsibilities for the Regulatory W Group, to be agreed with the Group:-

- a) Understand the market norm as applied to Regulatory
- b) Establish and document best practice and challenge existing practices, focusing on regulatory requirements / changes across the six key jurisdictions in the following areas:-
 - 1) Alignment of approach and production of guidance document to key regulations in cross border markets:
 - i. Liquidity Management Tools
 - ii. MMIF Reporting Changes & DIFR Daily Investment Fund Return
 - iii. Consumer Duty
 - iv. Lux CSSF Circular 24/856 on NAV Errors.
 - v. Lux DAC7 Law No. 8029
 - vi. Fund Data Submission Requirements (Singapore)

- 2) Create new GFS Regulatory webpage contents



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- 3) Input into work of Tech Sub group on DORA & Operational Resilience
- c) 4) Educate, inform and influence the wider industry, including responding to regulatory updates
- d) Review existing published documentation and ensure that it is current and complies with new legislation.
- e) Jurisdictions covered by the subgroup are UK, Ireland, Luxembourg, Hong Kong, Taiwan & Singapore.

2. Representation on the Regulatory W Group

- 2.1. Any member of GFS may become a member of the Regulatory W Group.
- 2.2 Any member of the Regulatory W Group will comply with all relevant regulations, including and not restricted to EU and UK Competition Law and will act appropriately to ensure that any activities carried out as a result of their membership of the Group will not have a detrimental effect on competition.
- 2.3 A member must report any activity which they suspect and have reasonable grounds to believe is in breach of EU and UK Competition Law to the Group who will assess each alleged breach independently and objectively. A member found to be wilfully engaging in, facilitating, colluding or allowing such activity may, in addition to any relevant statutory or regulatory penalty, be subject to exclusion (either temporary or permanent) from the Group.

3. Management

- 3.1 The Governance Group members agree to support the work undertaken by the working group and will designate a representative with expertise in the working groups subject matter, who will represent the interests of each member firm. The representatives will wherever possible attend all meetings or will nominate an alternative when absent, and agrees to provide full support to the working group including participating in any actions and the associated work connected with these.
- 3.2 The Regulatory W group will consist of a Chair who will report into the GFS Governance member for their firm. The Chair will be responsible for scheduling the meetings, Chairing each meeting, maintaining summary of minutes and regularly chasing all actions, approval of all output produced by the working group and taking lead in driving through the key initiatives which have been agreed. The Chair can designate responsibility within their own firm or nominate a member of the working group to support with these activities (see Appendix A)
- 3.3 The GFS Governance member will provide support to the Chair ensuring that objectives and initiatives of each working group remain aligned with the GFS strategy and that the GFS standards are adhered too. The Governance member will also provide a verbal update of current status of the working group's activities at each GFS meeting and be the main conduit between GFS Governance members and the working group. The Group Secretary will act as a contingency for the primary member as a temporary measure.
- 3.4 The Regulatory W group can only be attended by members of GFS. Any new member firms to GFS will be offered the opportunity to participate in the working groups available, once membership is accepted.

4 Meetings

- 4.1 Meetings of the Group shall be held at such times and places as the Regulatory W. Group shall decide, however the standard frequency of meetings is every other month, although more frequent meetings may take place if deemed required by the working group. All meetings for the forthcoming year will be scheduled by end of December of the current year (see Appendix B).
- 4.2 The Group will hold all meetings via video conference, all calls will be recorded for transcription purposes, the Chair must review the transcription to ensure that it is an accurate reflection of the meeting before it is sent to meeting attendees. The meeting attendees must also review the minutes produced and advise the Chair of any omissions or errors prior to the date of the next meeting where the minutes of the meeting will be formally ratified.
- 4.3 The Co-ordinator, or Chair will endeavour to send meeting paperwork comprising of agenda, action tracker, previous minutes, ToR and any other relevant documents to the group within 1 week of the meeting date, if this cannot be accommodated the late dispatch will be noted in the minutes.
- 4.4 A summary of the minutes will be updated after each meeting and distributed to all members of the Regulatory W Group within 48 hours of the meeting date.
- 4.5 No member shall disclose any information or take an action at a meeting which might or will have an adverse effect on competition.
- 4.6 To the extent agenda provides for it, discussions at meetings should be limited to discussing concerns of general interest relating to the development of the market. They should not involve any exchange of price related or other sensitive information. Examples of matters that should not be discussed include:
- a) Current, recent or future information relating to:
Pricing, purchase/supply costs, customer information, discounts/rebates, or profit information; or
 - b) Future customer strategy; matters of company strategy and planning; or
 - c) any information which limits or controls markets or technical development.

If an inappropriate topic is raised during a meeting, the Chairman, will terminate the discussion and report the incident to the Executive Committee of the Group. The termination of the discussion should be noted by the Secretary in the minutes.

5. Other Matters

- 5.1 Any proposal for the alteration of these terms by a member of the Regulatory W Group, or for the dispensation from compliance with any of them, shall be submitted to the Group Secretary for a resolution to be voted on by the Governance Group members.



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- 5.2 All documentation produced by the Regulatory W Group remains the property of the Group and must not be distributed or copied outside of GFS unless written permission has been granted.
- 5.3 A formal review of these Terms of Reference and the effectiveness of the Regulatory W Group will take place at least annually.



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Appendix A – Regulatory Working Group Representatives

Name	Member Firm	W Party Role
Valerie Cooke	BNY	Chair
Karen O’Sullivan	BNY	Governance Group Rep
Ruth Kelly	Apex	Member
Laurent Timmermans	Apex	Member
Scott Deacon	Apex	Member
John Simon	BBH	Member
Geraldine Gorman	BBH	Member
Denise Mak	BBH	Member
Robin Plane	FIL	Member
Liz Reilly	FIS	Member
Dervla Glennon	FIS	Member
Bill Brand	FNZ	Member
Cyrus Lee	HSBC	Member
Atin Bogam	HSBC	Member
Paul Moore	NT	Member
Valerie Hesse	NT	Member
Ian Williams	NT	Member
Elloise Staines	NT	Member
Trevor Underwood	NT	Member
Michelle Boyle	Waystone	Member
Kevin McFadden	Waystone	Member
Mark Ross	Waystone	Member
Manda McConnell	Waystone	Member



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Appendix B
Meeting Schedule

2024 Meetings

<u>Date</u>	<u>Time</u>	<u>Host</u>
24 th July 2024	11:00 am	Valerie Cooke
25 th September 2024	11:00 am	Valerie Cooke
27 th November 2024	11:00 am	Valerie Cooke