

Secondary Markets Advisory Committee (the “Committee”)

Objective and tasks

The purpose of the Committee is to support the FCA in discharging its general functions in wholesale secondary markets in equities, derivatives, fixed income and commodities. The Committee’s task is to:

- Help develop reforms that improve market competition, increase the protection of consumers and enhance the integrity of markets.
- Identify market changes that affect the proper functioning of secondary markets.
- Source data and develop analysis to support risk identification and policy reforms.

Membership

The Committee is composed of senior representatives of firms active in financial markets who are experts in the operation of secondary markets. Members are appointed in a personal capacity. Membership cannot be transferred to another representative of the same or another organisation. However, alternate members can attend on an exceptional basis and subject to approval in advance by the Chair.

The Chair of the Committee can invite other persons with relevant expertise, such as representatives of law firms, trade associations and academics, to join particular discussions on an *ad hoc basis*.

The Committee is made of a maximum of 25 members, excluding representatives of the FCA and other attendees invited on an *ad hoc* basis.

Duration

The duration of the appointment is 2 years and it can be renewed.

Appointment and termination

The FCA approves the appointment of members. Members are appointed following a public call for interest based on their technical expertise and their ability to commit their time to support the Committee’s work. Membership may be terminated at any time by the Chair if they consider it inappropriate for it to continue, including in the case of breaches of confidentiality, failure to maintain proper standards of conduct, or continuing absence from Committee meetings. We may consider whether change or loss of affiliation requires us to discontinue membership to preserve adequate representation of the different types of firms active in wholesale markets.

The FCA will seek to ensure a balanced representation of the types of firms active in wholesale markets. The FCA will also have regard to ensure diversity of the members of the Committee in line with the FCA commitment to promote diverse and inclusive financial services.

Committee member responsibilities

Members are bound to act with integrity and protect the confidentiality of the information they receive or have access to through the Committee. Committee members may - if necessary to contribute to the Committee’s work - share information they receive with other staff within their organisations. In those

circumstances it's their responsibility to ensure that third parties are aware of and respect the confidentiality of the information received.

It is the responsibility of all members to ensure they understand and comply with their obligations under all applicable competition laws. To the extent that any member is unclear of these, they should seek legal advice and if appropriate arrange to undertake competition law compliance training and seek further guidance at their respective organisations.

Members will need to ensure that they familiarise with the concept of competitively sensitive information and do not unilaterally disclose or exchange it under any circumstances. If the FCA considers that the disclosure or exchange of potentially competitively sensitive information is necessary for any reason, then procedures will need to be put in place in advance, to ensure that the information is appropriately anonymised and aggregated and can be shared in compliance with relevant competition laws.

Structure and frequency

The FCA chairs the Committee and provides secretariat support. The Chair may establish sub-committees on a temporary basis to work on specific issues. Sub-committees shall be made of members and may also include non-members appointed in the same way of members. Sub-committees shall report their work to the Committee.

The Committee will meet on a regular basis, normally quarterly, but it may meet more frequently if necessary to carry out its functions. Meetings are to be held in person.

Records

The Chair is responsible for circulating the agenda and for maintaining the minutes of the meetings.

