

OPERATIONS COMMITTEE

TERMS OF REFERENCE

NZFMA

NEW ZEALAND
FINANCIAL MARKETS
ASSOCIATION



TE RŌPŪ MĀKETE PŪTEA O AOTEAROA



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1. DEFINITIONS

Attendee means Member Attendee and Non-Member Attendee

Board means the board of Directors of the NZFMA

Chief Executive Officer (CEO) means a person appointed for the time being to perform the duties of a chief executive officer of the NZFMA, for the time that the person is appointed to that role.

Committee means **NZFMA Operations Committee**

Competition Statement means the statement that is read at the beginning of committee meetings.

Financial Markets Member means an entity that is listed as a Financial Markets member in the NZFMA Register of Members.

Member Attendee means an officer or employee of an NZFMA Member, excluding a Financial Markets Member, who represents that NZFMA Member on the Committee

Non-Member Attendee means a person who, in the opinion of the Board or CEO, has the capacity and experience to make a material contribution in assisting the Committee achieve one or more of its objects.

NZFMA means New Zealand Financial Markets Association Incorporated.

NZFMA Member means an entity or body whose name is entered for the time being in the NZFMA Register of Members as a member of the NZFMA.

Objects means the Objects of Association as detailed in the Rules of New Zealand Financial Markets Association Incorporated.

Representative means an officer or employee of an NZFMA Financial Markets Member who represents that Member on the Committee.

Rules means the Rules of New Zealand Financial Markets Association Incorporated.

2. PURPOSE (ROLE AND OBJECTS)

NZFMA's core purpose is to support its members and wider wholesale financial market participants to enhance the quality and reputation of New Zealand's wholesale financial markets.

Under NZFMA's Rules, committees, comprising Representatives and Attendees, can be established by the Board for the purpose of assisting the NZFMA achieve one or more of its Objects, on such terms and having such role as determined by the Board.

The Board has established an **NZFMA Operations Committee** for the purpose of supporting the NZFMA to deliver the following NZFMA Objects with regard to operations activities in New Zealand's wholesale financial markets:

- promoting and assisting the maintenance, reform and development in New Zealand of competitive and resilient wholesale financial markets that operate in a fair and efficient manner;



- promoting and assisting professionalism in the conduct of business in New Zealand’s wholesale financial markets, including through facilitating the development and maintenance of common conventions and guidance that support efficient and ethical practices by Members, and maintaining a repository of standard market documentation;
- promoting high professional standards in New Zealand’s wholesale financial markets by coordinating the delivery of fit-for-purpose education programmes to any appropriate individuals, and awarding accreditation by the Association to employees of Member organisations who reach a required level of professional skill and knowledge; and
- advocating on matters of common interest to Members which are relevant to the good reputation and efficient operation of New Zealand’s wholesale financial markets and their regulation by government and regulatory authorities.

Before finalising its view on a matter it considers significant, the Committee should engage with the Board and CEO to obtain their views and/or where possible consult with the broader membership of the NZFMA and/or wider stakeholders as appropriate.

3. GOVERNANCE

The Board has ultimate responsibility for all the affairs of NZFMA and directs the activities of committees and working groups.

The Board receives regular updates on all committees and working groups via the NZFMA CEO and has the authority to provide guidance and direction to committees and working groups as it considers necessary. Committees and working groups may also refer matters to the Board for its advice.

The Committee will typically provide updates to the Board via the CEO.

4. FORMATION

Each Financial Markets Member may nominate a Representative with suitable expertise and experience for the Committee before each annual general meeting or at any other time if they do not have a current Representative on the Committee.

Each NZFMA Member, other than a Financial Markets Member, may nominate a Member Attendee with suitable expertise and experience for the Committee before each annual general meeting or at any other time if they do not have a current Member Attendee on the Committee.

Each Representative and Attendee must be a person who, in the opinion of the Board, has the capacity and experience to make a material contribution in assisting the Committee to achieve one or more of its objects.

Each Representative and Member Attendee to the Committee is to be appointed by the Board for a fixed period, typically to the next annual general meeting.

A Non-Member Attendee may be appointed to the Committee by the Board or the CEO for a fixed period, typically to the next annual general meeting.



Representative and Attendee status ends on the date of the next annual general meeting following appointment to the Committee and can be resumed by reappointment at that annual general meeting.

A person ceases to be a Representative or Attendee on the Committee immediately upon the expiration of their fixed period of appointment or earlier upon the lapsing of their appointment.

The Board or the CEO may at any time by notice in writing to any Representative or Attendee notify them that, from a nominated date, their status as Representative or Attendee to the Committee lapses or is extended to a later date. The Board or CEO is not required to give reasons for the decision.

5. RESPONSIBILITIES

Representatives and Attendees must attend Committee meetings and actively contribute to the affairs of the Committee.

If a Representative or Attendee is unable to attend a Committee meeting, they should make every effort to nominate an appropriate alternate to attend and brief the alternate on the matters to be determined and discussed at the meeting.

Failure of a Representative or Attendee to attend three consecutive Committee meetings without an adequate explanation may result in the Board terminating their appointment to the Committee.

Each Representative and Attendee should have regard to the objects of NZFMA as stated in the Rules, and this document, when making contributions to the affairs of the Committee.

Before finalising its view on a matter it considers significant, the Committee should engage with the Board and CEO to obtain their views and/or where possible consult with the broader membership of the NZFMA and/or wider stakeholders as appropriate.

The Committee may establish a working group for a one-off purpose to assist the NZFMA achieve one or more of its Objects, such as preparing an industry submission or looking at a specific area of the market.

A working group of the Committee may comprise any number of Representatives and Attendees as determined by the Committee.

The role and objects of any working group that is established by the Committee must be documented in a terms of reference for the working group.

6. MEETINGS

The meetings are governed by the provisions in the Rules, so far as they are applicable.

A Chair and Deputy Chair must be appointed by the Committee at the first meeting.

The Chair, or in their absence the Deputy Chair, will preside over each meeting. If either is not available, the Committee will elect a Representative to preside over the meeting.



The Chair and the Deputy Chair of the Committee holds office until the earlier of the next NZFMA annual general meeting following appointment or the date they cease to hold office. Both the Chair and Deputy Chair are eligible for re-election.

NZFMA staff will provide secretariat services to support the Committee.

Telephone and videoconference linkages can be used to facilitate the meetings.

The Committee will meet at least once per annum, typically in November, or more frequently if required.

A quorum for a Committee meeting is 50 percent of the Representatives on the Committee.

Costs incurred in preparing for and attending the Committee meetings are for the account of the organisations represented, unless otherwise approved by the Board.

Subject to the approval of the Board or the CEO, NZFMA Members who are not represented on the Committee can raise issues to be included on the agenda and/or present in person at a meeting of the Committee.

Each Representative and Attendee at a Committee meeting must comply with the Commerce Act 1986 and NZFMA's Competition Statement at all times during the meeting, including during breaks.

7. AGENDAS

NZFMA staff will prepare agendas for Committee meetings and distribute them to Representatives and Attendees typically one week before the meeting.

The agenda for each Committee meeting should include:

- meeting venue, date and time
- NZFMA Competition Statement reminder
- confirmation of the minutes of the previous meeting
- progress on action items from previous meetings
- new business items for the meeting
- any other business; and
- setting (or confirming) the date, time, and venue for the next meeting.

8. MINUTES

Minutes of Committee meetings will be drafted by NZFMA staff and attached to the subsequent Committee meeting agenda for approval.

Draft minutes will be sent to Committee Representatives and Attendees, typically within 10 business days of the meeting.



9. VOTING

The Committee should work towards reaching a consensus.

Where there is no consensus the matter shall be referred to the Board.

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