

EUROPEAN FINANCIAL MARKETS LAWYERS GROUP

INTERNAL RULES OF PROCEDURE

Article 1

Charter

1. The Charter of the European Financial Markets Lawyers Group (EFMLG) determines its mission, structure and tasks.
2. The EFMLG Charter shall be made public in the EFMLG's internet website.

Article 2

Composition rules

1. The members the Group shall be selected by and act on behalf of credit institutions that are represented in the Euribor and Eonia panels.
2. Notwithstanding paragraph 1, the EFMLG may approve, on an ad hoc and exceptional basis and with a view to ensuring a balanced geographical coverage, new members to the Group acting on behalf of EU credit institutions not represented in the Euribor and Eonia panels.
3. The EFMLG shall not exceed 30 members (including the EFMLG Chair and the EFMLG Secretary). The European Central Bank (ECB) shall also be represented in the Group by one member.
4. To ensure a balanced geographical coverage, no more than three credit institutions from the same Member State and no more than three members from different EU Member States but from the same group/credit institution shall be represented in the Group.
5. The EFMLG approves new members on a proposal from the EFMLG Chair.

Article 3

Plenary meetings

1. The EFMLG shall meet as a rule in plenary composition three or four times a year.
2. One or two of the EFMLG plenary yearly meetings shall be hosted by the ECB at its premises. At least one of the plenary meetings shall be hosted by one of the commercial banking institutions members of the EFMLG per year.
3. EFMLG members shall attend the plenary meetings in person. In case of impossibility to attend, an alternate member could attend with the consent of the EFMLG Chair.
4. EFMLG members strive to attend plenary meetings and to contribute proactively to the work of the Group. In the case that a EFMLG member does not regularly participate in plenary meetings or in any Task Force activities during a prolonged period of time and does not provide any contribution to the activities of the Group, the EFMLG Chair is entitled to suggest the replacement of the member to the management of the credit institution concerned or to suggest to the Group a change in its membership.
5. At each meeting, the EFMLG Secretariat shall draw up an attendance list.

Article 4

Chair and Vice-chair

1. The Chair is appointed by the Group for a period of five years, renewable, among senior management of the ECB's Legal Services.
2. The Chair is responsible for the overall work and activities of the Group. In particular, the Chair:
 - a) Sets the proposals for meeting schedules and agendas of the plenary meetings;
 - b) Reviews the draft Aide-mémoires of plenary meetings and in general directs the work of the Group's Secretariat;
 - c) Interprets and applies these Rules of Procedure;
 - d) Proposes the Vice-chair and any new members to the Group;

- e) Represents the Group vis-à-vis external persons or fora.
3. The Vice-chair is appointed among the non-ECB members of the EFMLG on the basis in particular of (i) the level of seniority of the EFMLG members in their home institution, (ii) the proven participation of the members in EFMLG activities and working groups and (iii) the length of EFMLG membership. He/she assists the Chair in the exercise of its functions, and replaces the Chair in cases of absence.

Article 5

Guests

1. The Chair shall invite a maximum of four observers from EU national central banks (NCBs) to attend regular EFMLG plenary meetings. As a rule, three will be from euro area NCBs and one from non-euro area NCBs.
2. The Chair may exceptionally invite experts or representatives from the European Commission or from market organisations, when this may contribute to the discussion of a certain item.

Article 6

Procedural rules for plenary meetings

1. At the latest 25 calendar days before the date set for a meeting, the EFMLG Chair shall send to the EFMLG members the invitation to the meeting and, for comments and suggestions, a draft agenda, indicating the issues to be discussed and the action required from the EFMLG members. The EFMLG Chair shall also inform legal departments of NCBs of the schedule of the EFMLG plenary meetings and of proposed agendas.
2. An annotated agenda, as well as all relevant documentation, shall be appended to the EFMLG intranet at the latest 15 calendar days before the meeting. EFMLG members shall be notified via electronic mail of the availability of the EFMLG documentation. Observers from NCBs will be also provided for their internal use with relevant meeting documentation 15 calendar days before the meeting.

3. The meetings shall follow a specified agenda, to be adopted by the EFMLG at the start of each meeting; however, the format of the discussion shall be informal.
4. Any opinion, recommendation or conclusion that the EFMLG wishes to make on legal topics of relevance to European financial markets or any draft EFMLG legal paper or report shall be discussed at the EFMLG meetings and approved by the Group. Only in case of need for urgency reasons, EFMLG members' input and the approval of members on EFMLG draft documents may be sought by written procedure.
5. The Group shall aim at achieving consensus for final papers. The Chair shall be entitled to ascertain when a consensus has been reached.

Article 7

Aide-mémoire

1. An aide-mémoire of each meeting shall be drafted by the EFMLG Secretariat within 15 calendar days after the meeting and circulated to the members for comments .
2. The final version of the aide-mémoire shall be formally adopted by the EFMLG at the start of the EFMLG subsequent meeting.
3. EFMLG members shall maintain their respective management informed as appropriate of Group discussions and decisions.

Article 8

Task Forces

1. Whenever appropriate, the EFMLG might decide to establish task forces with a specific mandate on a given legal topic and a timeframe for reporting back to the plenary. A Task Force shall be composed of a smaller number of EFMLG members expressing an interest in the topic and wishing to participate in the working group, or by expert persons appointed by them.
2. The EFMLG will appoint a Rapporteur for each of the Task Forces among the EFMLG members, who shall chair and coordinate the Task Force. The rapporteur of the Task Force (or, in his absence, one of the Task Force members) shall report to the EFMLG plenary on a regular basis.

3. When a Task Force is established, each EFMLG member can either participate in person or appoint a lawyer, member of its in-house legal department and who has a particular expertise in the area covered by the specific mandate of the Task Force.
4. The Task Force shall organise its work autonomously. To the extent possible, it shall work on a remote networking basis.
5. A Task Force is temporary in nature, and shall be dissolved upon conclusion of its mandate. Its composition may be mentioned in the EFMLG final paper if so decided by the plenary.

Article 9

EFMLG website and intranet management

1. The EFMLG Secretariat shall ensure the proper management and regular update of the EFMLG website and of the EFMLG intranet.
2. The EFMLG Secretariat shall communicate on a personal basis to each of the EFMLG members the password granting access to the restricted pages of the EFMLG website (intranet). This password shall be considered as strictly confidential and shall not be disclosed to any non-EFMLG members. This password shall be changed from time to time.

Article 10

Links with other groups

1. The EFMLG shall meet regularly with the New York *Financial Markets Lawyers Group* (FMLG), the London *Financial Markets Law Committee* (FMLC) and the Tokyo *Financial Law Board* (FLB).
2. The EFMLG Secretariat shall liaise on a regular basis with the secretariats of the legal groupings referred to in paragraph 1 and with legal departments of central banks representing other important financial centres worldwide. The purpose of this networking shall be (i) sharing information on legal topics of relevance for global financial markets being currently discussed in each group and (ii) organising the multilateral meetings and/or videoconferences.

3. The EFMLG Secretariat shall keep EFMLG members informed of such regular contacts.

Article 11

Budget and expenses

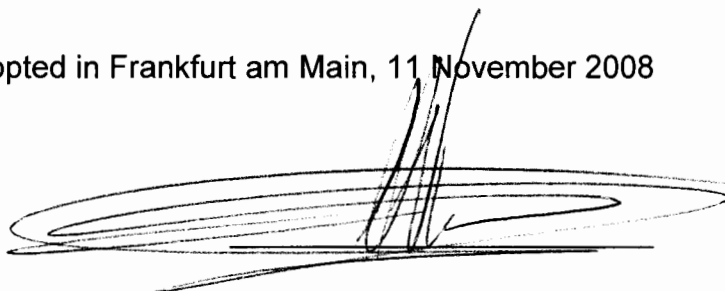
1. The EFMLG does not have an own budget.
2. The credit institutions of each EFMLG member shall support the respective travel and subsistence expenses. The hosting party will endeavour to provide whenever possible corporate rates for accommodation.
3. EFMLG-related duties shall be performed on a remuneration-free basis.
4. The EFMLG Chair may authorise on request the reimbursement by the ECB of the travel and subsistence expenses of EFMLG invited guests.
5. The costs of maintenance of the EFMLG website are supported by the ECB.

Article 12

Final provisions

These Rules of Procedure are not public and may be amended by consensus of the Group.

Adopted in Frankfurt am Main, 11 November 2008

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the bottom.

Antonio Sáinz de Vicuña

Chairman