

Financial Markets Law Committee (“FMLC”)

Sovereign Debt Scoping Forum

Terms of Reference



Background and Remit

The Financial Markets Law Committee (“FMLC”) has established the Sovereign Debt Scoping Forum to provide a space for discussion of current and future issues of legal uncertainty that affect central government debt. In this capacity, it may consider any or all of English, European, international and foreign law.

The FMLC has a long-standing history in tackling sovereign debt issues: it hosted a seminar on this topic in 2012 and produced a paper on *pari passu* clauses in 2005. Whilst the debate surrounding the interpretation of the *pari passu* covenant continues, broader uncertainties related to potential currency redenomination and a member state’s exit from the E.U. (an increasingly relevant topic) may also arise.

The Forum supports the FMLC’s radar function by liaising with legal and financial experts from both the public and private sectors in order to ascertain areas of legal uncertainty.

The Forum will make recommendations as to the FMLC's work on sovereign debt issues. The final decision on these matters rests with the Committee.

Conduct of business

Members of the Forum should meet at least every quarter but may, if it is deemed necessary, meet more regularly. A Forward Schedule, containing meeting dates for the year, will be circulated at the beginning of every year.

Members of the Forum act in a purely personal capacity. The names of the institutions that they ordinarily represent may be mentioned for information purposes only.

For reasons of diversity of perspective, inclusion and practicality, any one organisation should not have multiple colleagues (i.e. more than a maximum of two) with membership of the Forum.

Non-members may be invited to attend meetings as guest speakers. For reasons of continuity and accountability, the participation of non-members *qua ad hoc* observers is not permitted. This rule does not apply to individuals from regulatory authorities and international standard setting bodies, who may be invited to attend Forum meetings to ensure transparency.

In order to encourage individual participation, Forum members are not permitted to send alternates to attend meetings. Dial-in details will only be made available (on request) to participants outside the U.K.

Registered Charity Number: 1164902.

"The FMLC" and "The Financial Markets Law Committee" are terms used to describe a committee appointed by Financial Markets Law Committee, a limited company ("FMLC" or "the Company"). Registered office: 8 Lothbury, London, EC2R 7HH. Registered in England and Wales. Company Registration Number: 8733443.

Issues for the FMLC/Output

The Forum will not itself have any *vires* to initiate projects or pass resolutions affecting the FMLC. Where a substantive issue of legal uncertainty is raised by members of the Scoping Forum, this may be proposed by the Secretariat to the FMLC as a topic which may require further action. The Committee may then establish working groups and undertake further work on the issue.

Chairs

The Chairs of the Scoping Forum will be chosen on a rotational basis.

Secretariat

The Secretariat will support the Chair and the Forum during meetings, as well as manage Forum-related communications outside meetings. The Secretariat will help draft and circulate meeting agenda and related documents in advance of Forum meetings and take note of minutes. Members are encouraged to suggest agenda items through the Secretariat.

Minutes

The Secretariat will publish the agenda and minutes of all Forum meetings on the [FMLC website](#), in accordance with a protocol which has been previously agreed with members. Pre-arranged presentations and comments by the Chair will be attributed but *ad hoc* comments or observations will not be. Recommendations to the Committee and agreed next steps will be recorded but dissent will not be a matter of record. Following every meeting, a member of the Secretariat will circulate draft minutes for attendees' approval and may request permission to publish any background materials provided as part of the agenda.