

THE LONDON GOLD MARKET FIXING LIMITED

CONTINGENCY POLICY

1. Purpose

- 1.1 This policy applies to the activities of The London Gold Market Fixing Limited (the **Company**) in operating the twice-daily determination and publication of a price for gold (the **fixing process**).
- 1.2 The objective of this policy is to set out the Company's policies and procedures in the event that the fixing process is delayed or that the fixing process ceases to be published either on a temporary or permanent basis.

2. Contingency measures

- 2.1 If the usual chair of the fixing process is unable to attend the fixing call, an alternate shall be selected from those present to chair the fixing process (the usual chair or any alternate being the **Chair** for the purposes of this policy).
- 2.2 The fixing process should commence promptly at 10:30 am and 3:00 pm on each London business day.
- 2.3 Members are able to join the fixing call at any point prior to the price being announced by the Chair as fixed.
- 2.4 In the event that one member of the Company is unrepresented at the start of any fixing call, the Chair shall attempt to contact that member and to ascertain why that member has been unable to join the fixing call. If the Chair is unable to reach the member in question, or that member is unable to join the fixing call at the scheduled start time, the Chair shall commence the fixing process without that member present and the absent member shall be treated as participating but with no interest.
- 2.5 If more than one member of the Company is unrepresented at the start of any fixing, the Chair shall attempt to contact those members and to ascertain why they have been unable to join the fixing call. If the Chair is unable to reach the members in question, and/or if some or all of the members are unable to join the fixing call within 5 minutes of the scheduled start time such that at least 3 members of the Company are represented on the fixing call, the Chair shall delay the commencement of the fixing process for up to 1 hour, until such time as at least 3 members of the Company are represented. In the event that the Chair is required to delay the fixing process for more than 5 minutes, the

Chair must publish as soon as practicable a statement to that effect on the Company's websiteⁱ.

- 2.6 If, having delayed the commencement of the fixing process for 1 hour in accordance with paragraph 2.5 of this policy, two members are able and willing to be represented on the fixing call, the Chair shall be entitled (but not required) to commence the fixing process with the two members present.
- 2.7 If, having delayed the commencement of the fixing process for 1 hour in accordance with paragraph 2.5 of this policy, one or no members are able and willing to be represented at the start of the postponed fixing call, no price shall be published and the Company shall, as soon as practicable, cause a statement to that effect to be published.
- 2.8 Where the fixing process has gone ahead in accordance with paragraphs 2.4 to 2.6 above, the Chair shall, when publishing the fixing price, fixing time and the buy/sell volumes on the Company's website, also publish a statement identifying the members that did not actively participate in the fixing callⁱⁱ.
- 2.9 In the event that the Chair has been unable to conduct the fixing process, members of the Supervisory Committee shall consult with relevant regulatory bodies, including but not limited to the Bank of England, where possible and shall convene an emergency meeting of the Supervisory Committee to discuss, formulate and implement a resolution plan. This meeting should take place as soon as possible, and in any event with a view to implementing the resolution plan within 3 London business days.

3. Cessation of the publication of the gold price

- 3.1 The Company gives, and can give, no assurance that its twice-daily gold fixing price (the **fixing price**) will always be available for publication. The fixing process and/or the fixing price may be interrupted or may cease to be published by the Company at any time and for whatever reason.
- 3.2 The Company will encourage licensees of its fixing price to contemplate and take steps to implement fall back provisions in the terms of any contracts, financial instruments, indices or other references to its fixing price, to accommodate interruptions of, changes to, or the cessation of the publication of the Company's fixing price.
- 3.3 If the Company were to determine to cease publishing a fixing price, the Company would seek, without commitment or assurance and only if and insofar as commercially practicable in the particular circumstances, to provide reasonable notice of that

ⁱ As at the date of adoption of this policy, the Company is in the process of arranging additional functionality on its website to allow for the publication of notes. Pending these updates to the Company's website functionality, confirmation that the fixing call has been delayed will be made available on request.

ⁱⁱ See above. Pending updates to the Company's website functionality, confirmation of the identity of any members that did not participate in a fixing call will be made available on request.

cessation and in so far as possible at least 3 months notice, to permit existing contracts to migrate to an alternative gold price if necessary. The Company and its members will seek to engage with stakeholders and relevant regulatory authorities as appropriate with a view to exploring such alternatives.

4. Responsibilities in respect of the policy

4.1 This policy is owned by the Supervisory Committee and is subject to annual review and sign off by the board of directors of the Company. It will also be reviewed in line with business changes and changes to regulation.

4.2 This policy will be communicated upon each change in policy and will be published on the Company's website.

5. Queries

5.1 Any questions about this policy should be addressed to the Supervisory Committee.

6. Effective date

6.1 This policy shall take effect on 14 July 2014.

Version control and change history

Date	Details of amendments	Version no.
14.7.14	Initial version as adopted	1