ets connect UK

Audit, Risk and Compliance (ARC) Committee – Charter

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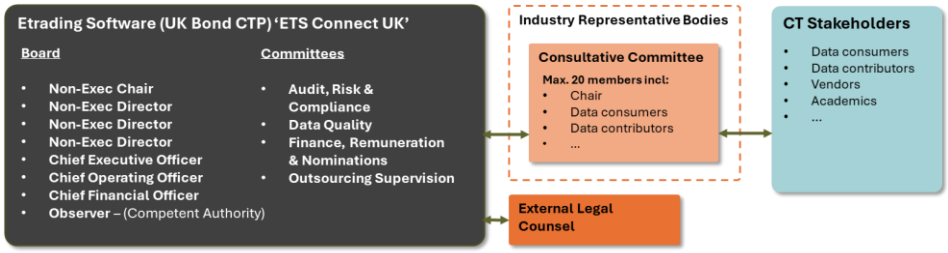
1. Introduction

1.1. The Consolidated Tape

Etrading Software (UK Bond CTP) Ltd ("**ETS Connect UK**") is the UK bond Consolidated Tape Provider ("**CTP**"). Trading venues and Approved Publication Arrangements ("**APAs**") contribute market data about financial instruments to the Consolidated Tape ("**CT**") which is responsible for consolidating such data per financial instrument into a continuous electronic live stream made available to the public.

The CTP has a unitary board structure (the "**Board**"), comprising four independent, non-executive directors ("**NEDs**") including its Chair, and three executive body members. The CTP shall also welcome observers to its Board, for example from competent authorities and shareholders.

The diagram below summarises the CTP's governance structure:



The CTP's corporate governance structure comprises:

- the Board;
- the Consultative Committee; and
- the Board's standing committees (the "**Committees**"):
  - The Audit, Risk and Compliance Committee (the "**ARC Committee**");
  - The Data Quality Committee (the "**DQ Committee**");
  - The Finance, Remuneration and Nominations Committee (the "**FRN Committee**"); and
  - The Outsourcing Supervision Committee (the "**OS Committee**").

The Committees and Consultative Committee operate under charter, and are governed by policy, as stated in the ETS Connect Corporate Governance Policy.

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1.2. Authority of the ARC Committee

The ARC Committee is a standing committee, established by the authority of the Board of ETS Connect UK.

1.3. Membership of Board's Committees

The Board operates four Committees with membership of each being drawn from the independent Directors and the executive body of the CTP. Membership of the Committees is determined by the Board.

The procedures for members joining or leaving the ARC Committee are described below.

1.4. ARC Committee Objectives and Remit

The ARC Committee is responsible for providing supervisory control and independent oversight across the CTP's internal control framework.

The ARC Committee's core objective is to ensure that the CTP operates a high-quality, resilient and compliant control environment through:

- internal audit;
- risk management; and
- regulatory compliance.

The ARC Committee discharges this objective through governance and supervision of its internal control framework, which encompasses all three of these areas.

The core remit of the ARC Committee is to provide supervision of the CTP's internal control framework, in accordance with the ETS Connect Corporate Governance Policy (the "**Corporate Governance Policy**") which governs the CTP's audit, risk management and compliance arrangements, including the responsibilities the ARC Committee.

The ARC Committee's remit supports compliance with applicable regulatory requirements, including:

- FCA MAR 9, which sets out the operating, governance and oversight requirements for Data Reporting Service Providers which includes CTPs;
- SYSC 15A, including oversight of Important Business Services ("**IBS**"), Impact Tolerances, mapping and scenario testing; and
- Data Reporting Services Regulations 2024 ("**DRSR 2024**").

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The ARC Committee's objective and remit are reflected across its responsibilities, as set out below.

2. Oversight Responsibilities

The scope of the ARC Committee's oversight responsibilities is set out in the subsections below and covers the following areas:

- internal audit;
- risk management; and
- regulatory compliance.

2.1. Internal Audit

The Corporate Governance Policy requires the CTP to operate an internal audit function that satisfies applicable regulatory obligations, including MAR 9, SYSC 15A, and DRSR 2024. The ARC Committee supervises the CTP's internal audit function in accordance with the Corporate Governance Policy. In fulfilling this responsibility, the ARC Committee shall:

- act as the CTP's internal audit committee, as set out in this Charter;
- provide functional oversight of the Internal Audit function, including overseeing the independence and effectiveness of Internal Audit;
- ensure that Internal Audit methodology, standards and procedures are maintained in line with the Corporate Governance Policy and regulatory expectations;
- oversee the development and application of the Internal Audit methodology, ensuring it reflects the nature, scale and complexity of the CTP's activities, risks and outsourced operating model;
- design and operate a three-year Internal Audit Programme that provides assurance over the design and operating effectiveness of controls supporting outsourced functions and their associated governance, with coverage across key domains including governance, risk management, compliance, operational resilience, technology, data quality, business continuity, outsourcing oversight and financial controls;
- review Internal Audit findings, proposed Management Action Plans, and remediation reports; and
- ensure Internal Audit has unrestricted access to information, personnel and systems, and retains an independent escalation route to the ARC Committee Chair, and Chair of the Board.

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2.2. Risk Management

The Corporate Governance Policy states that the CTP shall maintain an effective Risk Management Framework including internal control mechanisms, operational resilience and conflicts of interest ("**Conflicts**") management. These requirements have been designed to satisfy the regulatory obligations under MAR 9, SYSC 15A, and DRSR 2024.

2.2.1. Internal Controls

The ARC Committee oversees the CTP's risk management and internal control framework, including:

- overseeing the Risk Management Framework set out in the Risk Management Policy and associated governance processes;
- reviewing the Risk Register quarterly, including new and emerging risks, risk ratings, mitigation plans, overdue actions and systemic trends;
- reviewing key risk indicators, incidents, near misses and root cause analyses ("**RCA**");
- overseeing the CTP's internal control framework, including policies and procedures supporting governance, information security, performance monitoring, data integrity and business continuity;
- reviewing risk exposures related to performance degradation, capacity constraints, system availability and outsourcing dependencies; and
- evaluating internal control findings (including from Internal Audit) and ensuring timely remediation.

2.2.2. Operational Resilience

The ARC Committee is responsible for maintaining an Operational Resilience Framework consistent with the requirements under SYSC 15A and MAR 9. These requirements ensure that the CTP can continue to deliver defined IBS within approved impact tolerances during severe but plausible disruptions.

2.2.2.1. IBS & Impact Tolerance Governance

The ARC Committee:

- oversees the identification, documentation and governance of the CTP's IBS Register, ensuring mapping completeness, ownership and dependency accuracy;
- reviews and endorses Impact Tolerance Statements for each IBS prior to Board approval;

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- reviews changes to IBS mapping arising from service evolution, outsourcing changes or material process redesign;
- reviews Operational Resilience Management Information ("**MI**") relating to IBS performance, near misses, and breaches or vulnerabilities that may adversely affect impact tolerances; and
- ensures IBS-related risks and issues are reflected in the Risk Register and addressed through appropriate remediation.

2.2.2.2. Operational Resilience Controls & Oversight

The ARC Committee:

- reviews outputs of Operational Resilience scenario testing, including severe-but-plausible scenarios, lessons learned and remediation plans;
- oversees overlapping operational resilience controls, including business continuity planning, disaster recovery planning, and resilience capabilities delivered by outsourced providers;
- reviews elements of the Outsourced Activities Register that relate specifically to Operational Resilience, including:
  - critical subcontracting dependencies associated with IBS; and
  - any third-party risks that may affect IBS delivery or impact tolerances;
- ensures operational resilience incidents or disruptions are escalated, investigated, documented, and remediated in accordance with SYSC 15A requirements; and
- reviews management's remediation of resilience-related internal audit findings, as well as actions arising from scenario testing, business continuity plan ("**BCP**") testing failures or capacity/availability issues.

2.2.3. Conflicts of Interest

The ARC Committee oversees the identification, management and disclosure of existing and potential Conflicts and is responsible for:

- implementing the corporate governance structural measures which the CTP has established for managing Conflicts;
- maintaining the independent oversight of the CTP's compliance function;
- maintaining the executive body measures which the CTP will establish to manage its Conflicts risk;
- implementing a three-year internal audit programme to oversee the CTP's Conflicts risk management framework;

Commented [A1]: Can we reframe this so it's structured in the same way as the other sections. E.g., The ARC Committee oversees the Conflicts of Interest controls: followed by bullet points.

This feels like a hard read currently

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- establishing communication gates and barriers to control the flow of the CTP's information;
- implementing and overseeing regular and mandatory training on the CTP's Conflicts risk management framework;
- maintaining Conflicts of Interest Register ("**Conflicts Register**"), and Management Information processes for the CTP's Conflicts risk management framework;
- overseeing potential Conflicts arising from the CTP's fees, pricing decisions or commercial arrangements, ensuring that fee-related decisions are transparent, evidence-based and applied consistently to all users, including undertakings to which the CTP has close links;
- overseeing the implementation of the CTP's Gifts and Hospitality processes;
- implementing and maintaining measures designed to ensure the CTP's decision-making processes will be independent of external pressures or interests that could create Conflicts;
- overseeing the CTP's reporting and escalation processes for Conflicts. These include responsibility for adding newly identified existing or potential Conflicts to the Conflicts Register;
- overseeing the measures established for ensuring the CTP's functions are separate from other group entities, especially those providing value-add or ancillary services;
- overseeing the measures established for ensuring that the CTP staff's supervision and remuneration are overseen separately from other group entities;
- overseeing the arrangements in place to ensure that SLAs are in place for any outsourced activity which is performed using shared resources; and
- overseeing the CTP's Conflicts risk management transparency and disclosure measures, including the Mandatory Declaration process for Board, executive body and Committee memberships.

2.3. Regulatory Compliance

The Corporate Governance Policy states that the CTP shall maintain an effective regulatory compliance function, designed to ensure the CTP remains compliant with all regulatory obligations such as MAR 9, SYSC 15A, and DRSR 2024.

2.3.1. Compliance Monitoring

The ARC Committee's primary compliance responsibility shall be to implement a supervisory framework for the CTP's regulatory compliance function. To fulfil this responsibility, the ARC Committee shall:

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- oversee the Compliance Monitoring Programme ("**CMP**"), ensuring that monitoring activities, thematic reviews and ongoing assessments are designed and performed to meet regulatory expectations;
- review and maintain a Compliance Register, including oversight of:
  - the policy review cycle;
  - monitoring findings;
  - regulatory breaches and notifications; and
  - internal audit findings, remediation actions and closure evidence;
- track compliance with MAR 9, SYSC 15A and DRSR 2024, including any emerging regulatory developments or changes affecting the CTP's obligations;
- track compliance with the Concession Agreement with the FCA, ensuring contractual obligations including SLA thresholds, transparency requirements and periodic reporting are delivered accurately and on time;
- ensure impact tolerances with respect to IBS are monitored on an ongoing basis in line with SYSC 15A requirements;
- oversee regulatory interactions with the FCA, including supervisory queries, information requests, and notifications arising from incidents or breaches; and
- review compliance-related incidents, breaches, investigations and associated remediation, ensuring root causes, actions and lessons learned are documented and closed in accordance with regulatory standards.

The Compliance Register shall serve as the authoritative evidence source of the ARC Committee's supervision of the CTP's regulatory compliance activities.

2.3.2. Whistleblowing and Internal Reporting

The ARC Committee is responsible for overseeing the CTP's whistleblowing framework, including annually reviewing the ETS Connect UK Whistleblowing Policy. The ARC Committee shall:

- oversee the operation of the CTP's whistleblowing framework, including the reporting, handling and investigation of whistleblowing concerns in accordance with the Whistleblowing Policy;
- oversee arrangements to ensure that staff are able to raise concerns confidentially and, where appropriate, anonymously through appropriate reporting channels, including to the Whistleblowing Officer;
- oversee arrangements for assessing the severity and materiality of whistleblowing concerns;

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- oversee arrangements for the appointment of an appropriately independent investigator, where required; and
- review proposed remedial actions and the status of remediation activities arising from whistleblowing investigations, including any recommendations made by an independent investigator.

2.3.3. Complaints Handling and Remediation

The ARC Committee is responsible for overseeing the Complaints Handling and Remediation framework, including annually reviewing the ETS Connect UK Complaints Policy and Procedures. The ARC Committee shall:

- oversee the operation of the CTP's complaints handling procedures in accordance with the Complaints Policy and Procedures;
- oversee arrangements to ensure that complaints are investigated by an appropriately independent complaints investigator;
- review the findings and recommendations of the independent complaints investigator in respect of complaints raised;
- review proposed remedial and redress actions in relation to upheld complaints, including the status of any remediation activities;
- ensure that complaints, investigation outcomes, and remediation actions are recorded in a central complaints register; and
- oversee arrangements for the escalation and reporting of complaints-related matters to the FCA and other relevant regulatory authorities where required under applicable regulatory obligations.

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3. Committee Responsibilities

The ARC Committee is responsible for overseeing key aspects of the CTP's governance and control framework, with its responsibilities structured across:

- reporting responsibilities;
- advisory responsibilities;
- annual policy reviews; and
- maintenance of supporting document interfaces.

3.1. Reporting Responsibilities

The ARC Committee shall regularly receive and submit a range of reports to enable it to carry out its supervisory functions.

The ARC Committee shall submit the ARC Report regularly to the Board, summarising the performance of the CTP's audit, risk and compliance activities during the reporting period in accordance with the requirements set forth in the Corporate Governance Policy.

The ARC Report will include, at a minimum:

- Internal Audit Programme updates and Internal Audit Reports;
- Risk Register;
- Conflicts Register; and
- Compliance Register.

The ARC Report is to be included as part of the CTP Board Report.

The ARC Committee shall also review any CTP audit, risk, Conflicts or regulatory compliance occurrences which have been communicated to it and advise the Board on what action to take to resolve the occurrence.

The ARC Committee will receive regular reporting from the MSP's Audit, Risk & Controls Group, providing management information on how outsourced services are performing in areas relevant to ARC Committee remit.

3.2. Advisory Responsibilities

The ARC Committee may review, comment on and advise on proposals or matters such as those listed above, in the form of reports for submission to the Board.

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Recommendations for actions to be taken and policy to be expressed with respect to the reports and recommendations of the ARC Committee, shall be communicated to the Board within the regular ARC Report.

The ARC Committee may be asked for comments, analysis or recommendations on proposals submitted by the Board, Competent Authorities, or other CTP Committees (including the Consultative Committee), where such matters fall within its supervisory remit.

Commented [A2]: These are distinct from the above.

The above set out the scope of the responsibilities whereas these are specific actions required.

Suggest splitting out.

3.3. Annual Policy Reviews

The ARC Committee will undertake an annual review of policies and documentation, which will include the following:

- ETS Connect UK – Conflicts of Interest Policy
- ETS Connect UK – Corporate Governance Policy
- ETS Connect UK – Information Security Policy
- ETS Connect UK – Risk Management Policy

The ARC Committee will oversee the MSP's annual review process for other relevant CTP policies.

3.4. Maintenance of Document Interfaces

The ARC Committee will oversee and maintain supporting documentation, which will include the following:

- Audit Plan;
- Audit Reports, including Management Action Plans;
- Business Continuity Plan, including Scenario Testing Plan;
- Compliance Monitoring Plan;
- Conflicts Register;
- IBS Register (IBS Rationale);
- Impact Tolerance Assessment Matrix;
- Impact Tolerance Setting Methodology;
- Risk Register;
- Service Improvement Plans; and
- Vulnerability & Remediation Framework.

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4. ARC Committee Procedures

4.1. Introduction

This section of the ARC Committee Charter sets out the procedures governing the composition, appointment, operation and administration of the ARC Committee. It covers the appointment and removal of members, the role of Members, Observing Members, Advisors, the Chair and the DCO, the conduct of meetings, recordkeeping, reporting to the Board, the use of Subcommittees and the process for changes to this Charter.

The ARC Committee is a standing committee of the Board and shall report to the Board. The ARC Committee shall submit its reports and recommendations to the Board following each meeting.

4.2. Membership and Composition

4.2.1. Composition of the ARC Committee

The ARC Committee shall consist of a Chair, one or more Members, one DCO and may include Observing Members. Members shall be appointed at the discretion of the Board to provide broad and proportionate representation of CT stakeholders.

At the invitation of the Chair, MSP personnel may attend and contribute to ARC Committee meetings and may assist with advice, recordkeeping and meeting management.

The DCO is provided by the MSP. The MSP shall provide a substitute DCO if the main DCO is not available.

4.2.2. Appointment and Removal

Members and Observing Members of the ARC Committee shall be appointed and removed by the Board.

The Board may dissolve the ARC Committee and any Subcommittees established by the ARC Committee. The Board may also remove Members, Observing Members and Advisors of the ARC Committee or any such Subcommittee.

4.2.3. Members

Members shall attend meetings, contribute to discussions and participate in forming recommendations.

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In a small-committee setting, decisions shall be taken on a consensus-first basis. Where consensus cannot be reached among attending Members, the matter shall be escalated to the Board.

Members who cannot attend an ARC Committee meeting are expected to send their apologies to the Chair with at least one day's notice.

If an ARC Committee Member expects to be unavailable for a significant period, for example due to parental leave, long-term sickness or relocation of role, the Board may appoint a substitute member for a fixed term to maintain the balance of the Committee. The substitute member shall have equivalent experience and subject matter expertise, shall be nominated by the Board and, if appointed, shall serve in the same capacity as the original Member.

4.2.4. Observing Members

Observing Members shall attend meetings and may contribute where requested by the Chair but shall not participate in forming recommendations.

The FCA, as the CTP's supervisory authority, is welcome to join any ARC Committee meeting as an observing member.

Each Observing Member shall be appointed and removed by the Board.

4.2.5. Participant Responsibilities and Conduct

All participants and contributors to the ARC Committee are expected to adhere to the provisions of the Competition Law Protocol, as set out in Appendix 1. The Competition Law Protocol will be provided to participants on application to join the ARC Committee.

Members, Observing Members, and MSP personnel and any other participants shall act in accordance with this Charter and shall support the effective operation of the ARC Committee.

4.3. Meeting Procedures and Organisation

4.3.1. Meeting Frequency and Convening of Meetings

ARC Committee meetings shall be held quarterly, indefinitely, unless the ARC Committee is dissolved by the Board.

An ad hoc meeting of the ARC Committee may be convened at any time upon request by any Member, provided that every Member is notified in writing of the meeting and the contents of the agenda at least 24 hours before the meeting is convened.

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Members, Observing Members and Advisors may attend meetings virtually or in person. A suitable meeting time shall be agreed to enable all participants to attend where practicable.

4.3.2. Meeting Materials and Agenda

Documents for review, consideration, comment and/or decision shall be distributed to Members before each meeting, with the intention that such documents are sent at least five business days before the meeting.

Meetings shall be held for discussion or clarification of specific matters within the documents, to record agreements and to capture alternative points of view.

The DCO shall prepare and provide the agenda to all Members and Observing Members. The agenda shall list the items to be covered and include links to additional meeting materials to assist Members and observing Members in preparing for the meeting.

4.3.3. Chair Responsibilities

During ARC Committee meetings, the Chair shall be responsible for ensuring that the meeting functions effectively and in accordance with this Charter. This includes:

- ensuring that an appropriate agenda and other relevant documents are in place;
- establishing that appropriate Members are present;
- ensuring that recommendations are formed on a sound and well-informed basis;
- encouraging and promoting open and critical discussion;
- promoting consensus;
- ensuring that the meeting follows the agenda;
- coordinating any decision-making process (e.g. to endorse, to the Board, a particular course of action) that is required;
- prioritising and managing Any Other Business;
- reviewing the performance of the ARC Committee; and
- proposing any changes required to improve the operation of the ARC Committee.

If the appointed Chair expects to be unavailable for a significant period, for example due to parental leave, long-term sickness or relocation of role, the Board may appoint another Member as interim Chair. The interim Chair shall serve in the same capacity as the appointed Chair.

4.3.4. DCO Responsibilities

During ARC Committee meetings, the DCO shall be responsible for ensuring that the meeting is set up to function effectively and in accordance with this Charter. This includes:

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- preparing and providing the agenda to all Members and Observing Members and ensuring that the agenda and additional meeting materials are distributed at least five business days before the scheduled start of the meeting;
- recording ARC Committee meeting attendance, including absence without apology, late attendance and lack of participation;
- supporting the Chair in ensuring that the meeting follows the agenda, covers the items required under this Charter and agrees the contents of the report to the Board;
- recording the meeting and producing the meeting summary; and
- producing the quarterly ARC report to be sent to the Board.

4.3.5. Attendance, Quorum and Participation

Members who are unable to attend an ARC Committee meeting are expected to send their apologies to the Chair with at least one day's notice.

Two appointed ARC Committee participants must be in attendance within 15 minutes after the scheduled start of the meeting to constitute a quorum for the transaction of business. The Chair and any appointed substitute Members shall be included in the calculation of quorum.

If quorum is not achieved, the meeting shall be cancelled. Confirmation of the cancellation shall be recorded by the DCO and included in the regular reporting to the Board.

4.3.6. Decision-Making

The ARC Committee shall aim to reach consensus among its Members.

Where the Committee consists of only two or three Members and consensus cannot be reached, the differing views of the Members shall be documented and submitted to the Board for consideration. The submission shall include:

- a short summary of the issue under discussion;
- areas of agreement;
- each Member's position; and
- any implications, risks or options that the Board should consider.

If an ARC Committee meeting is cancelled, the Chair may request a recommendation on key agenda items by email.

The email shall be sent to all Members of the ARC Committee and shall contain:

- a clear statement of the agenda item for consideration;

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- all relevant supporting material; and
- an expected response deadline.

Responses received by the response deadline shall be used to determine the course of action. All Members of the ARC Committee shall be notified of the final decision by email.

Repeated non-responsiveness to email communications shall be considered a lack of participation.

4.3.7. Meeting Summaries

The ARC Committee shall maintain summaries of its meetings, including actions, observations, recommendations and key decisions.

Key actions, observations and recommendations made by the ARC Committee shall be recorded in the meeting summaries. The meeting summary will be sent to Members within 5 business days after the meeting takes place.

Any advice, report, data, or recommendation shall be for the use of the Board.

Meeting summaries shall be distributed to and approved by Members before being made available to Observing Members, MSP personnel, CTP personnel or Advisors, where necessary.

Meeting summaries shall capture dissenting or minority views on decisions for transparency.

4.3.8. Recordkeeping and Reporting to the Board

ARC Committee conclusions and recommendations shall be provided by email to the designated email addresses of all Members for review and agreement following ARC Committee meetings, Subcommittee meetings or any working groups that are established.

Members shall have two weeks to agree or dispute the documentation circulated. After that two-week period, the documentation shall be deemed to represent the views of the ARC Committee, including both agreed positions and any alternative views recorded.

Any rejection of the report shall result in a correction and re-issue of the reporting. For issues that cannot be resolved by email, another ARC Committee meeting shall be scheduled.

Once the reporting is approved by all Committee Members, the report shall be sent to the Board.

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The ARC Committee, supported by the MSP where requested by the Chair, shall maintain accurate records of matters addressed as part of ARC Committee activities.

4.4. Subcommittees

The ARC Committee may establish Subcommittees where additional time outside regular meetings is required to formulate recommendations, or where expertise outside that of the Members of the ARC Committee is required.

The ARC Committee may dissolve any Subcommittee that it has established.

The terms of reference and composition of a Subcommittee, and the procedures governing its operation, shall be agreed by the ARC Committee.

Subcommittees may include individuals who are Members of the ARC Committee and/or other individuals with relevant expertise. Members of Subcommittees shall be appointed and removed by the ARC Committee to address the specific nature of the issue in question.

Each Subcommittee shall have documented terms of reference, including its mandate, scope, purpose, duration and membership. The ARC Committee shall be responsible for defining the terms of reference of any Subcommittee.

Any Subcommittee shall report to the ARC Committee and shall not provide reports and/or recommendations directly to the Board or to any CTP or MSP officer or employee without prior written approval from the Chair of the ARC Committee.

Subcommittees may, by consensus, adopt reports and/or recommendations, transmit reports to the ARC Committee and make recommendations to the ARC Committee.

Reports and/or recommendations shall be developed in consultation with all members of the Subcommittee. Any transmission to the ARC Committee shall include dissenting or minority views.

Subcommittees shall not have authority to make decisions on behalf of the ARC Committee.

The output of each Subcommittee shall be presented to the ARC Committee, including a final report on its findings and recommendations, before the Subcommittee is dissolved.

4.5. Changes to the Charter

Any changes to this Charter must be approved by the ARC Committee.

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5. APPENDIX 1: Competition Law Protocol

The purpose of this protocol is to remind attendees of ARC Committee and Subcommittee meetings, including the Board, that all discussions at such meetings are subject to the application of UK and other applicable national competition law ("**Competition Law**").

Individual attendees are responsible for observing the requirements of Competition Law and should make themselves familiar with their legal obligations and their own organisation's policies.

The CTP is committed to compliance with Competition Law, so to ensure that all meetings remain in compliance with Competition Law, we advise that all attendees follow the guidance set out below:

- a meeting agenda will be circulated in advance of a meeting. Any objections to, or potential concerns about, the proposed agenda in relation to Competition Law compliance should be raised prior to the meeting, if practicable;
- attendees must stick to the prepared agenda during the meeting and avoid discussion about other topics;
- attendees must not seek, discuss, communicate or exchange any commercially or other business sensitive information about their organisation or relating to competitors (whether before, during or after meetings). This includes, for example, any non-public information relating to prices, costs, revenues, business plans/marketing activities, individual terms and conditions, risk appetite or any other information which is likely to reduce strategic uncertainty in the market (i.e. which might result in less intensive competition than would normally occur);
- attendees must not reach any sort of agreement or understanding that is unlawful due to Competition Law, for example, unlawful horizontal agreement, or unlawful vertical agreement;
- if the Chair considers that a discussion at the meeting may be inappropriate from a Competition Law perspective, they shall raise an objection and promptly bring that part of the discussion to an end. If another attendee is concerned about a discussion from a Competition Law perspective, they shall bring it to the attention of the Chair, who will promptly bring that part of the discussion to an end. If other attendees attempt to continue that discussion, the Chair shall bring the meeting to an end. Every attendee is allowed to immediately leave the meeting in such situations. All these situations must be properly recorded in the minutes;
- the minutes of the meeting must subsequently be read and approved by the attendees. If any matter discussed is not recorded in the minutes, or is recorded

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incorrectly, any attendee may raise an objection in writing and request an amendment; and

- similar principles should be observed for any group email exchanges or other online group discussions operated by the ARC Committee or CTP.

We remind ARC Committee attendees that breaching Competition Law has the potential for serious consequences for them as individuals and their organisations. Such consequences may include significant fines, liability to pay compensation to affected individuals and businesses and, in certain cases, the imposition of criminal penalties, director disqualification orders and disciplinary action.

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