

THE LONDON GOLD MARKET FIXING LIMITED
Statement, 16 July 2014

LGMFL announces a number of developments in relation to the gold fixing process, including its intention to appoint a third party administrator to assume responsibility for the administration of the gold fixing process.

The London Gold Market Fixing Limited (LGMFL) announces today that with support from the LBMA it has commenced an RFP process with a view to appointing a third party to assume responsibility for the administration of the London Gold Fixing. LGMFL will continue to liaise with the LBMA, the FCA, and other stakeholders, as appropriate, as the RFP process develops.

The company is also seeking to recruit an independent Chairperson for the Board of LGMFL.

LGMFL also confirms today, following completion of a review of the gold fixing process, that the fixing process is broadly aligned with the IOSCO Principles for Financial Benchmarks of July 2013.

Notes

1. LGMFL is working with the LBMA to coordinate an RFP process for soliciting proposals from third party administrators. This process will be launched shortly.
2. LGMFL recently completed a review of the structure and operation of the gold fixing process with assistance from law firm Slaughter and May, consistent with IOSCO's recommendation that benchmark administrators should report annually on the extent of their compliance with the IOSCO Principles. The review took into account IOSCO's comments that the application and implementation of the Principles should be proportional to the size and risks posed by a benchmark, its administrator and the benchmark-setting process.
3. In connection with that review the Board of LGMFL has recently adopted a suite of policy documents that will shortly be published on the London Gold Fixing website.
4. LGMFL also intends to finalise shortly the terms of a code of conduct for the fixing process which will overlay the existing oversight procedures of the firms participating in the fixing process. Once finalised and adopted by the Board this code will also be published on the London Gold Fixing website.

ENDS

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