



POWER TRADING FORUM

TERMS OF REFERENCE

1. Objectives of the Power Trading Forum

- 1.1 The Power Trading Forum (the "Forum") is formed as part of and pursuant to the rules and articles of association of the Futures and Options Association (FOA) for the purposes of:
- (i) removing barriers to trading in the wholesale electricity market in Great Britain and, where appropriate, elsewhere;
 - (ii) developing, where appropriate by standardisation (including standardisation with documents used outside Great Britain), documents used in respect of trading in the wholesale electricity market in Great Britain;
 - (iii) liaising with international organisations, governments, regulatory authorities, trade bodies and others on issues relating to the wholesale electricity market in Great Britain;
 - (iv) providing a forum for discussing issues relating to the wholesale electricity market in Great Britain;
 - (v) disseminating and exchanging non-sensitive information or printing or publishing any written materials relating to the wholesale electricity market in Great Britain;
- 1.2 In furtherance of these objectives, the Forum may co-operate with or, with the agreement of the Board of the Futures and Options Association ("FOA") and the Power Trading Committee (see section 2), subscribe to or become a member of any other organisation, providing the objects of that organisation are wholly or in part similar to those of the Forum.
- 1.3 The FOA shall, at its own cost (in common with other FOA committees and fora) be responsible for providing administrative and general secretarial support (including the provision of suitable premises for their meetings) for the Forum and the Power Trading Committee.

2. The Power Trading Committee

- 2.1 The Forum shall be governed by the Power Trading Committee (the "Committee") which shall be responsible to the FOA Board and be representative of the different interest groups on the Forum and shall include six Ordinary Members elected in accordance with Section 6, one appointed nominee from the FOA Board (which may include the Chief Executive of the FOA) and such other persons as it may co-opt from time to time to assist it in the performance of its duties.
- 2.2 The Committee shall be responsible for:
- (i) setting the agenda and directing the activities of the Forum;
 - (ii) all matters relevant to membership of the Forum;

- (iii) where appropriate, raising finance (in addition to subscriptions payable to the FOA) from the members of the Forum as may be appropriate for fulfilling the objectives set out in 1.1;
 - (iv) ensuring that members of the Forum are consulted on such basis and in such manner as it sees fit;
 - (v) inviting and authorising attendance at any Forum meeting of any individual or organisation as it sees fit.
- 2.3 The Committee (which shall be quorate if at least four elected members are present) shall discharge its role by meeting from time to time (but not less than a minimum of four times a year); save in the context of clause 2.4, passing its decisions by simple majority; and holding an annual meeting of members in accordance with Section 5.
- 2.4 The Committee shall by a two-thirds majority elect a chairman from amongst its members to chair Committee meetings; and ensure that minutes are kept of each meeting of the Committee in such form as the Committee deems appropriate.

3. Rights and liabilities of members

- 3.1 Every Member of the Forum may, subject to these Terms of Reference, participate in Forum meetings.
- 3.2 Members of the Forum, aside from the obligation to pay subscriptions for Ordinary Membership or Associate Membership of the FOA, shall be under no further financial liability other than in the context of the voluntary contributions referred to in clause 2.2 (iii).
- 3.3 Associate Members of the Forum, unlike Ordinary Members, are not entitled to vote at meetings nor may they (or their directors, employees or partners or representatives) stand for election for the Committee of the Forum.

4. Ordinary and Associate Membership

- 4.1 The Ordinary and Associate Members of the Forum shall be those who are admitted by the Committee, in its absolute discretion, as Ordinary or Associate Members and who have satisfied (and continue to satisfy) the Committee that they:
- (i) are, or any affiliated company within a group is, in the case of an applicant for Ordinary Membership, either a Party within the meaning of that term as defined in the Balancing and Settlement Code or a person who takes risks with his own funds in the wholesale electricity market in Great Britain, or part of it; and
 - (ii) are either an Ordinary or Associate Member of the FOA; and
 - (iii) are committed to the Forum's objects stated in clause 2.1 above.
- 4.2 Applications for membership shall be made in the form set out in Annex 1 to these Terms of Reference and the Committee's decision to accept or reject an application for membership to the Forum or to expel any member from the Forum shall be final.

5. General meetings

- 5.1 The Committee shall organise and give 28 days' notice of an annual meeting of the Forum which shall be held at a place and on a day in November for the purposes of reviewing the work undertaken by the Committee in the preceding 12 months; outlining the anticipated agenda of business for the next 12 months; holding elections to the Committee; and responding to issues raised by Forum Members.

- 5.2 Other than in the context of clauses 6.3 or 7.1, all decisions shall be passed by a simple majority of the Ordinary Members in attendance on a show of hands with each Ordinary Member being entitled to only one vote. In the case of equality of votes, the chairman presiding at the annual meeting shall have a second or casting vote.
- 5.3 The Chairman of the Committee shall preside at each annual meeting and its proceedings, including the results of the voting on any question, shall be recorded in a minute book signed by the chairman within 14 days of the meeting and circulated to all the Members.

6. Electing the Committee

- 6.1 Each year at the annual meeting the Ordinary Members of the Forum shall elect persons to the Committee. Any candidate for election must be proposed and seconded by separate Ordinary Members of the Forum and shall submit his nomination, together with the names of his proposer and seconder, in writing to the Committee not later than 30 days before the first day of November. Details of all nominations shall be circulated with the Notice convening the annual meeting (see clause 5.1).
- 6.2 If no names, or an insufficient number of names, of candidates eligible for election are received by the Committee at that time by the due date, candidates may be proposed at the annual meeting without notice.
- 6.3 Voting for candidates shall be by secret voting paper or ballot and each Ordinary Member shall have 6 votes, but may only place a maximum of one vote for each candidate. Ordinary Members may abstain from placing any or all of their votes.
- 6.4 The 6 candidates receiving the most votes shall be elected to the Committee. Where there is a tie which would result in more than 6 persons being so elected to the Committee, a further vote shall be undertaken in respect of these tied persons only pursuant to clause 6.3.
- 6.5 At the conclusion of an annual meeting, each Committee member elected at the previous annual meeting shall resign and the persons elected at that annual meeting shall take office (and any appointed co-opted member of the Committee shall resign at the first meeting of the Committee, but may be reappointed by the Committee).
- 6.6 If a casual vacancy occurs by reason of the death or resignation of a member of the Committee, the Committee may appoint a replacement who shall retire in accordance with clause 6.5.
- 6.7 In respect of the first Committee, candidates shall be proposed at the annual general meeting without notice.

7. Amendment of Terms of Reference

- 7.1 These Terms of Reference or any of them may from time to time be revoked, altered or added to by a resolution passed at a general meeting of the members of the Forum by a majority of at least two-thirds of the Ordinary Members of the Forum at that time present.

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Agreed and acknowledged for and on behalf of
The Futures and Options Association

We the undersigned agree to be bound by these Terms of Reference and hereby agree and acknowledge that each attendee on our behalf has, or we will procure that each attendee on our behalf has, read and understood, and will abide by and act in accordance with, the Terms of Reference.

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For and on behalf of [NAME]

Dated:

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For and on behalf of [NAME]

Dated:

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For and on behalf of [NAME]

Dated:

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For and on behalf of [NAME]

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For and on behalf of [NAME]

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For and on behalf of [NAME]

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For and on behalf of [NAME]

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For and on behalf of [NAME]

Dated:

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For and on behalf of [NAME]

Dated:

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For and on behalf of [NAME]

Dated:

Annexure 1

Power Trading Forum Application for Ordinary Membership

Full name of applicant company or body corporate:

Registered address or, if none, principal place of business:

Names and the following contact details for each proposed attendee for and on behalf of the applicant:

Address (if different to the registered/business address above):

Telephone number:

Occupation:

We apply for Ordinary / Associate membership of the Forum and hereby agree and acknowledge that we and any attendee representing our interests will have read and understood and will abide by and act in accordance with the Terms of Reference.

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Signed for and on behalf of [NAME OF APPLICANT]

Date:
