



Appeal Panel

Terms of Reference

1 Status and Purpose

- 1.1 The Appeal Panel is a body established pursuant to Regulation 14 of Part 2 of the Exchange's Rules and Regulations (the "Rulebook").
- 1.2 The primary purpose of the Appeal Panel is to act as an appropriately qualified and appointed panel of individuals from whom an Appeal Committee or a Warehouse Appeal Committee can be formed for the purposes of Regulation 14 and 15 of Part 2 of the Rulebook and clause 10 of the Warehouse Disciplinary Procedures Handbook (the "Handbook").
- 1.3 Terms not defined in these terms of reference have the meaning given to them in the Rulebook.
- 1.4 "Warehouse" has the meaning given to it in the terms and conditions of the Warehouse Agreement between the Exchange and each LME-listed warehouse company.
- 1.5 "Warehouse Appeal Committee" has the meaning given to it in the Handbook.

2 Composition

- 2.1 The Board, in consultation with the Chairman of the Appeal Panel (the "Chairman"), shall from time to time appoint persons, who shall not be Directors, to the Appeal Panel, further to a proposal from the Head of Enforcement. Membership of particular Appeal Committees or Warehouse Appeal Committees (as defined in the Handbook) shall be drawn only from the Appeal Panel.
- 2.2 Membership of the Appeal Panel shall be notified to Members from time to time by means of a Notice.
- 2.3 Membership of the Appeal Panel shall be for a period of 5 years, which is renewable. A member of the Appeal Panel may not be removed from the Panel save in the event that he or she is guilty of conduct which had brought or may be likely to bring the Exchange or any of its markets into disrepute.
- 2.4 The Exchange shall appoint one member of the Appeal Panel to be the Chairman.
- 2.5 No person shall be eligible to serve as a member of an Appeal Committee or a Warehouse Appeal Committee in relation to any particular case if he has any material interest in the matter under consideration either personally or through



any undertaking with which he may be concerned. The Chairman establish that each member of an Appeal Committee has no material interest in the matter prior to appointing the Appeal Committee.

- 2.6 At least one member of the Appeal Committee or a Warehouse Appeal Committee must be a qualified lawyer.

3 Role

- 3.1 Either:

- (a) on receipt of a Notice of Appeal (whether pursuant to Regulation 14 of Part 2 of the Rulebook or clause 10 of the Handbook); or
- (b) where the Exchange believes that expulsion of a Member is warranted pursuant to Regulation 15.5 of Part 2, at the request of the Chief Executive Officer of the Exchange,

the Chairman shall nominate three members of the Appeal Panel to sit on an Appeal Committee or a Warehouse Appeal Committee and shall notify the relevant Member or Dealer or Member Representative or Warehouse and the Exchange of such nomination. The Chairman may nominate himself. If the Member or Dealer or Member Representative or Warehouse does not agree to one or more of the nominated Appeal Committee or Warehouse Appeal Committee (as appropriate), the Chairman, if satisfied that the grounds of objection are reasonable, shall nominate a replacement, or replacements, from the Appeal Panel, subject to the requirements of these terms of reference and of the Rulebook or the Handbook (as appropriate) and subject to such replacement, or replacements, being willing and able to sit on that Appeal Committee or Warehouse Appeal Committee (as appropriate).

- 3.2 Appeal Committees must comply with and conduct hearings in accordance with Regulation 14 of Part 2 of the Rulebook. Notwithstanding, where an Appeal Committee has been convened for the purpose of adjudicating on whether the expulsion of a Member is justified, the Appeal Committee shall have full jurisdiction to review the facts of the case as if it were a Disciplinary Committee. Warehouse Appeal Committees must comply with and conduct hearings in accordance with clause 10 of the Handbook.

4 Quorum

- 4.1 The quorum for a meeting of an Appeal Committee or a Warehouse Appeal Committee shall be three, unless decided otherwise by the Appeal Committee or the Warehouse Appeal Committee.



5 Confidentiality

- 5.1 Appeal Committee and Warehouse Appeal Committee hearings shall be held in private, unless the Member, Dealer or Member Representative or Warehouse elects to hold the hearing in public. Members of the Appeal Committee and Warehouse Appeal Committee must ensure that they maintain the confidentiality of the hearing to the extent required by these terms of reference, the Rulebook, the Handbook and at law.

6 Other Matters

- 6.1 These terms of reference shall be reviewed (and, as required, updated) annually.

