

**HONG KONG FUTURES EXCHANGE LIMITED (“HKFE”)
OTC CLEARING HONG KONG LIMITED (“OTC CLEAR”)
(Collectively the “Companies”)
TERMS OF REFERENCE
OF
FIC ADVISORY PANEL**

Objective

The Panel is established to facilitate regular communication and consultation with industry practitioners with the aim to form recommendations to the Companies and its affiliates on matters related to the overall development of the Companies’ fixed income and currency (“FIC”) strategy as well as FIC product and service expansions with particular focus on certain growth products.

Membership

1. The Panel shall have at least seven members, comprising the following:
 - (a) the Chief Executive of OTC Clearing Hong Kong Limited (“OTC Clear”);
 - (b) the Chief Executive of Hong Kong Futures Exchange (“HKFE”);
 - (c) the Deputy Chief Executive of OTC Clear; and
 - (d) other external members as appointed by the Boards of HKFE and OTC Clear, or the Chairman of the Panel (with delegated authority from the Boards of HKFE and OTC Clear).
2. The Chief Executive of OTC Clear shall act as the chairman (“Chairman”) of the Panel.
3. The term of each external member shall be two years, subject to early termination as provided for in paragraphs 4 and 5 and subject to renewal upon expiry of the two-year term.
4. The term of each internal member shall be co-terminous with his/her employment with HKEX and an external member shall automatically cease to be a member of the Panel upon the termination of his/her role in his/her respective company.
5. The Chairman may appoint any person to the Panel, including to fill a casual vacancy that may arise due to resignation, retirement or removal of members of the Panel, and to expand the number of members of the Panel.
6. The Chairman shall appoint a Secretary to the Panel to coordinate and organise the agendas for the meetings.

Frequency and proceedings of meetings

7. The Panel shall meet semi-annually or on an as-needed basis to discuss matters covered by these terms of reference, to exchange views, and to share insights among themselves.

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8. The Chairman may invite guest participants to the meetings on an as-needed basis.
9. Meetings will be held physically in general and may be held via conference or video calls if necessary.
10. The quorum of a meeting shall be three members of whom at least one shall be the Chairman or his/her delegate, and at least one external member.

Duties, powers and functions

11. The duties, powers and functions of the Panel shall be as follows:
 - (a) to provide to the Companies market intelligence and other insights on trends related to the general FIC strategy as well as product and service expansions in FIC with particular focus on certain growth products in the international and regional FIC markets;
 - (b) to help the Companies develop innovative FIC products and services to offer to financial institutions in Hong Kong and international investors; and
 - (c) to act as a sounding board to the Companies for new business development initiatives in relation to the Companies' business and operations in the FIC markets.
12. Members of the Panel shall keep confidential (a) all matters discussed during meetings, and (b) all confidential information which they receive in their capacity as members. Internal members of the Panel may use (a) all matters discussed during meetings, and (b) all confidential information which they receive in their capacity as members as they consider appropriate in furtherance of the Objective of the Panel as set out above.

Review

13. The Panel shall periodically review the adequacy of these Terms of Reference and make appropriate amendments, as and when required, to ensure that they remain relevant to the Panel's objectives.

Definitions and interpretation

14. Unless otherwise stated, any capitalised terms used in these Terms of reference shall have the meaning given to them in the Articles of Association of HKFE and the Articles of Association of OTC Clear, as amended from time to time.
15. Reference to one gender shall include all genders.

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