

LBMA News

By Stewart Murray, Chief Executive, LBMA

COMMITTEES

Management

The Management Committee met in February and April. The latter meeting was notable as the last one to be attended by Jeremy Charles, who has announced that he will step down as LBMA Chairman and a member of the Committee at the AGM in June. Watch out for his account of three years in the hot seat in the next edition of the *Alchemist*.

As usual, the Committee's work consists mostly of reviewing and taking decisions on the recommendations of the Sub-Committees. Noting the discussions at the Assaying and Refining Seminar about a possible proficiency testing scheme for the Good Delivery refiners, it was agreed that the Executive should explore the possibility of setting up such a scheme. The idea would be to allow (but not require) refiners to test their fire assaying capability for gold on an annual basis.

Based on a recommendation from the Public Affairs Committee, it was agreed to support the athletic efforts of three bullion market participants to raise funds for charities (see page 17 for details).

The Committee reviewed the possible venues for the 2010 conference and after looking at various alternatives decided that the previous decision to hold the conference in Berlin (at a date to be announced) should be maintained.

Physical

The Physical Committee met in February and April. This has been a busy period for the physical aspect of the LBMA's work with the Assaying and Refining Seminar in late March (see article on page 11) and the Reference Materials Project approaching the final phase (see page 18).

The project to evaluate a new technology electronic scale for the weighing of large gold bars

also continues. Two versions of the new scale are now available for comparative weighing tests in the vaults of LBMA members and it is hoped that the promising indications from an initial examination of the scales will lead to them being accepted as alternatives to the beam balance in due course. However considerable further testing will be necessary which, given the high level of activity in the vaults at present, means that it will be several months before the next phase of the project can be completed. The Physical Committee is also responsible for overseeing the issue of VAT within the bullion market and it noted with satisfaction that a recent ad hoc working group of HM Revenue and Customs had decided that unallocated supplies (i.e. sales of precious metals to metal account) would be excluded from the requirement to declare these on European sales list reports.

Public Affairs

The Public Affairs Committee met in February and March. With just over six months to go to the Edinburgh conference, the Committee's work is now intensively focused on the programme as well as the extra-mural events associated with the Conference. Suggestions for topics and speakers have come from a new informal panel of advisors that has been set up for this purpose but it is not too late for readers to make their own suggestions. Any ideas should be sent to ruth.crowell@lbma.org.uk.

The Committee is also working on ways of distributing the *Alchemist* more cost effectively by email. At present a pdf version of the *Alchemist* is sent by email to those who have requested this but in future it is hoped to have a fully electronic version with links to other content.

The PAC also decided that the

photo gallery from both the Annual Party and the 2008 Conference in Kyoto should be made available to Members, Associates and those who attended. In order to view the photo galleries, it is necessary to obtain a link from the Executive (ruth.crowell@lbma.org.uk).

Membership

The Membership Committee met in February and March. As well as reviewing a number of applications for Membership and Associateship, the Committee provided guidance to the Management Committee on the best way of treating applications for Affiliate Membership. Affiliate Membership is not a separate form of Membership as per the Constitution. Instead, it is a form of ordinary Membership which applies when more than two companies from the same group wish to be members. The Management Committee has

permitted companies to become Affiliate members at a reduced level of annual subscription but requiring that they waive certain rights, including most importantly the right to vote and also the right to sponsor applications which are also sponsored by the related company which is already a Member.

Finance

The Finance Committee met in April to review the draft audited accounts for the year ended 31 December, 2008. This was a challenging year financially for the LBMA and Richard England, the Chairman of the Committee addresses the issues related to the accounts in the Editorial on page 26.

LBMA Annual General Meeting - 5:30pm on 11 June Ironmongers' Hall, London

The twenty-first AGM will be held at Ironmongers' Hall at 5:30pm on 11 June. The Hall is located in the Barbican and its entrance is on Aldersgate near the junction with London Wall. All Members and Associates are cordially invited to attend. This will be an ideal opportunity to find out about the multifarious activities of the LBMA carried out in the past year as well as to meet other Members during the drinks reception following the meeting.

The formal papers for the meeting (including nomination forms for the Management Committee) will be circulated on 1 May to the LBMA contact in each Member and Associate company. All members of the Committee stand down at the AGM but may be re-elected. This year the agenda will include a motion proposed by the Management Committee to change clause 60(g) of the LBMA's Articles to allow members of the Committee to serve on it continuously for up to 10 years. At present, this article states that members can serve continuously for up to five years unless they are the Chairman in which case the period can be extended to seven years.

Annual Party

The LBMA's annual party for staff at Members and Associates was held at the Eight Club on 26 February. In spite of the fact that the event was not free-of-charge this year, almost 200 attended, representing all parts of the bullion market in London and including a number of visitors from overseas. The theme was a Venetian Masquerade (which traditionally heralded the end of winter and the arrival of spring). See a selection of the photos taken on page 13. A full gallery of photographs can be viewed (by Members and Associates only) on a special website. Please ask ruth.crowell@lbma.org.uk for the link to the gallery.

LBMA Staffing

The Executive is delighted to announce a new member of staff: Ms Rionne Preuveeners joined the Executive team as Public Relations and Media Assistant on 27 April. Rionne (pronounced as in Leon) will be the first point of contact for those phoning the Executive and her responsibilities

include the *Alchemist*, the website, general membership admin as well as press contacts.

Assaying and Refining Seminar

Almost 100 representatives of Members, Associates and Good Delivery refiners attended the third in the series of Assaying seminars organised by the LBMA from 23–25 March. A full report can be found on page 11 and all the papers presented are already on the website; a transcript of the Q&A sessions will be added to the website shortly.

REACH

A further seminar will be held in London in May to allow representatives of those Members which have pre-registered with the European Chemicals Agency to meet representatives of the EPMF Precious Metals Consortium. This should help the Members to decide whether joining the Consortium would be the best way of obtaining the data dossier necessary for final registration. ■

DIARY OF EVENTS**MAY****7**

FT Gold Investment Summit
London
T: +44 20 7775 6653
F: +44 20 7775 6413
www.ftglobalevents.com
finance.event@ft.com

JUNE**2-4**

World Mining Investment Congress
London
T: +44 207 827 4171
F: +44 207 242 1508
www.terrapinn.com
sarah.pegden@terrapinn.com

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LBMA Annual General Meeting
London
T: +44 20 7796 3067
F: +44 20 7796 2112
www.lbma.org.uk
mail@lbma.org.uk

13-16

IPMI 33rd Annual Conference
Orlando, Florida
T: +1 850 476 1156
F: +1 850 476 1548
www.ipmi.org
mail@ipmi.org

The conference **by the industry** for the industry

The LBMA Precious Metals Conference 2009

1–3 November 2009
Balmoral Hotel
Edinburgh, Scotland

The LBMA is delighted to announce that the Balmoral Hotel has been selected as the venue for the tenth annual LBMA Precious Metals Conference. Situated in the heart of Edinburgh at 1 Princes Street, the Balmoral (formerly known as the North British) is one of Britain's great railway hotels and is a landmark in its own right. The hotel is just 25 minutes from the airport and if you arrive by train a Balmoral porter can be on the platform to welcome you to Edinburgh.

Will investors continue to see gold as a safe haven? How will jewellery markets be affected if the high gold prices seen recently are sustained? How will the slump in the auto industry affect PGMs? Will producers return to hedging and if so how will central banks respond?

There's a place for all market players at the LBMA Conference - registration opens late July 2009