
**Minutes of a Link Scheme Ltd (the “Company”) Board Meeting
Telephone Call held on Saturday 28th January 2017**

Present:

Dr Ken Andrew - Chairman
Tracey Graham
John Howells
Lord David Hunt
Liz Richards
Adrian Roberts
Jonathan Simpson-Dent

Apologies:

Fiona Walmsley

In Attendance:

Mike Knight – The FDCentre
Graham Mott – LINK Scheme Executive
Sue Wallace – LINK Scheme Executive

1. Welcome

The Chairman welcomed the Directors and thanked them for attending the meeting on a Saturday morning. This call had been set up to provide the Board with an update following the NMC meeting on interchange on Thursday, 26th January 2017.

The Chairman reminded the Directors of their obligations under the Companies Act 2006 and the Articles of Association of the Company to declare the nature and extent of their interests (whether direct or indirect) in a situation in which he/she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.

As required by section 175 of the Act and the Articles, Adrian Roberts and Jonathan Simpson-Dent (each a Member Director, and together the Member Directors) confirmed and declared the nature and extent of his/her interest (whether direct or indirect) in accordance with section 175 of the Act and the Articles (the Conflicted Directors). In particular:

- (i) Adrian Roberts declared his existing relationship with Bank of Ireland, being a Network Member and a shareholder of VocaLink.
- (ii) Jonathan Simpson-Dent declared his existing relationship with Cardtronics, being a Network Member.

2. Summary of NMC Meeting

The Chairman reported that the outcome of the NMC Meeting was that the motion (Member redacted due to confidentiality) was passed, namely that a Working Group comprising senior representatives of the eight largest Network Members should be set up to find a way through the LINK Scheme sustainability challenge, particularly interchange, and ensure that consumer needs for cash access continue to be met. All

other motions had been withdrawn. He stated that, whilst the Board should be aware that there remained a significant divergence of views between some Members, the immediate risk of Scheme failure had been deferred.

John Howells provided the Board with more detail on the NMC meeting. How this engagement with the Working Group should work, the nature of the LINK Scheme Wind Down Plan required by the Bank of England, and the potential for maintaining LINK even if a large Member leaves, are topics on the agenda for the 2nd February 2017 Board meeting. **ACTION: JOHN HOWELLS.**

(Part of this discussion has been redacted under confidential grounds.)

The Chairman advised that the Working Group was required by NMC to report to it at a NMC meeting arranged for 28th February 2017.

The Board then discussed the implications of these latest developments on the interchange challenge, including regulators' views, potential political involvement, and press coverage.

(Part of this discussion has been redacted under confidential grounds.)

John Howells confirmed that regulators are being, and will continue to be, explicitly briefed on all of these matters.

3. Next Meeting

The next meeting will be held on Thursday 2nd February 2017 at 10.30 am at 33 St James's Square, London SW1Y 4JS.