

## CHANGES AND CESSATION PROCEDURE

### 1. Introduction

ICE Benchmark Administration Limited (IBA) administers a variety of systemically important benchmarks and other data services, including ICE Swap Rate which has been designated as a critical benchmark for the purposes of the UK Benchmarks Regulation (UK BMR). ICE Swap Rate is a significant benchmark for the purposes of the EU Benchmarks Regulation (EU BMR). The UK BMR and the EU BMR are referred to as the BMR.

This Changes and Cessation Procedure is published by IBA in compliance with Article 28 of the BMR which requires a benchmark administrator to publish, together with the Benchmark Statement required under Article 27 of the BMR, a robust procedure, with respect to the UK BMR, and a procedure, with respect to the EU BMR, in each case concerning the actions to be taken by the administrator in the event of changes to or the cessation of a benchmark which may be used in the UK (with respect to the UK BMR) or the European Union (with respect to the EU BMR) in accordance with Article 29(1) of the BMR.

The BMR states that the procedure may be drafted, where applicable, for families of benchmarks. A 'family of benchmarks' is defined in the BMR as a group of benchmarks provided by the same administrator and determined from input data of the same nature which provides specific measures of the same or similar market or economic reality.

This Changes and Cessation Procedure is specific to ICE Swap Rate and sets out the steps that IBA would take in the event of a change or cessation of ICE Swap Rate

### 2. Change or cessation steps

IBA may decide to cease to publish one or more ICE Swap Rate currency/tenor pairs (being one or more "versions" of the benchmark) for reasons which might include:

- Concerns around the availability and/or quality of input data;
- Inability to produce the version(s) in a reliable fashion that represents the economic reality that the benchmark is intended to measure;
- Findings from a periodic review of the benchmark;
- Production of the ICE Swap Rate version(s) were no longer viable for IBA; and/or
- The administration of ICE Swap Rate were to be transferred to another benchmark administrator.

Details of any proposed changes to or cessation of ICE Swap Rate would be reviewed and agreed with the ICE Swap Rate and Term Reference Rates Oversight Committee which would have an important role in monitoring the execution of the plan.

Key factors to be considered are:

- The timing of the change or cessation, including how much notice should be given;
- Whether any transitional measures should or could be implemented; and
- Stakeholder engagement.

### 3. Consultation process

If changes to ICE Swap Rate were under consideration, the [IBA Consultation Process](#) provisions would apply.

If the cessation of one or more versions of the ICE Swap Rate were under consideration, the following provisions would apply:

The ICE Swap Rate and Term Reference Rates Oversight Committee is responsible for reviewing and approving procedures for cessation of the benchmark, including any consultation about a cessation.

In conjunction with the Oversight Committee, IBA would prepare a consultation paper on a proposed cessation and after careful consideration of the following points:

- Any regulatory or legal obligations of the benchmark administrator or of benchmark submitters or users which the proposals are designed to meet;
- Any other regulatory implications of the proposed cessation;
- Any legal implications of the proposed cessation, including any potential consequences for the continuity of existing contracts;
- Any IT implications of the proposed cessation;
- Any customer implications of the proposed cessation;
- Any transitional changes to processes and procedures (for example, the surveillance processes);
- Any other implications of the proposed cessation, for example: risk, budgetary, operational cost, etc;
- Whether the proposals are clearly articulated and give a balanced view of the likely implications;
- Whether feedback questions are clear and unambiguous;
- Whether the consultation period is sufficient;
- How consultation responses will be analysed and what criteria will be used in evaluating them; and
- Who will be able to access the consultation responses.

The consultation paper would be reviewed and agreed by the Oversight Committee, and/or the IBA Board as appropriate before publication or circulation. IBA would also typically share a consultation paper with the FCA and ESMA before publication.

IBA publishes consultation papers on its website and invites interested parties to comment on the proposals by a specified date.

When the consultation period closes, IBA prepares a detailed analysis of responses for internal use, circulating it as appropriate to the Oversight Committee and the IBA Board.

IBA publishes a feedback statement summarising responses together with the consultation comments received unless confidentiality has been requested by the originator of the comments. The feedback statement is reviewed and agreed with the Oversight Committee before publication.

#### 4. Timings and notice

The timing would take into consideration the relevant factors in the prevailing circumstances:

- The urgency, if any, of changing or ceasing the benchmark;
- The amount of notice would depend on the reason(s) for cessation and the timescales to allow for consultation review of feedback and schedule of proposed cessation dates.
- The amount of notice that should be given to stakeholders to allow them to take a number of actions: to identify alternative arrangements; to put such alternatives in place; to ensure that contractual documentation is amended as necessary; and to update promotional or other material;
- The timing of any transitional measures;
- The extent of any likely IT or process issues;
- Whether there are any important dates or milestones in the near future (for example, expiries of financial instruments referencing the benchmark); and
- Whether there are any regulatory, legal or other provisions that might affect the timing.

IBA would seek to give stakeholders as much notice as possible of a proposed cessation of ICE Swap Rate version(s); this would be likely to be between two weeks and six months depending on the circumstances surrounding the proposed cessation.

#### 5. Engaging with external stakeholders

If cessation to ICE Swap Rate version(s) were under consideration, IBA would engage with relevant stakeholders, including:

- The FCA, ESMA and any other relevant regulatory body;
- Users of the benchmark – directly (for example, by email to registered licensees and by conference calls where appropriate), through any relevant association(s) and/or through paid advertisements;
- Redistributors of the benchmark; and
- The media.

IBA would also include relevant information and relevant contact details on its website.

#### 6. Review

This Changes and Cessation Procedure for ICE Swap Rate is subject to review at least annually.