



**Redacted Minutes of a Meeting of the  
LIBOR Oversight Committee of  
ICE Benchmark Administration (“IBA”)  
held on Tuesday, 28 November 2017 15:00 GMT**

- PRESENT:**
- Ms M Miller, Chairwoman
  - Mr T Bowler, IBA President
  - Mr S Bullock, Lloyds
  - Mr D Clark, WMBA
  - Ms C Dawson, LMA
  - Mr J Grout, Independent
  - Mr G Handjinicolaou, Piraeus Bank - by phone
  - Mr J Harding, ICE
  - Mr M Jüttner, Swiss National Bank (Observer) - by phone
  - Mr R Kennedy, UBS
  - Mr W Parry, Bank of England (Observer)
  - Mr V Reddy, Barclays
  - Mr F Sturm, CME
  - Mr R Thurlow, Mizuho
  - Ms E Vick, IBA
- IN ATTENDANCE:**
- Ms A Adams, IBA
  - Mr T Evans, IBA
  - Ms J ten Elsen, IBA (Committee Secretary)
  - Mr S Tselikas, IBA
  - Mr A Villeneuve, IBA
  - Representatives from a LIBOR Panel Bank - part of meeting
- APOLOGIES:**
- Mr D Bowman, FRB (Observer)
  - Ms G Dimitrova, The Investment Association
  - Mr R Paris, IBA INED
- CIRCULATION:**            **IBA Website**

	<b>Chairwoman’s Welcome and Apologies</b> The Chairwoman welcomed the Committee Members, noted the apologies as listed above and drew the Committee’s attention to the FCA’s statement on LIBOR Panels of 24 November 2017.
	<b>Declaration of any conflicts for interest (COI)</b> A Committee Member declared a new Non-executive Chairmanship and there were no objections from the other Committee members.
	<b>LIBOR Oversight Committee Minutes</b> <b>Full Minutes</b> The minutes for the LIBOR Oversight Committee meeting held on 19 September 2017 were

	<p>considered and approved following some drafting changes.</p> <p><b>Redacted Minutes</b> The minutes for the LIBOR Oversight Committee meeting held on 19 September 2017 were approved for publication following some drafting changes.</p>
	<p><b>Dashboards</b> IBA presented the dashboards for September, October and November, which were in line with expectations and alerts that were affected by market news.</p> <p>The Committee questioned what impact the FCA's statement on LIBOR Panels of 24 November 2017 would have on transaction data. IBA agreed to review this and revert to the Committee.</p>
	<p><b>Incidents</b> There were none to report.</p>
	<p><b>Consent Agenda</b> <b>MAR 8.3.10 (2)(c) – Consider Composition of LIBOR Currency Panels</b> The Chairwoman drew the Committee's attention to the consent agenda and invited questions. The Committee considered the proposed changes and requested some amendments.</p>
	<p><b>Discussion Topics</b> <b>EU Benchmarks Regulation (BMR)</b> The Committee turned to the EU Benchmarks Regulation and IBA:</p> <ul style="list-style-type: none"> <li>• confirmed that BMR would come into effect on 01 January 2018;</li> <li>• highlighted that the LIBOR Benchmark would be considered Critical but that had yet to be announced by the European Commission;</li> <li>• emphasised that IBA had been advised by the FCA that that Title II and Annex I would apply with Annex I prevailing;</li> <li>• said that the paper set out IBA's short-term actions in preparation for BMR; and</li> <li>• expected IBA to submit the draft application to the FCA shortly.</li> </ul> <p>IBA confirmed that the application would be for IBA as an entity and that it could cover all of IBA's benchmarks.</p> <p><b>LIBOR Code of Conduct</b> The Chairwoman detailed that a subgroup of LIBOR Committee members had formed a working group to review the draft LIBOR Code of Conduct for the BMR and that it had been shared with panel banks as well as the FCA. The Chairwoman added that the feedback received so far suggested that the draft was progressing sensibly.</p> <p>Some drafting suggestions were made and it was agreed to revisit certain aspects of the Code at a subsequent meeting.</p> <p><b>LIBOR Evolution Phase One Update</b> IBA gave a presentation to the Committee on LIBOR Phase One test data in the form of quintiles of absolute changes in values between published LIBOR and the Phase One test data. Before showing the data, IBA highlighted that the information was anonymised. IBA noted</p> <ul style="list-style-type: none"> <li>• the enhanced testing period;</li> <li>• that IBA had compared test data with published LIBOR for over two months; and</li> <li>• explained how the comparison data had been grouped and calculated.</li> </ul> <p>IBA also gave an indication of the possible change in average volatility across all currency and tenor pairs aggregated from current LIBOR to the Phase One test data, noting that the volatility</p>

	<p>levels and data gave IBA comfort with the transition to Phase One.</p> <p>The Committee engaged in a discussion around the presented comparison data, noting and appreciating the data anonymity, but requested to see further data before being able to confer their agreement to the transition to Phase One.</p> <p><b>A Panel Bank's views on LIBOR Phase One</b></p> <p>Two representatives from a LIBOR Panel Bank attended the meeting for this item and suggested to the Committee a modification of the LIBOR Phase One parameters.</p> <p>The Chairwoman then thanked the bank representatives for their presentation.</p> <p>In the discussion after the panel bank representatives had left the meeting, the Committee agreed that the bank's suggestions would lead to a reduction in the extent to which LIBOR is anchored in transactions, which would be contrary to the strategic direction set by the Financial Stability Board and other authorities. The Committee agreed that the bank's suggestions could not be accommodated.</p> <p><b>LIBOR Evolution Communication Plan</b></p> <p>IBA walked the Committee through the proposed Communication Plan, noting that IBA envisaged that the transition to the Phase One methodology would be complete by the end of 2018.</p> <p>In response to a question, Mr Bowler confirmed that it was planned to implement the transition gradually in tranches of banks.</p>
	<p><b>Any Other Business</b></p> <p>There being no further business to discuss, the Chairwoman closed the meeting.</p>

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Mary Miller

Chairwoman