

# ICE Benchmark Administration Limited (“IBA”)

## Redacted Minutes



**Meeting:** LIBOR Oversight Committee (the “Committee”)

**Date:** 19<sup>th</sup> May 2016, 15:00 - 17:00

**Location:** IBA Offices, Boardroom

### **Attendees:**

Mary Miller, IBA INED (Chairwoman)	Deborah Land, IBA (Secretary)
David Clark, WMBA	John Grout, Independent (T)
George Handjinicolaou, ISDA	John Harding, ICE
Brad Hurrell, Barclays	Finbarr Hutcheson, IBA
Matthias Jüttnner, Swiss National Bank (Observer) (T)	Richard Kennedy, UBS
Rod Paris, IBA INED	Will Parry, Bank of England (Observer)
Guy Sears, IA	Frederick Sturm, CME
Robert Thurlow, Mizuho	Emma Vick, IBA
André Villeneuve, IBA INED	

### **Apologies:**

David Bowman, FRB (Observer)	Clare Dawson, LMA
Kevin Ludwick, The Bank of Tokyo-Mitsubishi UFJ, Ltd.	

### **In attendance from IBA:**

Amanda Adams	Andrew Hill
Stelios Tsilikas	Carolyn Van den Daelen

### **Circulation:**

IBA Website

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### **Agenda Items/Questions Raised**

The Chairwoman welcomed all members to the Committee, including a new IBA team member. The Chairwoman ran through the meeting agenda, highlighting the open issues for discussion and mapped out a time frame for each subject to give a sense of importance to each topic.

#### **1. Disclosure – conflict of interest**

The Chairwoman asked the members of the Committee if they had any new conflicts of interest to declare. There were none.

#### **2. Approval of Minutes from 6<sup>th</sup> April 2016**

Following some minor drafting changes the minutes were approved.

#### **3. Dashboards for April 2016**

The Committee were walked through the dashboard for April, which showed an average number of alerts. There were increased alerts in the yen following the Japanese earthquake and the Bank of Japan's rate decision.

#### **4. Discussion Topics**

##### **• Feasibility Study into centralised determination of LIBOR**

IBA informed the Committee that they were undertaking extensive internal modelling and that bilateral meetings would be held with all of the submitting banks over the next few weeks.

IBA expect to have an initial view on feasibility by the end of June, when the findings will be presented to the Committee. Following that the initial findings will be shared with the FCA and Central Banks, the detailed findings will be shared with the Committee at the July meeting. IBA

hopes to know by the end of August if this methodology is feasible, after also sharing it with the Board and stakeholders.

- **LIBOR Usage Questionnaire**

IBA outlined the reasons for the usage questionnaire to the panel bank submitters; to assess the benchmark usage and compare it to the previous results gathered in 2014. In addition, this questionnaire was designed to provide qualitative information on what rates are being used for.

- **LIBOR Code of Conduct**

IBA gave a briefing on the treatment of errors and perspectives that had arisen during conversations with the banks.

It was agreed that any drafting issues be sent to IBA for inclusion but in principle the document was approved for sending to the FCA. IBA will provide the Committee with an updated version after the regulator's comments are incorporated.

- **IOSCO Principles: addressing IOSCO's recommendations**

IBA provided an update on the most recent IOSCO review, with discussion being deferred until the next meeting.

## 5. Periodic Reviews

- Cessation policy – some drafting changes were suggested, including that the policy should be subject to a review “at least annually”
- Conflicts of Interest policy - noted
- Terms of reference of the Committee - noted
- Definition, scope and setting of LIBOR – noted.

## 6. Information Items

- **LIBOR OC review**

This is now underway with all the Committee members. The Chairwoman will provide a report at the next meeting.

- **External Audit findings**

IBA informed the Committee of a number of audit reviews over all three benchmarks with the external audit focussing on IBA's calculation of benchmarks in-line with its stated methodologies.

- **Standing item – incidents, if any**  
None to report

- **Standing item – quarterly statistics**

The next quarterly stats will be presented in July

- **Introduction to LIBOR OC for new Committee members**

This document was provided for the Committee members review. Comments were welcomed but no action was required.

## 7. Proposed time and date of next meeting

27<sup>th</sup> July, 15:00 – 17:00 BST

## 8. AOB

There being no further business the meeting was closed.