

## REPUBLICATION POLICY

### Aim of the policy

This policy is designed to address whether (and if so, in which situations) it would be appropriate for IBA to republish the ICE Swap Rate benchmark if, after publication, an error were discovered in the input data or in the calculation for a particular benchmark run.

Through this policy IBA also aims to:

- promote and maintain the integrity and transparency of ICE Swap Rate;
- achieve an accurate and reliable representation of the underlying interest;
- comply with international best practice standards and regulation;
- acknowledge the operational impacts on users of ICE Swap Rate;
- safeguard contractual integrity; and
- facilitate an orderly market transition by implementing any new policy in a way which minimises disruption for market participants.

### Considerations

While correction of post-publication errors might achieve a more accurate historical representation of the benchmark, a number of other key considerations for this policy indicate that post-publication revisions could lead to significant disruption of the market:

- Swaption exercises are a major use for ICE Swap Rate, and re-publishing a rate could cause market disruption as it may change which swaptions should have been exercised or not exercised
- market participants will be exposed to additional basis risk if their hedging of other contracts referencing ICE Swap Rate are valued at the republished rate
- The timing of the republication is especially important given that market participants generally hedge their swaption exercises and so need the rates in a timely manner to minimise their exposure to basis risk
- significant time and effort may be expended in amending downstream transactions if the republication values are used.

These considerations suggest that a republication would cause significant market disruption and therefore the balance of considerations indicate that IBA should not republish the ICE Swap Rate benchmark.

### Transparency

However, it is important for users of ICE Swap Rate to know the accuracy of the benchmark, to allow them to assess the suitability of the benchmark for their uses; IBA will publish on a quarterly basis the number of days on which errors occurred and their impact on the published rate, if any.

## QUARTERLY PUBLICATION OF ERRORS

<b>2015</b>			
<b>Quarter</b>	<b>Number of Errors</b>	<b>ISR Run</b>	<b>Impact on Published Rate</b>
Q2	-	-	-
Q3	-	-	-
Q4	-	-	-
<b>2016</b>			
Q1	1	USD RATES 1100	-0.003%
Q2	-	-	-
Q3	-	-	-
Q4	-	-	-
<b>2017</b>			
Q1	-	-	-
Q2	-	-	-
Q3	-	-	-
Q4	-	-	-
<b>2018</b>			
Q1	-	-	-
Q2	-	-	-
Q3	-	-	-
Q4	-	-	-
<b>2019</b>			
Q1	-	-	-
Q2	-	-	-
Q3	-	-	-
Q4	-	-	-
<b>2020</b>			
Q1	-	-	-
Q2	-	-	-
Q3	-	-	-
Q4	1	GBP SONIA ISR 1100	0.001%
<b>2021</b>			
Q1	1	GBP SONIA ISR 1100	0.002%
Q2	-	-	-
Q3	-	-	-
Q4	-	-	-
<b>2022</b>			
Q1	-	-	-
Q2			
Q3			
Q4			

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