

“SYNTHETIC” LIBOR ERROR POLICY

1. Introduction

ICE Benchmark Administration Limited (IBA) is the authorised and regulated administrator for the 1-, 3- and 6- months GBP and JPY LIBOR settings that IBA is being compelled by the UK Financial Conduct Authority (FCA) to publish from 1 January 2022 under a changed, unrepresentative “synthetic” methodology in accordance with the FCA’s [Article 23A](#), [Article 21\(3\)](#) and [Article 23D](#) notices under the UK Benchmarks Regulation (BMR).

This policy sets out IBA’s approach to handling errors identified subsequent to the publication of these “synthetic” LIBOR settings.

2. Re-publishing a corrected rate

If, after the publication of a “synthetic” LIBOR setting on an applicable London business day, IBA is notified that the relevant forward-looking term risk free rate used to determine that setting is subsequently republished by its provider on that day, IBA is required, in accordance with the FCA’s Article 23D BMR notice, to recalculate and republish the relevant “synthetic” LIBOR setting using the republished forward-looking term risk free rate for that applicable London business day. IBA will make an announcement at <https://www.theice.com/iba/market-status> that a recalculation and republication occurred stating the affected rate.

If, after the publication of a “synthetic” LIBOR setting on an applicable London business day, IBA identifies an error in its determination of that setting by 15.00 London time on the day of the error, then a recalculation and republication will be considered and IBA will announce this at <https://www.theice.com/iba/market-status>, stating the affected setting. Any settings which are recalculated as referred to in this paragraph will be republished by IBA by no later than 16.00 London time on that day. IBA will only recalculate and republish if correcting the determination error would result in a change to the published “synthetic” LIBOR setting. IBA will make an announcement at <https://www.theice.com/iba/market-status> if a recalculation and republication occurred, stating the affected setting.

3. Transparency of later or smaller errors

Some errors may be identified after the relevant cut-off time for a recalculation and republication set out above. IBA publishes on a quarterly basis the incidence of errors of which it has become aware. This includes errors that did not lead to a recalculation and republication, either because the error was identified after the relevant cut-off time or, where applicable, because correcting the error would not have resulted in a change to the published “synthetic” LIBOR setting.

4. Policy review

This Policy is produced by IBA in consultation with the LIBOR Oversight Committee and is subject to periodic review in consultation with the FCA.

QUARTERLY PUBLICATION OF ERRORS

2022		
Quarter	Number of Errors	Impact on Published Rate
Q1	-	-
Q2		
Q3		
Q4		
