



ICE BENCHMARK ADMINISTRATION PUBLISHES SECOND POSITION PAPER ON THE EVOLUTION ICE LIBOR

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LONDON--(BUSINESS WIRE)-- Intercontinental Exchange (NYSE:ICE), the leading global network of exchanges and clearing houses, announced that ICE Benchmark Administration (IBA) has today published a [second position paper](#) on the evolution of ICE LIBOR. IBA is seeking feedback on proposals included in the paper from all LIBOR stakeholders. Comments should be submitted to IBA by October 16, 2015.

Finbarr Hutcheson, President of IBA, said: "LIBOR is the world's most important short-term interest rate benchmark, referenced by transactions totaling an estimated \$350 trillion. IBA is investing significant resources to strengthen the calculation methodology and governance of LIBOR in order to restore market confidence and integrity to this vital economic benchmark."

The second position paper published today sets out in more detail the evolutionary approach and timeline for LIBOR and in particular, describes a number of parameters for a more unified and prescriptive transaction-based methodology. The key aspect of LIBOR's evolution remains the establishment of a waterfall of calculation methodologies to ensure the continued availability of LIBOR rates and the consistency and reliability of data.

The position paper specifies that to further anchor LIBOR in transaction data, the underlying liquidity pool, which is currently based on the inter-bank unsecured lending market, should be expanded. A number of proposals to improve liquidity and therefore increase available transaction data are included in the position paper including extending the eligible counterparty types, funding centres, transaction types and the transaction timing and window.

IBA received authorisation from the Financial Conduct Authority (FCA) in 2014 to administer and provide LIBOR, following an independent tendering process conducted by the Hogg Committee. This marked the start of a transformative, new era for LIBOR which is now underpinned by enhanced governance, oversight surveillance.

Editor's Notes

The UK Government commissioned the [Wheatley Review](#) in 2012 to examine the setting and usage of LIBOR, with the aim of restoring confidence in the benchmark. The Wheatley Review's recommendations, which were adopted in their entirety, included that LIBOR should be a market-led benchmark and that the provider should be an independent, private organization with the flexibility to design and manage the benchmark on a sustainable, commercial basis. ICE Benchmark Administration was appointed as the administrator of LIBOR in 2013, following an independent tender process.

About ICE Benchmark Administration Limited

ICE Benchmark Administration (IBA) is a UK company based in London established for the purpose of administering benchmarks and is a wholly-owned subsidiary of Intercontinental Exchange, Inc. IBA, which is independently capitalized, administers the following three systemically important benchmarks: ICE LIBOR, LBMA Gold Price and ICE Swap Rate. Authorised and regulated by the Financial Conduct Authority (FCA), IBA is required to comply with the FCA's rules for benchmark administrators; IBA has also been formally assessed in respect of ICE LIBOR against the IOSCO Principles for Financial Benchmarks.

About Intercontinental Exchange

Intercontinental Exchange (NYSE:ICE) operates the leading network of regulated exchanges and clearing houses. ICE's futures exchanges and clearing houses serve global commodity and financial markets, providing risk management and capital efficiency. The New York Stock Exchange is the world leader in capital raising and equities trading.

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