



ICE Benchmark Administration Limited
Milton Gate
60 Chiswell Street
London EC1Y 4SA

(Submitted by email to IBA@theice.com)

15 February 2017

Dear Sirs,

ICE LIBOR Evolution – Additional consultation¹

The International Capital Market Association (ICMA) is responding to the above.

Representing a broad range of capital market interests including banks, asset managers, exchanges, central banks, law firms and other professional advisers, ICMA's market conventions and standards have been the pillars of the international debt market for almost 50 years. See: www.icmagroup.org.

ICMA is responding in relation to its primary market constituency that lead-manages syndicated debt securities issues throughout Europe. This constituency deliberates principally through ICMA's Primary Market Practices Committee², which gathers the heads and senior members of the syndicate desks of 51 ICMA member banks, and ICMA's Legal and Documentation Committee³, which gathers the heads and senior members of the legal transaction management teams of 21 ICMA member banks, in each case active in lead-managing syndicated debt securities issues in Europe.

We set out our response in the Annex to this letter and would be pleased to discuss it with you at your convenience.

Yours faithfully,

A handwritten signature in blue ink that reads "C. Bellamy".

Charlotte Bellamy

Director - Primary Markets

Charlotte.Bellamy@icmagroup.org

+44 20 7213 0340

¹ https://www.theice.com/publicdocs/LIBOR_additional_consultation.pdf

² <http://www.icmagroup.org/About-ICMA/icma-councils-and-committees/Primary-Market-Practices-Sub-committee/>.

³ <http://www.icmagroup.org/About-ICMA/icma-councils-and-committees/Legal-and-Documentation-Sub-committee/>.

ANNEX

1. ICMA has previously communicated to IBA and others that, while improving benchmark robustness is a positive goal, it is important to ensure that there are no negative side effects for outstanding contracts that reference that benchmark.⁴
2. The terms and conditions of floating rate bonds referencing LIBOR typically state that the interest rate will be set by reference to LIBOR as published on a certain screen page as of 11.00 a.m. London time on a certain day. The references to LIBOR being a rate calculated “as of 11.00” in IBA’s [Roadmap for ICE LIBOR](#) dated 18 March 2016⁵ were therefore very helpful in ameliorating concerns regarding the impact of the evolution of LIBOR on continuity of bond contracts.
3. Those words are missing from the proposed revised ICE LIBOR Output Statement set out in Annex 2 to the ICE LIBOR Evolution Additional Consultation. It is important that they are reinstated in order to support the continuity of bond contracts.
4. The change would be as follows:

“LIBOR is calculated as of 11.00 every London business day and ...”.

⁴ See the ICMA responses to various consultations on this ICMA webpage: <http://www.icmagroup.org/Regulatory-Policy-and-Market-Practice/Primary-Markets/primary-market-topics/benchmarks/>

⁵ See paragraph 2.3.1 on page 9 and the ICE LIBOR Output Statement on page 19 of the Roadmap for ICE LIBOR.