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U.S. Commodity Futures Trading Commission  
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Mr. Vincent McGonagle  
Director  
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U.S. Commodity Futures Trading Commission  
Three Lafayette Centre  
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June 14, 2023

**Re: Letter Regarding the Reporting of USD LIBOR Swaps and Other Swaps that will Transition to Alternative Rates in July 2023**

Dear Mr. Guerin and Mr. McGonagle,

The Alternative Reference Rate Committee (**ARRC**) and its member firms are writing to the staff of the Division of Data and the Division of Market Oversight of the U.S. Commodity Futures Trading Commission (**Commission** or **CFTC**) to request no-action relief in relation to the reporting requirements contained in Part 43 (**P43**) and Part 45 (**P45**) of the Commission's rules<sup>1</sup> with respect to certain uncleared swaps that will transition to risk-free fallback rates (**Fallback Rates**) following the cessation or non-representativeness (as applicable) of the remaining tenors of the U.S. Dollar London Interbank Offered Rate (**USD LIBOR**), **USD LIBOR ICE Swap Rates**,<sup>2</sup> and Moscow Prime Offered Rate (**MosPrime**)<sup>3</sup> at the end of June 2023 pursuant to the terms of such swaps (the relevant **USD LIBOR**, **USD LIBOR ICE Swap Rates**, and **MosPrime** which would be reported in accordance with the relief requested pursuant to this letter are listed in Appendix 1 and referred to hereafter as the **Impacted Rates**).<sup>4</sup> This letter follows and is submitted with reference to the ARRC's December 15, 2021, July 20, 2020, November 5, 2019, May 13, 2019, and July 12, 2018 letters to the Commission requesting interpretive guidance or no-action relief from other aspects of the Commodity Exchange Act (**CEA**) and the

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<sup>1</sup> See 17 C.F.R. Part 43 and 17 C.F.R. Part 45.

<sup>2</sup> USD LIBOR ICE Swap Rate is referred to as "USD-ISDA-Swap Rate", "USD-ISDA-Swap Rate-3:00", "USD-ISDAFIX3-Swap Rate", and "USDISDAFIX3-Swap Rate-3:00" in the 2006 ISDA Definitions (**2006 Definitions**), and "USD-LIBOR ICE Swap Rate-11:00" and "USD-LIBOR ICE Swap Rate-15:00" in the 2021 ISDA Interest Rate Derivatives Definitions (**2021 Definitions**), and together with the 2006 Definitions, the **ISDA Definitions**). See also Appendix 1.

<sup>3</sup> MosPrime is referred to as "RUB-MOSPRIME-NFEA" in the 2006 Definitions and "MosPrime" in the 2021 Definitions.

<sup>4</sup> This letter does not specifically address the transition of certain other rates at or around the same time as the Impacted Rates, such as the Mumbai Interbank Forward Offer Rate, the Philippine Interbank Reference Rate, the Singapore Dollar Swap Offer Rate, and the Thai Baht Interest Rate Fixing.

Commission's rules,<sup>5</sup> in particular the letter to the Commission dated December 15, 2021, which anticipated a future relief request with respect to the Commission's reporting requirements in connection with the transition away from USD LIBOR.

## I. INTRODUCTION

The ARRC has been working with regulators, other industry groups and market participants to develop recommendations to encourage a smooth transition away from USD LIBOR. In June 2017, the ARRC identified a broad Treasuries repo-financing rate, the Secured Overnight Financing Rate (SOFR), as the preferred alternative to USD LIBOR for new U.S. Dollar derivatives and other financial contracts. The ARRC has subsequently published various milestones, guidance and best practices, and continues to take a range of other actions to build progressively the liquidity required to support the issuance of, and transition to, contracts referencing SOFR.

To assist with this transition in the swaps markets, the International Swaps and Derivatives Association, Inc. (ISDA) has developed fallback provisions for transactions that incorporate the 2006 Definitions or certain versions of the 2021 Definitions. The ISDA Definitions are incorporated into the documentation used for a significant majority of interest rate and other derivatives transactions that are "swaps" under the CEA.<sup>6</sup> The fallbacks are designed to ensure that transactions that reference LIBOR or certain rates the determination of which is dependent on LIBOR (such as the USD LIBOR ICE Swap Rate), including as a settlement rate or as an index rate, will continue to function following the cessation or non-representativeness of the relevant Impacted Rate by providing that upon such an event, the Impacted Rate will be replaced with the relevant Fallback Rate plus, or including, any applicable standard spread adjustment as published by a specified reference rate provider or otherwise determined through a published formula (together with any certain conforming changes to give effect to the calculation of the relevant Fallback Rate). These fallbacks are automatically incorporated into transactions that incorporate the 2006 ISDA Definitions or 2021 ISDA Definitions and are entered into after the date on which the relevant supplement to the 2006 ISDA Definitions or the relevant version of the 2021 ISDA Definitions is published, in each case, to address the Impacted Rate and provide for its transition to the relevant Fallback Rate (each, a **Relevant Date**). The Relevant Date in respect of USD LIBOR is January 25, 2021, the Relevant Date in respect of USD LIBOR ICE Swap Rate is November 10, 2021, and the Relevant Date in respect of MosPrime is November 18, 2022.

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<sup>5</sup> ARRC, Letter to CFTC to Request Relief from P43 and P45 Reporting Obligations Due to the Fallback to RFR's on December 31, 2021 (Dec 15, 2021), available at <https://www.newyorkfed.org/medialibrary/Microsites/arrc/files/2021/ARRC-CFTC-Reporting-Letter.pdf>; ARRC, Letter to Directors M. Clark Hutchinson III, Dorothy D. DeWitt & Joshua B. Sterling Regarding Request for Revision of No-Action Letters 19-26, 19-27, and 19-28 Regarding the Application of Certain Swap Regulatory Requirements to Facilitate an Orderly Transition from Inter-Bank Offered Rates to Alternative Risk-Free Rates (July 20, 2020), available at <https://www.newyorkfed.org/medialibrary/Microsites/arrc/files/2020/Request-Letter-CFTC-No-Action-Relief-Issues-List-7-20-20.pdf>; ARRC, Letter to Directors M. Clark Hutchinson III, Vincent McGonagle & Joshua B. Sterling Regarding Treatment of Swaps Amended or Otherwise Transitioned from IBOR to Alternative Risk Free Rates under the Commodity Exchange Act (Nov. 5, 2019), available at [https://www.newyorkfed.org/medialibrary/Microsites/arrc/files/2019/ARRC\\_CFTC\\_Relief\\_Request.pdf](https://www.newyorkfed.org/medialibrary/Microsites/arrc/files/2019/ARRC_CFTC_Relief_Request.pdf); ARRC, Follow-up Letter to Chairman Giancarlo Regarding Treatment of Derivatives Contracts Referencing the Alternative Risk-Free Rates (May 13, 2019), available at [https://www.newyorkfed.org/medialibrary/Microsites/arrc/files/2019/ARRC\\_Letter\\_CFTC\\_Regulatory\\_Derivatives\\_Treatment\\_05132019.pdf](https://www.newyorkfed.org/medialibrary/Microsites/arrc/files/2019/ARRC_Letter_CFTC_Regulatory_Derivatives_Treatment_05132019.pdf); ARRC, Letter to U.S. Regulators Regarding Treatment of Derivatives Contracts Referencing the Alternative Risk-Free Rates and Associated Transitions under Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act (July 12, 2018), available at <https://www.newyorkfed.org/medialibrary/Microsites/arrc/files/2018/ARRC-July-16-2018-titleviiiletter>.

<sup>6</sup> See 7 USC § 1a(47)(A).

ISDA has also published the ISDA 2020 IBOR Fallbacks Protocol and the ISDA 2021 IBOR Fallback Protocol, including the June 2022 Benchmark Module and the November 2022 Benchmark Module (the **ISDA Protocols**),<sup>7</sup> each a multilateral protocol and in the case of the ISDA 2021 IBOR Fallback Protocol a modular protocol, to allow market participants to include the fallbacks referred to above in certain transactions that were entered into prior to the Relevant Date in respect of the applicable Impacted Rate(s). A significant number of market participants have adhered<sup>8</sup> to the ISDA Protocols or have agreed bilaterally to incorporate substantively identical fallbacks to the ISDA Protocol in their existing transactions.<sup>9</sup>

The fallbacks (including the spread adjustment and conforming changes described above) in the 2006 ISDA Definitions, the 2021 ISDA Definitions, the ISDA Protocol or the bilaterally incorporated provisions equivalent to the ISDA Protocol (such as those set out in the USD LIBOR ICE Swap Rate Fallback Agreements) are referred to in this letter as the **ISDA Fallbacks**.

Consistent with prior announcement by the UK Financial Conduct Authority (the **FCA**), the regulatory supervisor for the administrator of LIBOR, all tenors of Swiss Franc (**CHF**), Euro (**EUR**), British Pound Sterling (**GBP**), and Japanese Yen (**JPY**) LIBOR, as well as 1-week and 2-month tenors of USD LIBOR have not been available on a representative basis since December 31, 2021. Following a request of ARRC dated December 15, 2021, the Commission staff issued CFTC No-Action Letter 21-30<sup>10</sup> to grant no-action relief in connection with market participants' reporting obligations under P43 and P45 arising out of changes in the floating rate pursuant to the ISDA Fallbacks with respect to uncleared swaps referencing any tenor of CHF, EUR, GBP, and JPY LIBOR.

The FCA has confirmed that the remaining tenors of USD LIBOR – that is, the overnight and 1-, 3-, 6-, and 12-month tenors – will cease to be published on a representative basis after June 30, 2023. While the FCA has proposed to require the 1-, 3-, and 6-month USD LIBOR settings to be published on a synthetic basis until the end of September 2024, such synthetic settings will be non-representative.<sup>11</sup> The cessation of representative settings of USD LIBOR after June 30, 2023 will directly impact the sustainability of the USD LIBOR ICE Swap Rate.

On November 14, 2022, ICE Benchmark Administration (**IBA**) announced that, following feedback from market participants on its public consultation published in August 2022, calculation and publication of each tenor of the USD LIBOR ICE Swap Rate (which will be the USD LIBOR ICE Swap Rate with an underlying rate of 3-month USD LIBOR) will cease immediately after publication on June 30, 2023.<sup>12</sup>

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<sup>7</sup> ISDA, ISDA 2020 IBOR Fallbacks Protocol (October 23, 2020), available at <http://assets.isda.org/media/3062e7b4/08268161-pdf/>; ISDA, Amendments to the 2006 ISDA Definitions to include new IBOR fallbacks (October 23, 2020), available at <http://assets.isda.org/media/3062e7b4/23aa1658-pdf/>.

<sup>8</sup> As of May 23, 2023, there are 15,887 adhering parties to the ISDA Protocol, <https://www.isda.org/protocol/isda-2020-ibor-fallbacks-protocol/adhering-parties>.

<sup>9</sup> ISDA has also published forms of standalone bilateral amendment agreements (each, a **USD LIBOR ICE Swap Rate Fallback Agreement**) for adoption of fallback provisions applicable to the USD LIBOR ICE Swap Rate. See ISDA, Benchmark Reform and Transition from LIBOR InfoHub, available at <https://www.isda.org/2022/05/16/benchmark-reform-and-transition-from-libor/> (under “7. Fallbacks for Swap Rates”).

<sup>10</sup> CFTC Letter No. 21-30 (Dec. 22, 2021), available at <https://www.cftc.gov/cs/21-30/download>.

<sup>11</sup> FCA, CP22/21: Consultation on ‘synthetic’ US dollar LIBOR and feedback to CP22/11 (first published, Nov. 23, 2022), available at <https://www.fca.org.uk/publications/consultation-papers/cp22-21-synthetic-us-dollar-libor>.

<sup>12</sup> <https://ir.theice.com/press/news-details/2022/ICE-Benchmark-Administration-Publishes-Feedback-Statement-on-the-Consultation-on-the-Potential-Cessation-of-ICE-Swap-Rate-based-on-USD-LIBOR/default.aspx>.

Russia's National Finance Association announced on April 29, 2022 that MosPrime would cease to be published on January 1, 2023,<sup>13</sup> and subsequently announced on August 3, 2022 that the publication of MosPrime would continue until June 30, 2023 (the **MosPrime Announcement**).<sup>14</sup>

For reasons similar to our request for relief dated December 15, 2021, the ARRC is requesting relief in relation to swaps referencing an Impacted Rate. The ARRC may look to engage separately with the Commission on reporting obligations in relation to other rates at the appropriate time.

## II. BACKGROUND ON P43 AND P45 REPORTING OBLIGATIONS

To provide context for the ARRC's request for relief, this section provides a brief overview of P45 and P43 reporting obligations.

CEA section 2(a)(13)(G)<sup>15</sup> and P45 require reporting of certain swap creation data upon the execution of any swap,<sup>16</sup> regardless of whether it is a publicly reportable swap transaction under P43.<sup>17</sup> In addition, P45 requires the reporting of certain continuation data throughout the life of the swap.<sup>18</sup> For example, reporting counterparties are required to report life-cycle-event data (i.e., all data elements to fully report any "life cycle event", defined as "an event that would result in a change to required swap creation data previously reported to a swap data repository in connection with a swap") as the life cycle events occur.<sup>19</sup> Required swap data elements for P45 reporting are set out in P45 Appendix 1, which include a number of elements relating to the floating rate.

In addition to specifying the circumstances in which swap data must be reported, P45 specifies how quickly this data must be reported. Depending on the type of entity responsible for the reporting, creation data reporting is generally required within one or two business days following execution,<sup>20</sup> and continuation data reporting is generally required within one or two business days following the reportable event.<sup>21</sup> As discussed in more detail below, the timing under the P45 reporting requirements may present substantial operational challenges for market participants when transitioning from Impacted Rates to the relevant Fallback Rates under the ISDA Fallbacks.

P43 defines a "publicly reportable swap transaction" under CFTC Rule 43.2 to include an "amendment . . . that changes the pricing of the swap." The obligation to report arises "as soon as technologically practicable after execution" of the transaction, with "execution" defined under CFTC Rule 43.2 as "an agreement by the parties, by any method, to the terms of a swap that legally binds the

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<sup>13</sup> <http://mosprime.com/news/the-rejection-of-the-mosprime>.

<sup>14</sup> <http://mosprime.com/news/mosprime-rate-300622>.

<sup>15</sup> 7 U.S.C. § 2(a)(13)(G).

<sup>16</sup> Deliverable FX forwards and FX swaps that are excluded from being regulated as swaps under the Commodity Exchange Act for some purposes are subject to the requirements of P45, although they are not subject to the requirements of P43. *See* 77 Fed. Reg. 69694 (Nov. 20, 2012).

<sup>17</sup> *See* 17 C.F.R. §§ 45.1 and 45.3.

<sup>18</sup> *See* 17 C.F.R. § 45.4(a).

<sup>19</sup> *See* 17 C.F.R. §§ 45.1, 45.4(c).

<sup>20</sup> *See, e.g.*, 17 C.F.R. § 45.3.

<sup>21</sup> *See* 17 C.F.R. § 45.4.

parties to such swap terms.” A publicly reportable swap transaction must be reported to a swap data repository under CFTC Rule 43.3 “as soon as technologically practicable after execution.” For an interest rate swap, pricing is currently reported under Part 43 using the “spread” field, which identifies any applicable spread above or below the relevant reference rate.<sup>22</sup>

### III. REQUEST FOR RELIEF

#### A. Discussion of P45

The ISDA Fallbacks are included in a transaction between two parties entered into prior to the Relevant Date when those parties adhere to the relevant ISDA Protocol (or agree bilaterally to include the ISDA Fallbacks) or, automatically when the parties enter into a transaction after the Relevant Date.<sup>23</sup>

As stated in the FCA Announcement, each Remaining Tenor of USD LIBOR will cease to be published or will be non-representative from, and including, July 1, 2023. As a result of the cessation of the USD LIBOR, the application of relevant Fallback Rates will be triggered in respect of USD LIBOR ICE Swap Rate in transactions that are subject to the ISDA Fallbacks.

Additionally, as stated in the MosPrime Announcement, the MosPrime will cease to be published from, and including, July 1, 2023.

Under the terms of the ISDA Fallbacks, the Impacted Rates will be automatically replaced by the Fallback Rates as follows:

- **USD LIBOR.** Each transaction which references such tenor of USD LIBOR and includes the ISDA Fallbacks will, from and including, July 1, 2023, no longer use the LIBOR and will instead use the applicable Fallback Rate, i.e., term-adjusted Secured Overnight Financing Rate (**SOFR**) plus the spread adjustment fixed on March 5, 2021, as published by Bloomberg (**Bloomberg Spread**). The ISDA Fallbacks include other technical “conforming changes” to enable the Fallback Rate plus spread adjustment to be calculated and the resulting amounts paid.
- **USD LIBOR ICE Swap Rate.** Each transaction which references the USD LIBOR ICE Swap Rate and includes the ISDA Fallbacks will, from and including, July 1, 2023, no longer use the USD LIBOR ICE Swap Rate and will instead use the applicable Fallback Rate, i.e. a specific fallback rate published by IBA. IBA has been publishing such fallback rate – the “USD SOFR Spread-Adjusted ICE Swap Rate” – since October 1, 2021 on an indicative, ‘Beta’ basis, and has announced its intention to launch this rate on July 3, 2023, to be used as the Fallback Rate for USD LIBOR ICE Swap Rate.<sup>24</sup> If IBA does not publish such Fallback Rate, an alternative

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<sup>22</sup> See 17 CFR Part 43, Appendix A.

<sup>23</sup> The fallbacks are not included if the parties expressly agree to the contrary.

<sup>24</sup> <https://ir.theice.com/press/news-details/2023/ICE-Benchmark-Administration-Announces-Intention-to-Launch-SOFR-Spread-Adjusted-ICE-Swap-Rate-as-a-Benchmark/default.aspx>.

Fallback Rate determined through a published and fixed formula will be used to replace the USD LIBOR ICE Swap Rate.<sup>25</sup>

- **MosPrime.** Each transaction which references a tenor of the MosPrime and includes the ISDA Fallbacks will, from and including, July 1, 2023, no longer use the MosPrime and will instead use the applicable Fallback Rate, i.e., the “Fallback Rate (RUONIA)” as defined in the ISDA definitions, which is compounded Russian Ruble Overnight Index Average rate plus applicable adjustment spread. Such spread as of December 30, 2022, has been published on both the MosPrime website<sup>26</sup> in respect of certain tenors, and on the website of the Central Bank of the Russian Federation<sup>27</sup> in respect of all tenors.

For Impacted Rates, the ARRC and its member firms that are reporting counterparties under P45 intend to report the change in the floating rate pursuant to the ISDA Fallbacks as life-cycle event data under P45. The ARRC understands that this is consistent with the practice that has been or will be adopted in the context of reporting requirements established by other global regulators (including the European Securities and Markets Authority, the FCA,<sup>28</sup> and the Australian Securities and Investments Commission) with respect to the analogous requirement to P45 in the relevant jurisdiction. The ARRC understands that the FCA has stated that firms have one business day after June 30, 2023 to report the change in the floating rate under the analogous requirement to P45 in the UK.<sup>29</sup> As more fully described in this letter, the ARRC requests relief of up to five business days from, but excluding, June 30, 2023, because it understands from its member firms that, based on their assessment of their respective swap portfolios, the volume of swaps subject to the P45 reporting requirement is materially greater than the volume of swaps subject to reporting requirements in the prior transitions of other currencies. Coupled with the fact that the transition will occur over a U.S. federal holiday weekend, this creates a materially greater burden from an operational and technological perspective.

ARRC’s member firms vary in size and operational and technological capacity, and therefore the ARRC’s member firms have requested that the relief is sufficient to address that variation across member firms. The ARRC understands that member firms are currently preparing systems and operational processes in order to achieve compliance with the applicable P45 reporting deadline for reporting fallbacks, when triggered and applied, however, the volumes in scope for P45 CFTC reporting are expected to be higher than that of any other reporting jurisdiction, including EMIR. In addition, given that the transition will occur over a U.S. holiday weekend, to the extent that firms do require additional time to report, the ARRC understands that those firms would make best efforts to report within the timeframe under P45, and in any event not later than five business days from, but excluding, June 30, 2023.

The ARRC also believes that a time-limited delay to P45 reporting will not unnecessarily impact on regulatory oversight in relation to transition to the Fallback Rates, due to the long-known nature of

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<sup>25</sup> See definition of “Calculated USD ISR Fallback Rate” in the 2021 Definitions.

<sup>26</sup> <http://mosprime.com/>

<sup>27</sup> [http://www.cbr.ru/hd\\_base/mosprime-spread/](http://www.cbr.ru/hd_base/mosprime-spread/).

<sup>28</sup> <https://www.fca.org.uk/firms/uk-emir/news>

<sup>29</sup> *Id.* The FCA has indicated willingness to exercise a degree of tolerance for late reporting due to operational issues as “it will apply [its] supervisory powers for this requirement in a proportionate and risk-based manner.”

the transition from the Impacted Rates to the relevant Fallback Rates, the close involvement of the Commission and other regulators in planning for and facilitating the transition,<sup>30</sup> the transparency of the list of Protocol-adhering parties, and the fact that under the terms of the ISDA Fallbacks, each Impacted Rate will fallback to a pre-defined corresponding Fallback Rate.

## **B. Discussion of P43**

The change to the relevant Fallback Rates, the numerical value of any applicable spread or the formula of any applicable adjustment, and the conforming changes in each case to a swap pursuant to a ISDA Fallback discussed above are pre-determined and form part of the contractual terms of the swap prior to such change. None of these changes require, or are the result of, further agreement or negotiation between the parties to the swap at the time a ISDA Fallback is triggered and will occur automatically. The changes arising from the ISDA Fallbacks have been fixed and are publicly known, and the parties adhering to the ISDA Fallbacks are also publicly known. For example, in respect of swaps referencing USD LIBOR, the designated Bloomberg Spread, which would be reported as the price of the changes to the floating rate pursuant to P43, was set on March 5, 2021, as a consequence of the FCA's announcement.

The ARRC understands from its member firms that reporting the changes to a swap arising from the ISDA Fallbacks being triggered would therefore not benefit price discovery as it would not provide new pricing information and may harm market transparency and data integrity, as it would suggest more current price forming activity than is actually the case.

## **C. Request for Relief**

The ARRC requests no-action relief from the P45 requirements for reporting the change in the floating rate pursuant to the ISDA Fallbacks in uncleared swaps referencing any Impacted Rate. Specifically, the ARRC requests no-action relief so long as market participants will make best efforts to report the change in the floating rate pursuant to the ISDA Fallbacks in accordance with the requirements of P45, provided that to the extent it is not possible to comply with such timing requirements, the market participants will report the required information under P45 not later than five business days from, but excluding, June 30, 2023.

The ARRC further requests relief from the requirements for public reporting under P43 in uncleared swaps referencing any Impacted Rate, to the extent that the triggering of ISDA Fallbacks in any such swaps would constitute a "publicly reportable swap transaction" under P43.

## **D. Reporting the changes to the floating rate – P45**

For the Commission's reference, we include as Appendix 1 a chart that represents an illustrative list of how the transition of swaps referencing an Impacted Rate pursuant to the ISDA Fallbacks will be

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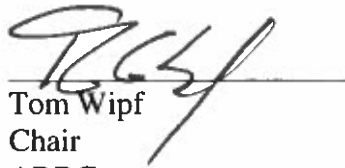
<sup>30</sup> See CFTC, *Clearing Requirement Determination Under Section 2(h) of the Commodity Exchange Act for Interest Rate Swaps To Account for the Transition From LIBOR and Other IBORs to Alternative Reference Rates*, 87 Fed. Reg. 52182 (Aug. 24, 2022); SEC Staff Statement on LIBOR Transition—Key Considerations for Market Participants (Staff of the U.S. Securities and Exchange Commission) (Dec. 7, 2021), available at <https://www.sec.gov/news/statement/staff-statement-libor-transition-20211207>

reported. We expect that, in respect of any uncleared swap referencing an Impacted Rate, the relevant reporting counterparty will report the applicable Fallback Rate and any applicable spread.

#### IV. CONCLUSION

Thank you for your consideration of our request. Please feel free to contact Simon Winn ([simon.winn@us.bnpparibas.com](mailto:simon.winn@us.bnpparibas.com)), Maria-Ines Raij ([maria-ines.raij@morganstanley.com](mailto:maria-ines.raij@morganstanley.com)), Deborah North ([dnorth@cgsh.com](mailto:dnorth@cgsh.com)), Brian Morris ([bmorris@cgsh.com](mailto:bmorris@cgsh.com)), Charles Wang ([wawang@cgsh.com](mailto:wawang@cgsh.com)) or Eleanor Hsu ([EHsu@isda.org](mailto:EHsu@isda.org)) should you have any questions or concerns.

Sincerely,



Tom Wipf  
Chair  
ARRC

*Cc: Mr. Bruce Fekrat, Designated Federal Officer, CFTC Market Risk Advisory Committee*



**Appendix 1: Fallbacks reporting: CFTC FRO field reporting for 6/30/2023 transition date when fallbacks are triggered/applied\***

Cessation Date	IBOR FRO (ISDA 2006)	IBOR FRO (ISDA 2021) <sup>1</sup>	Fallback RFR under the ISDA 2020 IBOR Fallbacks Protocol <sup>3</sup>	IBOR ISO Code Name <sup>4</sup>	IBOR ISO Code <sup>4</sup>	Industry P45 reporting for 6/30/23				
						FRO field: Leg 1 - Floating Rate Index; Leg 2 - Floating Rate Index	#26 Action Type	#28 Amendment Indicator	#30 Event Timestamp (Thh:mm:ssZ to be left to discretion of party)	Spread-Leg 1; Spread-Leg 2; Spread notation-Leg 1; Spread notation-Leg 2:
30-Jun-23	USD-LIBOR-BBA	USD-LIBOR	Fallback Rate (SOFR)	SOFR	SOFR	"USD-SOFR"	MODI	FALSE	2023-07-03 (Thh:mm:ssZ to be left to discretion of party) <sup>5</sup> . Based on ISO 8601 date and time format.	Spread fields would be reported
30-Jun-23	USD-LIBOR-BBA-Bloomberg	USD-LIBOR	Fallback Rate (SOFR)	SOFR	SOFR	"USD-SOFR"	MODI	FALSE	2023-07-03 (Thh:mm:ssZ to be left to discretion of party) <sup>5</sup> . Based on ISO 8601 date and time format.	Spread fields would be reported
30-Jun-23	USD-LIBOR-Reference Banks	No 2021 mapping <sup>2</sup>	Fallback Rate (SOFR)	SOFR	SOFR	"USD-SOFR"	MODI	FALSE	2023-07-03 (Thh:mm:ssZ to be left to discretion of party) <sup>5</sup> . Based on ISO 8601 date and time format.	Spread fields would be reported
30-Jun-23	USD-LIBOR-LIBO	No 2021 mapping <sup>2</sup>	Fallback Rate (SOFR)	SOFR	SOFR	"USD-SOFR"	MODI	FALSE	2023-07-03 (Thh:mm:ssZ to be left to discretion of party) <sup>5</sup> . Based on ISO 8601 date and time format.	Spread fields would be reported
30-Jun-23	USD-ISDA-Swap Rate	USD-LIBOR ICE Swap Rate-11:00 <sup>6</sup>	Published USD ISR Fallback Rate, or any subsequent fallback contemplated within the Permanent Cessation Fallbacks for USD LIBOR ICE Swap Rate <sup>7</sup>	n/a	n/a	"USD SOFR ICE Swap Rate"	MODI	FALSE	2023-07-03 (Thh:mm:ssZ to be left to discretion of party) <sup>5</sup> . Based on ISO 8601 date and time format.	Spread fields would be reported
30-Jun-23	USD-ISDAFIX3-Swap Rate	USD-LIBOR ICE Swap Rate-11:00 <sup>6</sup>	Published USD ISR Fallback Rate, or any subsequent fallback contemplated within the Permanent Cessation Fallbacks for USD LIBOR ICE Swap Rate <sup>7</sup>	n/a	n/a	"USD SOFR ICE Swap Rate"	MODI	FALSE	2023-07-03 (Thh:mm:ssZ to be left to discretion of party) <sup>5</sup> . Based on ISO 8601 date and time format.	Spread fields would be reported

30-Jun-23	USD-ISDA-Swap Rate-3:00	USD-LIBOR ICE Swap Rate-15:00 <sup>6</sup>	Published USD ISR Fallback Rate, or any subsequent fallback contemplated within the Permanent Cessation Fallbacks for USD LIBOR ICE Swap Rate <sup>7</sup>	n/a	n/a	"USD SOFR ICE Swap Rate"	MODI	FALSE	2023-07-03 (Thh:mm:ssZ to be left to discretion of party) <sup>5</sup> . Based on ISO 8601 date and time format.	Spread fields would be reported
30-Jun-23	USD-ISDAFIX3-Swap Rate-3:00	USD-LIBOR ICE Swap Rate-15:00 <sup>6</sup>	Published USD ISR Fallback Rate, or any subsequent fallback contemplated within the Permanent Cessation Fallbacks for USD LIBOR ICE Swap Rate <sup>7</sup>	n/a	n/a	"USD SOFR ICE Swap Rate"	MODI	FALSE	2023-07-03 (Thh:mm:ssZ to be left to discretion of party) <sup>5</sup> . Based on ISO 8601 date and time format.	Spread fields would be reported
30-June-23	RUB-MOSPRIME	n/a	RUB-RUONIA	n/a	n/a	"RUB-RUONIA"	MODI	FALSE	2023-07-03 (Thh:mm:ssZ to be left to discretion of party) <sup>5</sup> . Based on ISO 8601 date and time format.	Spread fields would be reported

Industry P45 reporting for tenor	
TENOR examples: #56 Floating Rate Reset Freq Period Multiplier-Num(3,0)	TENOR examples: #55 Floating Rate Reset Freq Period-Char(4)
1	MNTH
3	MNTH
6	MNTH
12	MNTH
1	DAIL

\* Not an exhaustive list of all indexes that will fallback, but list provided for illustrative purposes. FCA as LIBOR administrator stated that publication of overnight and 12-month US dollar LIBOR settings will cease for good immediately after June 30, 2023, while the 1-month, 3-month, and 6-month settings will become non-representative from that date, <https://www.fca.org.uk/publication/documents/future-cessation-loss-representativeness-libor-benchmarks.pdf>.

<sup>1</sup> Table 1 "Mapping between FROs under the 2006 Definitions and FROs under the 2021 Definitions".

<sup>2</sup> Table 2 "FROs under the 2006 Definitions that do not map to FROs under the 2021 Definitions", <https://www.isda.org/a/xlce/2006-FRO-Mapping-to-2021-FROs-Version-6.pdf>.

<sup>3</sup> ISDA 2020 IBOR Fallbacks Protocol (Oct. 23, 2020), <https://assets.isda.org/media/3062e7b4/08268161-pdf/>.

<sup>4</sup> "BenchmarkCurveName2Code," ISO 20022, <https://www.iso20022.org/standardsrepository/type/BenchmarkCurveName2Code>.

<sup>5</sup> The date on which the fallbacks take effect is the "Index Cessation Effective Date", a term used in the ISDA Definitions, which are incorporated into legacy contracts via the 2020 IBOR Fallbacks Protocol. That is the first London Banking Day on or after July 1, 2023 for all USD LIBOR tenors (expected to be July 3, 2023, unless that is an unscheduled holiday in London). Consistent with FCA "In the case of all US dollar settings, the modification should be reported one working day after June 30, 2023," <https://www.fca.org.uk/firms/uk-emir/news>. June 30, 2023 is the final date on which the LIBOR rates will be published so the next working day would be July 3, 2023.

<sup>6</sup> Supplement 88 to 2006 ISDA Definitions, <https://www.isda.org/a/K3UgE/Supplement-88-to-the-2006-ISDA-Definitions-Fallbacks-for-USD-LIBOR-ISR-and-JPY-LIBOR-TSR-and-new-Rate-Options-for-SOFR-ISR-and-TONA-TSR.pdf>.

[https://www.ice.com/publicdocs/ISR\\_USD\\_LIBOR\\_cessation\\_feedback\\_statement.pdf](https://www.ice.com/publicdocs/ISR_USD_LIBOR_cessation_feedback_statement.pdf), <https://www.isda.org/a/VrcgE/ISDA-Guidance-USD-LIBOR-ICE-Swap-Rate-future-cessation-112922.pdf>.

<sup>7</sup> 2021\_ISDA\_Interest\_Rate\_Derivatives\_Definitions\_Floating\_Rate\_Matrix\_V7, Supplement 88 to 2006 ISDA Definitions, <https://www.isda.org/a/K3UgE/Supplement-88-to-the-2006-ISDA-Definitions-Fallbacks-for-USD-LIBOR-ISR-and-JPY-LIBOR-TSR-and-new-Rate-Options-for-SOFR-ISR-and-TONA-TSR.pdf>.