
ANNEX 4 BENCHMARKS REGULATION – NOTICE OF PROPOSED MODIFICATIONS

To: ICE Benchmark Administration Limited (“IBA” or “the Administrator”)

Reference Number: 608291

Address: Milton Gate, 60 Chiswell Street, London EC1Y 4SA, United Kingdom

Date: 16 November 2021

1. PROPOSED MODIFICATIONS

For the reasons given in this Notice and pursuant to Annex 4 of the Benchmarks Regulation, the FCA proposes that the Benchmarks Regulation and the Relevant BMR Delegated Regulations should apply with the modifications set out in Annex 3 to this Notice (the “**Proposed Annex 4 Modifications**”) to the following LIBOR versions (the “**Article 23A LIBOR Versions**”) which pursuant to a notice dated 29 September 2021 have been designated as Article 23A benchmarks:

- (1) 1-month Sterling LIBOR;
- (2) 3-month Sterling LIBOR;
- (3) 6-month Sterling LIBOR;
- (4) 1-month Yen LIBOR;
- (5) 3-month Yen LIBOR; and
- (6) 6-month Yen LIBOR.

1.1. Such designation shall take effect at 00:01 on 1 January 2022.

1.2. The Proposed Annex 4 Modifications are proposed to take effect on 1 January 2022, after the designation of the Article 23A LIBOR Versions as Article 23A benchmarks and the FCA’s proposed exercise of its powers under Article 23D(2) as set out in the Draft Article 23D Notice takes effect and by virtue of a notice

given by the FCA to the Administrator under paragraph 6 of Annex 4 of the Benchmarks Regulation (if such notice is given).

2. DEFINITIONS

2.1. The definitions below are used in this Notice:

"Article 23A benchmark" means a benchmark in relation to which a designation under Article 23A of the Benchmarks Regulation has effect

"the Benchmarks Regulation" or **"BMR"** means the UK version of Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018

"Draft Article 23D Notice" means the draft of the notice expected to be given by the FCA under Article 23D(2) of the Benchmarks Regulation which was published in draft on 29 September 2021

"Relevant BMR Delegated Regulations" means the UK versions of the Commission Delegated Regulations listed in Annex 1, which are each part of UK law by virtue of the European Union (Withdrawal) Act 2018

"the FCA" means the Financial Conduct Authority

"LIBOR" means the ICE LIBOR benchmark provided by IBA

"Unamended BMR Delegated Regulations" means the UK versions of the Commission Delegated Regulations supplementing the BMR, in force at the date of this Notice, which are not Relevant BMR Delegated Regulations.

3. REASONS FOR THE PROPOSED ANNEX 4 MODIFICATIONS

3.1. The FCA considers that it is appropriate to make the Proposed Annex 4 Modifications for the reasons set out in summary in paragraph 3.2 below and in detail in Annex 2 of this Notice and having regard to the effects of the designation under Article 23A which shall take effect at 00:01 on 1 January 2022 and/or the FCA's proposed exercise of its powers under Article 23D(2) as set out in the Draft Article 23D Notice.

3.2. Pursuant to a notice dated 29 September 2021 the FCA designated the Article 23A LIBOR Versions as Article 23A benchmarks with effect from 00:01 on 1 January 2022. As a result of this designation and as a result of the requirement which is proposed to be imposed on IBA as set out in the Draft Article 23D Notice, certain provisions of the Benchmarks Regulation will no longer be applicable or proportionate to apply in their current form from 1 January 2022 (being the date on which (i) the designation of the Article 23A LIBOR Versions as Article 23A benchmarks takes effect and (ii) the requirements set out in the Draft Article 23D Notice are proposed to take effect). Therefore, certain provisions of the Benchmarks Regulation and the Relevant BMR Delegated Regulations need to be modified or disapplied as set out in Annex 3 of this Notice.

4. EFFECTS OF THE PROPOSED ANNEX 4 MODIFICATIONS

- 4.1. In respect of the Article 23A LIBOR Versions, if the Proposed Annex 4 Modifications are made IBA will only be required to comply with the BMR and Relevant BMR Delegated Regulations to the extent that they are modified as shown in Annex 2 of this Notice. The Unamended BMR Delegated Regulations and any provision of the BMR or the Relevant BMR Delegated Regulations which is not modified or disapplied by this Notice will continue to apply in respect of the Article 23A LIBOR Versions in full force and effect in their unmodified form.

5. PROCEDURAL MATTERS

- 5.1. This Notice is given to IBA under paragraph 4 of Annex 4 of the Benchmarks Regulation.
- 5.2. This Notice is being published by agreement with IBA.

Representations

- 5.3. IBA has the right to make written representations to the FCA. The deadline for making written representations is 14 days beginning with the day on which this Notice is given. The address for doing so is:

Christopher Simon

Benchmarks Supervision Manager

Financial Conduct Authority

12 Endeavour Square

London

E20 1JN

Email: Christopher.Simon@fca.org.uk

FCA contacts

- 5.4. For more information concerning this matter generally, contact the Benchmarks Supervision inbox at the FCA (email: benchmarkssupervision@fca.org.uk).

Edwin Schooling-Latter

Director, Markets, for and on behalf of the FCA

Annex 1

List of Commission Delegated Regulations

Commission Delegated Regulation (EU) 2018/1106

Commission Delegated Regulation (EU) 2018/1637

Commission Delegated Regulation (EU) 2018/1638

Commission Delegated Regulation (EU) 2018/1639

Commission Delegated Regulation (EU) 2018/1640

Commission Delegated Regulation (EU) 2018/1641

Commission Delegated Regulation (EU) 2018/1642

Commission Delegated Regulation (EU) 2018/1643

Commission Delegated Regulation (EU) 2018/1644

Commission Delegated Regulation (EU) 2018/1645

Commission Delegated Regulation (EU) 2020/1816

Commission Delegated Regulation (EU) 2020/1817

Commission Delegated Regulation (EU) 2020/1818

Annex 2

Reasons for the Proposed Annex 4 Modifications

This annex sets out the reason(s) for each of the Proposed Annex 4 Modifications.

Many provisions have been modified or disappplied for similar or identical reasons. For ease of reading, these reasons are explained in detail below and summarised in the table using the emboldened headings. Where there is more than one reason for the modification or disapplication, the reasons are listed within the table.

N/A (discretion): as a result of the requirements which are proposed to be imposed on IBA as set out in the Draft Article 23D Notice, IBA would not be able to exercise discretion in relation to the determination of the Article 23A LIBOR Versions. For this reason, we propose disapplying or modifying requirements relating to the exercising of discretion by IBA in relation to the Article 23A LIBOR Versions. Any provision marked in this manner is not applicable for this reason.

N/A (contributors): the requirements proposed to be imposed on IBA as set out in the Draft Article 23D Notice would change the methodology in respect of the Article 23A LIBOR versions. The modified methodology is not contributor-based. For this reason, we propose disapplying or modifying requirements relating to contributors or activities to be undertaken by contributors. Any provision marked in this manner is not applicable for this reason.

Part 1

Reasons for proposed modifications to the Benchmarks Regulation

Provision	Modified or disappplied	Reason for proposed modification or disapplication
Article 4(1)	Modified	1. N/A (discretion) 2. N/A (contributors)
Article 4(3)	Modified	N/A (contributors)
Article 4(5)	Modified	N/A (contributors)
Article 5(1)	Modified	Wording changed to reflect amendments to the oversight committee responsibilities
Article 5(3)(a) Article 5(3)(b)	Disappplied	N/A (discretion)
Article 5(3)(c)	Modified	N/A (contributors)
Article 5(3)(d)	Modified	IBA is not expected to consult about a cessation of the Article 23A LIBOR Versions because they will be required to cease to provide the Article 23A LIBOR Versions in line with the modified Article 11(4) and Article 11(4A)
Article 5(3)(g)	Disappplied	N/A (contributors)
Article 5(3)(h)	Disappplied	N/A (contributors)
Article 5(3)(i)	Modified	1. N/A (contributors) 2. "Suspicious" deleted as it would be inappropriate to require the administrators oversight function to scrutinise to this degree input data which it will be required to use as proposed by the Draft Article 23D Notice
Article 6(4)(a)	Disappplied	N/A (contributors)
Article 7(3)	Disappplied	Disappplied as an external audit would be inappropriate in light of the requirements proposed to be imposed by the Draft Article 23D Notice and the modifications which are proposed to be made to the BMR under Annex 4
Article 8(1)(c)	Disappplied	N/A (discretion)
Article 8(1)(f)	Modified	N/A (contributors)
Article 8(1)(g)	Modified	Formatting change only

Provision	Modified or disapplied	Reason for proposed modification or disapplication
Article 8(1)(h)	Disapplied	N/A (contributors)
Article 8(2)	Modified	Deleted wording not applicable as Article 8(1)(h) is disapplied
Article 11(1)(a)	Disapplied under Annex 4, paragraph (2)(a)(i) for Article 23A benchmarks	Noted for ease of reference
Article 11(1)(b)	Disapplied	The Administrator will not select the input data and therefore it would not be appropriate to expect the Administrator to include "verifiable" input data in the benchmark
Article 11(1)(c)	Disapplied	N/A (discretion)
Article 11(1)(d)	Disapplied Partly Disapplied under Annex 4, paragraph (2)(a)(ii) for Article 23A benchmarks	N/A (contributors) The words "and representative" (in the first place they occur) and "and representative of the market or economic reality that the benchmark is intended to measure" are already specifically omitted under Annex 4, paragraph (2)(a)(ii). This is noted here only for ease of reference. However, it is appropriate to disapply this provision in its entirety because there will be no contributors under the modified methodology which is proposed to be imposed by the requirements set out in the Draft Article 23D Notice.
Article 11(1)(e)	Disapplied	N/A (contributors)
Article 11(2)(a)	Disapplied	N/A (contributors)
Article 11(2)(b)	Disapplied	N/A (contributors)
Article 11(2)(c)	Modified	Modified as it would be inappropriate to require the Administrator to scrutinise to this degree input data which it will be required to use as proposed by the Draft Article 23D Notice
Article 11(3)	Disapplied	N/A (contributors)
Article 11(4)	Modified	Not proportionate to apply without modification as the Article 23A LIBOR Versions will not be

Provision	Modified or disapplied	Reason for proposed modification or disapplication
		representative and the Administrator will be unable to change the input data, contributors or methodology for the Article 23A LIBOR Versions; the Administrator would be required to determine these as set out in the Draft Article 23D Notice. The Administrator would be unable to comply with Article 11(4) in its current form. Article 11(4) has therefore been amended to remove the obligation on the Administrator to change the input data, contributors or methodology of the Article 23A LIBOR Versions in the event the Article 23A LIBOR Versions are not representative. IBA is required to cease to provide the Article 23A LIBOR Versions within a reasonable time period.
Article 11(5)	Disapplied	Disapplied as the technical standards relate to Articles 11(1)(a), 11(1)(b) and 11(3)(b), all of which have been disapplied
Article 12	Disapplied	N/A (discretion)
Article 13(1)	Modified	N/A (discretion) The Administrator will not 'develop' or otherwise change the methodology of the Article 23A LIBOR Versions. We consider that the administrator could comply with the provision by referring to the final Article 23D notice which is expected to be given
Article 13(1)(b)-(d)	Disapplied	N/A (discretion)
Article 13(2)	Disapplied	N/A (discretion) The Administrator will not be expected to have a procedure for consulting on material changes to the methodology as they will not be able to effect any changes if the FCA imposes requirements on the Administrator as set out in the Draft Article 23D Notice
Article 13(2a)	Disapplied	Not applicable as Article 13(1)(d) is disapplied
Article 13(3)	Disapplied	Inappropriate to require additional information through technical standards on the transparency of the methodology as the Administrator will be referring to, and reliant on, the final Article 23D Notice which is expected to be given for production of the rate
Article 14(1)	Disapplied	Inappropriate to require the Administrator to scrutinise to this degree input data which it will be

Provision	Modified or disapplied	Reason for proposed modification or disapplication
		required to use by the final Article 23D Notice which is expected to be given
Article 14(2)	Disapplied	Inappropriate to require the Administrator to scrutinise to this degree input data which it is required to use by the final Article 23D Notice which is expected to be given
Article 15	Disapplied	N/A (contributors)
Article 16	Disapplied	N/A (contributors)
Article 17	Disapplied	Not applicable as the Article 23A LIBOR Versions will not be regulated-data benchmarks under the modified methodology which is proposed to be imposed by the requirements set out in the Draft Article 23D Notice
Article 18	Disapplied	No longer relevant to the Article 23A LIBOR Versions in light of the modified methodology which is proposed to be imposed by the requirements set out in the Draft Article 23D Notice
Article 19	Disapplied	Not applicable as the Article 23A LIBOR Versions will not be commodity benchmarks under the modified methodology which is proposed to be imposed by the requirements set out in the Draft Article 23D Notice
Chapter 3A (Articles 19a – 19d)	Disapplied	Not applicable as the Article 23A LIBOR Versions will not be UK Climate Transition Benchmarks or UK Paris-aligned Benchmarks under the modified methodology which is proposed to be imposed by the requirements set out in the Draft Article 23D Notice
Article 20 (6)(a)	Modified	Cross-reference to Article 24 has been deleted as Article 24 has been disapplied
Article 22A	Disapplied	N/A (contributors)
Article 22B	Disapplied	Not applicable as Article 22A is disapplied
Article 23	Disapplied	N/A (contributors)
Article 24	Disapplied	Not applicable because LIBOR is a critical benchmark and is not a significant benchmark
Article 25	Disapplied	Not applicable because LIBOR is a critical benchmark and is not a significant benchmark
Article 26	Disapplied	Not applicable because LIBOR is a critical benchmark and is not a non-significant benchmark

Provision	Modified or disapplied	Reason for proposed modification or disapplication
Article 27(1)(a)	Modified by paragraph 2(b) of Annex 4	Only noted here for ease of reference
Article 27(1)(b)	Disapplied	N/A (discretion)
Article 27(2)(b)	Disapplied	N/A (discretion)
Article 27(2)(c)	Modified	N/A (discretion) We consider that the remainder of the provision can be satisfied by the Administrator replicating the relevant parts from the final Article 23D notice which is expected to be in the form of the Draft Article 23D Notice in its benchmark statement
Article 27(2)(d)	Disapplied	1. N/A (discretion) 2. N/A (contributors)
Article 27(2)(e)	Disapplied	N/A (discretion)
Article 27(2)(f)	Modified	1. Modified as this provision is not appropriate in light of the requirements which are proposed to be imposed as set out in the Draft Article 23D Notice 2. Formatting change
Article 27(2)(g)	Disapplied	N/A (discretion)
Article 27(2a)	Disapplied	This provision is not appropriate in light of the requirements which are proposed to be imposed as set out in the Draft Article 23D Notice
Article 27(2b)	Disapplied	Not applicable as Article 27(2a) is disapplied
Article 28(1B)-(1E)	Disapplied	Not appropriate to apply as IBA will be required to cease to provide the Article 23A LIBOR Versions in line with the modified Article 11(4) and Article 11(4A).
Article 30	Disapplied	Not applicable as the Article 23A LIBOR Versions are not provided by a third country administrator
Article 31	Disapplied	Not applicable as the Article 23A LIBOR Versions are not provided by a third country administrator

Provision	Modified or disapplied	Reason for proposed modification or disapplication
Article 32	Disapplied	Not applicable as the Article 23A LIBOR Versions are not provided by a third country administrator
Article 33	Disapplied	Not applicable as the Article 23A LIBOR Versions are not provided by a third country administrator
Article 51 (1) to (5B) and (7)	Disapplied	Not applicable as IBA is already authorised
Annex I	Disapplied	Annex I will no longer be relevant to the Article 23A LIBOR Versions in light of the modified methodology which is proposed to be imposed by the requirements set out in the Draft Article 23D Notice
Annex II	Disapplied	Not applicable as the Article 23A LIBOR Versions will not be commodity benchmarks under the modified methodology which is proposed to be imposed by the requirements set out in the Draft Article 23D Notice
Annex III	Disapplied	Not applicable as the Article 23A LIBOR Versions will not be UK Climate Transition Benchmarks or UK Paris-aligned Benchmarks under the modified methodology which is proposed to be imposed by the requirements set out in the Draft Article 23D Notice

Part 2

Reasons for proposed modifications to the Relevant BMR Delegated Regulations

UK version of the Commission Delegated Regulation (EU) 2018/1637

Provision	Modified or disappplied	Reason for proposed modification or disapplication
Article 1(3)	Modified	Synthetic LIBOR will not seek to measure the underlying market or economic reality
Article 1(4)	Disappplied	Not applicable as the Article 23A LIBOR Versions will not be regulated-data benchmarks under the modified methodology which is proposed to be imposed by the requirements set out in the Draft Article 23D Notice
Article 1(5)	Disappplied	N/A (contributors)
Article 1(6)	Modified	Modified to enable the Administrator to conform the composition of the oversight function across all LIBOR currencies and tenors
Article 3(1)(m)	Modified	1. N/A (contributors) 2. "Suspicious" deleted as it would be inappropriate to require the Administrator to scrutinise to this degree input data which it will be required to use as proposed by the Draft Article 23D Notice
Annex, paragraph 1	Modified	N/A (contributors)
Annex, paragraph 2	Modified	N/A (contributors)

UK version of the Commission Delegated Regulation (EU) 2018/1638

Provision	Modified or disappplied	Reason for proposed modification or disapplication
Commission Delegated Regulation (EU) 2018/1638	Disappplied	Disappplied as the technical standards relate to Articles 11(1)(a), 11(1)(b) and 11(3)(b) of the BMR, all of which are disappplied

UK version of the Commission Delegated Regulation (EU) 2018/1639

Provision	Modified disapplied	or	Reason for proposed modification or disapplication
Commission Delegated Regulation (EU) 2018/1639	Disapplied		Disapplied as Article 15 of the BMR is disapplied

UK version of the Commission Delegated Regulation (EU) 2018/1640

Provision	Modified disapplied	or	Reason for proposed modification or disapplication
Commission Delegated Regulation (EU) 2018/1640	Disapplied		Disapplied as Article 16 of the BMR is disapplied

UK version of the Commission Delegated Regulation (EU) 2018/1641

Provision	Modified disapplied	or	Reason for proposed modification or disapplication
Commission Delegated Regulation (EU) 2018/1641	Disapplied		N/A (discretion)

UK version of the Commission Delegated Regulation (EU) 2018/1642

Provision	Modified disapplied	or	Reason for proposed modification or disapplication
Commission Delegated Regulation (EU) 2018/1642	Disapplied		Disapplied as Article 25 of the BMR is disapplied

UK version of the Commission Delegated Regulation (EU) 2018/1106

Provision	Modified or disappplied	Reason for proposed modification or disapplication
Commission Delegated Regulation (EU) 2018/1106	Disappplied	Disappplied as Article 25 of the BMR is disappplied

UK version of the Commission Delegated Regulation (EU) 2018/1643

Provision	Modified or disappplied	Reason for proposed modification or disapplication
Article 1(1)(c)	Disappplied	N/A (contributors)
Article 1(3)-(5)	Disappplied	N/A (discretion) The synthetic methodology imposed by the FCA on the Administrator under Article 23D will contain all relevant aspects of the benchmark determination process
Article 1(6)	Disappplied	Disappplied because the Article 23A LIBOR Versions are critical benchmarks subject to an Article 23A designation and are not non-significant benchmarks
Article 1(7)	Disappplied	Disappplied because the Article 23A LIBOR Versions are critical benchmarks subject to an Article 23A designation and are not non-significant benchmarks
Article 2	Disappplied	Not applicable as the Article 23A LIBOR Versions will not be regulated-data benchmarks under the modified methodology which is proposed to be imposed by the requirements set out in the Draft Article 23D Notice
Article 3	Disappplied	Disappplied since Annex I of the BMR is disappplied
Article 4	Disappplied	Not applicable as the Article 23A LIBOR Versions will not be commodity benchmarks under the modified methodology which is proposed to be imposed by the requirements set out in the Draft Article 23D Notice
Article 5	Disappplied	N/A (discretion) The synthetic methodology which is proposed to be imposed by the FCA on the Administrator under

		Article 23D is expected to contain all relevant aspects of the benchmark determination process
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UK version of the Commission Delegated Regulation (EU) 2018/1644

Provision	Modified disapplied	or	Reason for proposed modification or disapplication
Commission Delegated Regulation (EU) 2018/1644	Disapplied		Disapplied as Article 30 of the BMR is disapplied

UK version of the Commission Delegated Regulation (EU) 2018/1645

Provision	Modified disapplied	or	Reason for proposed modification or disapplication
Commission Delegated Regulation (EU) 2018/1645	Disapplied		Disapplied as Article 32 of the BMR is disapplied

UK version of the Commission Delegated Regulation (EU) 2018/1816

Provision	Modified disapplied	or	Reason for proposed modification or disapplication
Commission Delegated Regulation (EU) 2020/1816	Disapplied		Disapplied as Article 27(2)(b) of the BMR is disapplied

UK version of the Commission Delegated Regulation (EU) 2018/1817

Provision	Modified disapplied	or	Reason for proposed modification or disapplication
Commission Delegated Regulation (EU) 2020/1817	Disapplied		Disapplied as Article 13(1)(d) of the BMR is disapplied

UK version of the Commission Delegated Regulation (EU) 2018/1818

Provision	Modified or disappplied	Reason for proposed modification or disapplication
Commission Delegated Regulation (EU) 2020/1818	Disappplied	Disappplied as Article 19(a)(2) of the BMR is disappplied

Annex 3

Proposed modifications to the Benchmarks Regulation and the Relevant BMR Delegated Regulations

This annex sets out the proposed modifications to the Benchmarks Regulation and the Relevant BMR Delegated Regulations in so far as they shall apply to the Article 23A LIBOR Versions. In this annex, text which has been struck through shall be deleted from the Benchmarks Regulation or Relevant BMR Delegated Regulations as applicable in so far as they shall apply to the Article 23A LIBOR Versions. Where a provision is proposed to be disapplied in its entirety, this is specified in this annex. Any provision that is not proposed to be modified or disapplied shall continue to apply in respect of the Article 23A LIBOR Versions in full force and effect in its unmodified form.

Part 1

Proposed modifications to the Benchmarks Regulation

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TITLE II

BENCHMARK INTEGRITY AND RELIABILITY

CHAPTER 1

Governance of and control by administrators

Article 4 Governance and conflict of interest requirements

1. An administrator shall have in place robust governance arrangements which include a clear organisational structure with well-defined, transparent and consistent roles and responsibilities for all persons involved in the provision of a benchmark.

Administrators shall take adequate steps to identify and to prevent or manage conflicts of interest between themselves, including their managers, employees or any person directly or indirectly linked to them by control; and ~~contributors or users and to ensure that, where any judgement or discretion in the benchmark determination process is required, it is independently and honestly exercised.~~

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3. Where a conflict of interest arises within an administrator due to the latter's ownership structure, controlling interests or other activities conducted by any entity owning or controlling the administrator or by an entity that is owned or controlled by the administrator or any of the administrator's affiliates, that cannot be adequately mitigated, the FCA may require the administrator to establish an independent oversight function which shall include a balanced representation of stakeholders, including users ~~and contributors.~~

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5. An administrator shall publish or disclose all existing or potential conflicts of interest to users of a benchmark, to the FCA ~~and, where relevant, to contributors,~~ including conflicts of interest arising from the ownership or control of the administrator.

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Article 5 Oversight function requirements

1. Administrators shall establish and maintain a permanent and effective oversight function to ensure oversight ~~of all aspects~~ of the provision of their benchmarks.

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3. The oversight function shall operate with integrity and shall have the following responsibilities, which shall be adjusted by the administrator based on the complexity, use and vulnerability of the benchmark:

(a) ~~reviewing the benchmark's definition and methodology at least annually;~~

~~(b) overseeing any changes to the benchmark methodology and being able to request the administrator to consult on such changes;~~

~~(c) overseeing the administrator's control framework, the management and operation of the benchmark, and, where the benchmark is based on input data from contributors, the code of conduct referred to in Article 15;~~

~~(d) reviewing and approving procedures for cessation of the benchmark, including any consultation about a cessation;~~

~~(e) overseeing any third party involved in the provision of the benchmark, including calculation or dissemination agents;~~

~~(f) assessing internal and external audits or reviews, and monitoring the implementation of identified remedial actions;~~

~~(g) where the benchmark is based on input data from contributors, monitoring the input data and contributors and the actions of the administrator in challenging or validating contributions of input data;~~

~~(h) where the benchmark is based on input data from contributors, taking effective measures in respect of any breaches of the code of conduct referred to in Article 15; and~~

~~(i) reporting to the FCA any misconduct by contributors, where the benchmark is based on input data from contributors, or administrators, of which the oversight function becomes aware, and any anomalous or suspicious input data.~~

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Article 6 Control framework requirements

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4. An administrator shall establish measures to:

~~(a) ensure that contributors adhere to the code of conduct referred to in Article 15 and comply with the applicable standards for input data;~~

~~(b) monitor input data including, where feasible, monitoring input data before publication of the benchmark and validating input data after publication to identify errors and anomalies.~~

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Article 7 Accountability framework requirements

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~~3. For critical benchmarks, an administrator shall appoint an independent external auditor to review and report on the administrator's compliance with the benchmark methodology and this Regulation, at least annually.~~

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Article 8 Record-keeping requirements

1. An administrator shall keep records of:

- (a) all input data, including the use of such data;
- (b) the methodology used for the determination of a benchmark;
- ~~(c) any exercise of judgement or discretion by the administrator and, where applicable, by assessors, in the determination of a benchmark, including the reasoning for said judgement or discretion;~~
- (d) the disregard of any input data, in particular where it conformed to the requirements of the benchmark methodology, and the rationale for such disregard;
- (e) other changes in or deviations from standard procedures and methodologies, including those made during periods of market stress or disruption;
- (f) the identities ~~of the submitters and~~ of the natural persons employed by the administrator for the determination of a benchmark;
- (g) all documents relating to any complaint, including those submitted by a complainant; ~~and~~
- ~~(h) telephone conversations or electronic communications between any person employed by the administrator and contributors or submitters in respect of a benchmark.~~

2. An administrator shall keep the records set out in paragraph 1 for at least five years in such a form that it is possible to replicate and fully understand the determination of a benchmark and enable an audit or evaluation of input data, calculations, judgements and discretion. ~~Records of telephone conversation or electronic communications recorded in accordance with point (h) of paragraph 1 shall be provided to the persons involved in the conversation or communication upon request and shall be kept for a period of three years.~~

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CHAPTER 2

Input data, methodology and reporting of infringements

Article 11 Input data

~~(b) the input data referred to in point (a) shall be verifiable;~~

~~(c) the administrator shall draw up and publish clear guidelines regarding the types of input data, the priority of use of the different types of input data and the exercise of expert judgement, to ensure compliance with point (a) and the methodology;~~

~~(d) where a benchmark is based on input data from contributors, the administrator shall obtain, where appropriate, the input data from a reliable panel or sample of contributors so as to ensure that the resulting benchmark is reliable;~~

~~(e) the administrator shall not use input data from a contributor if the administrator has any indication that the contributor does not adhere to the code of conduct referred to in Article 15, and in such a case shall obtain representative publicly available data.~~

2. Administrators shall ensure that their controls in respect of input data include:

- ~~(a) criteria that determine who may contribute input data to the administrator and a process for selecting contributors;~~
- ~~(b) a process for evaluating a contributor's input data and for stopping the contributor from providing further input data, or applying other penalties for non-compliance against the contributor, where appropriate; and~~
- ~~(c) a process for validating input data, including against other indicators or data, to ensure its integrity and accuracy.~~

3. ~~Where the input data of a benchmark is contributed from a front office function, meaning any department, division, group, or personnel of contributors or any of its affiliates that performs any pricing, trading, sales, marketing, advertising, solicitation, structuring, or brokerage activities, the administrator shall:~~

- ~~(a) obtain data from other sources that corroborate that input data; and~~
- ~~(b) ensure that contributors have in place adequate internal oversight and verification procedures.~~

4. ~~Where an administrator considers that the input data does not represent the market or economic reality that a benchmark is intended to measure, that administrator shall, within a reasonable time period, either change the input data, the contributors or the methodology in order to ensure that the input data does represent such market or economic reality, or else cease to provide that benchmark.~~

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5. ~~The FCA may make technical standards to specify further how to ensure that input data is appropriate and verifiable, as required under points (a) and (b) of paragraph 1, as well as the internal oversight and verification procedures of a contributor that the administrator has to ensure are in place, in compliance with point (b) of paragraph 3, in order to ensure the integrity and accuracy of input data. However, the technical standards shall not cover or apply to administrators of non-significant benchmarks.~~

~~The FCA shall take into account the different types of benchmarks and sectors as set out in this Regulation, the nature of input data, the characteristics of the underlying market or economic reality and the principle of proportionality, the vulnerability of the benchmarks to manipulation as well as the international convergence of supervisory practice in relation to benchmarks.~~

...

Article 12 Methodology

Article 12 shall be disapplied in its entirety.

Article 13 Transparency of methodology

1. An administrator shall ~~develop,~~ operate and administer the benchmark and methodology transparently. To that end, the administrator shall publish or make available the following information:

(a) the key elements of the methodology that the administrator uses for each benchmark provided and published or, when applicable, for each family of benchmarks provided and published;

~~(b) details of the internal review and the approval of a given methodology, as well as the frequency of such review;~~

~~(c) the procedures for consulting on any proposed material change in the administrator's methodology and the rationale for such changes, including a definition of what constitutes a material change and the circumstances in which the administrator is to notify users of any such changes;~~

~~(d) an explanation of how the key elements of the methodology laid down in point (a) reflect ESG factors for each benchmark or family of benchmarks, with the exception of interest rate and foreign exchange benchmarks.~~

~~Benchmark administrators shall comply with the requirement laid down in point (d) of the first subparagraph by 30 April 2020.~~

2. The procedures required under point (c) of paragraph 1 shall provide for:

(a) advance notice, with a clear time frame, that gives the opportunity to analyse and comment upon the impact of such proposed material changes; and

~~(b) the comments referred to in point (a) of this paragraph, and the administrator's response to those comments, to be made accessible after any consultation, except where confidentiality has been requested by the originator of the comments.~~

~~2a. The Treasury may make regulations to supplement this Regulation by laying down the minimum content of the explanation referred to in point (d) of the first subparagraph of paragraph 1 of this Article, as well as the standard format to be used.~~

~~3. The FCA may make technical standards to specify further the information to be provided by an administrator in compliance with the requirements laid down in paragraphs 1 and 2, distinguishing for different types of benchmarks and sectors as set out in this Regulation. The FCA shall take into account the need to disclose those elements of the methodology that provide for sufficient detail to allow users to understand how a benchmark is provided and to assess its representativeness, its relevance to particular users and its appropriateness as a reference for financial instruments and contracts and the principle of proportionality. However, the technical standards shall not cover or apply to administrators of non-significant benchmarks.~~

...

Article 14 Reporting of infringements

~~1. An administrator shall establish adequate systems and effective controls to ensure the integrity of input data in order to be able to identify and report to the FCA any conduct that may involve manipulation or attempted manipulation of a benchmark, under Regulation (EU) No 596/2014.~~

~~2. An administrator shall monitor input data and contributors in order to be able to notify the FCA and provide all relevant information where the administrator suspects that, in relation to a benchmark, any conduct has taken place that may involve manipulation or attempted manipulation of the benchmark, under Regulation (EU) No 596/2014, including collusion to do so.~~

...

CHAPTER 3

Code of conduct and requirements for contributors

Article 15 Code of conduct

Article 15 shall be disappplied in its entirety.

Article 16 Governance and control requirements for supervised contributors

Article 16 shall be disappplied in its entirety.

TITLE III

REQUIREMENTS FOR DIFFERENT TYPES OF BENCHMARKS

CHAPTER 1

Regulated-data benchmarks

Article 17 Regulated-data benchmarks

Article 17 shall be disappplied in its entirety.

CHAPTER 2

Interest rate benchmarks

Article 18 Interest rate benchmarks

Article 18 shall be disappplied in its entirety.

CHAPTER 3

Commodity benchmarks

Article 19 Commodity benchmarks

Article 19 shall be disappplied in its entirety.

CHAPTER 3A

UK Climate Transition Benchmarks and UK Paris-aligned Benchmarks

Article 19a UK Climate Transition Benchmarks and UK Paris-aligned Benchmarks

Article 19a shall be disappplied in its entirety.

Article 19b Requirements for UK Climate Transition Benchmarks

Article 19b shall be disappplied in its entirety.

Article 19c Exclusions for UK Paris-aligned Benchmarks

Article 19c shall be disappplied in its entirety.

Article 19d Endeavour to provide UK Climate Transition Benchmarks

Article 19d shall be disapplied in its entirety.

CHAPTER 4

Critical benchmarks

...

Article 20 Critical benchmarks: conditions and other matters

...

6. The Treasury may by regulations:

(a) specify how the nominal amount of financial instruments other than derivatives, the notional amount of derivatives and the net asset value of investment funds are to be assessed, including in the event of an indirect reference to a benchmark within a combination of benchmarks, in order to be compared with the values referred to in paragraph 1 of this Article ~~and in point (a) of Article 24(1);~~

...

Article 22A Assessment of representativeness of critical benchmarks: administrator

Article 22A shall be disapplied in its entirety.

Article 22B Assessment of representativeness of critical benchmarks: FCA

Article 22B shall be disapplied in its entirety.

Article 23 Mandatory contribution to a critical benchmark

Article 23 shall be disapplied in its entirety.

...

CHAPTER 5

Significant benchmarks

Article 24 Significant benchmarks

Article 24 shall be disapplied in its entirety.

Article 25 Exemptions from specific requirements for significant benchmarks

Article 25 shall be disapplied in its entirety.

CHAPTER 6

Non-significant benchmarks

Article 26 Non-significant benchmarks

Article 26 shall be disapplied in its entirety.

...

TITLE IV

TRANSPARENCY AND CONSUMER PROTECTION

Article 27 Benchmark statement

1. Within two weeks of the inclusion of an administrator in the FCA register, the administrator shall publish, by means that ensure fair and easy access, a benchmark statement for each benchmark or, where applicable, for each family of benchmarks, that may be used in the United Kingdom in accordance with Article 29.

Where that administrator begins providing a new benchmark or family of benchmarks that may be used in the United Kingdom in accordance with Article 29, the administrator shall publish, within two weeks and by means that ensure a fair and easy access, a benchmark statement for each new benchmark or, where applicable, family of benchmarks.

The administrator shall review and, where necessary, update the benchmark statement for each benchmark or family of benchmarks in the event of any changes to the information to be provided under this Article and at least every two years.

The benchmark statement shall:

(a) clearly and unambiguously define the market or economic reality measured by the benchmark immediately before it became an Article 2A benchmark;

~~(b) lay down technical specifications that clearly and unambiguously identify the elements of the calculation of the benchmark in relation to which discretion may be exercised, the criteria applicable to the exercise of such discretion and the position of the persons that can exercise discretion, and how such discretion may be subsequently evaluated;~~

(c) provide notice of the possibility that factors, including external factors beyond the control of the administrator, may necessitate changes to, or the cessation of, the benchmark; and

(d) advise users that changes to, or the cessation of, the benchmark may have an impact upon the financial contracts and financial instruments that reference the benchmark or the measurement of the performance of investment funds.

2. A benchmark statement shall contain at least:

(a) the definitions for all key terms relating to the benchmark;

~~(b) the rationale for adopting the benchmark methodology and procedures for the review and approval of the methodology;~~

(c) the criteria and procedures used to determine the benchmark, including a description of the input data and ~~the priority given to different types of input data~~, the minimum data needed to determine a benchmark; ~~the use of any models or methods of extrapolation and any procedure for rebalancing the constituents of a benchmark's index;~~

(d) ~~the controls and rules that govern any exercise of judgement or discretion by the administrator or any contributors, to ensure consistency in the use of such judgement or discretion;~~

(e) ~~the procedures which govern the determination of the benchmark in periods of stress or periods where transaction data sources may be insufficient, inaccurate or unreliable and the potential limitations of the benchmark in such periods;~~

(f) the procedures for dealing with errors in input data ~~or~~ in the determination of the benchmark, including when a re-determination of the benchmark is required; and

(g) ~~the identification of potential limitations of the benchmark, including its operation in illiquid or fragmented markets and the possible concentration of inputs.~~

2a. ~~By 30 April 2020, for each of the requirements referred to in paragraph 2, the benchmark statement shall contain an explanation of how ESG factors are reflected in each benchmark or family of benchmarks provided and published. For those benchmarks or families of benchmarks that do not pursue ESG objectives, it shall be sufficient for benchmark administrators to clearly state in the benchmark statement that they do not pursue such objectives.~~

~~Where no UK Climate Transition Benchmark or UK Paris-aligned Benchmark is available in the portfolio of that individual benchmark administrator, or the individual benchmark administrator has no benchmarks that pursue ESG objectives or take into account ESG factors, this shall be stated in the benchmark statements of all benchmarks provided by that administrator. For significant equity and bond benchmarks, as well as for UK Climate Transition Benchmarks and UK Paris-aligned Benchmarks, benchmark administrators shall disclose in their benchmark statements details on whether or not and to what extent a degree of overall alignment with the target of reducing carbon emissions or the attainment of the objectives of the Paris Agreement is ensured. ...~~

~~By 31 December 2021, benchmark administrators shall, for each benchmark or, where applicable, each family of benchmarks, with the exception of interest rate and foreign exchange benchmarks, include in their benchmark statement an explanation of how their methodology aligns with the target of carbon emission reductions or attains the objectives of the Paris Agreement.~~

2b. ~~The Treasury may make regulations to supplement this Regulation by further specifying the information to be provided in the benchmark statement pursuant to paragraph 2a of this Article, as well as the standard format to be used for references to ESG factors to enable market participants to make well-informed choices and to ensure the technical feasibility of compliance with that paragraph.~~

...

Article 28 Changes to and cessation of a benchmark

...

~~1B. In the case of a critical benchmark—~~

~~(a) on the day on which a procedure described in paragraph 1 is published in accordance with paragraph 1A(a), the administrator must give the FCA an assessment of the matters described in paragraph 1C,~~

~~(b) the FCA must, before the end of the consideration period, consider whether a procedure published in accordance with paragraph 1A(a) satisfies paragraph 1,~~

~~(c) before publishing an update of a procedure described in paragraph 1 (whether in accordance with paragraph 1A(b) or otherwise), an administrator must give the update to the FCA, together with an assessment of the matters described in paragraph 1C,~~

~~(d) where the FCA is given an update of a procedure described in paragraph 1 by an administrator, it must, before the end of the consideration period, consider whether the update satisfies paragraph 1, and~~

~~(e) an administrator must not publish an update of a procedure described in paragraph 1 unless—~~

~~(i) the FCA has given a written notice to the administrator confirming that the update satisfies paragraph 1, or~~

~~(ii) the consideration period has expired without the FCA giving a written notice to the administrator stating that the update does not satisfy that paragraph.~~

~~1C. An assessment provided by an administrator for the purposes of paragraph 1B(a) or (c) must assess the following matters—~~

~~(a) the nature and extent of the current use of the benchmark,~~

~~(b) the availability of suitable alternatives to the benchmark, and~~

~~(c) how prepared users of the benchmark are for changes to, or the cessation of, the benchmark.~~

~~1D. For the purposes of paragraph 1B, “the consideration period”, in relation to a procedure or an update of a procedure, means the period of 60 days beginning with the day on which the procedure is published or the update of the procedure is given to the FCA (as appropriate) (“the relevant day”), subject to any extension under paragraph 1E.~~

~~1E. The FCA may extend the consideration period by giving a written notice to the administrator before its expiry but may not extend the period beyond the end of the period of six months beginning with the relevant day.~~

...

TITLE V

USE OF BENCHMARKS IN THE UNITED KINGDOM

...

Article 30 Equivalence

Article 30 shall be disapplied in its entirety.

Article 31 Withdrawal of registration of an administrator located in a third country

Article 31 shall be disappplied in its entirety.

Article 32 Recognition of an administrator located in a third country

Article 32 shall be disappplied in its entirety.

Article 33 Endorsement of benchmarks provided in a third country

Article 33 shall be disappplied in its entirety.

...

TITLE VIII

TRANSITIONAL AND FINAL PROVISIONS

Article 51 Transitional provisions

~~1. An index provider providing a benchmark to which paragraph 1A applies must have applied to the FCA for authorisation or registration in accordance with Article 34 of the EU Benchmarks Regulation on or before 31 December 2019, in order to provide a benchmark that may be used in the United Kingdom on or after 1 January 2020.~~

~~1A. A supervised entity may, subject to paragraphs 1B and 1C, use a benchmark in the United Kingdom that:~~

~~(a) is provided by a UK index provider who was providing a benchmark in the United Kingdom on 30 June 2016, or~~

~~(b) is a benchmark (to which paragraph (a) does not apply) that was provided by a UK index provider in the United Kingdom in the period beginning with 1 July 2016 and ending with 31 December 2017.~~

~~1B. A supervised entity may not use a benchmark under paragraph 1A if:~~

~~(a) before 1 January 2020, the index provider providing the benchmark made an application to the FCA for authorisation or registration under Article 34 of the EU Benchmarks Regulation; and~~

~~(b) the index provider is notified that the application is refused or approved.~~

~~1C. Where the UK index provider is notified that the application is refused or approved on or after IP completion day, the benchmark may not be used under paragraph 1A:~~

~~(a) where the application is refused, from the day after the date on which the index provider is notified of the refusal;~~

~~(b) where the application is approved, from the day on which the index provider is recorded on the FCA register.~~

~~4. Where a benchmark provided by a UK index provider does not meet the requirements of this Regulation, but ceasing or changing that benchmark to fulfil the requirements of this Regulation would result in a force majeure event, frustrate or otherwise breach the terms of any financial contract or financial instrument or the rules of any investment fund,~~

~~which references that benchmark, the FCA shall permit the use of the benchmark in the United Kingdom. No financial instruments, financial contracts, or measurements of the performance of an investment fund shall add a reference to such a benchmark after 1 January 2020.~~

~~4a. An index provider may continue to provide an existing benchmark that has been recognised as a critical benchmark by regulations made by the Treasury under Article 20(5) until 31 December 2021 or, where the index provider submits an application for authorisation in accordance with paragraph 1, unless and until such authorisation is refused.~~

~~4b. An existing benchmark that has been recognised as a critical benchmark by regulations made by the Treasury under Article 20(5) may be used for existing and new financial instruments, financial contracts, or for measuring the performance of an investment fund until 31 December 2021 or, where the index provider submits an application for authorisation in accordance with paragraph 1, unless and until such authorisation is refused.~~

~~5. A supervised entity may use a benchmark provided by an administrator located in a third country as a reference for a financial instrument, a financial contract or for measuring the performance of an investment fund in the United Kingdom:~~

~~(a) during the period beginning with IP completion day and ending with 31 December 2025;~~

~~(b) on and after 1 January 2026, if the benchmark is used as a reference for that financial instrument, that financial contract or for measuring the performance of that investment fund on 31 December 2025,~~

~~(but see paragraph 5A).~~

~~5A. A benchmark may not be used under paragraph 5 if:~~

~~(a) before IP completion day:~~

~~(i) the administrator providing the benchmark makes an application for registration or authorisation under Article 34 of the EU Benchmarks Regulation; and~~

~~(ii) the administrator is notified that the application is refused;~~

~~(b) the benchmark, or the administrator providing the benchmark, is recorded on the FCA register in accordance with Article 36 of this Regulation.~~

~~5B. A benchmark that:~~

~~(a) is provided by an administrator to whom paragraph 5A(a) applies, and~~

~~(b) is used as a reference for a financial instrument, a financial contract or for measuring the performance of an investment fund in the United Kingdom before the administrator is notified the application is refused,~~

~~may continue to be used in the United Kingdom as a reference for that financial instrument, that financial contract or for measuring the performance of that investment fund.~~

~~...~~

~~7. In this Article:~~

~~"UK index provider" means an index provider located in the United Kingdom.~~

ANNEX I

INTEREST RATE BENCHMARKS

Annex I shall be disapplied in its entirety.

ANNEX II

COMMODITY BENCHMARKS

Annex II shall be disapplied in its entirety.

ANNEX III

UK CLIMATE TRANSITION BENCHMARKS AND UK PARIS-ALIGNED BENCHMARKS

Annex III shall be disapplied in its entirety.

...

Part 2

Proposed modifications to the UK versions of the Commission Delegated Regulation (EU) 2018/1106

The UK version of the Commission Delegated Regulation (EU) 2018/1106 shall be disapplied in its entirety.

Part 3

Proposed modifications to the UK versions of the Commission Delegated Regulation (EU) 2018/1637

...

Article 1

Composition of the oversight function

...

3. The oversight function shall be composed of members who together have the skills and expertise appropriate to the oversight of the provision of a particular benchmark and to the responsibilities that the oversight function is required to fulfil. ~~Members of the oversight function shall have appropriate knowledge of the underlying market or economic reality that the benchmark seeks to measure.~~

~~4. Administrators of regulated data benchmarks shall include, as members of the oversight function, representatives from the entities listed in the definition of a regulated data benchmark at point (a) of Article 3(1)(24) of Regulation (EU) 2016/1011 and, where applicable, from entities contributing net asset values of investment funds to regulated data benchmarks. Administrators shall provide the FCA with a justification for any exclusion of representatives from these entities.~~

~~5. Where a benchmark is based on contributions and representatives of its contributors or of supervised entities that use the benchmark are members of the oversight function, the administrator shall ensure that the number of members with conflicts of interest does not amount to or exceed a simple majority. Before the appointment of members, administrators shall also identify and take into account the conflicts arising from relationships between potential members and other external stakeholders, in particular resulting from a potential interest at the level of the relevant benchmarks.~~

6. Persons directly involved in the provision of the benchmark that may be members of the oversight function, shall have no voting rights. ~~Representatives of the management body shall not be members or observers but may be invited to attend meetings by the oversight function in a non-voting capacity.~~

...

Article 3

Procedures governing the oversight function

1. An oversight function shall have procedures at least relating to the following areas:

...

m. the notification to the FCA of any suspected misconduct ~~by contributors or~~ by the administrator and of any anomalous ~~or suspicious~~ input data;

...

ANNEX

Non-exhaustive list of appropriate governance arrangements

1. An independent oversight committee consisting of a balanced representation of stakeholders including supervised entities that use the benchmark, ~~contributors to the benchmark~~ and other external stakeholders such as market infrastructure operators and other input data sources, as well as independent members and staff of the administrator that are not directly involved in the provision of the relevant benchmarks or any related activities;
2. Where the administrator is not wholly owned or controlled by ~~contributors to the benchmark~~ or supervised entities that use it and no other conflicts of interest exist at the level of the oversight function, an oversight committee shall include:
 - a. at least two persons involved in the provision of the relevant benchmarks in a non-voting capacity;
 - b. at least two members of staff representing other parts of the organisation of the administrator that are not directly involved in the provision of the relevant benchmarks or any related activities; or
 - c. where such appropriate staff members are not available, at least two independent members;

...

Part 4

Proposed modifications to the UK versions of the Commission Delegated Regulation (EU) 2018/1638

The UK version of the Commission Delegated Regulation (EU) 2018/1638 shall be disapplied in its entirety.

Part 5

Proposed modifications to the UK versions of the Commission Delegated Regulation (EU) 2018/1639

The UK version of the Commission Delegated Regulation (EU) 2018/1639 shall be disapplied in its entirety.

Part 6

Proposed modifications to the UK versions of the Commission Delegated Regulation (EU) 2018/1640

The UK version of the Commission Delegated Regulation (EU) 2018/1640 shall be disapplied in its entirety.

Part 7

Proposed modifications to the UK versions of the Commission Delegated Regulation (EU) 2018/1641

The UK version of the Commission Delegated Regulation (EU) 2018/1641 shall be disapplied in its entirety.

Part 8

Proposed modifications to the UK versions of the Commission Delegated Regulation (EU) 2018/1642

The UK version of the Commission Delegated Regulation (EU) 2018/1642 shall be disapplied in its entirety.

Part 9

Proposed modifications to the UK versions of the Commission Delegated Regulation (EU) 2018/1643

...

Article 1

General disclosure requirements

1. The benchmark statement shall state:

- a. the date of publication of the statement and, where applicable, the date of its last update;
- b. where available, the international securities identification number (ISIN) of the benchmark or benchmarks; alternatively, for a family of benchmarks, the statement may provide details of where the ISINs are publicly accessible free of charge;
- ~~c. whether the benchmark, or any benchmark in the family of benchmarks, is determined using contributions of input data;~~
- d. whether the benchmark or any benchmark in the family of benchmarks qualifies as one of the types of benchmarks listed under Title III of Regulation (EU) 2016/1011, including the specific provision by virtue of which the benchmark qualifies as that type.

...

~~3. In defining the potential limitations of the benchmark and the circumstances in which the measurement of the market or economic reality may become unreliable, the benchmark statement shall include at least:~~

- ~~a. a description of the circumstances in which the administrator would lack sufficient input data to determine the benchmark in accordance with the methodology;~~
- ~~b. where relevant, a description of instances when the accuracy and reliability of the methodology used for determining the benchmark can no longer be ensured, such as when the administrator deems the liquidity in the underlying market as insufficient;~~
- ~~c. any other information that the administrator reasonably considers to be relevant or useful to help users and potential users to understand the circumstances in which the measurement of the market or economic reality may become unreliable, including a description of what might constitute an exceptional market event.~~

~~4. In specifying the controls and rules that govern any exercise of judgement or discretion by the administrator or any contributors in calculating the benchmark or benchmarks, the benchmark statement shall include an outline of each step of the process for any ex post evaluation of the use of discretion, together with a clear indication of the position of any person(s) responsible for carrying out the evaluations.~~

~~5. In specifying the procedures for review of the methodology, the benchmark statement shall at least outline the procedures for public consultation on any material changes to the methodology.~~

6. Point (c) of paragraph 3, and paragraph 5, shall not apply to the benchmark statement:

~~a. for a significant benchmark; or~~

~~b. for a family of benchmarks that does not include any critical benchmarks and does not consist solely of nonsignificant benchmarks.~~

~~7. In the case of a benchmark statement for a non-significant benchmark or for a family of benchmarks that consists solely of non-significant benchmarks:~~

~~a. the following provisions of this Article shall not apply:~~

~~i. point (c) of paragraph 2;~~

~~ii. points (b) and (c) of paragraph 3;~~

~~iii. paragraphs 4 and 5; and~~

~~b. the requirements of points (a) and (b) of paragraph 2 may be satisfied alternatively by including a clear reference in the benchmark statement to a published document that includes the same information and is accessible free of charge.~~

...

Article 2

Specific disclosure requirements for regulated-data benchmarks

Article 2 shall be disapplied in its entirety.

Article 3

Specific disclosure requirements for interest rate benchmarks

Article 3 shall be disapplied in its entirety.

Article 4

Specific disclosure requirements for commodity benchmarks

Article 4 shall be disapplied in its entirety.

Article 5

Specific disclosure requirements for critical benchmarks

Article 5 shall be disapplied in its entirety.

...

Part 10

Proposed modifications to the UK versions of the Commission Delegated Regulation (EU) 2018/1644

The UK version of the Commission Delegated Regulation (EU) 2018/1644 shall be disapplied in its entirety.

Part 11

Proposed modifications to the UK versions of the Commission Delegated Regulation (EU) 2018/1645

The UK version of the Commission Delegated Regulation (EU) 2018/1645 shall be disapplied in its entirety.

Part 12

Proposed modifications to the UK versions of the Commission Delegated Regulation (EU) 2020/1816

The UK version of the Commission Delegated Regulation (EU) 2020/1816 shall be disapplied in its entirety.

Part 13

Proposed modifications to the UK versions of the Commission Delegated Regulation (EU) 2020/1817

The UK version of the Commission Delegated Regulation (EU) 2020/1817 shall be disapplied in its entirety.

Part 14

Proposed modifications to the UK versions of the Commission Delegated Regulation (EU) 2020/1818

The UK version of the Commission Delegated Regulation (EU) 2020/1818 shall be disapplied in its entirety.