

**Public Minutes of the Meeting of the
ICE Swap Rate Oversight Committee of
ICE Benchmark Administration
("IBA" or "the Company")
held on 16 October 2018 - 16:00 BST**

PRESENT: Stephen Pickford, Chairman
Michael Barletta (*by phone*)
David Clark
George Handjinicolaou (*by phone*)
Daniel Marcus (*by phone*)
Matthew Horton on behalf of Chris Rhodes

IN ATTENDANCE: Tim Bowler - *part of the meeting*
Julia ten Elsen (Committee Secretary)
Scott Gandy
Antonios Gkoulousis
Stelios Tselikas
Emma Vick
Andre Villeneuve - *part of the meeting*

CIRCULATION: IBA Website

	<p>Welcome and apologies for absence The Chairman welcomed the Members of the ICE Swap Rate Oversight Committee to the meeting.</p>
	<p>Declaration of conflicts of interest No member had any new conflicts to declare.</p>
	<p>ISROC Minutes Full Minutes The full minutes of the ICE Swap Rate Oversight Committee meeting held on 10 July 2018 were considered and approved.</p> <p>Public Minutes The public minutes of the ICE Swap Rate Oversight Committee meeting held on 10 July 2018 were considered and approved for publication.</p>
	<p>Matters Arising The Chairman noted that the matters arising would be covered during the meeting.</p>
	<p>Dashboards IBA presented the Committee with the dashboard for Q3 2018 and highlighted market events that had impacted the rates over different tenors and currencies.</p>
	<p>Incidents There were no incidents to report.</p>

	<p>Periodic Review</p> <p>Standard Market Size (SMS)</p> <p>IBA drew the Committee's attention to the Standard Size Market (SMS) document, which analysed three different scenarios 1) leaving the SMS unchanged, 2) decreasing it and 3) increasing it.</p> <p>IBA concluded that based on this analysis and taking into account the feedback from the trading venues, IBA proposed to keep the SMS unchanged and to review it on an annual basis. The Committee agreed with this assessment.</p> <p>Contingency Policy</p> <p>IBA drew the Committee's attention to the annual review of IBA's internal Contingency Policy, noting that only minor changes to the wording had been made during the review. The Committee considered and approved this periodic review as complete.</p> <p>ISR and LIBOR Relationship</p> <p>IBA introduced the discussion noting that LIBOR is the rate against which the fixed leg of a Swap used in ISR is set for sterling and dollar tenors. Therefore, a move away from LIBOR could have an effect on ISR as well.</p> <p>The Committee engaged in a wide-ranging discussion noting that currently it was unclear what might become the base for underlying swaps in the future, and how contracts could be affected by changing the base from LIBOR.</p> <p>IBA confirmed that it would keep the Committee apprised of any further developments.</p>
	<p>Discussion</p> <p>Contingency Rate - Movement Interpolation Waterfall and Potential Fall-back based on Treasuries</p> <p>IBA provided the Oversight Committee with an update on further tests carried out by IBA with regards to relaxing interpolation rules.</p> <p>The Committee discussed the test results in detail.</p> <p>IBA also updated the Committee on further work looking at a potential fallback rate and summarised that there would be significant issues involved in using data from a different asset class. In conclusion, IBA proposed to retain the existing rules and to continue monitoring the issue.</p> <p>The Chairman thanked IBA for the work and analysis around establishing a potential fallback rate and the Committee agreed that for the moment no further work on this route was warranted.</p>
	<p>Surveillance Update</p> <p>IBA provided the Oversight Committee with a Surveillance update covering processes, daily activities and capabilities.</p>
	<p>Any Other Business</p> <p>The Committee engaged in a preliminary discussion about the impact of interest rate swap clearing in the event of a hard Brexit. It was agreed to keep the matter under review.</p> <p>With there being no further business to discuss, the Chairman closed the meeting.</p>

Stephen Pickford
Chairman