

## Communication for Clients of Bank Millennium S.A. on the change of the method of preparing LIBOR USD 3M and LIBOR USD 6M

*The information presented is valid in particular for customers whose use or intend to use products based on the LIBOR USD 3M and LIBOR USD 6M benchmark.*

### **Important information:**

Bank Millennium S.A. informs that on 3 April 2023 the Financial Conduct Authority („**FCA**”) supervising ICE Benchmark Administration Limited, which is the administrator of the benchmarks listed below (the „**Administrator**”), has announced a decision regarding the future of LIBOR USD 3M and LIBOR USD 6M.

FCA indicated that LIBOR USD 3M and LIBOR USD 6M will continue to be calculated and published after 30 June 2023 using the revised „synthetic” methodology, most likely until 30 September 2024.

### **Additional information:**

On 5 March 2021, FCA announced, i.a., that as of 30 June 2023, the USD LIBOR benchmarks for 3M and 6M tenors would cease to be representative and that their representativeness would not be restored.

Subsequently, on 23 November 2022, the FCA launched a public consultation, which ran until 6 January 2023, on the USD 3M LIBOR and USD 6M LIBOR interest rate benchmarks. As part of the consultation, the FCA considered and proposed that these benchmarks should continue to be published according to the revised “synthetic” methodology until 30 September 2024, after which they would cease to be published.

On 3 April 2023, the FCA announced that it had made decisions to require the Administrator to continue publishing USD 3M LIBOR and USD 6M LIBOR after 30 June 2023 using a „synthetic” method. At the same time, the FCA indicated that the planned discontinuation of the publication of these benchmarks is to take place on 30 September 2024, although this date may still be changed.

The synthetic method of calculating LIBOR USD 3M and LIBOR USD 6M means that the Administrator will determine these benchmarks based on the value of the relevant CME Term SOFR benchmark and the spread adjustment calculated in accordance with the methodology specified by ISDA. Details of LIBOR USD 3M and LIBOR USD 6M, including information on the value of these benchmarks, can be found on the Administrator’s website.

More information about LIBOR USD 3M and LIBOR USD 6M regarding the consultation process and FCA’s decision can be found on the FCA website and the Administrator at:

- FCA consultation notice:  
<https://www.fca.org.uk/news/news-stories/further-consultation-announcements-wind-down-libor> and
- FCA decision notice:  
<https://www.fca.org.uk/news/news-stories/fca-announces-decision-synthetic-us-dollar-libor>
- Administrator’s information on LIBOR USD:  
<https://www.theice.com/iba/libor>

If you have additional questions, please contact us at: 22 598 40 60. We are available from Monday to Friday during following hours 8:00-20:00.