



European Money Markets Institute

Consultation Policy

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1. Introduction

The EMMI General Assembly adopted this Benchmarks' Consultation Policy (hereinafter "Policy") on **4 November 2014**.

2. Objective

The European Money Markets Institute (EMMI) will consult stakeholders publicly on proposed material changes in the financial benchmarks or other services offered by EMMI, collectively "EMMI Services". Such changes include, but are not limited to, changes to the definition and methodology of any benchmarks administered by EMMI, transition arrangements to new benchmarks or termination of existing benchmarks.

The purpose of a consultation undertaken under this policy is to invite all relevant stakeholders to express their views and to provide feedback on proposed material changes. EMMI and its appropriate governance entities will take due account of stakeholders' input received through the consultation process when proceeding with the proposed change.

2.1 Authority overseeing consultation

The EMMI Board of Directors (hereinafter "Board of Directors"), shall have the authority to launch a consultation under this policy. This authority shall be reserved to the Board of Directors. For changes involving individual EMMI benchmarks, the Board of Directors shall authorize a consultation based on a recommendation from the corresponding benchmark Steering Committee. The corresponding benchmark Steering Committee will be the adjudication body to recommend a consultation on proposed material changes.

2.2 Definition of "material change"

Consultations shall always be undertaken for "material changes" in the EMMI benchmarks. In all instances determination of materiality of a change shall rest with the relevant Steering Committee.

Generally, a material change shall be defined as:

- I. for an individual benchmark or set of benchmarks:
 - a change to the definition or determination methodology of a benchmark; or
 - a change to the maturities in which a benchmark is published; or
 - a change related to a potential discontinuation of a benchmark, including transition arrangements to a new benchmark;
 - any of which impact the ability of a stakeholder to use the benchmark(s) in the established manner;

- II. for other EMMI services related to EMMI's benchmarks, as determined case-by-case by the Board of Directors based on an appropriate impact analysis.

EMMI may also undertake consultations for other changes should the corresponding Steering Committee benchmark so recommend, or should the Board of Directors decide to propose changes for other EMMI Services.

3. Impact Analysis

The Board of Directors shall reflect consideration on the potential impacts of a proposed change in determining whether to authorize a consultation process. Such impacts include, but are not limited to:

- general regulatory or legal obligations of the stakeholders in relation to the use of EMMI Services¹;
- impact on the continuity of existing contracts;
- IT implications of the proposed changes on the stakeholders;
- impact of the proposed changes on general operational costs;
- in the case of systemically important benchmarks, implications for general financial stability.

3.1 Notification of stakeholders involved in consultation

EMMI is committed to providing transparency to stakeholders in the provision and use of EMMI Services. As such, consultations should be publicized to a wide audience of stakeholders. While EMMI cannot identify all individual stakeholder entities, generally EMMI will be concerned to solicit consultation feedback from parties affected by a material change to a benchmark or other EMMI Services. Stakeholders for a consultation process shall include, but not be limited to, the following:

Subscribers to the EMMI Services subject to consultation subscribers;

- Representative trade associations or other user associations whose members are users of EMMI Services;
- Panel banks for the corresponding EMMI benchmark(s), when one or more benchmarks are subjects of the consultation;
- Public authorities, including regulatory agencies and central banks.

As well as potentially notifying identified stakeholders directly, EMMI shall publish notice of the consultation on its website and invite parties to respond if such parties consider that they are impacted by the proposed change in an EMMI Service.

EMMI shall give stakeholders adequate advance notice of the proposed change. EMMI shall post notice of a consultation within a reasonable timeframe before the deadline for response. Specific details regarding the material change and the timeline for the consultation process shall be included in this notification.

¹ This refers overall legal or regulatory obligations in relation to EMMI Services. EMMI shall not be responsible for analyzing the particular obligations of individual stakeholders.

3.2 Confidentiality of feedback from individual stakeholders

EMMI shall treat as confidential the identity of, and feedback from, stakeholders responding to a consultation who request such anonymity. In such cases, EMMI shall nonetheless retain the right to publicize feedback in aggregate form and in a manner where individual respondents cannot be readily identified. EMMI may also share the feedback from individual stakeholders within EMMI, and with relevant governance bodies of EMMI, as necessary for the conduct of consultation process.

3.3 Consideration of stakeholder feedback

EMMI shall address feedback received from stakeholders in a published summary of contributions, anonymized and aggregated where necessary, after the conclusion of the consultation process. EMMI will provide its rationale for the acceptance, modification or rejection of recommendations made by respondents to the consultation as part of this summary.

4. Consultation procedure

The European Money Markets Institute (EMMI) will consult stakeholders publicly from time to time on proposed material changes in the financial benchmarks or other services related to EMMI's benchmarks, collectively "EMMI Services".

EMMI shall adhere to the following process when consulting stakeholders on proposed material changes in the EMMI's benchmarks.

Based on a request from the corresponding benchmark Steering Committee, the EMMI Secretariat shall draft a consultation document, setting forth the objectives of the specific proposed consultation, an impact analysis following the EMMI Consultation Policy guidance, and the logistics for conduct of the consultation.

The EMMI Secretariat shall submit the consultation document to the corresponding benchmark Steering Committee to review the document in advance of submission to the Board of Directors. The Board of Directors shall make a determination whether to proceed with the consultation based on a recommendation from the corresponding benchmark Steering Committee.

Upon receiving the Board of Directors approval, the EMMI Secretariat will publish the consultation document on EMMI's website and notify as appropriate (1) all subscribers to EMMI benchmarks; (2) representative trade associations and other user associations; (3) panel banks for the corresponding EMMI benchmark(s); and (4) public authorities, including regulatory agencies and central banks, via email, indicating that it is accepting feedback on the consultation document.

At the close of the public consultation feedback period, the EMMI Secretariat shall collate the consultation feedback and prepare a summary for the corresponding benchmark Steering Committee, together with

recommendations on any modifications to the course of action contemplated in respect of the proposed changes to EMMI benchmarks.

The Secretariat shall publish a summary of the consultation feedback and on the EMMI website. Such publication shall take place as soon as practical after the approval of the summary by the corresponding benchmark Steering Committee and the EMMI Board. The publication of summary individual contributions to the consultation shall take place according to the confidentiality provisions detailed in the consultation.

For other EMMI Services, the above-mentioned process will be applicable except that the Board of Directors will request the EMMI Secretariat to draft a consultation document. The EMMI Secretariat will publish this document on EMMI's website and notify as appropriate (1) all subscribers to EMMI benchmarks; (2) representative trade associations and other user associations; (3) panel banks for the corresponding EMMI benchmark(s); and (4) public authorities, including regulatory agencies and central banks, via email, indicating that it is accepting feedback on the consultation document.