

MINUTES OF THE 21st MEETING OF THE EURIBOR STEERING COMMITTEE
- Brussels, 14 December 2004 -

The meeting was chaired by Mr Tanguy van de WERVE.

A list of participants is attached.

1. WELCOME

The Chairman welcomed the participants.

2. ADOPTION OF THE MINUTES OF THE PREVIOUS MEETING

The Secretariat received no written comments on the minutes of the previous meeting (circulated with Secretariat letter 0439 of 24 June 2004).

The Committee adopted the said minutes.

3. MATTERS ARISING FROM THE PREVIOUS MINUTES

The question whether to add a 3rd decimal place to EONIA was discussed. The Committee took the view that there was neither a business case nor market demand for such a change. Also, it was noted that this would pose legal problems for 'legacy' transactions.

The Committee therefore decided to leave things unchanged while keeping the issue on its radar screen.

4. REVIEW OF THE EURIBOR PANEL

The Committee reviewed the composition of the panel of reference banks.

The Secretariat was asked to (i) change the name of 'CDC IXIS' into 'IXIS CIB' and (ii) check whether the name 'IntesaBCI' appearing on the Euribor website was still correct.

5. CONTRIBUTIONS OF THE PANEL BANKS

The Committee was satisfied with the Euribor contributions of the panel banks.

From an organisational viewpoint, the Committee asked that the list of 'excluded banks' provided at its meetings cover a period of minimum 3 months so as to have a better idea of the identity of the banks whose quotes are most disregarded for the purpose of the Euribor calculations.

6. TARGET HOLLIDAYS

(a) 2005 calendar

The Committee confirmed that EURIBOR and EONIA will follow the TARGET holiday calendar.

(b) EONIA on 24 and 31 December 2004

The Committee decided that a letter should be sent to all panel banks reminding them of their obligation to make the necessary arrangements in order to contribute to the EURIBOR and EONIA fixings on Fridays 24 and 31 December 2004.

7. GOVERNANCE – INTERNAL AUDIT

The Committee finalized the drafting of the so-called Annual Management Certification Form and instructed the Secretariat to send it out to all panel banks and ensure that it be returned duly signed to the Secretariat by end January 2005.

The objective of the certification is to get the appropriate senior official of the panel bank to “certify that procedures are in place to ensure accurate reporting of EONIA data (volumes and rates)”.

The certification shall be renewed every year.

8. EONIA SWAP INDEX

Mr van de WERVE indicated that the FBE Executive Committee eventually decided to establish the EONIA Swap Index called for by EURIBOR ACI. Expected launch time is June 2005. It will follow the same format as Euribor and Eurepo (there being also a Code of Conduct, Steering Committee, etc.).

9. AVAILABILITY OF INDIVIDUAL BANKS’ PAST CONTRIBUTIONS FOR EURIBOR

The Committee discussed whether individual banks’ contributions for Euribor should be made available upon request.

The Committee noted that while such data was not at all confidential, making them available might raise some technical problems for Moneyline Telerate.

Hence the Committee decided as follows:

- such requests should be addressed in writing to Euribor FBE
- Euribor FBE would then forward it to Moneyline Telerate for possible processing
- costs incurred by Moneyline Telerate (if invoiced) would need to be borne by the requesting bank

10. ANY OTHER BUSINESS

a. End of the mandate

Mr van de WERVE informed the members of the Committee that their term of office had come to an end and that Euribor ACI and Euribor FBE would soon be invited to appoint members for a new 2-year term of office. It was noted that mandates were renewable.

b. Euribor website

Some members thought that the Euribor website should be revamped. The Secretariat would look into the issue.

c. EONIA

Internal transactions

The question was raised whether transactions entered into with not-fully-owned subsidiaries could qualify for EONIA reporting purposes. It was felt that whether or not the said subsidiary is consolidated might be used as a criterion. Mr. Peter TWILHAAR volunteered to circulate a proposal with that respect.

ECB's deposit facility

It was noted that ACI's Money Market WG would soon discuss whether or not lending done at ECB's deposit facility should be included in EONIA. The Committee asked that this point be on the agenda for its next meeting.

11. DATE AND PLACE OF 2005 MEETINGS

It was decided that the Committee, in its new composition, would meet on:

- Tuesday 7th of June 2005, 11:00 a.m. (in Brussels).
- Wednesday 14th of December 2005 (conference call).

Encl: 1

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13.12.2004

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- Brussels, 14 December 2004, at 11.00 -

LIST OF PARTICIPANTS

Mr Peter TWILHAAR

Mr Nicolas BOUTET

Mr Jean-Jacques QUELLEC

Mrs Niki SOULOPOULOU

Mr Ralf HÄUSER

Mr Georg-Heinrich SIEVEKING

Mr Michael MURRAY (CECA)

Mr Jonathan WOOD

Mrs Jaana SULIN

Mr Tanguy van de WERVE (FBE Secretary General *ad interim*)

FBE Secretariat:

Ms . Gaelle MARQUES dos SANTOS