

General Incorporated Association JBA TIBOR Administration

Implementation of JBA TIBOR reform

As we, General Incorporated Association JBA TIBOR Administration, have considered the JBA TIBOR reforms with a view to enhancing the reliability and transparency of JBA TIBOR since our establishment in April 1, 2014.

In particular, in order to archive financial benchmarks which are more anchored in actual transactions through complying the "Principles for Financial Benchmarks" published by the International Organization of Securities Commissions ("IOSCO") in July 2013, we confirmed the comments from TIBOR users through the implementation of Public Consultation three times.

Based on this series of consideration, we decided to implement the JBA TIBOR reform on July 24, 2017¹.

[Outline of the JBA TIBOR reform]

1. Integration and clarification of the calculation and determination process of reference banks' submission rates composing JBA TIBOR, remaining the name and definition of JBA TIBOR and its calculation method.
2. Extending the time window to publish JBA TIBOR rates by one hour, from "by 12:00 p.m. of the day" to "by 1:00 p.m. of the day".
3. Discontinuation of 2 month tenor from the first business day of April 2019.
4. Discontinuation of simultaneous publication of individual submissions by each reference bank from the first business day of April 2019.

*The method of publication of individual submissions will be announced later.

¹ Regarding the JBA TIBOR reform, Q&A about contacts referring to existing JBA TIBOR, and result of legal investigation, please see "Revision to the "JBA TIBOR Code of Conduct" Reflecting the Result of the 3rd Public Consultation, and Implementation Date of JBA TIBOR Reform, etc."
http://www.jbatibor.or.jp/english/news/Revision_of_CoC.html

(Reference: outline of reference rate calculation and determination process (in case of Japanese yen TIBOR))

1st Level	Use data in the observable unsecured call market
2nd Level	Use data in the observable Japan Offshore Market and Interbank NCD market
3rd Level	Use data in the observable NCD market (other than the Interbank NCD market), large term deposits, short-term government bonds market, GC repos market and OIS market
4th Level	Expert Judgment

[Contact information for any inquiry regarding the JBA TIBOR reform]

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*Regarding individual contracts referring to the JBA TIBOR rates, please contact your financial institution correspondent.