



Notice to BNP Paribas Bank Customers on the future discontinuation of the development and publication of LIBOR benchmarks

This information is important in particular for Customers who use or intend to use products based on the LIBOR benchmark.

BNP Paribas Bank informs you that on 5 March 2021 the Financial Conduct Authority - FCA - (the UK financial regulator) published a position statement announcing, among other things, that the development of the following benchmarks will cease:

name	date	discontinuation date
LIBOR CHF	O/N, 1W, 1M, 2M, 3M, 6M, 12 M	as of 31/12/2021
LIBOR EUR	O/N, 1W, 1M, 2M, 3M, 6M, 12 M	as of 31/12/ 2021
LIBOR GBP	O/N, 1W, 2M, 12M	as of 31/12/ 2021
LIBOR JPY	S/N, 1W, 2M, 12M	as of 31/12/ 2021
LIBOR USD	1W, 2M	as of 31/12/ 2021
LIBOR USD	O/N, 12 M	as of 30/06/2023

What does the FCA announcement mean?

As a consequence of the FCA's announcement, after the above-mentioned dates, the LIBOR benchmark (for specific currencies) will not be published and can therefore no longer be used, inter alia, as a benchmark for determining the interest rate and amount payable under a financial instrument or agreement, for example a loan including a mortgage loan offered to consumers.

The banking sector is monitoring the situation on an ongoing basis. Banks are working on ways to continue their agreements with Customers when specific LIBOR rates are no longer available.

In accordance with the BMR¹ regulations, contingency plans have been prepared at the banks in the event of the discontinuation of publication or a material change in the benchmark (hereinafter: the "Plans"). The general purpose of the Plans is to establish a course of action to ensure the continued performance of the agreements in which the benchmark has been used.

¹ Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts, or to measure the performance of investment funds, and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171 of 29 June 2016, p.1, as amended).



New powers for the European Commission

Under the BMR, the European Commission may designate a replacement (another benchmark) for a discontinued benchmark. The power for the European Commission has been granted to systemically address the discontinuation of a benchmark development. If the European Commission designates such a replacement benchmark, the latter will apply by law, in principle, to all consumer credit agreements, loans secured by a mortgage or intended for the purchase of real estate by consumers and to financial instruments.

Additionally, we would like to inform you that the Ministry of Finance, the Office of the Polish Financial Supervision Authority and the Polish Bank Association have requested the European Commission to designate a replacement benchmark for **LIBOR CHF**.

We will keep you informed about the activation and application of the Plan with respect to agreements affected by the discontinuation of the publication of benchmarks, including agreements concluded by Customers other than consumers and with respect to products other than financial instruments, as well as about the possible implementing act issued by the European Commission and its impact on agreements concluded by Bank BNP Paribas with Customers.

The full text of the FCA's announcement is available at:

<https://www.fca.org.uk/publication/documents/future-cessation-loss-representativeness-libor-benchmarks.pdf>

The announcement of the Office of the Polish Financial Supervision Authority on this matter is available at

https://www.knf.gov.pl/komunikacja/komunikaty?articleId=72821&p_id=18#1