

ING Luxembourg is required to comply with the Benchmark Regulation and observes the IOSCO Statement¹, and as such, has written a Plan for Material Changes to, or Cessation of Publication of, a Benchmark (Plan). ING Luxembourg as a user of interest rate benchmarks (benchmarks) must produce and maintain a robust written plan setting out the actions that ING Luxembourg would take in the event that such benchmarks materially change, cease to be provided or the administrator (or the benchmark itself in the case of third country benchmarks) has not been registered or will no longer be registered on the ESMA register. This publication provides a high-level summary of that Plan.

The Benchmark Regulation and the IOSCO Statement

The Benchmark Regulation was created to combat the risk that benchmarks were susceptible to manipulation and provides a regime to ensure the accuracy and integrity of benchmarks. The Benchmark Regulation provides that users of benchmarks must produce and maintain a robust written plan setting out the actions that it would take in the event that a benchmark materially changes or ceases to be provided. Where feasible and appropriate, the plan shall nominate one or several alternative benchmarks that could be referenced to substitute the benchmarks no longer provided, indicating why such benchmarks would be suitable alternatives. The IOSCO Statement advises users to consider their contingency plans in the event a benchmark is no longer available or materially changes to mitigate the potential risks involved. Users are encouraged to produce and maintain clear, comprehensive, and robust written policies and procedures on actions they would take in such an event. Where feasible and appropriate, contingency plans for the cessation of a benchmark should include users having sufficiently robust fall back provisions in their financial contracts and instruments. These provisions should ideally involve at least one alternative or fall back rate and/or other figure as a substitute for the benchmark originally referenced should it no longer be available. ING Luxembourg has prepared the Plan to address the requirements in both the Benchmark Regulation and the IOSCO Statement.

¹ The IOSCO Statement of January 2018 – [available here](#)

ING Luxembourg's Plan

As a starting point, where feasible and appropriate, ING Luxembourg will identify alternative benchmarks that could be referenced in substitute of existing benchmarks. ING Luxembourg will follow market standards to identify such alternative benchmarks. If a benchmark used by ING Luxembourg materially changes or ceases to be provided, or the administrator (or the benchmark itself in the case of third country benchmarks) has not been registered or will no longer be registered, ING may take the following steps:

1. An impact assessment in relation to that affected benchmark may be performed.
2. If it has not been feasible and appropriate to nominate an alternative benchmark, a proposal of actions to be taken in relation to the affected benchmark may be prepared. The proposal will take into account the impact assessment and shall consider, for example, the replacement of that benchmark with an alternative benchmark, seeking approval or notifying a regulatory body (where relevant), amendment to contractual documentation, and notification to stakeholders.
3. Once the proposal has been approved, internal stakeholders will work together to implement the proposal. For example, clients may be notified, or their consent may be sought to change the benchmark, and contractual documentation may be amended. The description above is a high-level summary of the Plan only, and the process to be taken in relation to different countries and business lines may differ. The Plan is subject to change without notice.