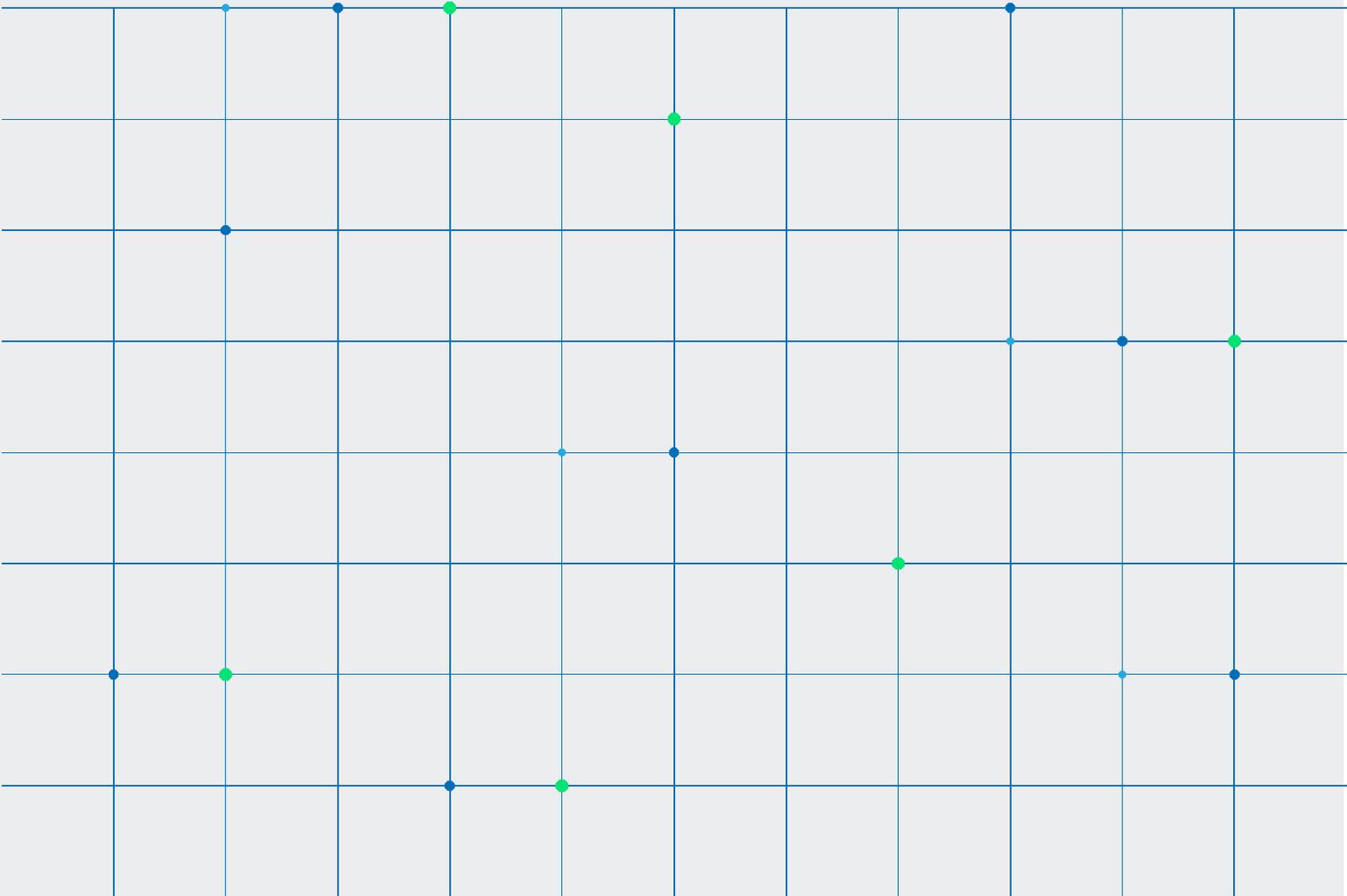


CME Overnight Repo-Backed Benchmarks

CME Group Benchmark Administration Limited

Oversight Committee Webex meeting minutes
June 10, 2020 10.00 BST



Roll call

IOC Members:

Gavin Lee (Chair) (GL)	CME Group Benchmark Administration Ltd.	Present on the phone
Jan de Smedt (JdS)	CME Group Benchmark Administration Ltd.	Present on the phone
John Edwards (JE)	CME Group / BrokerTec Europe Limited	Present on the phone
Michelle Hallett (MH)	CME Group Compliance	Present on the phone
Tao van de Graaff (TvdG)	CME Group Legal	Present on the phone
Edward Sizeland (ES)	CME Group Risk	Absent *
Oliver Clark (OC)	MTS	Present on the phone
Alex McDonald (NED)	EVIA	Present on the phone

*Edward Sizeland was not able to attend the 10th June 2020 meeting – his proxy present on the phone was Harsha Jawahar Vontivillu (HJV) (CME Group Risk)

IOC Guests:

Ray Bencheikh (RB)	CME Group Global Command Center	Present on the phone
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The Chair started the meeting with the roll call and reminded the IOC members of their confidentiality obligations and asked the IOC members if they have any conflicts they needed to raise. None were raised.

Minutes

- The minutes were approved by the IOC.

Terms of Reference

- The Administrator explained it has put in place standardised Terms of Reference for all Oversight Committees. Additions have been made to include specific references to both the IOSCO Principles and specific articles of the EU BMR legislation.
- The Chair asked the IOC members to review the ToR, and report back via email with any comments or questions.

Action items

- A review of action items carried over from the last IOC took place.
 - The Chair shared that as we expand the RFR family, new members will be invited to sit on this committee.

- The Chair noted that the request to enhance the risk reporting has been actioned by operations and can be closed.

Benchmark update

- A brief operations update was provided. No operational issues were encountered and no incidents were reported since March 2020.

Compliance update:

- It was reported that Complaints and Conflicts of Interest documentation on the CME website will be updated to include the requirements under EU BMR. It was stated that there were no conflicts of interest amongst the staff or IOC members.
- It was mentioned the Senior Managers Regime final documentation was published by the FCA last week and the administrator is in the process of looking at the SMR as it impacts this entity.
- A brief discussion on current regulatory consultation on EU BMR and RTS was had and it was noted that any change would not be enforced until probably Q1-Q2 next year.
- The ISDA response, which mainly focused on critical benchmarks, was discussed. It was noted that non-significant benchmarks may follow a slightly different approach under a new regime or may even be excluded.
- Further discussion on SMR was had including how the committee would be captured by the regime..

Management Information Metrics:

- The Chair reiterated there were no exceptions from an operational perspective and there were no issues to report and referred the IOC to the materials provided. It was noted that the average volumes have been fairly consistent for the last couple of months with slightly higher volumes in May.

AOB:

- The administrator mentioned that as part of the NEX integration, CME Benchmark Administration would be creating dedicated webpages that will include RFR, and as these webpages go live, there will be a short transition period and we will be looking to decommission the existing NEX website. In the first instance there will be a general redirect and as time moves on, we may decommission them fully.
- As part of that process, the administrator will ensure that all the documentation is up to date, accurate and relevant.
- It was asked if that means that the standalone RepoFunds Rate website will disappear. The administrator responded that in the first instance there will be a redirect and it is not clear whether that url itself will disappear or whether that url will continue to redirect. It was asked if the RFR Sterling information will be included within the new RepoFunds Rate page. It was confirmed that this will happen as we file RFR Sterling for inclusion in the benchmark family.

- It was suggested that it would make sense to maintain the RepoFunds Rate url because it has some small amount of value and given the proliferation of RFR benchmarks it would be good to maintain that, even if it is redirected to another website. The administrator will monitor this and see how much traffic is redirected before making a decision. In the interim it was confirmed, the intention is to maintain both and redirect..
- It was asked about the historical data file which are hyperlinked on the “old” website, as these have been removed from the website, which caught out a few people; This prompted questions from users of RepoFunds Rate who were accessing the data on a regular basis directly from the website and were surprised that they did not have access to the data anymore. The administrator explained that this was intentional to ensure that anybody who is using the data is under a license. The link now states “please contact us” rather than providing the information. To ensure continued access to that data users are required to have an appropriate license.
- The Chair asked if there were any other topics member would like to discuss. A discussion was had on Andrew Hauser’s speech on the crisis where it referenced the RepoFunds Rate data in a number of slides and his context around it - which resulted a couple of enquiries which was generally considered a good thing.
- GL concluded the IOC meeting and thanked the members for their participation.

