

MACRO CONTINGENCY PLAN

DECEMBER 2021

Regulatory Requirements

As a supervised entity and a user of benchmarks in the EEA, and in order to comply with article 28(2) of EU Regulation 2016/1011 (the “European Benchmarks Regulation” or “BMR”¹), FCA Bank shall produce and maintain robust written plans setting out the actions that it would take in the event that a benchmark it uses (the “Contingency Plans”):

- materially changed (for instance in the event where a benchmark administrator took the decision to implement a new methodology resulting in a substantive change of the underlying interest the benchmark is trying to measure),
- ceased to exist or being published by its administrator (permanently or temporary),
- was not authorized (i.e. as per the BMR not put on the ESMA register):
 - before 01.01.2020 for non-critical benchmarks administrated by EEA benchmark administrators,
 - before 31.12.2023 (with possible extension until 2025) for critical benchmarks and third-country (i.e. non-EEA) benchmark administrators,
- was withdrawn from the list of authorized administrators and benchmarks (i.e. ESMA register),
- was declared non representative by its National Competent Authority (NCA).

¹ “Supervised entities, other than an administrator as referred to in paragraph 1 that use a benchmark shall produce and maintain robust written plans setting out the actions that they would take in the event that a benchmark materially changes or ceases to be provided. Where feasible and appropriate, such plans 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 supervised entities shall, upon request, provide the relevant competent authority with those plans and any updates and shall reflect them in the contractual relationship with clients.”

Action Plan

These Contingency Plans shall include:

- an emergency plan in case a benchmark is suddenly no longer available (i.e. stop being published or made available to the public) or an administrator/calculation agent suddenly stops to administrate / calculate one of its Benchmarks;
- a medium/long-term plan preparing a transition roadmap when the change or cessation of a benchmark is known well in advance.

referencing how FCA Bank is monitoring such potential events in order for it to launch these plans as soon as an event occurs and is detected.

In addition, a list of important actions to be taken into account in these plans shall be also established and included the following points:

- a detailed inventory of positions/exposures (assets and liabilities) to determine the impacts (IT, legal, commercial, financial, etc.) of such an event, an assessment of risks,
- planning of the actions to be carried out by the actors or managers previously identified,
- communication (internal/external) to inform about the event,
- activation of operational procedures as per the relevant fallback clause, to communicate, propose and agree with the client a sustainable alternative benchmark if technically possible, according to an analysis of the existing documentation and products.

A responsibility allocation matrix and escalation process shall describe the involvement of the various FCA Bank departments in these plans.

This publication provides only general information on these regulatory obligations, as FCA Bank maintains and internally updates sufficiently detailed and robust written Contingency Plans.

This publication and the internal plans may also be updated without prior notice and especially in the event that the regulation is amended or in any other case where adjustments need to be considered.