

# Release Number 8473-21

## CFTC Staff Revises No-Action Letters Regarding Market Participants Transitioning from LIBOR

December 22, 2021

**Washington, D.C.** — The Commodity Futures Trading Commission announced today that the Division of Clearing and Risk (DCR), Division of Market Oversight (DMO), and Market Participants Division (MPD) have each issued revised no-action letters to swap dealers and other market participants related to the industry-wide initiative to transition from swaps that reference the London Interbank Offered Rate (LIBOR) and other interbank offered rates to swaps that reference alternative benchmarks.

Today's letters, 21-26 (<https://www.cftc.gov/csl/21-26/download>), 21-27 (<https://www.cftc.gov/csl/21-27/download>), 21-28 (<https://www.cftc.gov/csl/21-28/download>), extend and/or revise no-action letters each division granted in August 2020 in CFTC Staff Letters 20-23 (<https://www.cftc.gov/csl/20-23/download>), 20-24 (<https://www.cftc.gov/csl/20-24/download>) and 20-25 (<https://www.cftc.gov/csl/20-25/download>).

On March 5, 2021, the U.K. Financial Conduct Authority (FCA) confirmed that all LIBOR settings will either cease to be provided by any administrator or will no longer be representative: (i) for all GBP, EUR, CHF and JPY LIBOR settings, and the 1-week and 2-month USD LIBOR settings, immediately after December 31, 2021; and (ii) for all other USD LIBOR settings (the 2023 USD LIBOR Settings), immediately after June 30, 2023. As a result, some market participants may now transition their swaps referencing the 2023 USD LIBOR Settings after December 31, 2021 but before June 30, 2023.

Therefore, DMO and DCR are issuing their revised letters, which are effective until June 30, 2023 for swaps otherwise covered by such letters to the extent such swaps reference one of the 2023 USD LIBOR Settings.

Further, DCR and MPD revised their respective letters to provide that eligible end users should use their best efforts to work toward amending the reference rate provisions in both Covered IRS (as defined in the revised letters) documentation and the related commercial arrangement documentation so that the rates referenced therein match again by June 30, 2023 to the extent that the Covered IRS references one of the 2023 USD LIBOR Settings.

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