



# LIBOR



March 12, 2021

## Industry Update: USD London Interbank Offer Rate (LIBOR) Timeline and Next Steps

MUFG Union Bank would like to bring you up to date on certain new information regarding the London Interbank Offer Rate for U.S. dollars (LIBOR), including some important dates and next steps in the transition.

On March 5, 2021 the [ICE Benchmark Administration \(IBA\)](#), the administrator of LIBOR, and the [Financial Conduct Authority \(FCA\)](#), the regulatory supervisor of the IBA, announced that the final publication or representativeness dates of most LIBOR tenors (1-, 3-, 6- and 12-month, as well as overnight) will extend to June 30, 2023 (the Statements). This timeframe, which is extended from previously expected dates, is designed to, among other things, promote the safety and soundness of the financial system by allowing some loan agreements to naturally mature. It also is designed to provide time for financial services companies to transition smoothly to an alternative reference rate.

As set forth in the Statements, the one-week and two-month LIBOR tenors will have a final publication date of December 31, 2021, as previously expected. If your loan agreement or note matures after December 31, 2021 and provides for multiple tenors, including 1-week and 2-month, please take note that 1-week and 2-month tenors of LIBOR will no longer be published after December 31, 2021.

Regulators have advised banks to stop entering into NEW business loans with LIBOR reference rates by the end of 2021. However, they are encouraged through the best practices of the Alternative Reference Rates Committee (ARRC) to cease new LIBOR transactions by June 2021 where possible. MUFG Union Bank's current plans are to attempt to adhere to this recommendation.

We value your partnership and will continue to provide information as it becomes available.

Please contact your Relationship Manager with any questions or concerns. The following mail box is also available, if needed [MUFGLIBORQ&A@us.mufig.jp](mailto:MUFGLIBORQ&A@us.mufig.jp).