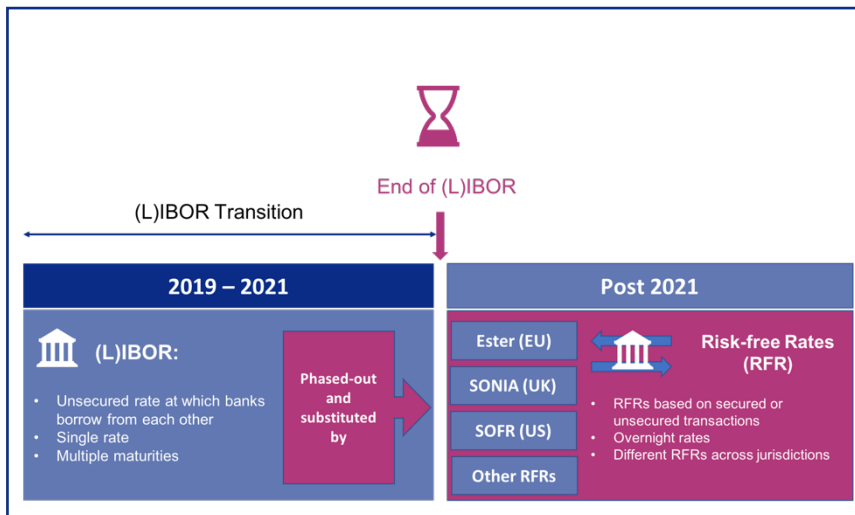




# IBOR Phase Out

## Why, how, and what to prepare as a corporate treasurer

For more than 40 years, Interbank Offering Rates (“IBOR”) have been benchmark rates that banks are charging each other for unsecured lending.

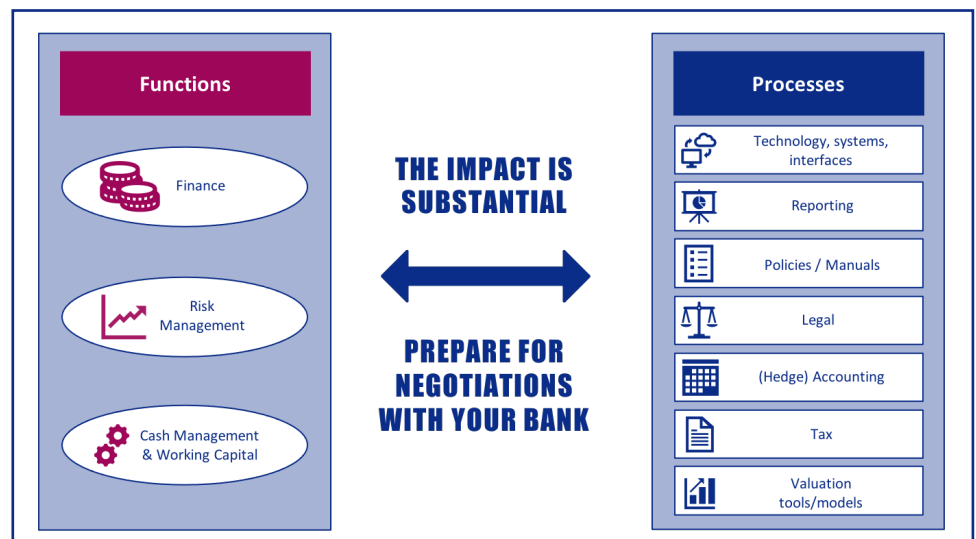


IBORs have also been used as a benchmark rate for pricing and valuing bonds, derivatives, mortgages and other instruments. The IBOR rates are being determined by a panel of banks recent years.

To counter the fraud, global working groups are set up to define a new reference rate and system. IBOR will disappear by the end of 2021 and be replaced by secured or unsecured transaction-based alternative Risk-free Rates (RFRs).

By the end of 2019 EURIBOR started to use a hybrid-calculation and transform from a ‘quote-based’ to a ‘transaction-based’ methodology.

On October 2nd 2019, ECB launched an alternative for the EURO overnight rate (EONIA) called ‘Ester which is transaction-based as well.



As the deadline comes closer you need to know your level of exposure and impact in order to prevent surprises. You will need to understand the impact of the IBOR transition on your TMS, ERP systems, your credit facilities, bank loans, cash pooling, bonds, ISDA and I/C agreements yourself. This will give you the information to be the proper sparring partner for the banks in the period until the deadline arrives.

## Enigma Consulting has a 3-step approach to guide corporates through the transition



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## ENIGMA IBOR ENGINE

**Find out how our  
engine gives you  
insight into your  
IBOR impact**