The “Panel Bank” LIBOR Methodology - Since December 31, 2021, IBA has determined and published only the Overnight and the 1-, 3-, 6- and 12-Months USD LIBOR settings using panel bank contributions under the “panel bank” LIBOR calculation methodology. No other “panel bank” LIBOR settings have been or will be published after December 31, 2021.

Pursuant to the USD LIBOR Output Statement, each continuing USD LIBOR setting is based on contributions from a panel of large, leading, internationally active banks with access to the wholesale, unsecured funding market for USD. These contributions are determined through the use of a standardised, transaction data-driven waterfall submission methodology introduced by IBA. This submission methodology is designed to produce a rate that is anchored in panel banks’ wholesale, unsecured funding transactions to the greatest extent possible, with a waterfall to enable a rate to be published in all market circumstances. This methodology has been used since March 2019. Details of IBA’s evolution of the “panel bank” LIBOR methodology can be found in the LIBOR documentation section below.

The panel for USD LIBOR is currently composed of 15 panel banks with reference to the USD LIBOR Contributor Bank Criteria, which are designed so that the contributed input data is able to produce a rate that is representative of the economic reality. Each panel bank contributes input data for all five USD LIBOR tenors.

USD LIBOR is calculated in accordance with the USD LIBOR Calculation Methodology using panel bank contributions made in accordance with the USD LIBOR Code of Conduct. The published rate in respect of each tenor is calculated as the arithmetic mean of each panel bank’s contribution in respect of that tenor (after trimming values from the upper and lower quartiles), rounded to five decimal places. Each panel bank’s contribution carries an equal weight in the calculation, subject to the trimming.

If IBA receives fewer than the expected number of contributions, the USD LIBOR Reduced Submissions Policy will apply.

**Level 1:** The LIBOR submission is equal to the volume weighted average price of eligible transactions in unsecured deposits, primary issues of commercial paper and certificates of deposit, with a higher weighting for transactions booked closer to 11:00 a.m. London time.

**Level 2:** Where a Contributor Bank has insufficient eligible transactions to make a Level 1 submission, the LIBOR submission is based on transaction-derived data, including time-weighted historical eligible transactions adjusted for market movements and linear interpolation.

**Level 3:** Where a Contributor Bank has insufficient eligible transactions or transaction-derived data to make a Level 1 or Level 2 submission, the LIBOR submission is the rate at which it considers it could fund itself at 11:00 a.m. London time with reference to the unsecured wholesale funding market. In order to determine this rate the Contributor Bank must follow its internally-approved procedure agreed with IBA, basing its rate on transactional data, related market instruments, broker quotes and other market observations.