

June 12, 2019

VIA EMAIL

British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
Financial and Consumer Services Commission (New Brunswick)
Superintendent of Securities, Department of Justice and Public Safety, Prince Edward Island
Nova Scotia Securities Commission
Superintendent of Securities, Newfoundland and Labrador
Superintendent of Securities, Northwest Territories
Superintendent of Securities, Yukon Territory
Superintendent of Securities, Nunavut

The Secretary
Ontario Securities Commission
20 Queen Street West, 22nd Floor
Toronto, Ontario M5H 3S8
Fax: 416-593-2318
comment@osc.gov.on.ca

Me Anne-Marie Beaudoin
Corporate Secretary
Autorité des marchés financiers
800, rue du Square Victoria, 4e étage
C.P. 246, Place Victoria
Montréal (Québec) H4Z 1G3
Fax : 514-864-6381
consultation-en-cours@lautorite.qc.ca

Dear Sirs/Mesdames:

Re: Proposed National Instrument 25-102 *Designated Benchmarks and Benchmark Administrators*

This letter responds to the Notice and Request for Comment dated March 14, 2019 of the Canadian Securities Administrators (the “**CSA**”) on proposed National Instrument 25-102 – *Designated Benchmarks and Benchmark Administrators* (the “**Proposed Instrument**”) and proposed Companion Policy 25-102 – *Designated Benchmarks and Benchmark Administrators* (the “**Proposed Companion Policy**”).

Refinitiv Benchmark Services (UK) Limited (“**RBSL**”) appreciates the opportunity to provide comments to the CSA. While we understand the CSA’s motivation for the Proposed Instrument, we have practical concerns regarding how it will apply in a global context, without causing uncertainty, inefficiencies, overlap and potential conflicts with corresponding regulations in other jurisdictions for organizations like RBSL. These concerns are identified below under the headings “General Comments”, which describes certain conceptual concerns, and “Specific Comments”, which addresses particular issues for consideration. We have also responded to

certain questions posed by the CSA in Annex C of the Notice and Request for Comment, under the heading “Specific Responses”.

GENERAL COMMENTS

1. Substituted Compliance for Benchmark Administrators

We understand that the CSA is seeking to establish its own comprehensive regime for benchmarks. However, for benchmark administrators like RBSL, we believe it is important that the applicable regulations in Canada recognize that other jurisdictions have, or may in the future have, corresponding regulations that address the very same subjects and substantive concerns. A benchmark administrator who operates in more than one regulated jurisdiction may be subject to differing requirements, applicable in relation to the very same subject matter and context. Such requirements may merely be additive or overlapping, or could be inconsistent, leaving the benchmark administrator with unsolvable conflicts. We believe that the CSA’s objective of establishing a comprehensive regime, is not inconsistent with permitting an organization, such as RBSL, to satisfy applicable requirements by complying with the corresponding requirements of another recognized jurisdiction.

In our particular case, RBSL is an authorized “benchmark administrator” under the European Union’s (“EU”) *Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds* (the “BMR”). The BMR has overall regard to the principles for financial benchmarks (the “**IOSCO Principles**”) established by the International Organization of Securities Commissions (“**IOSCO**”) and accommodates flexibility in its principles-based application. The BMR also provides for the recognition of the requirements of other jurisdictions for equivalency purposes.

While the Proposed Instrument provides for a close correspondence to the language and approach of the BMR, there remain differences between the two regimes. In addition to those differences which are more readily identifiable (including those discussed below under the heading “Specific Comments”) we are concerned with the potential for unnecessary duplication and practical misalignments in the application of the two regimes. This concern is driven in part by the fact that the BMR allows for significant proportionality in its application whereas, by contrast, the Proposed Instrument is much more prescriptive in nature and extrapolates the BMR’s current directives into a static set of definitive, binding requirements. While we appreciate there are foundational differences that may motivate the need in Canada for precise and mandatory provisions, it is important to preserve flexibility in the application of requirements in order to eliminate inadvertent regulatory outcomes and misalignments or inefficiencies where the provisions of each regime would have an identical substantive effect.

Substituted compliance has been implemented by the CSA in various regulatory contexts, including (i) the Multijurisdictional Disclosure System implemented between Canada the United States pursuant to National Instrument 71-101 – *The Multijurisdictional Disclosure System*, (ii) National Instrument 94-102 – *Derivatives: Customer Clearing and Protection of Customer Collateral and Positions* and (iii) OSC Rule 91-507 *Trade Repositories and Derivatives Data*

Reporting. Given the global context of financial benchmark administration and the close correspondence between the requirements of Proposed Instrument and the BMR, we believe that the Proposed Instrument represents another clear candidate to which the CSA can effectively and appropriately apply substituted compliance. The case is particularly compelling where there is no uniquely Canadian issue or policy concern and where it can be demonstrated that the substantive requirements of the BMR adequately address the underlying policy concerns of the CSA.¹

2. Principles-Based Approach and Use of the Companion Policy

Another way to lessen risk of conflicts as between the Proposed Instrument and other global regimes would be to acknowledge the global context in which benchmark administrators operate, and the fundamental importance of consistently applying the IOSCO Principles, in the Proposed Companion Policy. For example, the CSA could indicate in the final version of the companion policy that the Proposed Instrument will be interpreted and applied in a manner consistent with the IOSCO Principles.

A parallel approach was taken in the companion policy to National Instrument 24-102 – *Clearing Agency Requirements* (“**NI 24-102**”), which acknowledges the fundamental importance of IOSCO principles for financial market infrastructures (the “**PFMI**”). The CSA indicates in that companion policy that: “*together with the PFMI Principles, [Part 3 of NI 24-102] is intended to be consistent with a flexible and principles-based approach to regulation. In this regard, Part 3 anticipates that a clearing agency’s rules, procedures, policies and operations will need to evolve over time so that it can adequately respond to changes in technology, legal requirements, the needs of its participants and their customers, trading volumes, trading practices, linkages between financial markets, and the financial instruments traded in the markets that a clearing agency serves.*”

SPECIFIC COMMENTS

In addition to the general issues discussed above, the Proposed Instrument deviates from the BMR in several important respects, which raise particular concerns for RBSL. These include:

1. Board-Level Requirements

Section 5 of the Proposed Instrument prescribes governance requirements at the board level of a designated benchmark administrator, including regarding a board’s composition and member independence. Notably, subsection 5.(3) of the Proposed Instrument would require at least one-half of the members of a benchmark administrator’s board of directors to be “independent” as such term is defined by the Proposed Instrument. The introduction of the sort of differing organizational level requirements, such as the board-level requirements contemplated by Section 5 of the Proposed Instrument, risks causing the fragmentation of benchmark administrators. This could in turn increase the cost of administering each benchmark; reduce

¹ The table in Appendix A to this letter sets out the substantive requirements of the BMR that are equivalent to the Proposed Instrument.

access to pools of knowledge and generally, lead to inconsistent board structures across multiple jurisdictions.

In the case of a global organization like RBSL, the organizational changes that would be required to comply would be significant and burdensome. In particular, compliance with the board-level requirements in Section 5 of the Proposed Instrument would necessitate a major reorganization of RBSL's board of directors (the "**RBSL Board**"), which oversees all of RBSL's activities, the majority of which would not involve Canada or the CDOR or CORRA benchmarks. Such activities include RBSL's administration of the WM/Reuters 4pm Closing Rates, which cover over 150 currency pairs and are the primary benchmarks used globally for foreign-exchange transactions. RBSL is also currently in the process of completing a migration plan whereby a number of additional benchmarks across multiple asset classes will come under RBSL's administration prior to January 1, 2020.

The RBSL Board is BMR-compliant. Among other things, we satisfy the requirements of Article 4 of the BMR relating to governance and the management of conflicts of interest. When these requirements are combined with the BMR's requirements for benchmark-specific and independent oversight committees, we believe that the BMR fully addresses the underlying policy objectives contemplated in the Proposed Instrument in relation to sound governance and the management of potential conflicts of interest.

We understand that board-level requirements in Section 5 of the Proposed Instrument are based on the provisions of National Instrument 25-101 – Designated *Rating Organizations* ("**NI 25-101**"), which applies to credit rating organizations ("**CROs**"). We further understand that this parallel was considered appropriate because of certain similarities in the regulatory circumstances that gave rise to the need for new regulations in the aftermath of the global financial events; namely, weaknesses in the governance structures of CROs that led to conflicts of interests in their rating assessments and played a role in a global financial crisis, and of benchmark administrators and contributors that undermined the reliability of the London inter-bank offered rate ("**LIBOR**"). We do not agree that it follows that the board-related requirements appropriate for CROs are equally appropriate for benchmark administrators. Among other things, the business models of a benchmark administrator and a CRO, and the corresponding potential for conflicts for interest, are demonstrably different.

CROs are in the business of selling and promoting the use of their individual credit ratings. Ratings serve an individualized purpose for securities issuers and directly impact an issuer's ability to raise funds and the cost of doing so. Ratings are also relied upon by investors, and to a certain extent, regulators, resulting in a situation where credit ratings serve a quasi-regulatory function in the market. In this context, a CRO's business incentives to promote its ratings to issuers and investors raises many potential sources of conflicts of interest, which apply across the CRO's business platform and that have no equivalence in the context of market-wide, objectively determined benchmarks.

In contrast, a benchmark administrator's business model focuses on the particular aspects of individualized benchmarks. Distinctions between benchmarks are important. Governance and

oversight considerations generally need to be tailored and focused on the unique attributes of the benchmark and its individualized methodology, rather than at the board level or having regard to a business model or motivations relevant to CROs. In that sense, many of the policy rationales which may be served by the imposition of board-level requirements for CROs, are more appropriately and effectively served by oversight committees. For example, while CDOR and LIBOR are both interest rate benchmarks, their respective compilation and calculation methodologies are fundamentally different. The specific governance and oversight for each must be geared to address the sources of possible conflict and potential for manipulation that stems from those methodologies. LIBOR is based on the borrowing rates, which contributing banks submit based on the level at which they are able to borrow money in the market. CDOR, in contrast, is based on the rates at which the contributing banks are willing to lend funds in the primary market for bankers' acceptances ("**BAs**"). For CDOR, this distinction acts as an inherent control on the potential for manipulation since, once published, a CDOR contributor will have to honour its contributed rate to market participants.²

2. Subsection 35.(1) of the Proposed Instrument

Subsection 35.(1) of the Proposed Instrument, which mandates that input data for a designated interest rate benchmark be used in a particular order of priority, does not reflect the practical realities applicable to various types of interest rate benchmarks, including CDOR and CORRA. In addition to input data received from benchmark contributors (as contemplated by Subsection 35.(1)), interest rate benchmarks may be determined using input data from execution platforms³, price assessments⁴ and/or from post-trade infrastructure such as settlement, clearing and reporting entities.⁵ Moreover, it is typical for a single source of input data to be specified for any given benchmark. Even where multiple sources of input data may be used for a particular benchmark, in order to appropriately formulate any order of preferences for input data, the source of the input data must be distinguished from the nature of the input data itself.

As drafted, subsection 35.(1) of the Proposed Instrument appears to presuppose that an interest rate benchmark is representative of actual transactions in the underlying market. This is not always the case. CDOR, for example, as noted above, is based on rates at which the contributing banks are willing to lend funds in the primary market for BAs, and not a representation of underlying executed transactions. Furthermore, we note that the examples listed in subsections 35.(1)(a)(i) through (iii) of the Proposed Instrument are not compatible with any interest rate benchmark that is not an unsecured interbank deposit rate (e.g. CORRA), while the examples in subsection 35.(1)(a)(iv) would fundamentally change the nature of any benchmark, and should only generally be used, in the absence of all other inputs, to inform expert judgments.

² The rate at which a contributing bank is committed to lend under its BA arrangements with its clients is generally the CDOR benchmark itself formed from the submissions, not at the submitted rate.

³ E.g., CORRA, which uses transaction data from brokers.

⁴ E.g., the Refinitiv/Tradeweb Constant Maturity Mortgage Index which is determined using price assessments from Thomson Reuters Pricing Service.

⁵ E.g., SOFR in the USA, SONIA in the UK and EONIA in the EU.

In order to preserve the fundamental nature of any benchmark, we believe the general order of preference for the nature of the input data should be as follows:

- (1) transactions in the underlying market represented by the benchmark,
- (2) second, executable quotes in that same underlying market;
- (3) indicative quotes in that same underlying market; and
- (4) only where the input data in (1) through (3) is unavailable, market data from related markets to inform expert judgment to the extent possible.

The sort of expert judgment contemplated in (4) above will generally be needed in order to factor in differences such as a basis spread that might exist between the underlying market and the related market(s).

Where a benchmark is based on contributor submissions, a similar logic should be used by the contributors when forming their submissions. However, it is important to note that there are existing benchmarks that use variations of the general order of preference described above (generally as implemented by contributor(s) when making submissions rather than administrators) as circumstances vary from one underlying market to another. For example, some benchmarks use prescribed methods for deriving a suitable contribution from transactions that are not otherwise eligible owing to factors such as age or tenor before moving to executable or indicative quotes.

Perhaps more importantly, while an input data hierarchy of the type contemplated by subsection 35.(1) may be of use for certain interest rate benchmarks designated by the CSA in the future, it is not at all relevant for either CDOR or CORRA. For each of CDOR and CORRA, a single type of input data is used, from specified sources, and no hierarchy is applied by RBSL as administrator. As discussed above, input data for CDOR uses only contributions from a panel of the six contributing banks, which each represent the rate at which the applicable bank will be willing to lend funds to clients. Input data for CORRA is similarly limited to one source, being repo transaction data supplied by brokers. In respect of CORRA, also note that the term “a benchmark contributor’s transactions” in subsection 35.(1)(a) of the Proposed Instrument seems to imply that individual transaction data is required whereas, certain interest rate benchmarks, like CORRA, are based on volume-weighted averages and aggregate volumes data from the brokers. The final form of the Proposed Instrument (or the Proposed Companion Policy) should make clear that this type of aggregated data is also acceptable. Moreover, the concept of benchmark “contributors” does not apply to CORRA due to the nature of the input data (being readily available).

Subsection 35.(1) of the Proposed Instrument is also an illustrative example of how the corresponding provisions in the BMR, which provide that “in general the priority of use of input data shall be”⁶, are inherently more flexible than the Proposed Instrument, allowing room for

⁶ See Annex I, point 1. Emphasis added

discretion on the part of the benchmark administrator in applying the requirement to a particular context.

In any event, we would be happy to work with the CSA in order to help ensure that any final provision takes into account the nuances of CDOR and CORRA as well as other types of interest rate benchmarks which may be designated in the future.

3. Proportionality & Comply or Explain

The BMR differentiates between significant and non-significant benchmarks and, for non-significant benchmarks, specifies certain articles of the BMR for which an administrator need not comply, provided this is publicly disclosed. This concept of proportionality is an important feature of the BMR and does not appear to be contemplated in the Proposed Instrument. For example, the concept of the “oversight committee”, as drafted, appears to be a one-size fits all concept. By contrast, the BMR contemplates that the appropriate level of oversight for various benchmarks may differ. For example, for non-significant benchmarks, it has been recognised that the oversight function may be performed by one natural person rather than a committee.⁷

In the immediate term, such distinctions (and the related concept of proportionality) may not be critical, given the CSA’s intention to only designate CDOR and CORRA, and each are expected to be designated as critical benchmarks. In the long-term, however, it may be advisable for the CSA to consider introducing this concept of proportionality in order to create a regime applicable for non-critical benchmarks that may be designated in the future.

4. Oversight Committees

a. Independence⁸

Subsection 36(2) of the Proposed Instrument prescribes a specific concept of independence as it relates to service on an oversight committee. We believe this concept is overly prescriptive and does not allow sufficient flexibility for informed judgment. For example, the Proposed Instrument would deem an oversight committee member to not be independent after 5 years of service. In our view, that would be counterproductive and inefficient. Sourcing subject matter experts in relation to affected markets is already difficult and the loss of continuity, expertise and knowledge regarding particular benchmarks and markets could be more disruptive and outweigh any theoretical gain that underlies the CSA’s rotation proposal.

⁷ See Article 25(1), Article 26(1), Article 25(7) and Article 26(3) of the BMR for additional examples.

⁸ As noted above, we do not believe it is appropriate or necessary to impose any of the board-level requirements contemplated in the Proposed Instrument, however, to the extent any such board-level requirements are contained in the final version of the Proposed Instrument, the view set out in this section in respect of the concept of independence, relates equally to the concept of independence contained in subsection 5.(4).

To the extent the CSA believes that the factors set out in subsection 36.(2) of the Proposed Instrument should be considered in either a determination of independence, or in a general determination of whether an oversight committee is appropriately constituted, we suggest that these factors be included in the Proposed Companion Policy (and not the Proposed Instrument itself) as factors which may be considered in such a determination.

Any independence requirements in the Proposed Instrument (or guidance within the Proposed Companion Policy) should allow for the application of a consistent test of independence for a benchmark administrator's various oversight committees, whether or not the primary regulator for such benchmark is the CSA, the United Kingdom's Financial Conduct Authority ("FCA"), the European Commission or otherwise. In the spirit of seeking consistency with the BMR, we refer the CSA to Article 1(2) of Commission Delegated Regulation (EU) 2018/1637 (*regulatory technical standards for the procedures and characteristics of the oversight function*) (the "**Oversight Function RTS**"), as published by the European Commission. Article 1(2) does not technically apply to interest rate benchmarks⁹, but nonetheless provides helpful guidance with respect to how an oversight committee should be structured and provides that, in the case of a critical benchmark, the oversight function shall be carried out by a committee with at least two independent members, where an "independent member" is defined to mean a natural person "not directly affiliated with the administrator other than through their involvement in the oversight function, and shall have no conflicts of interest, particularly at the level of the relevant benchmark." Article 1(6) of the Oversight Function RTS further contemplates that the oversight function shall be separate from the management body in the sense that the positioning of the committee within the organisation must allow it to challenge and assess the decisions taken by the administrator. These two concepts are at the core of the BMR's concept of "independence" as it relates to the oversight function.

Regarding CDOR and CORRA, we note that the oversight committee is composed of independent members with no affiliation to RBSL, other than through their membership on the committee.

b. The concept of "monitoring" input data

Subsection 8.(8)(i)(ii)(A) of the Proposed Instrument contemplates that the monitoring of input data be undertaken by the oversight committee. In practice, the monitoring of the input data is done at the first line of defence level of the administrator itself (in the particular case of RBSL, by its operational staff), which then reports on the quality of the input data to the oversight committee (the second line of defence). The accuracy and depth of the monitoring done by the first line of defence is also further assessed by internal and external auditors (the third line of defence).

The oversight committee is tasked with challenging and overseeing how the benchmark is being administered in order to report to the RBSL Board and in some cases applicable

⁹ The requirements relating to the oversight function for interest rate benchmarks are addressed separately in Annex I of the BMR.

regulatory authorities where there are suspicions that the administrator is not fulfilling its mission correctly. To that end, it is appropriate for the oversight committee to receive reports on the accuracy and monitoring of input data undertaken by the administrator so it can challenge and satisfy itself that the input data is accurate and representative of the markets it aims to represent. However, asking the oversight committee to monitor the input data feeding into the benchmark would fundamentally alter its role, undermining its second line of defence function as an independent check on the first-line monitoring.

While the language in subsection 8.(8)(i)(ii)(A) of the Proposed Instrument corresponds with the language in Article 5.3(g) of the BMR, we believe a drafting clarification is desirable here, in order to make clear that this particular requirement may be complied with by overseeing the monitoring of the input data, as opposed to performing the first-line monitoring function. This clarification could be included in either the Proposed Instrument or the Proposed Companion Policy.

c. Participation of the Board in Oversight Committee Meetings

Subsection 8.(2) of the Proposed Instrument restricts board members of a benchmark administrator from being members of the oversight committee.

This restriction appears to correspond with a similar restriction in Article 1(6) of the Oversight Function RTS, which provides that representatives “of the management body shall not be members or observers” of the oversight function (i.e. committee) of a critical benchmark. However, we note that Article 1(6) clarifies that such individuals who are precluded from being members of an oversight committee may nonetheless be invited from time to time to the oversight committee meetings, so long as they do so in a non-voting capacity. We believe a similar clarification would be a helpful addition to the Proposed Companion Policy.

5. Subsection 16.(2) – Refusal of input data based on “any indication” on non-adherence to contributor’s code of conduct

Subsection 16.(2) of the Proposed Instrument provides that a designated benchmark administrator “must not use input data from a benchmark contributor if the designated benchmark administrator has any indication that the benchmark contributor does not adhere to” such benchmark contributor’s code of conduct. The content of such code of conduct, as prescribed by the Proposed Instrument, includes a broad range of requirements including substantive procedures relating to the validation of input data as well as administrative items such as record-keeping requirements.

While we recognize that the language in subsection 16.(2) corresponds with Article 11.1(e) of the BMR, strict compliance with this requirement in the context of CDOR could result in unintended adverse consequences. For example, a benchmark administrator could receive an indication that some of the record-keeping requirements of a particular contributor’s code of conduct are not being adhered to. Following subsection 16.(2), a benchmark administrator would then be required to refuse input data – in relation to CDOR, from one of the six CDOR-contributing

banks. The result could be disruptive for the markets, and disproportionate to any theoretical benefit from such internal issue identification.

We believe that the Proposed Instrument needs to be made more flexible in this regard. We suggest only requiring the benchmark administrator to refuse input data where it is aware of a “significant breach”. Consistent with the use of such term in subparagraph 8(8)(i)(iii) of the Proposed Instrument, and the related discussion in the Proposed Companion Policy, such circumstance would only include non-adherence that would impact the integrity of or reputation of the benchmark.

SPECIFIC RESPONSES

3. *Is the requirement for the board of directors of an administrator to be comprised of a minimum of 3 directors, of which at least half must be independent, appropriate? If not, please explain with concrete examples.*

No. See discussion above under the subheading, “Board-Level Requirements”.

5. *Should the compliance officer of an administrator also monitor the administrator’s compliance with its own benchmark methodology? Please explain with concrete examples.*

No. While we agree with the importance of monitoring compliance with methodologies, we believe that subsection 7.(3)(b)(iii) of the Proposed Instrument, which contemplates the monitoring by a designated compliance officer of the designated benchmark administrator with its own methodologies, is inappropriate. In practice, in the particular case of RBSL, we have determined through experience that it is the operational staff, not the compliance department, who are best equipped to report on this particular aspect of the business. RBSL’s operations team (as the first line of defence) provides all relevant metrics to the oversight committee and the RBSL Board (the second line of defence) all of which is further reviewed by internal and external audits (the third line of defence). Since the compliance team does not participate in the actual calculation of the benchmarks, it would not be efficient or effective to ask a compliance officer to perform this particular function.

We refer the CSA to Article 7.2 of the BMR, which provides that an administrator shall designate an internal function with the necessary capability to review and report on the administrator’s compliance with the benchmark methodology. In our experience, this approach, (i.e., allowing for the exercise of discretion by an administrator as to how to best match the capability and the purpose of the monitoring), works well.

6. *Should the compliance officer of an administrator not be involved in the establishment of compensation levels for any DBA individual (as defined in Proposed NI 25-102), other than for a DBA individual that reports directly to the compliance officer? For example, are there cases where compliance officer involvement in the compensation*

setting process is appropriate or desirable to, for example, reduce conflicts of interest? Please explain with concrete examples.

It is not RBSL's practice for the compliance function to be involved in the setting of compensation levels outside of reporting lines and we see no reason for doing so. In our view, conflicts of interest are better addressed through other governance processes and comprehensive control frameworks.

8. Section 31 requires a benchmark contributor to a designated critical benchmark to notify the designated benchmark administrator for that benchmark of the benchmark contributor's decision to cease contributing input data in relation to the designated critical benchmark. Should Proposed NI 25-102 include a requirement that the benchmark contributor continue to provide data for a period of time to allow the benchmark administrator and regulators to consider the impact of the benchmark contributor's decision.

We generally agree with this requirement and note that it aligns with the BMR. Given that the CDOR is not designated as a "critical benchmark" under the BMR, but will be so designated under the Proposed Instrument, we believe this requirement is especially desirable given that there is no alternative to CDOR. It is in the interest of the market to ensure continuity of the benchmark and avoid market disruption.

* * * * *

If you have any questions concerning these comments, please contact Stephan Flagel at stephan.flagel@refinitiv.com.

Best regards,



Chief Executive Officer of RBSL
Refinitiv Benchmark Services (UK) Limited

Appendix A

Section(s) of the Proposed Instrument	Comparable Provision(s) in the BMR
Section 6 (<i>Accountability framework requirements</i>)	Article 7 (<i>Accountability framework requirements</i>)
Section 8 (<i>Oversight committee</i>)	Article 5 (<i>Oversight function requirements</i>)
Section 9 (<i>Control framework</i>)	Article 6 (<i>Control framework requirements</i>)
Section 10 and 11 (<i>Governance requirements; Conflict of interest requirements</i>)	Article 4 (<i>Governance and conflict of interest requirements</i>)
Section 12 (<i>Reporting of infringements</i>)	Article 14 (<i>Reporting of infringements</i>)
Section 13 (<i>Complaint procedures</i>)	Article 9 (<i>Complaints-handling mechanism</i>)
Section 14 (<i>Outsourcing</i>)	Article 10 (<i>Outsourcing</i>)
Section 15 and 16 (<i>Input data; Contribution of input data</i>)	Article 11 (<i>Input data</i>)
Section 17 (<i>Methodology</i>)	Article 12 (<i>Methodology</i>)
Section 18 (<i>Proposed significant changes to methodology</i>)	Commission Delegated Regulation (EU) 2018/1641 (<i>regulatory technical standards specifying further the information to be provided by administrators of critical or significant benchmarks on the methodology used to determine the benchmark, the internal review and approval of the methodology and on the procedures for making material changes in the methodology</i>)
Section 19 (<i>Disclosure of methodology</i>)	Commission Delegated Regulation (EU) 2018/1641 (<i>regulatory technical standards specifying further the information to be provided by administrators of critical or significant benchmarks on the methodology used to determine the benchmark, the internal review and approval of the methodology and on the procedures for making material changes in the methodology</i>)

Section(s) of the Proposed Instrument	Comparable Provision(s) in the BMR
Section 20 (<i>Benchmark statement</i>)	Commission Delegated Regulation (EU) 2018/1643 (<i>regulatory technical standards specifying further the contents of, and cases where updates are required to, the benchmark statement to be published by the administrator of a benchmark</i>)
Section 21 and 22 (<i>Changes to and cessation of a benchmark; Registrants, reporting issuer and recognized entities</i>)	Article 28 (<i>Changes to and cessation of a benchmark</i>)
Section 24 (<i>Code of conduct for benchmark contributors</i>)	Article 15 (<i>Code of conduct</i>)
Section 25 (<i>Governance and control requirements for benchmark contributors</i>)	Article 16 (<i>Governance and control requirements for supervised contributors</i>)
Section 27 (<i>Books and records</i>)	Article 8 (<i>Record-keeping requirements</i>)
Section 28 (<i>Administration of designated critical benchmark</i>)	Article 21 (<i>Mandatory administration of a critical benchmark</i>)
Section 29 (<i>Access</i>)	Article 22 (<i>Mitigation of market power of critical benchmark administrators</i>)
Section 31 (<i>Benchmark contributor to a designated critical benchmark</i>)	Article 23 (<i>Mandatory contribution to a critical benchmark</i>)
Section 35 (<i>Accurate and sufficient data</i>)	Annex I points 1 and 2 (<i>Interest Rate Benchmarks – Accurate and sufficient data</i>)
Section 36 (<i>Oversight committee</i>)	Annex I point 3 (<i>Interest Rate Benchmarks – Oversight function</i>)