[Date]

[Recipient]

Dear Madam/Sir,

**CHANGES TO ABS FINANCIAL BENCHMARKS – TRANSITION OF OUTSTANDING CONTRACTS REFERENCING THE FX BENCHMARKS**

1. As announced by the Association of Banks in Singapore (**ABS**), in consultation with the Singapore Foreign Exchange Market Committee (**SFEMC**) on 14 June 2013[[1]](#footnote-1), in order to enhance the robustness, transparency and efficiency of the benchmark contribution process in Singapore, the following changes will be made to the ABS financial benchmarks:

|  |  |  |  |
| --- | --- | --- | --- |
| FX Benchmark | Outcome | Last Day of Old Benchmark Publication | First Day of New Benchmark Publication |
| SGD SPOT FX | Transit to Traded Benchmark | 5 Aug 2013 | 6 Aug 2013 |
| THB SPOT FX |
| IDR SPOT FX |
| MYR SPOT FX | Transit to Alternative Benchmark: PPKM | 5 Aug 2013 | N.A.  6 Aug 2013: Transit to Alternative Benchmark |
| VND SPOT FX | Discontinue | 12 Jul 2013 | N.A |
|  | | | |
| Rates Benchmark | Outcome | Last Day of Old Benchmark Publication | First Day of New Benchmark Publication |
| SGD IRS | Discontinue: All maturities | 12 Jul 2013 | N.A |
| THB SOR |
| IDR SOR |
| SGD SOR | Transit to Traded Benchmark: O/N, 1m, 3m, 6m | 30 Sep 2013 | 1 Oct 2013 |
| Discontinue: 1w, 2m, 9m, 12m | N.A |
| SGD SIBOR | Improve Governance: 1m, 3m, 6m, 12m | N.A | N.A |
| Discontinue: 2m, 9m | 30 Sep 2013 | N.A |
| USD SIBOR | Transit to Alternative Benchmark: USD LIBOR | 31 Dec 2013 | N.A  1 Jan 2014: Transit to Alternative Benchmark |

1. To facilitate a smooth transition to the new FX benchmarks, the International Swaps and Derivatives Association, Inc. (**ISDA**) and EMTA, Inc. (**EMTA**) have published a Multilateral Amendment Agreement (**FX-MAA**) on 5 July 2013. The FX-MAA will assist parties to implement the recommendations of the SFEMC that parties mutually agree to amend NDF and other relevant contracts referencing the existing SGD, THB, IDR or MYR spot rate benchmarks that remain outstanding on 6 August 2013 to reference (as applicable) the new spot rate benchmarks for SGD, THB or IDR or the onshore MYR spot rate benchmark. We have signed up to the FX-MAA.

2. As we have outstanding transactions with you that are impacted by the proposed changes in the above FX benchmarks, we request that you sign up to the FX-MAA. If you have outstanding affected transactions with other dealers besides our firm, by signing up to the FX-MAA, you will be deemed to have amended your outstanding contracts not only with us but with all other firms that sign up to the FX-MAA. You can find a list of the SFEMC/ABS member banks that have signed up to the FX-MAA at: <http://www.sfemc.org/ci_view.asp?id=19>. This will save you the trouble of entering into separate bilateral amendment agreements with each firm with whom you have outstanding affected transactions.

3. You can find the FX-MAA at: <http://www.isda.org/publications/fx-curr-annex-sup-user-guide.aspx>. We also enclose a copy of the FX-MAA for your convenient reference and execution. To sign up to the FX-MAA, you need to complete, sign and return the FX-MAA via fax +65 6410 2288 or email (scanned copy) ([ndfamend@cliffordchance.com](mailto:ndfamend@cliffordchance.com)) and also send an ORIGINAL, HARD COPY to Clifford Chance Pte Ltd at 12 Marina Boulevard, 25th Floor, Tower 3, Marina Bay Financial Centre, Singapore 018982 for the attention of: Paul Landless. Please note that you need to do so by **not later than 5:00 p.m. Singapore time on August 2, 2013**. You do not need to pay any fee to sign up to the FX-MAA.

4. If you do not wish to sign up to the FX-MAA, we request that you enter into the bilateral form of the Amendment Agreement (**FX-BAA**) with us. Please complete, sign and return the enclosed FX-BAA to [ ] by **not later than 5:00 p.m. Singapore time on [August 2, 2013][[2]](#footnote-2)**.

5. We would urge you to take action so that your outstanding affected transactions are transitioned smoothly. If you do not do so, the valuation and settlement of your outstanding affected transactions will be handled in accordance with the contractual fallbacks (for a description of how these operate, please refer to the SFEMC Explanatory Note at: <http://www.sfemc.org/ci_view.asp?id=19>). These fallbacks will result in a delay in the valuation and settlement of your transactions.

6. If you have any questions, please contact [ ].

Yours faithfully

1. Please click for [ABS and SFEMC press release](http://www.abs.org.sg/pdfs/Newsroom/PressReleases/2013/ABS_SFEMC_Press_Release_20130614.pdf), [SFEMC statement](http://www.sfemc.org/pdf/SFEMC_Statement_on_ABS_Financial_Benchmarks.pdf) and [related materials](http://www.abs.org.sg/financial_faq_benchmarks.php). [↑](#footnote-ref-1)
2. Firms can set a different deadline if they wish. In theory, the relevant cut-off date for amendment is the day before a relevant Valuation Date. Thus, even though the old benchmarks are discontinued on 5 August 2013, if a relevant Valuation Date is say on 9 October 2013, you have until the day before 9 October 2013 to agree to amend. However, as it will be difficult in practice to identify and monitor different deadlines for different customers and contracts, we recommend a common deadline. **PLEASE REMEMBER TO DELETE THIS FOOTNOTE.** [↑](#footnote-ref-2)