

ISDA 2021 Fallbacks Protocol (“2021 Fallbacks Protocol”) FAQs

ISDA has prepared this list of frequently asked questions to assist in your consideration of the 2021 Fallbacks Protocol. Unless otherwise defined herein, capitalized terms used in these FAQs have the meanings given to them in the 2021 Fallbacks Protocol, Supplement 90 to the 2006 ISDA Definitions (the “**2021 IBOR Fallbacks Supplement**”), Version 4.0 of the 2021 ISDA Interest Rate Derivatives Definitions (the “**2021 Definitions**”) or the 2006 ISDA Definitions (as amended by the 2021 IBOR Fallbacks Supplement) (the “**2006 Definitions**”).

THESE FREQUENTLY ASKED QUESTIONS DO NOT PURPORT TO BE AND SHOULD NOT BE CONSIDERED A GUIDE TO OR AN EXPLANATION OF ALL RELEVANT ISSUES OR CONSIDERATIONS IN CONNECTION WITH THE 2021 FALLBACKS PROTOCOL. PARTIES SHOULD CONSULT WITH THEIR LEGAL ADVISERS AND ANY OTHER ADVISER THEY DEEM APPROPRIATE PRIOR TO USING OR ADHERING TO THE 2021 FALLBACKS PROTOCOL. ISDA ASSUMES NO RESPONSIBILITY FOR ANY USE TO WHICH ANY OF ITS DOCUMENTATION OR OTHER DOCUMENTATION MAY BE PUT.

Introduction

The 2021 Fallbacks Protocol enables market participants who are party to a Protocol Covered Document to amend the terms of such Protocol Covered Document to include new fallbacks for one or more benchmarks (each a “**Relevant Benchmark**”), as set out in a separate module to the 2021 Fallbacks Protocol that facilitates the inclusion of new fallbacks for one or more Relevant Benchmarks (a “**Benchmark Module**”), such as the December 2021 Benchmark Module to the 2021 Fallbacks Protocol (the “**December 2021 Benchmark Module**”).

Relevant Benchmarks do not include any LIBOR benchmark and consequently adherence to the 2021 Fallbacks Protocol and any Benchmark Module will not amend contracts referencing LIBOR in any currency. In order to amend contracts referencing LIBOR, firms will need to adhere to the ISDA 2020 IBOR Fallbacks Protocol.

These FAQs refer to the “ISDA 2020 IBOR Fallbacks Protocol (IBOR Fallbacks Protocol) FAQs” (the “**2020 IBOR Fallbacks Protocol FAQs**”) due to the similarities between the ISDA 2020 IBOR Fallbacks Protocol and the 2021 Fallbacks Protocol. The 2020 IBOR Fallbacks Protocol FAQs are available [here](#).

For the purpose of these FAQs, references in the “Answers” in the 2020 IBOR Fallbacks Protocol FAQs to:

- (i) the ISDA 2020 IBOR Fallbacks Protocol should be read as references to the 2021 Fallbacks Protocol and, where relevant, the relevant Benchmark Module;

- (ii) the Attachment should be read as references to the relevant Benchmark Module and references to paragraphs in the Attachment should be read as references to the equivalent paragraph (which may have different numbering) in that Benchmark Module;
- (iii) parties adhering to the ISDA 2020 IBOR Fallbacks Protocol should be read as references to parties adhering to the 2021 Fallbacks Protocol through their adherence to a Benchmark Module;
- (iv) Protocol Covered Documents being amended by the ISDA 2020 IBOR Fallbacks Protocol should be read as references to Protocol Covered Documents being amended by a Benchmark Module;
- (v) a Relevant IBOR should be read as references to a Relevant Benchmark;
- (vi) an individual Rate Option should be read as references to an appropriate individual Relevant Benchmark and references to LIBOR Rate Options should be ignored;
- (vii) the date of acceptance by ISDA of an Adherence Letter from the later of the two Adhering Parties to adhere to the ISDA 2020 IBOR Fallbacks Protocol should be read as references to the “Adherence Date” for the later of the two Adhering Parties to adhere to the relevant Benchmark Module; and
- (viii) references to the Protocol Effective Date should be ignored.

List of Questions

1. How is the 2021 Fallbacks Protocol structured and what is a Benchmark Module?
2. Who can adhere to the 2021 Fallbacks Protocol and a Benchmark Module?
 - A. What kinds of entities can adhere to a Benchmark Module?
 - B. Can entities that are not ISDA members adhere to a Benchmark Module?
3. What does the 2021 Fallbacks Protocol and a Benchmark Module do?
 - A. What should I consider when determining whether to amend my Protocol Covered Documents by adhering to a Benchmark Module?
 - B. Does the 2021 Fallbacks Protocol and a Benchmark Module override bespoke terms that I have agreed?
4. What Relevant Benchmarks and documents are in scope of the 2021 Fallbacks Protocol and a Benchmark Module?
 - A. What is a Relevant Benchmark?
 - B. If I adhere to a Benchmark Module, will the 2021 Fallbacks Protocol and each Benchmark Module apply to all of my master agreements, credit support documents and confirmations or just some of them?
 - C. What are Protocol Covered Documents?
 - D. What is a Covered ISDA Definitions Booklet?
 - E. Will the 2021 Fallbacks Protocol and each Benchmark Module apply to non-ISDA master agreements and non-ISDA credit support documents?
 - F. Does the 2021 Fallbacks Protocol and each Benchmark Module apply to documentation governing cleared transactions?
5. When does the 2021 Fallbacks Protocol and a Benchmark Module become effective?
 - A. When was the 2021 Fallbacks Protocol published?
 - B. Have any Benchmark Modules been published?
 - C. When will the amendments contemplated by a Benchmark Module be made?

6. How do I adhere to and implement the 2021 Fallbacks Protocol and a Benchmark Module?
 - A. Is there a cut-off date for adherence to the 2021 Fallbacks Protocol?
 - B. How do I submit an Adherence Letter?
 - C. Is adherence public?
 - D. Who is an authorized signatory?
 - E. Can I change the text of the Adherence Letter?
 - F. Are there any costs to adhere to a Benchmark Module?
 - G. Can I revoke my adherence to a Benchmark Module?
 - H. Can I include the amendments contemplated by a Benchmark Module in my documents without adhering to that Benchmark Module?

7. Can an investment/asset manager or other Agent adhere to a Benchmark Module on behalf of its Clients?
 - A. Can an Agent adhere on behalf of all its Clients?
 - B. Can an Agent adhere on behalf of certain of its Clients only?
 - C. Will a Protocol Covered Document into which an Agent did not enter on behalf of its Client but that the Agent otherwise has the authority to amend be amended under a Benchmark Module by virtue of the Agent adhering to that Benchmark Module on behalf of its Client?
 - D. What happens if an Agent adds a Client to an umbrella agreement that is an Agent Protocol Covered Document after adhering to a Benchmark Module?
 - E. If a Client adheres to a Benchmark Module itself and an Agent which represents that Client also adheres to that Benchmark Module on behalf of that Client, what will the Implementation Date be for any Protocol Covered Document?
 - F. If an Agent that has entered into a Protocol Covered Document on behalf of a Client adheres to a Benchmark Module on behalf of that Client and another Agent who did not enter into that Protocol Covered Document but which otherwise has the authority to amend that Protocol Covered Document also adheres to that Benchmark Module and identifies that Client as a Client on whose behalf it is amending Non-Agent

Executed Protocol Covered Documents, what will be the Implementation Date for that Protocol Covered Document?

8. Will the 2021 Fallbacks Protocol and a Benchmark Module apply to novated transactions?
9. Can parties agree bilaterally to amend the terms or scope of the 2021 Fallbacks Protocol or a Benchmark Module?
10. Are the ISDA 2018 Benchmarks Supplement Protocol and the ISDA 2020 IBOR Fallbacks Protocol the same as the new 2021 Fallbacks Protocol and can I just adhere to one of them?

Questions and Answers

1. How is the 2021 Fallbacks Protocol structured and what is a Benchmark Module?

The 2021 Fallbacks Protocol is structured as a modular protocol, comprised of the boilerplate provisions set out in the 2021 Fallbacks Protocol and the operative provisions setting out fallbacks for the Relevant Benchmarks in one or more Benchmark Modules. As of the date of publication of the 2021 Fallbacks Protocol, the December 2021 Benchmark Module is the only Benchmark Module that has been published by ISDA. ISDA may, on future dates, publish further Benchmark Modules to the 2021 Fallbacks Protocol.

The 2021 Fallbacks Protocol provides parties with the framework to include new fallbacks for Relevant Benchmarks in their Protocol Covered Documents. Each Benchmark Module sets out the specific amendments to the Relevant Benchmark(s) covered by that Benchmark Module that will be included in Protocol Covered Documents.

Parties amend their Protocol Covered Documents by adhering to the Benchmark Module that includes the new fallbacks that they wish to include in their Protocol Covered Documents for one or more Relevant Benchmarks. For example, adhering to the December 2021 Benchmark Module enables parties to include the fallbacks set out in that Benchmark Module in their Protocol Covered Documents entered into with other parties that have also adhered to the December 2021 Benchmark Module for the Relevant Benchmarks covered in that Benchmark Module, being BKBM Bid, BKBM FRA, NIBOR, MIFOR, PHIREF, KLIBOR, STIBOR and SIOR.

Parties are not required to separately adhere to the 2021 Fallbacks Protocol and a Benchmark Module. A party's adherence to a Benchmark Module will also constitute its adherence to the 2021 Fallbacks Protocol. The 2021 Fallbacks Protocol and the Benchmark Module are then read together to understand the way in which the fallbacks set out in the Benchmark Module are applied to certain of the Adhering Party's documents. Adherence to a Benchmark Module constitutes adherence only for the purposes of that individual Benchmark Module. Parties are required to adhere separately to any other Benchmark Modules to which they wish to adhere (see Question 6 (*How do I adhere to and implement the 2021 Fallbacks Protocol and a Benchmark Module?*) below for more information on adherence).

Consequently, in these FAQs, reference to a party adhering to a Benchmark Module is a reference to such party adhering to that Benchmark Module and the 2021 Fallbacks Protocol combined.

2. Who can adhere to the 2021 Fallbacks Protocol and a Benchmark Module?

A. What kinds of entities can adhere to a Benchmark Module?

The 2021 Fallbacks Protocol is open for adherence by any entity regardless of where it may be domiciled. Entities may adhere individually in their own capacity and/or as Agents on behalf of Clients. See Question 7 (*Can an investment/asset manager or other Agent adhere to a Benchmark Module on behalf of its Clients?*) for more information on adherence options for Agents.

B. Can entities that are not ISDA members adhere to a Benchmark Module?

Yes. ISDA members and non-ISDA members alike may adhere to the 2021 Fallbacks Protocol and a Benchmark Module in the same way. See Question 6 (*How do I adhere to and implement the 2021 Fallbacks Protocol and a Benchmark Module?*) for more information on adherence mechanics.

3. What does the 2021 Fallbacks Protocol and a Benchmark Module do?

The 2021 Fallbacks Protocol and a Benchmark Module enables parties to amend the terms of their Protocol Covered Documents to include new fallbacks for one or more Relevant Benchmarks, as set out in one or more Benchmark Modules (see Question 1 (*How is the 2021 Fallbacks Protocol structured and what is a Benchmark Module?*) above).

A. What should I consider when determining whether to amend my Protocol Covered Documents by adhering to a Benchmark Module?

See the Answer to Question 2.A (*What should I consider when determining whether to amend my Protocol Covered Documents by adhering to the IBOR Fallbacks Protocol?*) of the 2020 IBOR Fallbacks Protocol FAQs.

B. Does the 2021 Fallbacks Protocol and a Benchmark Module override bespoke terms that I have agreed?

See the Answer to Question 2.B (*Does the IBOR Fallbacks Protocol override bespoke terms that I have agreed?*) of the 2020 IBOR Fallbacks Protocol FAQs.

4. What Relevant Benchmarks and documents are in scope of the 2021 Fallbacks Protocol and a Benchmark Module?

A. What is a Relevant Benchmark?

As set out in Question 1 (*How is the 2021 Fallbacks Protocol structured and what is a Benchmark Module?*) above, the 2021 Fallbacks Protocol provides parties that have adhered to a Benchmark Module with the framework to amend their Protocol Covered Documents to include new fallbacks for certain Relevant Benchmarks as set out in that Benchmark Module. For example, the Relevant Benchmarks included in

the December 2021 Benchmark Module are BKBM Bid, BKBM FRA, NIBOR, MIFOR, PHIREF, KLIBOR, STIBOR and SIOR. New fallbacks for those Relevant Benchmarks, as set out in the December 2021 Benchmark Module, will therefore be included in Protocol Covered Documents entered into between parties that have both adhered to the December 2021 Benchmark Module.

B. If I adhere to a Benchmark Module, will the 2021 Fallbacks Protocol and each Benchmark Module apply to all of my master agreements, credit support documents and confirmations or just some of them?

The 2021 Fallbacks Protocol and each Benchmark Module will only apply to Protocol Covered Documents, being Protocol Covered Master Agreements, Protocol Covered Credit Support Documents and Protocol Covered Confirmations entered into with other parties that have also adhered to that Benchmark Module (see Question 4.C (*What are Protocol Covered Documents*) below for more information on Protocol Covered Documents).

As is customary in ISDA protocols, the 2021 Fallbacks Protocol or any Benchmark Module will not apply to any agreement in which the parties expressly state that the terms of the 2021 Fallbacks Protocol or that Benchmark Module do not apply.

C. What are Protocol Covered Documents?

Protocol Covered Documents are comprised of Protocol Covered Master Agreements, Protocol Covered Credit Support Documents and Protocol Covered Confirmations. See the Answers to Question 4.C (*What are Protocol Covered Documents?*), Question 4.D (*What are Protocol Covered Master Agreements?*), Question 4.E (*What are Protocol Covered Credit Support Documents?*) and Question 4.F (*What are Protocol Covered Confirmations?*) of the 2020 IBOR Fallbacks Protocol FAQs.

D. What is a Covered ISDA Definitions Booklet?

The 2021 Fallbacks Protocol includes each of the following as a “Covered ISDA Definitions Booklet”:

- (i) the 2021 Definitions;
- (ii) the 2006 Definitions;
- (iii) the 2000 ISDA Definitions;
- (iv) the 1998 ISDA Euro Definitions;

- (v) the 1998 Supplement to the 1991 ISDA Definitions; and
- (vi) the 1991 ISDA Definitions.

The definition of a “Covered ISDA Definitions Booklet” in the 2021 Fallbacks Protocol may be amended in a Benchmark Module. For example, the December 2021 Benchmark Module amends the above list to remove the reference to the 1998 ISDA Euro Definitions.

E. Will the 2021 Fallbacks Protocol and each Benchmark Module apply to non-ISDA master agreements and non-ISDA credit support documents?

See the Answer to Question 4.H (*Will the IBOR Fallbacks Protocol apply to non-ISDA master agreements and non-ISDA credit support documents?*) of the 2020 IBOR Fallbacks Protocol FAQs.

Will ISDA confirm whether non-ISDA documents are effectively amended by the 2021 Fallbacks Protocol or a Benchmark Module?

No. ISDA provides no assurance as to the effect of the 2021 Fallbacks Protocol and any Benchmark Module in respect of any non-ISDA documents. Adherents to the 2021 Fallbacks Protocol and any Benchmark Module should satisfy themselves as to whether non-ISDA master agreements and non-ISDA credit support documents are effectively amended by the 2021 Fallbacks Protocol and that Benchmark Module.

Which non-ISDA documents are within scope of the 2021 Fallbacks Protocol or a Benchmark Module?

See the Answer to Question 4.H (*Will the IBOR Fallbacks Protocol apply to non-ISDA master agreements and non-ISDA credit support documents?*) of the 2020 IBOR Fallbacks Protocol FAQs.

F. Does the 2021 Fallbacks Protocol and each Benchmark Module apply to documentation governing cleared transactions?

See the Answer to Question 4.I (*Does the IBOR Fallbacks Protocol apply to documentation governing cleared transactions?*) of the 2020 IBOR Fallbacks Protocol FAQs.

5. When does the 2021 Fallbacks Protocol and a Benchmark Module become effective?

A. When was the 2021 Fallbacks Protocol published?

The 2021 Fallbacks Protocol was published on December 16, 2021. As explained in Question 1 (*How is the 2021 Fallbacks Protocol structured and what is a Benchmark Module?*) above, the 2021 Fallbacks Protocol provides parties with the framework to include the amendments contemplated by a Benchmark Module in their Protocol Covered Documents. Consequently, the 2021 Fallbacks Protocol is only effective when parties adhere to a Benchmark Module so that publication of the relevant Benchmark Module is also necessary in order for the 2021 Fallbacks Protocol to have any effect. See Question 5.C (*When will the amendments contemplated by a Benchmark Module be made?*) below for more information on publication of a Benchmark Module and when the amendments to a Protocol Covered Document contemplated by a Benchmark Module become effective.

B. Have any Benchmark Modules been published?

Yes. The December 2021 Benchmark Module was published on December 16, 2021. From time to time, ISDA may, in its sole and absolute discretion, publish additional Benchmark Modules on the Protocol section of its website at www.isda.org (or by other suitable means).

C. When will the amendments contemplated by a Benchmark Module be made?

A Benchmark Module will amend Protocol Covered Documents entered into between two parties that have adhered to that Benchmark Module that have a Protocol Covered Document Date before the Adherence Date for the later of the two parties to adhere to that Benchmark Module.

The agreement between two parties who have sent Adherence Letters to ISDA in respect of a Benchmark Module to make the amendments contemplated by that Benchmark Module will be effective on the Implementation Date for that Benchmark Module (see the paragraph below regarding when the Implementation Date is) such that the agreement to make the amendments set out in a Benchmark Module will form part of each Protocol Covered Document from the Implementation Date for that Benchmark Module (see also Question 8 (*Will the 2021 Fallbacks Protocol and a Benchmark Module apply to novated transactions?*) below). This means that, after the Implementation Date, if a party revokes its adherence to that Benchmark Module, it will not affect Protocol Covered Documents between it and another party who has

already adhered to that Benchmark Module. See Question 6.G (*Can I revoke my adherence to a Benchmark Module?*) below for further information on revocation.

If neither Adhering Party is an Agent, the Implementation Date for a Benchmark Module is the Adherence Date for the later of such two Adhering Parties to adhere to that Benchmark Module. If, however, one of the parties is an Agent, see Question 7 (*Can an investment/asset manager or other Agent adhere to a Benchmark Module on behalf of its Clients?*) and Question 7.C (*Will a Protocol Covered Document into which an Agent did not enter on behalf of its Client but that the Agent otherwise has the authority to amend be amended under a Benchmark Module by virtue of the Agent adhering to that Benchmark Module on behalf of its Client?*) below for further information regarding when the Implementation Date falls.

The Implementation Date under the 2021 Fallbacks Protocol may, in the case of agency adherence, be specific to a particular Protocol Covered Document and there may be various Implementation Dates as between two Adhering Parties where an Agent is adhering on behalf of a Client. This is different to the approach in other ISDA protocols where there is generally only one Implementation Date per relationship. For more information please see Question 7.A (*Can an Agent adhere on behalf of all its Clients?*), Question 7.B (*Can an Agent adhere on behalf of certain of its Clients only?*), Question 7.C (*Will a Protocol Covered Document into which an Agent did not enter on behalf of its Client but that the Agent otherwise has the authority to amend be amended under a Benchmark Module by virtue of the Agent adhering to that Benchmark Module on behalf of its Client?*), Question 7.E (*If a Client adheres to a Benchmark Module itself and an Agent which represents that Client also adheres to that Benchmark Module on behalf of that Client, what will the Implementation Date be for any Protocol Covered Document?*) and Question 7.F (*If an Agent that has entered into a Protocol Covered Document on behalf of a Client adheres to a Benchmark Module on behalf of that Client and another Agent who did not enter into that Protocol Covered Document but which otherwise has the authority to amend that Protocol Covered Document also adheres to that Benchmark Module and identifies that Client as a Client on whose behalf it is amending Non-Agent Executed Protocol Covered Documents, what will be the Implementation Date for that Protocol Covered Document?*) below.

The Implementation Date is in respect of the relevant Benchmark Module. Consequently, in respect of a Benchmark Module to which counterparties have already adhered, if ISDA accepts a subsequent Adherence Letter from either of those counterparties in respect of a different Benchmark Module, the adherence to that subsequent Benchmark Module will not affect the Implementation Date for the parties with respect to the original Benchmark Module.

6. How do I adhere to and implement the 2021 Fallbacks Protocol and a Benchmark Module?

A. Is there a cut-off date for adherence to the 2021 Fallbacks Protocol?

As explained in Question 1 (*How is the 2021 Fallbacks Protocol structured and what is a Benchmark Module?*) above, parties can adhere to the 2021 Fallbacks Protocol through their adherence to a Benchmark Module, which will also constitute their adherence to the 2021 Fallbacks Protocol. There is currently no cut-off date for adherence to the 2021 Fallbacks Protocol in respect of the December 2021 Benchmark Module, but ISDA reserves the right to designate a closing date of the 2021 Fallbacks Protocol in respect of any individual Benchmark Module by giving at least 30 days' calendar notice on the "ISDA 2021 Fallbacks Protocol" section of its website at www.isda.org (or by any other suitable means). Any cut-off date will be specific to a Benchmark Module and will not affect adherence to any other Benchmark Module.

B. How do I submit an Adherence Letter?

Each market participant that intends to adhere to the 2021 Fallbacks Protocol and a Benchmark Module should access the "Protocols" section of the ISDA website at www.isda.org to enter the information that is required to generate its form of Adherence Letter. Either by directly downloading the populated Adherence Letter from the Protocol system or upon receipt via e-mail of the populated Adherence Letter, each Adhering Party should sign the populated Adherence Letter (a "wet-ink" signature is not required) and upload it as a PDF (portable document format) attachment into the Protocol system. Once the signed Adherence Letter has been approved and accepted by ISDA, such Adhering Party will receive an e-mail confirmation of adherence to the 2021 Fallbacks Protocol and the relevant Benchmark Module. For a step-by-step guide to adherence, please see the Answer to Question 9.B (*How do I submit an Adherence Letter?*) of the 2020 IBOR Fallbacks Protocol FAQs.

C. Is adherence public?

Yes. An electronic version of each Adherence Letter, with the details of the authorized signatory redacted, will be published by ISDA so that it may be viewed publicly. The names of entities that have adhered will be published on ISDA's website as and when entities adhere.

D. Who is an authorized signatory?

An authorized signatory to the Adherence Letter is an individual who has the legal authority to bind the adhering institution.

E. Can I change the text of the Adherence Letter?

No. The Adherence Letter must be in the same format as the form of letter published in the relevant Benchmark Module and generated by the relevant ISDA webpage.

F. Are there any costs to adhere to a Benchmark Module?

Yes. Each Adhering Party or, if such Adhering Party is a Client on whose behalf an Agent adheres to a Benchmark Module, each Agent, must submit a one-time fee of U.S. \$500 to ISDA on or before submission of its Adherence Letter in respect of that Benchmark Module. An Agent is not required to submit a fee of U.S. \$500 to ISDA for each Client on whose behalf it adheres.

Affiliates and subsidiaries of an entity that adheres are considered as individual entities for the purposes of adhering to the 2021 Fallbacks Protocol and the relevant Benchmark Module and will therefore need to pay the adherence fee for each entity adhering to the 2021 Fallbacks Protocol and each Benchmark Module.

ISDA offers bulk adherence fees for entities that arrange for 25 or more of their affiliated entities to adhere to the 2021 Fallbacks Protocol and a Benchmark Module. For more details on bulk adherence fees, please contact protocolmanagement@isda.org.

G. Can I revoke my adherence to a Benchmark Module?

See the Answer to Question 9.G (*Can I revoke my adherence to the IBOR Fallbacks Protocol?*) of the 2020 IBOR Fallbacks Protocol FAQs. In addition, a party that has adhered to more than one Benchmark Module may deliver a Revocation Notice to ISDA that identifies more than one Benchmark Module in respect of which that party wishes to revoke its adherence. Revocation, like adherence, is on a Benchmark Module basis and so a firm will need to specify each Benchmark Module in respect of which it wishes to revoke its adherence.

H. Can I include the amendments contemplated by a Benchmark Module in my documents without adhering to that Benchmark Module?

Parties can apply the amendments contemplated by a Benchmark Module bilaterally either by setting out the terms of the Benchmark Module in full or by cross referencing certain terms, as applicable, of the Benchmark Module in a bilateral

amendment agreement. However, ISDA does not currently intend to publish any bilateral amendment agreement to enable parties to apply the terms of a Benchmark Module without adhering to that Benchmark Module and so documentation of such a bilateral amendment would be entirely up to the two parties.

7. Can an investment/asset manager or other Agent adhere to a Benchmark Module on behalf of its Clients?

Yes. An Agent may adhere to a Benchmark Module on behalf of all, or some, of its Clients.

A. Can an Agent adhere on behalf of all its Clients?

See the Answer to Question 10.A (*Can an Agent adhere on behalf of all its Clients?*) of the 2020 IBOR Fallbacks Protocol FAQs.

B. Can an Agent adhere on behalf of certain of its Clients only?

See the Answer to Question 10.B (*Can an Agent adhere on behalf of certain of its Clients only?*) of the 2020 IBOR Fallbacks Protocol FAQs.

As adherence is on a Benchmark Module basis, the specification of individual Clients as Clients that are included or excluded Clients for the purposes of adherence (as described in the Answer to Question 10.B (*Can an Agent adhere on behalf of certain of its Clients only?*) of the 2020 IBOR Fallbacks Protocol FAQs) must be done for each Benchmark Module to which that Agent adheres, and each such inclusion/exclusion of a Client will apply only to the relevant Benchmark Module. Consequently, an Agent may include or exclude from adherence different Clients in respect of different Benchmark Modules.

C. Will a Protocol Covered Document into which an Agent did not enter on behalf of its Client but that the Agent otherwise has the authority to amend be amended under a Benchmark Module by virtue of the Agent adhering to that Benchmark Module on behalf of its Client?

See the Answer to Question 10.C (*Will a Protocol Covered Document into which an Agent did not enter on behalf of its Client but that the Agent otherwise has the authority to amend be amended under the IBOR Fallbacks Protocol by virtue of the Agent adhering on behalf of its Client?*) of the 2020 IBOR Fallbacks Protocol FAQs.

As adherence is on a per Benchmark Module basis, the election to amend Non-Agent Executed Protocol Covered Documents (as explained in the Answer referred to above) must be made for each Benchmark Module to which an Agent adheres on behalf of one or more Clients. Similarly, the requirement to provide evidence of authority to amend Non-Agent Executed Protocol Covered Documents applies

separately for each Benchmark Module and evidence of authority satisfactory to the other Adhering Party must be provided by the Agent for each Benchmark Module in respect of which an Agent adheres for a Client in respect of Non-Agent Executed Protocol Covered Documents, even if the same evidence of authority has been provided in respect of a previous Benchmark Module to which that Agent has adhered for the same Client and on the same basis.

D. What happens if an Agent adds a Client to an umbrella agreement that is an Agent Protocol Covered Document after adhering to a Benchmark Module?

See the Answer to Question 10.E (*What happens if an Agent adds a Client to an umbrella agreement that is an Agent Protocol Covered Document after adhering to the IBOR Fallbacks Protocol?*) of the 2020 IBOR Fallbacks Protocol FAQs.

E. If a Client adheres to a Benchmark Module itself and an Agent which represents that Client also adheres to that Benchmark Module on behalf of that Client, what will the Implementation Date be for any Protocol Covered Document?

See the Answer to Question 10.F (*If a Client adheres to the IBOR Fallbacks Protocol itself and an Agent which represents that Client also adheres to the IBOR Fallbacks Protocol on behalf of that Client, what will the Implementation Date be for any Protocol Covered Document?*) of the 2020 IBOR Fallbacks Protocol FAQs.

F. If an Agent that has entered into a Protocol Covered Document on behalf of a Client adheres to a Benchmark Module on behalf of that Client and another Agent who did not enter into that Protocol Covered Document but which otherwise has the authority to amend that Protocol Covered Document also adheres to that Benchmark Module and identifies that Client as a Client on whose behalf it is amending Non-Agent Executed Protocol Covered Documents, what will be the Implementation Date for that Protocol Covered Document?

See the Answer to Question 10.G (*If an Agent that has entered into a Protocol Covered Document on behalf of a Client adheres to the IBOR Fallbacks Protocol on behalf of that Client and another Agent who did not enter into that Protocol Covered Document but which otherwise has the authority to amend that Protocol Covered Document also adheres to the IBOR Fallbacks Protocol and identifies that Client as a Client on whose behalf it is amending Non-Agent Executed Protocol Covered Documents, what will be the Implementation Date for that Protocol Covered Document?*) of the 2020 IBOR Fallbacks Protocol FAQs.

8. Will the 2021 Fallbacks Protocol and a Benchmark Module apply to novated transactions?

See the Answer to Question 11 (*Will the IBOR Fallbacks Protocol apply to novated transactions?*) of the 2020 IBOR Fallbacks Protocol FAQs (ignoring the fifth paragraph thereof which commences “The IBOR Fallbacks Protocol also provides that...” which is not relevant for the purpose of the 2021 Fallbacks Protocol).

Template language for applying the terms of the 2021 Fallbacks Protocol and a Benchmark Module to a novated transaction is set out in paragraph 4 of the Answer to Question 11 (*Will the IBOR Fallbacks Protocol apply to novated transactions?*) of the 2020 IBOR Fallbacks Protocol FAQs.

9. Can parties agree bilaterally to amend the terms or scope of the 2021 Fallbacks Protocol or a Benchmark Module?

The 2021 Fallbacks Protocol and each Benchmark Module are intended for use without negotiation, however two Adhering Parties may amend the terms of the 2021 Fallbacks Protocol and a Benchmark Module bilaterally via a bilateral agreement between those two Adhering Parties. Any such amendment would be effective only as between those two Adhering Parties and would not affect the scope of the 2021 Fallbacks Protocol and that Benchmark Module as between either of those two Adhering Parties and each other Adhering Party to that Benchmark Module. ISDA does not intend to publish template bilateral amendment agreements to allow parties to amend the terms or scope of the 2021 Fallbacks Protocol or a Benchmark Module.

10. Are the ISDA 2018 Benchmarks Supplement Protocol and the ISDA 2020 IBOR Fallbacks Protocol the same as the new 2021 Fallbacks Protocol and can I just adhere to one of them?

No, they are not the same. The ISDA Benchmarks Supplement was produced by ISDA to facilitate compliance with Article 28(2) and related provisions of the EU Benchmarks Regulation and was published in 2018 alongside a protocol (called the ISDA 2018 Benchmarks Supplement Protocol). The 2021 Fallbacks Protocol is a newly launched and separate protocol which allows parties to include new fallbacks for key benchmarks in their documents by adhering to a Benchmark Module. They are both separate and standalone protocols, so you do not need to adhere to the ISDA 2018 Benchmarks Supplement Protocol in order to adhere to the 2021 Fallbacks Protocol or vice versa. They have, however, been designed to work together to the extent that both are adhered to.

The ISDA 2020 IBOR Fallbacks Protocol was produced by ISDA to enable parties to documents that reference certain interbank offered rates (“**IBORs**”), including LIBOR, to

include new fallbacks for those IBORs in their documents.¹ In contrast, the 2021 Fallbacks Protocol provides parties that have adhered to the 2021 Fallbacks Protocol through their adherence to a Benchmark Module with the framework to include the fallbacks set out in that Benchmark Module for the Relevant Benchmark(s) specified in that Benchmark Module in their Protocol Covered Documents. None of these Relevant Benchmarks overlap with the IBORs covered by the ISDA 2020 IBOR Fallbacks Protocol.

The ISDA 2020 IBOR Fallbacks Protocol and the 2021 Fallbacks Protocol are separate and standalone protocols, so you do not need to adhere to the ISDA 2020 IBOR Fallbacks Protocol in order to adhere to the 2021 Fallbacks Protocol or vice versa. However, if you need to adhere to both Protocols, you must do so separately.

Note that the scope of the benchmarks amended by the ISDA 2020 IBOR Fallbacks Protocol and the 2021 Fallbacks Protocol are different. In particular, the 2021 Fallbacks Protocol does not amend contracts referencing LIBOR in any currency. In order to amend contracts referencing LIBOR, firms will need to adhere to the ISDA 2020 IBOR Fallbacks Protocol.

¹ Relevant IBORs covered in the ISDA 2020 IBOR Fallbacks Protocol are the sterling London interbank offered rate, the Swiss franc London interbank offered rate, the US dollar London interbank offered rate, the euro London interbank offered rate, the euro interbank offered rate, the Japanese yen London interbank offered rate, the Japanese yen Tokyo interbank offered rate, the euroyen Tokyo interbank offered rate, the Australian bank bill swap rate, the Canadian dollar offered rate, the Hong Kong interbank offered rate, the Singapore dollar swap offer rate and the Thai baht interest rate fixing.