



ISDA Statement on BOI's TELBOR Announcement

NEW YORK, April 16, 2024 – The International Swaps and Derivatives Association, Inc. (ISDA) has published the following statement in response to [today's announcement](#) by the Bank of Israel (BOI) on the future cessation of all TELBOR tenors.

“Today’s announcement constitutes an index cessation event under the 2021 ISDA Interest Rate Derivatives Definitions and the November 2022 Benchmarks Module to the ISDA 2021 Fallbacks Protocol. As a result, the fallback spread adjustment published by Bloomberg is fixed as of the date of the announcement for all TELBOR settings.

“The BOI specifically announced that publication of all TELBOR tenors will permanently cease immediately after final publication on June 30, 2025. From that point, fallbacks (to the adjusted risk-free rate plus spread) will automatically apply for outstanding TELBOR derivatives contracts that incorporate Version 7.0 onwards of the 2021 ISDA Interest Rate Derivatives Definitions or in respect of which both parties have adhered to the November 2022 Benchmarks Module to the ISDA 2021 Fallbacks Protocol.

“For outstanding TELBOR derivatives contracts that incorporate Versions 1.0 to 6.0 of the 2021 ISDA Interest Rate Derivatives Definitions and are not amended by the November 2022 Benchmarks Module to the ISDA 2021 Fallbacks Protocol, the Generic Fallback Provisions will apply and, under the Generic Fallback Provisions, the parties will seek to apply the first Alternative Continuation Fallback pursuant to which a Continuation Amendment can be made. Pursuant to the direction of the ‘Telbor committee’ (established by the BOI in 2007), the recommendation for derivatives is to use compounded SHIR plus the adjustment spread published by Bloomberg, although parties may have agreed an alternative outcome.

“The [November 2022 Benchmarks Module to the ISDA 2021 Fallbacks Protocol](#), which incorporates the fallbacks into legacy non-cleared derivatives trades with other counterparties that choose to adhere to the protocol, remains open for adherence on the ISDA website.”

This statement is for information purposes only. It does not constitute legal advice and should not be considered an explanation of all relevant issues. You should consult your legal advisors and any other advisor you deem appropriate in considering the issues discussed herein.

For additional information on benchmark reform, including the operation of derivatives fallbacks, visit ISDA’s benchmark reform and transition from LIBOR page on the [ISDA website](#).

-more-

For Press Queries, Please Contact:

Nick Sawyer, ISDA London, +44 20 3808 9740, nsawyer@isda.org

Lauren (Dobbs) Springer, ISDA New York, +1 212 901 6019, ldobbs@isda.org

Joel Clark, ISDA London, +44 20 3808 9760, jclark@isda.org

Christopher Faimali, ISDA London, +44 20 3808 9736, cfaimali@isda.org

Nikki Lu, ISDA Hong Kong, +852 2200 5901, nlu@isda.org

About ISDA

Since 1985, ISDA has worked to make the global derivatives markets safer and more efficient. Today, ISDA has over 1,000 member institutions from 77 countries. These members comprise a broad range of derivatives market participants, including corporations, investment managers, government and supranational entities, insurance companies, energy and commodities firms, and international and regional banks. In addition to market participants, members also include key components of the derivatives market infrastructure, such as exchanges, intermediaries, clearing houses and repositories, as well as law firms, accounting firms and other service providers.

Information about ISDA and its activities is available on the Association's website:

www.isda.org. Follow us on [X](#), [LinkedIn](#), [Facebook](#) and [YouTube](#).

ISDA® is a registered trademark of the International Swaps and Derivatives Association, Inc.