STRUCTURED FINANCE ASSOCIATION

Potential Libor Transition Solutions for Securitization Market Legacy Vehicles and Instruments

DISCLAIMER:

All survey responses and data provided to SFA will be kept confidential and not attributed to any company or business unit. It will only be shared with a limited number of SFA staff collecting the responses.

If you have any questions about filling out the survey, please email Hunter Hamrick at hunter.hamrick@structuredfinance.org or call 202-524-6307.

* 1. Please provide your institution.

* 2. Please provide your role in the structured finance market. (Select all that apply)

- [ ] Accountant
- [ ] Bank Lender
- [ ] Broker-Dealer
- [ ] Data/Analytic Firm
- [ ] Diligence Firm
- [ ] Diversified Financial Institution
- [ ] Investor
- [ ] Other (please specify)
- [ ] Issuer Securitizer
- [ ] Law Firm
- [ ] Originator
- [ ] Rating Agency
- [ ] Servicer
- [ ] Trustee
- [ ] Warehouse/ Repo Provider

* 3. Please provide your name.

* 4. Please provide your email.

5. Please indicate your top choice in terms of the 3 potential transition solutions listed below for legacy instruments*: (rank from 1-3, or not supportive). If you are not supportive of any of the solutions, please select the last option and proceed to question 8.

Note: Legacy Instruments are defined as instruments that currently lack Libor fallback language.

*"Synthetic Libor" is a modified, formula-based Libor, where Libor would be calculated as a credit spread over a referenced overnight risk-free rate such as SOFR.

Extension of LIBOR beyond 2021

Synthetic Libor*

Legislative Relief (the ARRC proposal in NYS would apply only to contracts governed by New York law)

Not supportive of any

6. If you indicated you were supportive of extending LIBOR beyond 2021 from Question 5, please explain why.

7. If you indicated you were supportive of Synthetic LIBOR from Question 5, please explain why.

8. If you indicated you were supportive of Legislative Relief from Question 5, please explain why.

9. If you indicated you were not supportive of any of the options from Question 5, please explain why.

10. Please share any other broad comments you have on the various legacy transition options listed in Question 5.

11. For legacy transactions, is your institution comfortable using a replacement rate for Libor of SOFR + spread?

- ◯ Yes
- ◯ Yes, but only in some instances.
- ◯ No.

Please explain why you made your selection.

12. For new transactions, is your institution comfortable issuing SOFR-linked bonds and/or using SOFR + spread as the fallback rate for Libor?

- ◯ Yes
- ◯ Yes, but only in some instances.
- ◯ No.

Please explain why you made your selection.

Please let us know your opinion around each component of the ARRC's proposal for a legislative fix in New York State, which would provide a safe harbor for contracts governed by New York law (see below).

13. For contracts where there is no fallback language present, the statute would require that LIBOR rate is replaced with ARRC-recommended rate plus spread. Do you agree with this feature?

NOTE: Mutual opt-out available for bilateral contracts if parties can agree to another option

- ◯ Yes
- ◯ No.

If no, please explain why.

14. For contracts where the fallback language directs participants to poll banks for quotes or use the last posted Libor, the legislation would override the contract and specify the ARRC-recommended rate plus spread. Do you agree with this feature?

- Yes
- No.

If no, please explain why.

15. For contracts where exisiting fallback language specifies a non-Libor replacement rate, then the statute will not override the contract. Do you agree with this feature?

- Yes
- No.

If no, please explain why.

16. Do you believe any components of the ARRC's proposed legislative fix are unworkable? If you do, please indicate which aspects are unworkable and explain why.

- [ ] For contracts where there is no fallback language present: statute would require that LIBOR rate is replaced with ARRC-recommended rate plus spread.
- [ ] For contracts where the fallback language directs participants to poll banks for quotes or use the last posted Libor: the legislation would override the contract and specify the ARRC-recommended rate plus spread.
- [ ] For contracts where if existing fallback language specifies a non-Libor replacement rate, then the statute will not override the contract.
- [ ] I do not believe any aspects of the ARRC's proposed legislative fix are unworkable.

Please explain why.

17. ARRC has decided to move forward with a legislative relief proposal in New York State to support Libor transition. If you indicated in Question 5 that this legislative fix is **not** your first choice, are you comfortable with SFA supporting it as a second option?

- Yes
- No

Please explain why you made your selection.