



AMERICAN FINANCIAL EXCHANGE

— COMMERCIAL LOGIC AND SOCIAL VALUE™ —

American Financial Exchange® Announces Agreement with Numerix to Publish Spot AMERIBOR® Term Structure Interest Rates

CHICAGO – May 25, 2021 —The American Financial Exchange (AFX), an electronic exchange for direct lending and borrowing for American banks and financial institutions, announced that AFX and [Numerix](#), LLC (Numerix), the leader in risk technology, signed an agreement to publish spot AMERIBOR term structure of interest rates. The new rates will be calculated from the AMERIBOR overnight unsecured AMERIBOR cash rate and implied forward rates from AMERIBOR futures prices using Numerix’s proprietary software and yield curve algorithm. Numerix’s pricing technology provides AFX with flexibility in choosing the yield curve components, as well interpolation and extrapolation, follows all market conventions, and reprices all curve components in a consistent manner.

This new offering will provide the market with spot AMERIBOR interest rates for the following yield curve grid points:

- Overnight
- 1-week
- 1-month
- 3-months
- 6-months
- 1-year
- 2-years

AFX and Numerix plan to extend the AMERIBOR spot term structure of interest rates beyond 2-years as the maturities of the AMERIBOR futures strip is extended.

As LIBOR is phased out, lenders are looking for alternative interest rate benchmarks. AMERIBOR currently provides the only exchange-traded and regulated credit-sensitive overnight lending benchmark specifically designed to track activity in the unsecured lending market, and thus reflects the actual market stress as it trades. The new AMERIBOR spot term structure of interest rates will provide short- and long-term borrowers and lenders with insight into funding costs, enhancing transparency and liquidity in the unsecured market. The new AMERIBOR spot term structure of interest rates will enable market participants to issue AMERIBOR referenced commercial loans, notes and derivatives such as interest rate swaps, caps, floors and swaptions that that fix up-front like LIBOR.

“We are delighted to partner with the leader in the industry - Numerix. This partnership is another significant step for AFX in providing the market with term structure alternatives,” said **AFX Chairman and**

CEO Dr. Richard L. Sandor. “The new cash futures AMERIBOR spot term structure of interest rates provides the market with a replacement benchmark interest rate that is an easy and straightforward replacement for LIBOR.”

Numerix CEO and President, Steve O’Hanlon said, “As a market leader in the transition to alternative rates globally, we are delighted to have formed this partnership with AFX where the flexibility and robustness of our analytics fulfil a market need to construct AMERIBOR term rates. Because of the partnership, market participants now have a viable opportunity to issue, risk manage and settle a range of products with reference rates that reflect the actual traded market.”

Currently AFX membership across the U.S. includes 174 banks, and 1,000 correspondents, with combined asset of over \$4 trillion. There are 44 non-banks that include insurance companies, broker-dealers, private equity firms, hedge funds, futures commission merchants, and asset managers. For more information about AFX or AMERIBOR®, visit www.ameribor.net.

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About AFX

The American Financial Exchange (AFX) was conceived of in 2011, initiated patent application in 2012 and published “Libor is Giving Derivatives a Bad Name” in September, 2012, incorporated in 2014 and began electronic trading in 2015. AFX is a self-regulated exchange, with 218 members across the 50 U.S. states. AFX offers a suite of innovative products to improve transparency and efficiency in the current interbank loans marketplace. AFX also facilitates the determination of a market-based interest rate benchmark called the American Interbank Offered Rate (AMERIBOR®). AMERIBOR® is an interest rate benchmark that reflects the actual unsecured borrowing costs of more than 1,000 American banks and financial institutions. In addition, AFX’s AMERIBOR® is in alignment with all nineteen Principles set forth by the International Organization of Securities Commission (IOSCO) for Financial Benchmarks.

About Numerix

Numerix is the leading provider of innovative capital markets technology solutions and real-time intelligence applications for trading and risk management. Committed to out-of-the box thinking, the exploration and adoption of latest technologies, Numerix is dedicated to driving a more open, fintech oriented, digital financial services market. Built upon a 20+ year analytical foundation of deep practical knowledge, experience and IT understanding, Numerix is uniquely positioned in the financial services ecosystem to help its users reimagine operations, modernize business processes and capture profitability. For more about Numerix: www.numerix.com

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