

**IN THE MATTER OF
THE *SECURITIES ACT*, R.S.P.E.I. 1988, Cap. S-3.1**

AND

**IN THE MATTER OF
EXEMPTION FROM DERIVATIVES REPORTING REQUIREMENTS IN
MULTILATERAL INSTRUMENT 96-101 *TRADE REPOSITORIES AND
DERIVATIVES DATA REPORTING* FOR CERTAIN DERIVATIVES DATA
RELATING TO CANADIAN DOLLAR OFFERED RATE**

CSA COORDINATED BLANKET ORDER 96-931

WHEREAS under section 16 of the *Securities Act* (the “**Act**”), if the Superintendent considers that it would not be prejudicial to the public interest to do so, the Superintendent may, on application by an interested person or company or on its own initiative, make an order exempting a person, security, trade, distribution or transaction from all or any requirements of securities laws on such terms or conditions as may be set out in the order;

AND WHEREAS the Canadian Securities Administrators (“**CSA**”) staff are in agreement that it would be appropriate to grant a blanket exemption order with respect to certain reporting requirements in MI 96-101 for certain derivatives data relating to Canadian dollar offered rate, subject to the conditions set out in this Order.

IT IS ORDERED THAT:

DEFINITIONS

1. Terms defined in the Act and National Instrument 14-101 *Definitions*, Multilateral Instrument 91-101 *Derivatives: Product Determination*, and Multilateral Instrument 96-101 *Trade Repositories and Derivatives Data Reporting* (“**MI 96-101**”) have the same meaning in this Order unless otherwise defined herein.

BACKGROUND

2. Section 32 of MI 96-101 requires a reporting counterparty to report life-cycle events to a recognized trade repository by the end of the business day on which the life-cycle event occurs, but if that is not technologically practicable, no later than the end of the business day following the day on which the life-cycle event occurs (“**the life cycle event reporting deadline**”).
3. In response to concerns regarding interbank offered rates (“**IBORs**”), the Financial Stability Board has called for implementation of alternative rates.
4. In order to ensure that over-the-counter (“**OTC**”) derivatives that are based on IBORs continue to operate following the transition to alternative rates, parties to these OTC

derivatives have implemented “fallback provisions”, which provide for alternative rates to replace IBORs upon their cessation or non-representativeness.

5. Certain OTC derivatives are based on the Canadian dollar offered rate (“**CDOR**”) which will not be published after June 28, 2024. Pursuant to fallback provisions in standard OTC derivatives contracts, these OTC derivatives will transition to an appropriate alternative rate by July 2, 2024 (the “**CDOR transition**”).
6. A change to the terms of a derivative resulting from a CDOR transition is a life-cycle event (a “**CDOR transition life-cycle event**”) in relation to CDO based derivatives, that must be reported under section 32 of MI 96-101.
7. Because of the large number of CDOR transition life-cycle events that will need to be reported on or before July 2, 2024, reporting counterparties have indicated that they may not be able to comply with the requirement to report a CDOR transition life-cycle event before the life cycle event reporting deadline.
8. We expect that all other jurisdictions of Canada except Alberta and Ontario will make orders that are similar to the Order. On March 7, 2024 Alberta and Ontario published CSA Staff Notice 96-305 *Derivatives Data Reporting Guidance for CDOR Transition* to provide guidance to market participants with respect to reporting requirements applicable to a CDOR transition life-cycle event.

ORDER

9. Considering that it would not be prejudicial to the public interest to do so, the Superintendent of Securities orders under section 16 of the Act that a reporting counterparty is exempt from the requirement to report life-cycle event data under section 32 of MI 96-101 in relation to a CDOR transition life-cycle event provided that:
 - a. the CDOR transition life-cycle event occurs on or before July 2, 2024, and
 - b. the life-cycle event data relating to the CDOR transition life-cycle event is reported on or before the end of the fifth business day after the day on which the CDOR transition life-cycle event occurs.

EFFECTIVE DATE AND TERM

10. This Order comes into effect on June 28, 2024 and expires on July 10, 2024.

DATED at Charlottetown, Province of Prince Edward Island, this 9th day of May, 2024.

“**Steve Dowling**” (original signature on file)

Steve Dowling
Superintendent of Securities