

**IN THE MATTER OF  
THE *SECURITIES ACT*, R.S.P.E.I. 1988, Cap. S-3.1  
(the “Act”)**

**AND**

**IN THE MATTER OF  
KOR REPORTING, INC.**

**RECOGNITION ORDER  
(Section 72 of the Act)**

**Background**

1. KOR REPORTING, INC. (the “Applicant”) intends to carry on business as a trade repository in Prince Edward Island (the “Local Jurisdiction”) in accordance with Multilateral Instrument 96-101 *Trade Repositories and Derivatives Data Reporting* (“MI 96-101”).
2. The Applicant has filed an application with the Superintendent of Securities (the “Superintendent”) requesting:
  - (a) recognition as a quotation and trade reporting system pursuant to section 72 of the Securities Act (Prince Edward Island) (the “Act”);
  - (b) an exemption from specific provisions of MI 96-101 under section 43 of MI 96-101.
3. Under the *Memorandum of Understanding respecting the Oversight of Clearing Agencies, Trade Repositories and Matching Service Utilities*, dated December 3, 2015 among the Superintendent and other Canadian securities regulatory authorities, the Ontario Securities Commission (the “OSC”) is the lead authority of the Applicant.
4. Under the *Memorandum of Understanding regarding Cooperation and the Exchange of Information related to the Supervision of Cross-border Covered Entities* dated March 25, 2014 the United States (“US”) Commodity Futures Trading Commission (the “CFTC”), the Superintendent and other Canadian securities regulatory authorities have agreed to share information regarding cross-border covered entities, including the Applicant.

**Interpretation**

5. Terms defined in the Act, National Instrument 14-101 *Definitions*, National Instrument 91-101 – *Derivatives: Product Determination* or in MI 96-101 have the same meaning in this Recognition Order (order) unless otherwise defined herein.

## Representations

6. This decision is based on the following representations made by the Applicant to the Superintendent:
  - (a) the Applicant is a corporation organized under the laws of the state of Delaware. The Applicant's head office is located in the US;
  - (b) the Applicant is a wholly owned subsidiary of KOR US Holdings Inc, which itself is owned by KOR Cayman Holdings LP (KOR LP), a Cayman Islands limited partnership;
  - (c) the Applicant is provisionally registered by the CFTC as a swap data repository (SDR) and is in good standing as a SDR;
  - (d) the Applicant is designated as a trade repository by the OSC pursuant to an order dated December 21, 2023 (the OSC Designation Order), and is in good standing in Ontario as a trade repository.

## Decisions

7. Based on the representations of the Applicant set forth in paragraph 6, above, the Superintendent is satisfied that the recognition of the Applicant will be in the public interest.
8. The Superintendent recognizes the Applicant as a quotation and trade reporting system under section 72 of the Act, in accordance with MI 96-101, effective March 5, 2024 on the terms and conditions in Schedule "A" and Schedule "C" that are attached to and part of this order.
9. The Superintendent exempts the Applicant from certain provisions described in paragraph 3 of Schedule "B" under section 43 of MI 96-101 subject to the conditions described in paragraph 9 of that schedule, and those included in Schedule "D".

DATED at Charlottetown, Province of Prince Edward Island, this 12<sup>th</sup> day of March, 2024.

**"Steve Dowling"** (original signature on file)

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Steve Dowling,  
Superintendent of Securities

## **Schedule A**

### **Terms and Conditions**

#### **Regulation by the CFTC and the OSC**

1. The Applicant will maintain in good standing its registration with the CFTC as a SDR or a provisional SDR and will remain subject to regulatory oversight by the CFTC.
2. The Applicant will maintain, in good standing, its designation as a trade repository by the OSC and will remain subject to regulatory oversight by the OSC.

#### **Local Services**

3. The Applicant will provide services to its participants that are local counterparties in the Prince Edward Island (Local Participants) on the same terms and conditions, including fees, as it provides to comparable participants in other jurisdictions in Canada where the Applicant is recognized or designated as a trade repository.
4. The Applicant will offer trade repository services that enable Local Participants to fulfill their reporting obligations in accordance with MI 96-101.
5. The trade repository will offer the services referenced in paragraphs 3 and 4 between the hours of 8 a.m. to 8 p.m., Eastern Time on Monday through Friday except when closed for maintenance.
6. The Applicant will accept derivatives data in relation to specified derivatives, that are required to be reported in the Local Jurisdiction, in the following asset classes: interest rate, equity, commodity, credit and foreign exchange.

#### **Reporting Requirements**

7. The Applicant will, promptly on request by the Superintendent, provide the Superintendent, subject to any applicable privacy or other laws (including solicitor-client privilege) governing the sharing of information and the protection of personal information, any information that
  - (a) is reported to the Applicant under MI 96-101,
  - (b) is in the custody or control of the Applicant, and
  - (c) relates to Local Participants, the operations of the Applicant as a recognized trade repository in the Local Jurisdiction or compliance with this order.
8. The Applicant will, promptly on request by the Superintendent, provide the Superintendent, subject to any applicable privacy or other laws (including solicitor-client

privilege) governing the sharing of information and the protection of personal information, any information relating to:

- (a) a material change or proposed material change to its status as a SDR in the US or the regulatory oversight of the CFTC;
  - (b) a material change or proposed material change to its status as a trade repository in Ontario or the regulatory oversight of the OSC;
  - (c) a material change to the control or ownership of its ultimate parent, KOR LP;
  - (d) a material change to the representations in this order;
  - (e) a Local Participant has been sanctioned by the Applicant or has had its access terminated by the Applicant;
  - (f) a Local Participant has been denied access to the Applicant's services as a trade repository after the exhaustion of the Applicant's appeal process;
  - (g) the Applicant has notified the OSC of any event, circumstance or situation under the part of the OSC Designation Order entitled "Change of Information".
9. The Applicant will provide a list of current Local Participants to the Superintendent, in a manner and form acceptable to the Superintendent and subject to any applicable privacy or other laws (including solicitor-client privilege) governing the sharing of information and the protection of personal information, at such times as are prescribed for the provision of corresponding information to the OSC under the OSC Designation Order.

#### **Data Reporting and Dissemination**

10. The Applicant will fulfil its obligations under section 37 of MI 96-101 by providing the relevant data and information, in a manner and at the times acceptable to the Superintendent and subject to any privacy or other laws (including solicitor-client privilege) governing the sharing of information and the protection of personal information, to the Superintendent and, if directed to do so in writing by the Superintendent, to another Canadian securities regulatory authority.

#### **MI 96-101**

11. The Applicant will, subject to the exemptions in Schedule B, comply with the applicable requirements set out in MI 96-101.

## Schedule B

### Exemption

#### Background

1. The Applicant has filed an application with the Superintendent for recognition as a derivatives quotation and trade reporting system pursuant to section 72 of the Act to allow it to act as a trade repository under MI 96-101.
2. MI 96-101 requires the Applicant to:
  - (a) file an amendment to the information provided in Form 96-101F1 *Application for Recognition – Trade Repository Information Statement* (Form 96-101F1), in the manner set out in Form 96-101F1, no later than 45 days before implementing a significant change to any matter set out in Form 96-101F1 pursuant to subsection 3(1) of MI 96-101 ;
  - (b) on a reasonably frequent basis, create and make available on its website, in a manner that is easily accessible to the public, at no cost, aggregate data on, if applicable, price relating to the derivatives reported to it under this MI 96-101 pursuant to section 39(1) of MI 96-101;
  - (c) make available, on its website, aggregated data broken-down, if applicable, by geographic location pursuant to subsection 39(2) of MI 96-101.
3. The Applicant is seeking an exemption under section 43 of MI 96-101 from the provisions of
  - (a) subsection 3(1) of MI 96-101,
  - (b) subsection 39(1) of MI 96-101 that requires the Applicant to make publicly available aggregate data by price, and
  - (c) subsection 39(2) of MI 96-101 that requires the Applicant to make publicly available aggregate data broken-down by geographic location (collectively the Exemption Sought).

#### Representations

4. In the event that KOR makes a significant change to a matter set out in Form 96-101F1 and the proposed change must also be submitted with the CFTC, KOR will provide the information submitted with the CFTC concurrently to the Superintendent. KOR will also provide the Superintendent with the annual update to its Form SDR submitted with the CFTC concurrently. Where a significant change to a matter set out in Form 96-101F1 is not otherwise subject to submitting with the CFTC or the significant change is Canadian-

specific in that it relates solely to the trade repository activities of KOR in Canada, KOR must comply with the requirement as set out in subsection 3(1) of MI 96-101.

5. The CFTC does not currently impose a requirement to make publicly available aggregate data by price that is comparable to subsection 39(1) of MI 96-101.
6. The CFTC does not currently impose a requirement to make publicly available aggregate data broken-down by geographic location that is comparable to subsection 39(2) of MI 96-101.
7. The Applicant will hold sufficient assets to comply with the CFTC Asset Requirements which amounts are sufficient to meet all asset requirements of MI 96-101, but it will not maintain insurance coverage to cover potential general business losses.
8. In the event that the CFTC does impose a requirement to make publicly available aggregate data by price that is comparable to subsection 39(1) of MI 96-101 or a requirement to make publicly available aggregate data that is comparable to subsection 39(2) of MI 96-101, the Applicant will comply with such requirement or requirements, as the case may be, within a reasonable period of time.

#### **Decision**

9. Considering that it is not prejudicial to the public interest, the Superintendent orders that the Exemption Sought is granted, provided that:
  - (a) the Applicant remains registered as a SDR and is subject to the regulatory oversight and requirements of the CFTC;
  - (b) in the event that the Applicant would, if this Exemption Sought had not been ordered, be required to file an amendment to Form 96-101F1 under section 3(1) of MI 96-101 and materials relating to the amendment are submitted to the CFTC, the Applicant submits to the CFTC and with the Superintendent at the same time it submits to the CFTC;
  - (c) in the event that the Applicant would, if this Exemption Sought had not been ordered, be required to file an amendment to Form 96-101F1 under section 3(1) of MI 96-101 and materials relating to the amendment are filed with the OSC but those materials are not filed with the CFTC, the Applicant files such materials with the Superintendent at the same time it files with the OSC pursuant to the OSC Designation Order;
  - (d) in the event that the Applicant is required to file an amendment to Form 96-101F1 under section 3(1) of MI 96-101 and materials relating to the amendment are filed with neither the CFTC nor the OSC, the Applicant files the amendment in accordance with section 3(1) of MI 96-101;
  - (e) the Applicant complies with the CFTC Asset Requirements;

- (f) as required by applicable law, the Applicant's proposed new or amended rules, policies and procedures are subject to be submitted to the CFTC.

## **Schedule C**

### **Prince Edward Island-Specific Terms and Conditions**

#### **Compliance with MI 96-101**

1. The Applicant will provide services as a trade repository for specified derivatives in accordance with the MI 96-101, but will not operate a trading platform for securities or derivatives in the Prince Edward Island.

## Schedule D

### Prince Edward Island-Specific Exemption

#### Background

1. The Applicant is seeking recognition as a quotation and trade reporting system (QTRS) and is therefore subject to all requirements applicable to QTRSs under the Act.
2. The Applicant is seeking recognition as a QTRS in Prince Edward Island solely for the purpose of providing services as a trade repository under MI 96-101 and does not intend to operate as a marketplace as defined in National Instrument 21-101 *Marketplace Operation* (NI 21-101) and therefore seeks an exemption from all requirements applicable to QTRSs or marketplaces in NI 21-101, National Instrument 23-101 *Trading Rules* and National Instrument 23-103 *Electronic Trading and Direct Access to Marketplaces*. (the Prince Edward Island exemption sought)

#### Representations

3. The Applicant will offer persons in Prince Edward Island services to allow those persons to report trades in specified derivatives.
4. The Applicant will not conduct business as a marketplace in Prince Edward Island.

#### Decision

5. Considering that it is not prejudicial to the public interest, the Superintendent orders that the Prince Edward Island exemption sought is granted provided that the Applicant does not conduct business as a marketplace in Prince Edward Island.