



Financial and Consumer Services Commission

Coordinated Blanket Order 96-930

Citation: Exemption from derivatives reporting requirements in Multilateral Instrument 96-101 *Trade Repositories and Derivatives Data Reporting* for certain derivatives data relating to U.S. dollar London interbank offered rate

(Order under section 208 of the Securities Act)

Date: June 22, 2023

Definitions

1. Terms defined in the *Securities Act* (New Brunswick) (the **Act**), 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.
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 upon cessation or non-representativeness of certain IBORs.
5. Certain OTC derivatives are based on the U.S. dollar London interbank offered rate (**USD LIBOR**). These OTC derivatives are required to transition under fallback provisions to appropriate alternative rates by July 3, 2023 (**the USD LIBOR transition**).
6. A USD LIBOR transition is a life-cycle event (a **USD LIBOR transition life-cycle event**) that must be reported under section 32 of MI 96-101.

7. Because of the large number of USD LIBOR transition life-cycle events that will need to be reported on or before July 3, 2023, reporting counterparties have indicated that they cannot comply with the requirement to report a USD LIBOR transition life-cycle event by the end of the business day on which the USD LIBOR transition life-cycle event occurs, but if that is not technologically practicable, by the end of the business day following the day on which the USD LIBOR transition life-cycle event occurs.
8. We expect that all other jurisdictions of Canada except Alberta and Ontario will make orders that are similar to the Order. On May 4, 2023 Alberta and Ontario published CSA Staff Notice 96-304 *Derivatives Data Reporting Guidance for USD LIBOR Transition* to provide guidance to market participants with respect to reporting requirements applicable to a USD LIBOR transition life-cycle event.

Order

9. Considering that it would not be prejudicial to the public interest to do so, the Executive Director orders under section 208 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 USD LIBOR transition life-cycle event provided that:
 - (a) the USD LIBOR transition life-cycle event occurs on or before July 3, 2023, and
 - (b) the life-cycle event data relating to the USD LIBOR transition life-cycle event is reported on or before the end of the fifth business day after the day on which the USD LIBOR transition life-cycle event occurs.

Effective Data and Term

10. This Order comes into effect on July 1, 2023 and expires on July 11, 2023.

“Original signed by”

To-Linh Huynh
Executive Director