

**Notice relating to the *Guideline on margins for over-the-counter derivatives not cleared by a central counterparty***

In April 2020, the Autorité des marchés financiers (the “AMF”) published an amended version of the *Guideline on margins for over-the-counter derivatives not cleared by a central counterparty*. In line with the decision of the Basel Committee on Banking Supervision (the “BCBS”) and the International Organization of Securities Commissions (“IOSCO”), the amended version deferred the effective date of the initial margin expectations to September 1, 2022, i.e., one year later than originally planned.

With this notice, the AMF also supports the [BCBS/IOSCO statement](#) released on March 5, 2019 and clarifies certain expectations in the Guideline as follows:

- Any amendment made to an existing derivative solely to reflect interest rate benchmark reforms does not qualify as a new derivative within the meaning of the Guideline;
- Documentation, custodial and operational agreements relating to the exchange of initial margin between covered institutions are not required to be entered into until the amount of margin to be exchanged approaches the C\$75 million threshold.

The AMF will be publishing an amended version of the Guideline to include clarifications relating to the above points.

Furthermore, an entry into force phase will be added for the initial margin exchange expectations for covered institutions belonging to a financial group whose aggregate month-end average gross notional amount of outstanding covered derivatives for March, April and May 2021, excluding derivatives traded between entities of the same financial group, exceeds C\$75 billion.

If you have any questions, please contact:

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