

## Regulations and other Acts

Gouvernement du Québec

### O.C. 1291-2013, 11 December 2013

An Act respecting municipal taxation  
(chapter F-2.1)

#### Compensations in lieu of taxes — Amendment

Regulation to amend the Regulation respecting compensations in lieu of taxes

WHEREAS, under subparagraph *b.1* of subparagraph 2 of the first paragraph of section 262 of the Act respecting municipal taxation (chapter F-2.1), the Government may by regulation prescribe the rules for establishing, in respect of every local municipality and for each fiscal year, a weighted aggregate taxation rate that, when greater than the aggregate taxation rate of the municipality established for the same fiscal year under Division III of Chapter XVIII.1, is used under the third paragraph of section 256 for the purpose of calculating the amount payable to the municipality under section 254 for the fiscal year in respect of the immovables referred to in the second, third and fourth paragraphs of section 255;

WHEREAS the Government made the Regulation respecting compensations in lieu of taxes (chapter F-2.1, r. 2);

WHEREAS it is expedient to amend the Regulation;

WHEREAS, in accordance with sections 10 and 11 of the Regulations Act (chapter R-18.1), a draft of the Regulation to amend the Regulation respecting compensations in lieu of taxes was published in Part 2 of the *Gazette officielle du Québec* of 2 October 2013 with a notice that it could be made by the Government on the expiry of 45 days following that publication;

WHEREAS no comments have been received;

WHEREAS it is expedient to make the Regulation without amendment;

IT IS ORDERED, therefore, on the recommendation of the Minister of Municipal Affairs, Regions and Land Occupancy:

THAT the Regulation to amend the Regulation respecting compensations in lieu of taxes, attached to this Order in Council, be made.

JEAN ST-GELAIS,  
*Clerk of the Conseil exécutif*

### Regulation to amend the Regulation respecting compensations in lieu of taxes

An Act respecting municipal taxation  
(chapter F-2.1, s. 262, 1st par., subpar. 2)

**1.** The Regulation respecting compensations in lieu of taxes (chapter F-2.1, r. 2) is amended in section 32.1 by replacing “2013” in the first paragraph by “2014”.

**2.** This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.

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### M.O., 2013-21

#### Order number I-14.01-2013-21 of the Minister of Finance and the Economy dated 6 December 2013

Derivatives Act  
(chapter I-14.01)

CONCERNING the Regulation 91-506 respecting Derivatives Determination and the Regulation 91-507 respecting Trade Repositories and Derivatives Data Reporting

WHEREAS subparagraphs 2, 3, 7, 9, 12, 26, 27 and 29 of par. 1 of section 175 of the Derivatives Act (chapter I-14.01) stipulates that the *Autorité des marchés financiers* may make regulations concerning the matters referred to in those paragraphs;

WHEREAS the fourth and fifth paragraphs of section 175 of the said Act stipulate that a draft regulation shall be published in the *Bulletin de l’Autorité des marchés financiers*, accompanied with the notice required under section 10

of the Regulations Act (chapter R-18.1) and may not be submitted for approval or be made before 30 days have elapsed since its publication;

WHEREAS the second and sixth paragraphs of the said section stipulate that every regulation made under section 175 must be submitted to the Minister of Finance for approval with or without amendment and comes into force on the date of its publication in the *Gazette officielle du Québec* or any later date specified in the regulation;

WHEREAS the draft Regulation 91-506 respecting Derivatives Determination and the draft Regulation 91-507 respecting Trade Repositories and Derivatives Data Reporting were published in the *Bulletin de l'Autorité des marchés financiers*, volume 10, no. 22 of June 6, 2013;

WHEREAS the *Autorité des marchés financiers* made, on November 13, 2013, by the decision no. 2013-PDG-0191, Regulation 91-506 respecting Derivatives Determination and by the decision no. 2013-PDG-0192, Regulation 91-507 respecting Trade Repositories and Derivatives Data Reporting;

WHEREAS there is cause to approve those regulations without amendment;

CONSEQUENTLY, the Minister of Finance and the Economy approves without amendment the Regulation 91-506 respecting Derivatives Determination and the Regulation 91-507 respecting Trade Repositories and Derivatives Data Reporting appended hereto.

December 6, 2013

NICOLAS MARCEAU,  
*Minister of Finance and the Economy*

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**REGULATION 91-506 RESPECTING DERIVATIVES DETERMINATION**

Derivatives Act  
(chapter I-14.01, s. 175, par. (7))

**Interpretation**

1. In this Regulation, the term “affiliate” has the same meaning as in subsection 1(3) of Regulation 91-507 respecting Trade Repositories and Derivatives Data Reporting.

**Excluded derivatives**

2. Regulation 91-507 does not apply to any of the following contract or instrument:

- (a) a contract or an instrument regulated by,
  - (i) gaming control legislation of Canada or a jurisdiction of Canada, or
  - (ii) gaming control legislation of a foreign jurisdiction, if all the following conditions are met:
    - (A) the contract or instrument is entered into outside of Canada;
    - (B) the contract or instrument is not in violation of legislation of Canada or Québec;
    - (C) the contract or instrument would be regulated under gaming control legislation of Canada or Québec if it had been entered into in Québec;
- (b) an insurance or annuity contract entered into outside of Canada with an insurer holding a licence under insurance legislation of a foreign jurisdiction, if it would be regulated as insurance under insurance legislation of Canada or Québec if it had been entered into in Québec
- (c) a contract or instrument for the purchase and sale of currency that,
  - (i) except where all or part of the delivery of the currency referenced in the contract or instrument is rendered impossible or commercially unreasonable by an intervening event or occurrence not reasonably within the control of the parties, their affiliates or their agents, requires settlement by the delivery of the currency referenced in the contract or instrument,

(A) within two business days, or

(B) after two business days provided that the contract or instrument was entered into contemporaneously with a related security trade and the contract or instrument requires settlement on or before the relevant security trade settlement deadline,

(ii) is intended by the counterparties, at the time of the execution of the transaction, to be settled by the delivery of the currency referenced in the contract within the time periods set out in subparagraph (i), and

(iii) does not allow for the contract or instrument to be rolled over; and

(d) a contract or instrument for delivery of a commodity other than cash or currency that,

(i) is intended by the counterparties, at the time of execution of the transaction, to be settled by delivery of the commodity, and

(ii) does not allow for cash settlement in place of delivery except where all or part of the delivery is rendered impossible or commercially unreasonable by an intervening event or occurrence not reasonably within the control of the counterparties, their affiliates, or their agents.

#### **4. Final provision**

This Regulation comes into force on the same date as the coming into force on December 31, 2013.

## **REGULATION 91-507 RESPECTING TRADE REPOSITORIES AND DERIVATIVES DATA REPORTING**

Derivatives Act

(chapter I-14.01, 1<sup>st</sup> al., s. 175 (2), (3), (9), (12), (26), (27) and (29))

### **PART 1 DEFINITIONS AND INTERPRETATION**

#### **Definitions and interpretation**

1. (1) In this Regulation

“asset class” means the asset category underlying a derivative and includes interest rate, foreign exchange, credit, equity and commodity;

“board of directors” means, in the case of a recognized trade repository that does not have a board of directors, a group of individuals that acts in a capacity similar to a board of directors;

“creation data” means the data in the fields listed in Appendix A;

“derivatives data” means all data related to a transaction that is required to be reported pursuant to Part 3;

“Global Legal Entity Identifier System” means the system for unique identification of parties to financial transactions developed by the Legal Entity Identifier System Regulatory Oversight Committee;

“Legal Entity Identifier System Regulatory Oversight Committee” means the international working group established by the Finance Ministers and the Central Bank Governors of the Group of Twenty nations and the Financial Stability Board, under the Charter of the Regulatory Oversight Committee for the Global Legal Entity Identifier System dated November 5, 2012;

“life-cycle event” means an event that results in a change to derivatives data previously reported to a recognized trade repository in respect of a transaction;

“life-cycle event data” means changes to creation data resulting from a life-cycle event;

“local counterparty” means a counterparty to a transaction if, at the time of the transaction, one or more of the following apply:

(a) the counterparty is a person organized under the laws of Québec or that has its head office or principal place of business in Québec;

(b) the counterparty is registered as a dealer under the Derivatives Act (chapter I.14.01) or in an alternative category as a consequence of trading in derivatives;

(c) the counterparty is an affiliate of a person described in paragraph (a), and such person is responsible for the liabilities of that affiliated party;

“participant” means a person that has entered into an agreement with a recognized trade repository to access the services of the recognized trade repository;

“reporting counterparty” means the counterparty to a transaction as determined under section 25 that is required to report derivatives data under section 26;

“transaction” means entering into, assigning, selling or otherwise acquiring or disposing of a derivative or the novation of a derivative;

“user” means, in respect of a recognized trade repository, a counterparty (or delegate of a counterparty) to a transaction reported to that recognized trade repository pursuant to this Regulation; and

“valuation data” means data that reflects the current value of the transaction and includes the data in the applicable fields listed in Appendix A under the heading “Valuation Data”.

(2) In this Regulation, each of the following terms has the same meaning as in Regulation 52-107 respecting *Acceptable Accounting Principles and Auditing Standards* (chapter V-1.1, r.25): “accounting principles”; “auditing standards”; “publicly accountable enterprise”; “U.S. AICPA GAAS”; “U.S. GAAP”; and “U.S. PCAOB GAAS”.

(3) In this Regulation, a legal person is considered to be an affiliate of another legal person if one is a subsidiary of the other or if both are subsidiaries of the same legal person, or if each of them is controlled by the same person.

(4) In this Regulation, a legal person is considered to be controlled by another person if

(a) voting securities of the legal person carrying more than 50% of the votes for the election of directors are held, otherwise than by way of security only, by or for the benefit of the other person, and

(b) the votes carried by the securities are entitled, if exercised, to elect a majority of the directors of the legal person.

(5) In this Regulation, a legal person is considered to be a subsidiary of another legal person if

- (a) it is controlled by,
  - (i) that other,
  - (ii) that other and one or more legal persons, each of which is controlled by that other, or
  - (iii) 2 or more legal persons, each of which is controlled by that other; or
- (b) it is a subsidiary entity of a legal person that is that other's subsidiary.

(6) In this Regulation, “associate” has the same meaning as in section 5 of the Securities Act (chapter V-1.1)

(7) In this Regulation, “interim period” has the same meaning as in section 1.1 of Regulation 51-102 respecting *Continuous Disclosure Obligations* (chapter V.1.1, r.24).

### **Application**

**1.1.** This Regulation applies to derivatives that are not traded on an exchange and to derivatives that are traded on a derivatives trading facility.

## **PART 2**

### **TRADE REPOSITORY RECOGNITION AND ONGOING REQUIREMENTS**

#### **Trade repository initial filing of information and recognition**

**2.** (1) An applicant for recognition under sections 12 and 14 of the Act must file a completed Form 91-507F1.

(2) In addition to the requirement set out in subsection (1), an applicant for recognition under sections 12 and 14 of the Act whose head office or principal place of business is located outside of Québec must

(a) certify on Form 91-507F1 that it will provide the Authority with access to its books and records and will submit to onsite inspection and examination by the Authority,

(b) certify on Form 91-507F1 that it will provide the Authority with an opinion of legal counsel that

(i) the applicant has the power and authority to provide the Authority with access to its books and records, and

(ii) the applicant has the power and authority to submit to onsite inspection and examination by the Authority.

(3) In addition to the requirements set out in subsections (1) and (2), an applicant for recognition under sections 12 and 14 of the Act whose head office or principal place of business is located in a foreign jurisdiction must file a completed Form 91-507F2.

(4) Within 7 days of becoming aware of an inaccuracy in or making a change to the information provided in Form 91-507F1, an applicant must file an amendment to Form 91-507F1 in the manner set out in that Form.

### **Change in information**

**3.** (1) Subject to subsection (2), a recognized trade repository must not implement a significant change to a matter set out in Form 91-507F1 unless it has filed an amendment to Form 91-507F1 in the manner set out in that Form at least 45 days before implementing the change.

(2) A recognized trade repository must file an amendment to the information provided in Exhibit I (Fees) of Form 91-507F1 in the manner set out in the Form at least 15 days before implementing a change to the information provided in the Exhibit.

(3) For a change to a matter set out in Form 91-507F1 other than a change referred to in subsection (1) or (2), a recognized trade repository must file an amendment to Form 91-507F1 in the manner set out in that Form by the earlier of

(a) the close of business of the recognized trade repository on the 10th day after the end of the month in which the change was made, and

(b) the time the recognized trade repository publicly discloses the change.

### **Filing of initial audited financial statements**

**4.** (1) An applicant must file audited financial statements for its most recently completed financial year with the Authority as part of its application for recognition under sections 12 and 14 of the Act.

(2) The financial statements referred to in subsection (1) must

(a) be prepared in accordance with one of the following

(i) Canadian GAAP applicable to a publicly accountable enterprise,

(ii) IFRS, or



(iii) U.S. GAAP, if the person is incorporated or organized under the laws of the United States of America,

(b) identify in the notes to the financial statements the accounting principles used to prepare the financial statements,

(c) disclose the presentation currency, and

(d) be audited in accordance with

(i) Canadian GAAS,

(ii) International Standards on Auditing, or

(iii) U.S. AICPA GAAS or U.S. PCAOB GAAS if the person is incorporated or organized under the laws of the United States of America.

(3) The financial statements referred to in subsection (1) must be accompanied by an auditor's report that

(a) expresses an unmodified opinion if the financial statements are audited in accordance with Canadian GAAS or International Standards on Auditing,

(b) expresses an unqualified opinion if the financial statements are audited in accordance with U.S. AICPA GAAS or U.S. PCAOB GAAS,

(c) identifies all financial periods presented for which the auditor's report applies,

(d) identifies the auditing standards used to conduct the audit,

(e) identifies the accounting principles used to prepare the financial statements,

(f) is prepared in accordance with the same auditing standards used to conduct the audit, and

(g) is prepared and signed by a person that is authorized to sign an auditor's report under the laws of a jurisdiction of Canada or a foreign jurisdiction, and that meets the professional standards of that jurisdiction.

**Filing of annual audited and interim financial statements**

5. (1) A recognized trade repository must file annual audited financial statements that comply with the requirements in subsections 4(2) and 4(3) with the Authority no later than the 90th day after the end of its financial year.
- (2) A recognized trade repository must file interim financial statements with the Authority no later than the 45th day after the end of each interim period.
- (3) The interim financial statements referred to in subsection (2) must
- (a) be prepared in accordance with one of the following:
    - (i) Canadian GAAP applicable to a publicly accountable enterprise;
    - (ii) IFRS;
    - (iii) U.S. GAAP, if the person is incorporated under the laws of the United States of America;
  - (b) identify in the notes to the financial statements the accounting principles used to prepare the financial statements.

**Ceasing to carry on business**

6. (1) A recognized trade repository that intends to cease carrying on business in Québec as a trade repository must make an application and file a report on Form 91-507F3 – *Cessation of Operations Report For Trade Repository* at least 180 days before the date on which it intends to cease carrying on that business.
- (2) A recognized trade repository that involuntarily ceases to carry on business in Québec as a trade repository must file a report on Form 91-507F3 as soon as practicable after it ceases to carry on that business.

**Legal framework**

7. (1) A recognized trade repository must establish, implement, maintain and enforce written rules, policies and procedures reasonably designed to ensure a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities.
- (2) Without limiting the generality of subsection (1), a recognized trade repository must establish, implement, maintain and enforce written rules, policies and procedures that are not contrary to the public interest and that are reasonably designed to ensure that

(a) such rules, policies and procedures and the contractual arrangements are supported by the laws applicable to those rules, policies, procedures and contractual arrangements,

(b) the rights and obligations of a user, owner and regulator with respect to the use of the recognized trade repository's information are clear and transparent,

(c) the contractual arrangements that it enters into and supporting documentation clearly state service levels, rights of access, protection of confidential information, intellectual property rights and operational reliability, and

(d) the status of records of contracts in its repository and whether those records of contracts are the legal contracts of record are clearly established.

### **Governance**

**8.** (1) A recognized trade repository must establish, implement and maintain written governance arrangements that

(a) set out a clear organizational structure with consistent lines of responsibility,

(b) provide for effective internal controls,

(c) promote the safety and efficiency of the recognized trade repository,

(d) ensure effective oversight of the recognized trade repository, and

(e) support the stability of the broader financial system and other relevant public interest considerations.

(2) A recognized trade repository must establish, implement, maintain and enforce written rules, policies and procedures reasonably designed to identify and manage existing and potential conflicts of interest.

(3) A recognized trade repository must publicly disclose on its website

(a) the governance arrangements established in accordance with subsection (1),  
and

(b) the rules, policies and procedures established in accordance with subsection (2).

### **Board of directors**

**9.** (1) A recognized trade repository must have a board of directors.

- (2) The board of directors of a recognized trade repository must include
- (a) individuals who have an appropriate level of skill and experience to effectively and efficiently oversee the management of its operations in accordance with all relevant laws, and
  - (b) appropriate representation by individuals who are independent of the recognized trade repository.
- (3) The board of directors of a recognized trade repository must, in consultation with the chief compliance officer of the recognized trade repository, resolve conflicts of interest identified by the chief compliance officer.
- (4) The board of directors of a recognized trade repository must meet with the chief compliance officer of the recognized trade repository on a regular basis.

### **Management**

- 10.** (1) A recognized trade repository must establish, implement, maintain and enforce written rules, policies and procedures that
- (a) specify the roles and responsibilities of management, and
  - (b) ensure that management has the experience, competencies, integrity as well as the skills necessary to discharge its roles and responsibilities.
- (2) A recognized trade repository must notify the Authority no later than the 5th business day after appointing or replacing its chief compliance officer, chief executive officer or chief risk officer.

### **Chief compliance officer**

- 11.** (1) The board of directors of a recognized trade repository must appoint a chief compliance officer with the appropriate experience, competencies, integrity as well as the skills necessary to serve in that capacity.
- (2) The chief compliance officer of a recognized trade repository must report directly to the board of directors of the recognized trade repository or, if so directed by the board of directors, to the chief executive officer of the recognized trade repository.
- (3) The chief compliance officer of a recognized trade repository must
- (a) establish, implement, maintain and enforce written rules, policies and procedures to identify and resolve conflicts of interest,

(b) establish, implement, maintain and enforce written rules, policies and procedures to ensure that the recognized trade repository complies with securities legislation,

(c) monitor compliance with the rules, policies and procedures required under paragraphs (a) and (b) on an ongoing basis,

(d) report to the board of directors of the recognized trade repository as soon as practicable upon becoming aware of a circumstance indicating that the recognized trade repository, or an individual acting on its behalf, is not in compliance with the securities laws of a jurisdiction in which it operates and one or more of the following apply:

(i) the non-compliance creates a risk of harm to a user;

(ii) the non-compliance creates a risk of harm to the capital markets;

(iii) the non-compliance is part of a pattern of non-compliance;

(iv) the non-compliance may have an impact on the ability of the recognized trade repository to carry on business as a trade repository in compliance with securities legislation,

(e) report to the recognized trade repository's board of directors as soon as practicable upon becoming aware of a conflict of interest that creates a risk of harm to a user or to the capital markets, and

(f) prepare and certify an annual report assessing compliance by the recognized trade repository, and individuals acting on its behalf, with securities legislation and submit the report to the board of directors.

(4) Concurrently with submitting a report under paragraph (3)(d), (3)(e) or (3)(f), the chief compliance officer must file a copy of the report with the Authority.

## **Fees**

**12.** All fees and other material costs imposed by a recognized trade repository on its participants must be

(a) fairly and equitably allocated among participants, and

(b) publicly disclosed on its website for each service it offers with respect to the collection and maintenance of derivatives data.

**Access to recognized trade repository services**

- 13.** (1) A recognized trade repository must establish, implement, maintain and enforce written rules, policies and procedures that establish objective, risk-based criteria for participation that permit fair and open access to the services it provides.
- (2) A recognized trade repository must publicly disclose on its website the rules, policies and procedures referred to in subsection (1).
- (3) A recognized trade repository must not do any of the following:
- (a) unreasonably prohibit, condition or limit access by a person to the services offered by the recognized trade repository;
  - (b) permit unreasonable discrimination among the participants of the recognized trade repository;
  - (c) impose a burden on competition that is not reasonably necessary and appropriate;
  - (d) require the use or purchase of another service for a person to utilize the trade reporting service offered by the recognized trade repository.

**Acceptance of reporting**

- 14.** A recognized trade repository must accept derivatives data from a participant for a transaction in a derivative of the asset class or classes set out in the recognized trade repository's recognition order.

**Communication policies, procedures and standards**

- 15.** A recognized trade repository must use or accommodate relevant internationally accepted communication procedures and standards in order to facilitate the efficient exchange of data between its systems and those of
- (a) the participants,
  - (b) other trade repositories,
  - (c) exchanges, clearing houses, alternative trading systems, and other marketplaces, and
  - (d) other service providers.

**Due process**

**16.** For a decision made by a recognized trade repository that directly adversely affects a participant or an applicant that applies to become a participant, the recognized trade repository must ensure that

(a) the participant or applicant is given an opportunity to be heard or make representations, and

(b) it keeps records of, gives reasons for, and provides for reviews of its decisions, including, for each applicant or participant, the reasons for granting, denying or limiting access.

**Rules, policies and procedures**

**17.** (1) The rules, policies and procedures of a recognized trade repository must

(a) provide sufficient information to enable a participant to have an accurate understanding of its rights and obligations in accessing the services of the recognized trade repository and the risks, fees, and other material costs they incur by using the services of the recognized trade repository,

(b) be reasonably designed to govern all aspects of the services offered by the recognized trade repository with respect to the collection and maintenance of derivatives data and other information on a completed transaction, and

(c) not be inconsistent with securities legislation.

(2) A recognized trade repository must monitor compliance with its rules, policies and procedures on an ongoing basis.

(3) A recognized trade repository must establish, implement, maintain and enforce written rules, policies and procedures for sanctioning non-compliance with its rules, policies and procedures.

(4) A recognized trade repository must publicly disclose on its website

(a) its rules, policies and procedures referred to in this section, and

(b) its procedures for adopting new rules, policies and procedures or amending existing rules, policies and procedures.

**Records of data reported**

**18.** (1) A recognized trade repository must design its recordkeeping procedures to ensure that it records derivatives data accurately, completely and on a timely basis.

(2) A recognized trade repository must keep, in a safe location and in a durable form, records of derivatives data in relation to a transaction for the life of the transaction and for a further 7 years after the date on which the transaction expires or terminates.

(3) Throughout the period described in subsection (2), a recognized trade repository must create and maintain at least one copy of each record of derivatives data required to be kept under subsection (2), in a safe location and in a durable form, separate from the location of the original record.

**Comprehensive risk-management framework**

**19.** A recognized trade repository must establish, implement and maintain a written risk-management framework for comprehensively managing risks including business, legal, and operational risks.

**General business risk**

**20.** (1) A recognized trade repository must establish, implement and maintain appropriate systems, controls and procedures to identify, monitor, and manage its general business risk.

(2) Without limiting the generality of subsection (1), a recognized trade repository must hold sufficient insurance coverage and liquid net assets funded by equity to cover potential general business losses in order that it can continue operations and services as a going concern in order to achieve a recovery or an orderly wind down if those losses materialize.

(3) For the purposes of subsection (2), a recognized trade repository must hold, at a minimum, liquid net assets funded by equity equal to six months of current operating expenses.

(4) A recognized trade repository must identify scenarios that may potentially prevent it from being able to provide its critical operations and services as a going concern and assess the effectiveness of a full range of options for an orderly wind-down.

(5) A recognized trade repository must establish, implement, maintain and enforce written rules, policies and procedures reasonably designed to facilitate its orderly wind-down based on the results of the assessment required by subsection (4).



(6) A recognized trade repository must establish, implement, maintain and enforce written rules, policies and procedures to ensure that it or a successor entity, insolvency administrator or other legal representative, will continue to comply with the requirements of subsection 6(2) and section 37 in the event of the bankruptcy or insolvency of the recognized trade repository or the wind-down of the recognized trade repository's operations.

### **System and other operational risk requirements**

**21.** (1) A recognized trade repository must establish, implement, maintain and enforce appropriate systems, controls and procedures to identify and minimize the impact of all plausible sources of operational risk, both internal and external, including risks to data integrity, data security, business continuity and capacity and performance management.

(2) The systems, controls and procedures established pursuant to subsection (1) must be approved by the board of directors of the recognized trade repository.

(3) Without limiting the generality of subsection (1), a recognized trade repository must

(a) develop and maintain

(i) an adequate system of internal controls over its systems, and

(ii) adequate information technology general controls, including without limitation, controls relating to information systems operations, information security and integrity, change management, problem management, network support and system software support,

(b) in accordance with prudent business practice, on a reasonably frequent basis and, in any event, at least annually

(i) make reasonable current and future capacity estimates, and

(ii) conduct capacity stress tests to determine the ability of those systems to process transactions in an accurate, timely and efficient manner, and

(c) promptly notify the Authority of a material systems failure, malfunction, delay or other disruptive incident, or a breach of data security, integrity or confidentiality, and provide a post-incident report that includes a root-cause analysis as soon as practicable.

(4) Without limiting the generality of subsection (1), a recognized trade repository must establish, implement, maintain and enforce business continuity plans, including disaster recovery plans reasonably designed to

- (a) achieve prompt recovery of its operations following a disruption,
  - (b) allow for the timely recovery of information, including derivatives data, in the event of a disruption, and
  - (c) provide for the exercise of authority in the event of an emergency.
- (5) A recognized trade repository must test its business continuity plans, including disaster recovery plans, at least annually.
- (6) For each of its systems for collecting and maintaining reports of derivatives data, a recognized trade repository must annually engage a qualified party to conduct an independent review and prepare a report in accordance with established audit standards to ensure that it is in compliance with paragraphs (3)(a) and (b) and subsections (4) and (5).
- (7) A recognized trade repository must provide the report prepared in accordance with subsection (6) to
- (a) its board of directors or audit committee promptly upon the completion of the report, and
  - (b) the Authority not later than the 30th day after providing the report to its board of directors or audit committee.
- (8) A recognized trade repository must publicly disclose on its website all technology requirements regarding interfacing with or accessing the services provided by the recognized trade repository,
- (a) if operations have not begun, sufficiently in advance of operations to allow a reasonable period for testing and system modification by participants, and
  - (b) if operations have begun, sufficiently in advance of implementing a material change to technology requirements to allow a reasonable period for testing and system modification by participants.
- (9) A recognized trade repository must make available testing facilities for interfacing with or accessing the services provided by the recognized trade repository,
- (a) if operations have not begun, sufficiently in advance of operations to allow a reasonable period for testing and system modification by participants, and
  - (b) if operations have begun, sufficiently in advance of implementing a material change to technology requirements to allow a reasonable period for testing and system modification by participants.

(10) A recognized trade repository must not begin operations in Québec unless it has complied with paragraphs (8)(a) and (9)(a).

(11) Paragraphs (8)(b) and (9)(b) do not apply to a recognized trade repository if

(a) the change to its technology requirements must be made immediately to address a failure, malfunction or material delay of its systems or equipment,

(b) the recognized trade repository immediately notifies the Authority of its intention to make the change to its technology requirements, and

(c) the recognized trade repository publicly discloses on its website the changed technology requirements as soon as practicable.

### **Data security and confidentiality**

**22.** (1) A recognized trade repository must establish, implement, maintain and enforce written rules, policies and procedures reasonably designed to ensure the safety, privacy and confidentiality of the derivatives data.

(2) A recognized trade repository must not release derivatives data for commercial or business purposes unless

(a) the derivatives data has otherwise been disclosed pursuant to section 39, or

(b) the counterparties to the transaction have provided the recognized trade repository with their express written consent to use or release the derivatives data.

### **Confirmation of data and information**

**23.** (1) A recognized trade repository must establish, implement, maintain and enforce written Regulations, policies and procedures to confirm with each counterparty to a transaction, or agent acting on behalf of such counterparty, that the derivatives data that the recognized trade repository receives from a reporting counterparty, or from a party to whom a reporting counterparty has delegated its reporting obligation under this Regulation, is accurate.

(2) Despite subsection (1), a recognized trade repository need only confirm the accuracy of the derivatives data it receives with those counterparties that are participants of the recognized trade repository.

## Outsourcing

**24.** If a recognized trade repository outsources a material service or system to a service provider, including to an associate or affiliate of the recognized trade repository, the recognized trade repository must

(a) establish, implement, maintain and enforce written rules, policies and procedures for the selection of a service provider to which a material service or system may be outsourced and for the evaluation and approval of such an outsourcing arrangement,

(b) identify any conflicts of interest between the recognized trade repository and a service provider to which a material service or system is outsourced, and establish, implement, maintain and enforce written rules, policies and procedures to mitigate and manage those conflicts of interest,

(c) enter into a written contract with the service provider that is appropriate for the materiality and nature of the outsourced activity and that provides for adequate termination procedures,

(d) maintain access to the books and records of the service provider relating to the outsourced activity,

(e) ensure that the Authority has the same access to all data, information and systems maintained by the service provider on behalf of the recognized trade repository that it would have absent the outsourcing arrangement,

(f) ensure that all persons conducting audits or independent reviews of the recognized trade repository under this Regulation have appropriate access to all data, information and systems maintained by the service provider on behalf of the recognized trade repository that such persons would have absent the outsourcing arrangement,

(g) take appropriate measures to determine that a service provider to which a material service or system is outsourced establishes, maintains and periodically tests an appropriate business continuity plan, including a disaster recovery plan in accordance with the requirements under section 21,

(h) take appropriate measures to ensure that the service provider protects the safety, privacy and confidentiality of derivatives data and of users' confidential information in accordance with the requirements under section 22, and

(i) establish, implement, maintain and enforce written rules, policies and procedures to regularly review the performance of the service provider under the outsourcing arrangement.

### **PART 3 DATA REPORTING**

#### **Reporting counterparty**

**25.** (1) The reporting counterparty with respect to a transaction involving a local counterparty is

(a) if the transaction is cleared through a recognized or exempt clearing house, the recognized or exempt clearing house,

(b) if the transaction is not cleared through a recognized or exempt clearing house and is between two dealers, each dealer,

(c) if the transaction is not cleared through a recognized or exempt clearing house and is between a dealer and a counterparty that is not a dealer, the dealer, and

(d) in any other case, each local counterparty to the transaction.

(2) A local counterparty to a transaction must act as the reporting counterparty to the transaction for the purposes of this Regulation if

(a) the reporting counterparty to the transaction as determined under paragraph (1)(c) is not a local counterparty, and

(b) by the end of the second business day following the day on which a derivatives data is required to be reported under this Part, the local counterparty has not received confirmation that the derivatives data for the transaction has been reported by the reporting counterparty.

#### **Duty to report**

**26.** (1) A reporting counterparty to a transaction involving a local counterparty must report, or cause to be reported, the data required to be reported under this Part to a recognized trade repository.

(2) A reporting counterparty in respect of a transaction is responsible for ensuring that all reporting obligations in respect of that transaction have been fulfilled.

(3) A reporting counterparty may delegate its reporting obligations under this Regulation, but remains responsible for ensuring the timely and accurate reporting of derivatives data required by this Regulation.

(4) Despite subsection (1), if no recognized trade repository accepts the data required to be reported by this Part, the reporting counterparty must electronically report the data required to be reported by this Part to the Authority.

(5) A reporting counterparty satisfies the reporting obligation in respect of a transaction required to be reported under subsection (1) if

(a) the transaction is required to be reported solely because a counterparty to the transaction is a local counterparty pursuant to paragraph (b) or (c) of the definition of “local counterparty”,

(b) the transaction is reported to a recognized trade repository pursuant to

(i) the securities legislation of a province of Canada other than Québec,  
or

(ii) the laws of a foreign jurisdiction listed in Appendix B; and

(c) the reporting counterparty instructs the recognized trade repository referred to in paragraph (b) to provide the Authority with access to the derivatives data that it is required to report pursuant to this Regulation and otherwise uses its best efforts to provide the Authority with access to such derivatives data.

(6) A reporting counterparty must ensure that all reported derivatives data relating to a transaction

(a) is reported to the same recognized trade repository to which the initial report was made or, if the initial report was made to the Authority under subsection (4), to the Authority, and

(b) is accurate and contains no misrepresentation.

(7) A reporting counterparty must report an error or omission in the derivatives data as soon as technologically practicable upon discovery of the error or omission, and in no event later than the end of the business day following the day of discovery of the error or omission.

(8) A local counterparty, other than the reporting counterparty, must notify the reporting counterparty of an error or omission with respect to derivatives data relating to a transaction to which it is a counterparty as soon as technologically practicable upon discovery of the error or omission, and in no event later than the end of the business day following the day of discovery of the error or omission.

(9) A recognized or exempt clearing house must report derivatives data to the recognized trade repository specified by a local counterparty and may not report derivatives data to another trade repository without the consent of the local counterparty where

(a) the reporting counterparty to a transaction is the recognized or exempt clearing house, and

(b) the local counterparty to the transaction that is not a recognized or exempt clearing house has specified a recognized trade repository to which derivatives data in respect of that transaction is to be reported.

### **Identifiers, general**

**27.** A reporting counterparty must include the following in every report required by this Part:

(a) the legal entity identifier of each counterparty to the transaction as set out in section 28;

(b) the unique transaction identifier for the transaction as set out in section 29;

(c) the unique product identifier for the transaction as set out in section 30.

### **Legal entity identifiers**

**28.** (1) A recognized trade repository must identify each counterparty to a transaction that is required to be reported under this Regulation in all recordkeeping and all reporting required under this Regulation by means of a single legal entity identifier.

(2) Each of the following rules apply to legal entity identifiers

(a) a legal entity identifier must be a unique identification code assigned to a counterparty in accordance with the standards set by the Global Legal Entity Identifier System, and

(b) a local counterparty must comply with all applicable requirements imposed by the Global Legal Entity Identifier System.

(3) Despite subsection (2), if the Global Legal Entity Identifier System is unavailable to a counterparty to a transaction at the time when a report under this Regulation is required to be made, all of the following rules apply

(a) each counterparty to the transaction must obtain a substitute legal entity identifier which complies with the standards established March 8, 2013 by the Legal Entity Identifier Regulatory Oversight Committee for pre-legal entity identifiers,

(b) a local counterparty must use the substitute legal entity identifier until a legal entity identifier is assigned to the counterparty in accordance with the standards set by the Global Legal Entity Identifier System as required under paragraph (2)(a), and

(c) after the holder of a substitute legal entity identifier is assigned a legal entity identifier in accordance with the standards set by the Global Legal Entity Identifier System as required under paragraph (2)(a), the local counterparty must ensure that it is identified only by the assigned legal entity identifier in all derivatives data reported pursuant to this Regulation in respect of transactions to which it is a counterparty.

### **Unique transaction identifiers**

**29.** (1) A recognized trade repository must identify each transaction that is required to be reported under this Regulation in all recordkeeping and all reporting required under this Regulation by means of a unique transaction identifier.

(2) A recognized trade repository must assign a unique transaction identifier to a transaction, using its own methodology or incorporating a unique transaction identifier previously assigned to the transaction.

(3) A recognized trade repository must not assign more than one unique transaction identifier to a transaction.

### **Unique product identifiers**

**30.** (1) For the purposes of this section, a unique product identifier means a code that uniquely identifies a derivative and is assigned in accordance with international or industry standards.

(2) A reporting counterparty must identify each transaction that is required to be reported under this Regulation in all recordkeeping and all reporting required under this Regulation by means of a unique product identifier.

(3) A reporting counterparty must not assign more than one unique product identifier to a transaction.

(4) If international or industry standards for a unique product identifier are unavailable for a particular derivative when a report is required to be made to a recognized trade repository under this Regulation, a reporting counterparty must assign a unique product identifier to the transaction using its own methodology.



**Creation data**

**31.** (1) Upon execution of a transaction that is required to be reported under this Regulation, a reporting counterparty must report the creation data relating to that transaction to a recognized trade repository.

(2) A reporting counterparty in respect of a transaction must report creation data in real time.

(3) If it is not technologically practicable to report creation data in real time, a reporting counterparty must report creation data as soon as technologically practicable and in no event later than the end of the business day following the day on which the data would otherwise be required to be reported.

(4) Despite subsections (2) and (3), a local counterparty that is required to act as reporting counterparty to a transaction under subsection 25(2) must report the creation data relating to the transaction in no event later than the end of the third business day following the day on which the data would otherwise be required to be reported.

**Life-cycle event data**

**32.** (1) For a transaction that is required to be reported under this Regulation, the reporting counterparty must report all life-cycle event data to a recognized trade repository by the end of the business day on which the life-cycle event occurs.

(2) If it is not technologically practicable to report life-cycle event data by the end of the business day on which the life-cycle event occurs, the reporting counterparty must report life-cycle event data no later than the end of the business day following the day on which the life-cycle event occurs.

**Valuation data**

**33.** (1) For a transaction that is required to be reported under this Regulation, a reporting counterparty must report valuation data, based on industry accepted valuation standards, to a recognized trade repository

(a) daily, based on relevant closing market data from the previous business day, if the reporting counterparty is a derivatives dealer or a recognized or exempt clearing house, or

(b) quarterly, as of the last day of each calendar quarter, if the reporting counterparty is not a derivatives dealer or a recognized or exempt clearing house.

(2) Valuation data required to be reported pursuant to paragraph 1(b) must be reported to the recognized trade repository no later than 30 days after the end of the calendar quarter.

**Pre-existing transactions**

**34.** (1) Despite section 31 and subject to subsection 43(5), for a transaction required to be reported pursuant to subsection 26(1) that was entered into before July 2, 2014 and that had outstanding contractual obligations on that day

(a) a reporting counterparty to the transaction is required to report only that creation data indicated in the column entitled “Required for Pre-existing Transactions” in Appendix A, and

(b) the creation data required to be reported pursuant to paragraph (a) must be reported no later than December 31, 2014.

(2) Despite section 32, for a transaction to which subsection (1) applies, a reporting counterparty’s obligation to report life-cycle event data under section 32 commences only after it has reported creation data in accordance with subsection (1).

(3) Despite section 33, for a transaction to which subsection (1) applies, a reporting counterparty’s obligation to report valuation data under section 33 commences only after it has reported creation data in accordance with subsection (1).

**Timing requirements for reporting data to another recognized trade repository**

**35.** Despite the data reporting timing requirements in sections 31, 32, 33 and 34, where a recognized trade repository ceases operations or stops accepting derivatives data for a certain asset class of derivatives, the reporting counterparty may fulfill its reporting obligations under this Regulation by reporting the derivatives data to another recognized trade repository or the Authority, if there are no available recognized trade repository, within a reasonable period of time.

**Records of data reported**

**36.** (1) A reporting counterparty must keep transaction records for the life of each transaction and for a further 7 years after the date on which the transaction expires or terminates.

(2) A reporting counterparty must keep records referred to in subsection (1) in a safe location and in a durable form.

## **PART 4 DATA DISSEMINATION AND ACCESS TO DATA**

### **Data available to regulators**

- 37.** (1) A recognized trade repository must, at no cost
- (a) provide to the Authority direct, continuous and timely electronic access to such data in the recognized trade repository's possession as is required by the Authority in order to carry out the Authority's mandate,
  - (b) create and make available to the Authority aggregate data derived from data in the recognized trade repository's possession as required by the Authority in order to carry out the Authority's mandate, and
  - (c) disclose to the Authority the manner in which the derivatives data provided under paragraph (c) has been aggregated.
- (2) A recognized trade repository must conform to internationally accepted regulatory access standards applicable to trade repositories.
- (3) A reporting counterparty must use its best efforts to provide the Authority with access to all derivatives data that it is required to report pursuant to this Regulation, including instructing a trade repository to provide the Authority with access to such data.

### **Data available to counterparties**

- 38.** (1) A recognized trade repository must provide counterparties to a transaction with timely access to all derivatives data relevant to that transaction which is submitted to the recognized trade repository.
- (2) A recognized trade repository must have appropriate verification and authorization procedures in place to deal with access pursuant to subsection (1) by non-reporting counterparties or a party acting on behalf of a non-reporting counterparty.
- (3) Each counterparty to a transaction is deemed to have consented to the release of all derivatives data required to be reported or disclosed under this Regulation.
- (4) Subsection (3) applies despite any agreement to the contrary between the counterparties to a transaction.

**Data available to public**

**39.** (1) A recognized trade repository must, on a periodic basis, create and make available to the public, at no cost, aggregate data on open positions, volume, number and price, relating to the transactions reported to it pursuant to this Regulation.

(2) The periodic aggregate data made available to the public pursuant to subsection (1) must be complemented at a minimum by breakdowns, where applicable, by currency of denomination, geographic location of reference entity or asset, asset class, contract type, maturity and whether the transaction is cleared.

(3) A recognized trade repository must make transaction level reports of the data indicated in the column entitled “Required for Public Dissemination” in Appendix A for each transaction reported pursuant to this Regulation available to the public at no cost not later than

(a) the end of the day following the day on which it receives the data from the reporting counterparty to the transaction, if one of the counterparties to the transaction is a derivatives dealer, or

(b) the end of the second day following the day on which it receives the data from the reporting counterparty to the transaction in all other circumstances.

(4) In disclosing transaction level reports required by subsection (3), a recognized trade repository must not disclose the identity of either counterparty to the transaction.

(5) A recognized trade repository must make the data required to be made available to the public under this section available in a usable form through a publicly accessible website or other publicly accessible technology or medium.

(6) Despite subsections (1) to (5), a recognized trade repository is not required to make public any derivatives data for transactions entered into between affiliated legal persons.

**PART 5  
EXCLUSIONS****De minimis**

**40.** Despite any other section of this Regulation, a local counterparty is under no obligation to report derivatives data for a transaction if,

(a) the transaction relates to a derivative the asset class of which is a commodity other than cash or currency,

(b) the local counterparty is not a derivatives dealer, and

(c) the local counterparty has less than \$500,000 aggregate notional value, without netting, under all its outstanding transactions at the time of the transaction including the additional notional value related to that transaction.

### **Non-application**

**41.** The following counterparties are excluded from the application of this Regulation:

- (a) the *Gouvernement du Québec*;
- (b) a body referred to in paragraph 2 of section 77 of the Financial Administration Act (chapter A-6.001);
- (c) a municipality, a metropolitan community, a school board or the *Comité de gestion de la taxe scolaire de l'île de Montréal*;
- (d) a transit authority established under an Act of Québec;
- (e) a public institution or regional council within the meaning of the Act respecting health services and social services for Cree Native persons (chapter S-5), a public institution or a health and social services agency referred to in the Act respecting health services and social services (chapter S-4.2), or the *Corporation d'hébergement du Québec*;
- (f) a Québec university;
- (g) a general and vocational college;
- (h) an intermunicipal management board.

## **PART 6 TRANSITIONAL AND FINAL PROVISIONS**

### **Transitional and final provisions**

- 42.** (1) This Regulation comes into force on December 31, 2013, except for Parts 3 and 5 which come into force on July 2, 2014
- (2) Despite subsection (1), subsection 39(3) does not apply until December 31, 2014.
  - (3) A reporting counterparty that is not a dealer is not required to make any reports under that Part 3 until September 30, 2014.
  - (4) Part 3 does not apply to a transaction entered into before July 2, 2014 that expires or terminates not later than December 31, 2014.

**Appendix A**  
**Minimum Data Fields Required to be Reported to a Recognized Trade Repository**

**Instructions:**

The reporting counterparty is required to provide a response for each of the fields unless the field is not applicable to the transaction.

Data field	Description	Required for Public Dissemination	Required for Pre-existing Transactions
Transaction identifier	The unique transaction identifier as provided by the recognized trade repository or the identifier as identified by the two counterparties, electronic trading venue of execution or clearing house.	N	Y
Master agreement type	The type of master agreement, if used for the reported transaction.	N	N
Master agreement version	Date of the master agreement version (e.g. 2002, 2006).	N	N
Cleared	Indicate whether the transaction has been cleared by a clearing house.	Y	Y
Clearing house	LEI of the clearing agency where the transaction was cleared.	N	Y
Clearing member	LEI of the clearing member, if the clearing member is not a counterparty.	N	N
Clearing exemption	Indicate whether one or more of the counterparties to the transaction are exempted from a mandatory clearing requirement.	Y	N
Broker	LEI of the broker acting as an intermediary for the reporting counterparty without becoming a counterparty.	N	N
Electronic trading venue identifier	LEI of the electronic trading venue or, if not available, the name of the electronic trading venue where the transaction was executed.	Y (Only "Yes" or "No" shall be publicly disseminated)	Y
Inter-affiliate	Indicate whether the transaction is between two affiliated entities.	N	N
Collateralization	Indicate whether the transaction is collateralized. Field Values: <ul style="list-style-type: none"> <li>● Fully (initial and variation margin required to be posted by both parties),</li> <li>● Partially (variation only required to be posted by both parties),</li> <li>● One way (one party will be required to post some form of collateral),</li> </ul>	Y	N

Data field	Description	Required for Public Dissemination	Required for Pre-existing Transactions
Identifier of reporting counterparty	<ul style="list-style-type: none"> <li>Uncollateralized.</li> </ul> LEI of the reporting counterparty or, in case of an individual, its client code.	N	Y
Identifier of non-reporting counterparty	LEI of the non-reporting counterparty or, in case of an individual, its client code.	N	Y
Counterparty side	Indicate whether the reporting counterparty was the buyer or seller. In the case of swaps, other than credit default, the buyer will represent the payer of leg 1 and the seller will be the payer of leg 2.	N	Y
Identifier of agent reporting the transaction	LEI of the agent reporting the transaction if reporting of the transaction has been delegated by the reporting counterparty.	N	N
Reporting counterparty derivatives dealer or non-derivatives dealer	Indicate whether the reporting counterparty is a derivatives dealer or non-derivatives dealer.	N	N
Non-reporting counterparty local counterparty or not local	Indicate whether the non-reporting counterparty is a local counterparty or not.	N	N
<b>A. Common Data</b>	<ul style="list-style-type: none"> <li>These fields are required to be reported for all derivative transactions even if the information may be entered in an Asset field below.</li> <li>Fields do not have to be reported if the unique product identifier adequately describes those fields.</li> </ul>		
Unique product identifier	Unique product identification code based on the taxonomy of the product.	Y	N
Contract type	The name of the contract type (e.g., swap, swaption, forwards, options, basis swap, index swap, basket swap, other).	Y	Y
Underlying asset identifier 1	The unique identifier of the asset referenced in the contract.	Y	Y
Underlying asset identifier 2	The unique identifier of the second asset referenced in the contract, if more than one.	Y	Y
Asset class	If more than two assets identified in the contract, report the unique identifiers for those additional underlying assets. Major asset class of the product (e.g., interest rate, credit, commodity, foreign exchange, equity, etc.).	Y	N

Data field	Description	Required for Public Dissemination	Required for Pre-existing Transactions
Effective date or start date	The date the transaction becomes effective or starts.	Y	Y
Maturity, termination or end date	The date the transaction expires.	Y	Y
Payment frequency or dates	The dates or frequency the transaction requires payments to be made (e.g., quarterly, monthly).	Y	Y
Reset frequency or dates	The dates or frequency at which the price resets (e.g., quarterly, semi-annually, annually).	Y	Y
Day count convention	Factor used to calculate the payments (e.g., 30/360, actual/360).	Y	Y
Delivery type	Indicate whether transaction is settled physically or in cash.	N	Y
Price 1	The price, yield, spread, coupon, etc., of the derivative. The price/rate should not include any premiums such as commissions, collateral premiums, accrued interest, etc.	Y	Y
Price 2	The price, yield, spread, coupon, etc., of the derivative. The price/rate should not include any premiums such as commissions, collateral premiums, accrued interest, etc.	Y	Y
Price notation type 1	The manner in which the price is expressed (e.g., percent, basis points, etc.).	Y	Y
Price notation type 2	The manner in which the price is expressed (e.g., percent, basis points, etc.).	Y	Y
Price multiplier	The number of units of the underlying reference entity represented by 1 unit of the contract.	N	N
Notional amount leg 1	Total notional amount(s) of leg 1 of the contract.	Y	Y
Notional amount leg 2	Total notional amount(s) of leg 2 of the contract.	Y	Y
Currency leg 1	Currency(ies) of leg 1.	Y	Y
Currency leg 2	Currency(ies) of leg 2.	Y	Y
Settlement currency	The currency used to determine the cash settlement amount.	Y	Y
Up-front payment	Amount of any up-front payment.	N	N
Currency or currencies of up-front payment	The currency in which any up-front payment is made by one counterparty to another.	N	N



Data field	Description	Required for Public Dissemination	Required for Pre-existing Transactions
Embedded option	Indicate whether the option is an embedded option.	Y	N
<b>B. Additional Asset Information</b>	These additional fields are required to be reported for transactions in the respective types of derivatives set out below, even if the information is entered in a Common Data field above.		
<b>i) Interest rate derivatives</b>			
Fixed rate leg 1	The rate used to determine the payment amount for leg 1 of the transaction.	N	Y
Fixed rate leg 2	The rate used to determine the payment amount for leg 2 of the transaction.	N	Y
Floating rate leg 1	The floating rate used to determine the payment amount for leg 1 of the transaction.	N	Y
Floating rate leg 2	The floating rate used to determine the payment amount for leg 2 of the transaction.	N	Y
Fixed rate day count convention	Factor used to calculate the fixed payer payments (e.g., 30/360, actual/360).	N	Y
Fixed leg payment frequency or dates	Frequency or dates of payments for the fixed rate leg of the transaction (e.g., quarterly, semi-annually, annually).	N	Y
Floating leg payment frequency or dates	Frequency or dates of payments for the floating rate leg of the transaction (e.g., quarterly, semi-annually, annually).	N	Y
Floating rate reset frequency or dates	The dates or frequency at which the floating leg of the transaction resets (e.g., quarterly, semi-annually, annually).	N	Y
<b>ii) Currency derivatives</b>			
Exchange rate	Contractual rate(s) of exchange of the currencies.	N	Y
<b>iii) Commodity derivatives</b>			
Sub-asset class	Specific information to identify the type of commodity derivative (e.g., Agriculture, Energy, Freights, Metals, Index, Environmental, Exotic).	Y	Y
Quantity	Total quantity in the unit of measure of an underlying commodity.	Y	Y
Unit of measure	Unit of measure for the quantity of each side of the transaction (e.g., barrels, bushels, etc.).	Y	Y

Data field	Description	Required for Public Dissemination	Required for Pre-existing Transactions
Grade	Grade of product being delivered (e.g., grade of oil).	N	Y
Delivery point	The delivery location.	N	N
Delivery connection points	Description of the delivery route.	N	N
Load type	For power, load profile for the delivery.	N	Y
Transmission days	For power, the delivery days of the week.	N	Y
Transmission duration	For power, the hours of day transmission starts and ends.	N	Y
<b>C. Options</b>	These additional fields are required to be reported for options transactions set out below, even if the information is entered in a Common Data field above.		
Option exercise date	The date(s) on which the option may be exercised.	Y	Y
Option premium	Fixed premium paid by the buyer to the seller.	Y	Y
Strike price (cap/floor rate)	The strike price of the option.	Y	Y
Option style	Indicate whether the option can be exercised on a fixed date or anytime during the life of the contract (e.g. American, European, Bermudan, Asian).	Y	Y
Option type	Put/call.	Y	Y
<b>D. Event Data</b>			
Action	Describes the type of action to the transaction (e.g., new transaction, modification or cancellation of existing transaction, etc.).	Y	N
Execution timestamp	Where the transaction was executed on a trading venue, the time and date of execution, expressed using Coordinated Universal Time (UTC).	Y	Y (If available)
Post-transaction services	Indicate whether the transaction resulted from a post-transaction service, such as compression or reconciliation.	N	N
Clearing timestamp	The time and date the transaction was cleared, expressed using UTC.	N	N
Reporting date	The time and date the transaction was submitted to the trade repository, expressed using UTC.	N	N
<b>E. Valuation data</b>	These additional fields are required to be reported on a continuing basis for all reported derivative transactions, including reported pre-		

Data field	Description	Required for Public Dissemination	Required for Pre-existing Transactions
Value of contract calculated by the reporting counterparty	existing transactions. Mark-to-market valuation of the contract, or mark-to-model valuation.	N	N
Valuation date	Date of the latest mark-to-market or mark-to-model valuation.	N	N
Valuation type	Indicate whether valuation was based on mark-to-market or mark-to-model.	N	N



**FORM 91-507F1  
APPLICATION FOR RECOGNITION  
TRADE REPOSITORY INFORMATION STATEMENT**

**Filer:**             **TRADE REPOSITORY**

**Type of Filing:**             **INITIAL**                     **AMENDMENT**

1. Full name of trade repository:
2. Name(s) under which business is conducted, if different from item 1:
3. If this filing makes a name change on behalf of the trade repository in respect of the name set out in item 1 or item 2, enter the previous name and the new name.

Previous name:

New name:

4. Head office

Address:

Telephone:

Facsimile:

5. Mailing address (if different):
6. Other offices

Address:

Telephone:

Facsimile:

7. Website address:
8. Contact employee

Name and title:

Telephone number:

Facsimile:

E-mail address:

9. Counsel

Firm name:

Contact name:

Telephone number:

Facsimile:

E-mail address:

10. Canadian counsel (if applicable)

Firm name:

Contact name:

Telephone number:

Facsimile:

E-mail address:

## EXHIBITS

File all Exhibits with the Filing. For each Exhibit, include the name of the trade repository, the date of filing of the Exhibit and the date as of which the information is accurate (if different from the date of the filing). If any Exhibit required is inapplicable, a statement to that effect shall be furnished instead of such Exhibit.

Except as provided below, if the filer files an amendment to the information provided in its Filing and the information relates to an Exhibit filed with the Filing or a subsequent amendment, the filer must, in order to comply with section 3 of this Regulation, provide a description of the change, the expected date of the implementation of the change, and file a complete and updated Exhibit. The filer must provide a clean and blacklined version showing changes from the previous filing.

If the filer has otherwise filed the information required by the previous paragraph pursuant to section 17 of this Regulation, it is not required to file the information again as an amendment to an Exhibit. However, if supplementary material relating to a filed rule is contained in an Exhibit, an amendment to the Exhibit must also be filed.

### *Exhibit A – Corporate Governance*

1. Legal status:

- Corporation
- Partnership
- Other (specify):

2. Indicate the following:

1. Date (DD/MM/YYYY) of formation.
  2. Place of formation.
  3. Statute under which trade repository was organized.
  4. Regulatory status in other jurisdictions.
3. Provide a copy of the constating documents (including corporate by-laws), shareholder agreements, partnership agreements and other similar documents, and all subsequent amendments.
4. Provide the policies and procedures to address potential conflicts of interest arising from the operation of the trade repository or the services it provides, including those related to the commercial interest of the trade repository, the interests of its owners and its

operators, the responsibilities and sound functioning of the trade repository, and those between the operations of the trade repository and its regulatory responsibilities.

5. An applicant that is located outside of Québec that is applying for recognition as a trade repository in accordance with sections 12 and 14 of the Act must additionally provide the following:

1. An opinion of legal counsel that, as a matter of law the applicant has the power and authority to provide the Authority with prompt access to the applicant's books and records and submit to onsite inspection and examination by the Authority, and

2. A completed Form 91-507F2, Submission to Jurisdiction and Appointment of Agent for Service.

***Exhibit B – Ownership***

A list of the registered or beneficial holders of securities of, partnership interests in, or other ownership interests in, the trade repository. For each of the persons listed in the Exhibit, please provide the following:

1. Name.
2. Principal business or occupation and title.
3. Ownership interest.
4. Nature of the ownership interest, including a description of the type of security, partnership interest or other ownership interest.

In the case of a trade repository that is publicly traded, if the trade repository is a corporation, please only provide a list of each shareholder that directly owns 5% or more of a class of a security with voting rights.

***Exhibit C – Organization***

1. A list of partners, officers, governors, and members of the board of directors and any standing committees of the board, or persons performing similar functions, who presently hold or have held their offices or positions during the previous year, indicating the following for each:

1. Name.
  2. Principal business or occupation and title.
  3. Dates of commencement and expiry of present term of office or position.
  4. Type of business in which each is primarily engaged and current employer.
  5. Type of business in which each was primarily engaged in the preceding 5 years, if different from that set out in item 4.
  6. Whether the person is considered to be an independent director.
2. A list of the committees of the board, including their mandates.
  3. The name of the trade repository's Chief Compliance Officer.

**Exhibit D – Affiliates**

1. For each affiliate of the trade repository provide the name and head office address and describe the principal business of the affiliate.
2. For each affiliate of the trade repository
  - (i) to which the trade repository has outsourced any of its key services or systems described in Exhibit E , including business recordkeeping, recordkeeping of trade data, trade data reporting, trade data comparison, data feed, or
  - (ii) with which the trade repository has any other material business relationship, including loans, cross-guarantees, etc.,  
provide the following information:
    1. Name and address of the affiliate.
    2. The name and title of the directors and officers, or persons performing similar functions, of the affiliate.
    3. A description of the nature and extent of the contractual and other agreements with the trade repository, and the roles and responsibilities of the affiliate under the arrangement.
    4. A copy of each material contract relating to any outsourced functions or other material relationship.
    5. Copies of constating documents (including corporate by-laws), shareholder agreements, partnership agreements and other similar documents.
    6. For the latest financial year of any affiliate that has any outstanding loans or cross-guarantee arrangements with the trade repository, financial statements, which may be unaudited, prepared in accordance with:
      - a. Canadian GAAP applicable to publicly accountable enterprises;
      - b. IFRS; or
      - c. U.S. GAAP where the affiliate is incorporated or organized under the laws of the U.S.

**Exhibit E – Operations of the Trade Repository**

Describe in detail the manner of operation of the trade repository and its associated functions. This should include, but not be limited to, a description of the following:

1. The structure of the trade repository.
2. Means of access by the trade repository's participants and, if applicable, their clients to the trade repository's facilities and services.
3. The hours of operation.
4. A description of the facilities and services offered by the trade repository including, but not limited to, collection and maintenance of derivatives data.
5. A list of the types of derivatives instruments for which data recordkeeping is offered, including, but not limited to, a description of the features and characteristics of the instruments.



6. Procedures regarding the entry, display and reporting of derivatives data.
7. Description of recordkeeping procedures that ensure derivatives data is recorded accurately, completely and on a timely basis.
8. The safeguards and procedures to protect derivatives data of the trade repository's participants, including required policies and procedures reasonably designed to protect the privacy and confidentiality of the data.
9. Training provided to participants and a copy of any materials provided with respect to systems and rules and other requirements of the trade repository.
10. Steps taken to ensure that the trade repository's participants have knowledge of and comply with the requirements of the trade repository.
11. A description of the trade repository's risk management framework for comprehensively managing risks including business, legal, and operational risks.

The filer must provide all policies, procedures and manuals related to the operation of the trade repository.

#### ***Exhibit F – Outsourcing***

Where the trade repository has outsourced the operation of key services or systems described in Exhibit E to an arms-length third party, including any function associated with the collection and maintenance of derivatives data, provide the following information:

1. Name and address of person (including any affiliates of the trade repository) to which the function has been outsourced.
2. A description of the nature and extent of the contractual or other agreement with the trade repository and the roles and responsibilities of the arms-length party under the arrangement.
3. A copy of each material contract relating to any outsourced function.

#### ***Exhibit G – Systems and Contingency Planning***

For each of the systems for collecting and maintaining reports of derivatives data, describe:

1. Current and future capacity estimates.
2. Procedures for reviewing system capacity.
3. Procedures for reviewing system security.
4. Procedures to conduct stress tests.
5. A description of the filer's business continuity and disaster recovery plans, including any relevant documentation.
6. Procedures to test business continuity and disaster recovery plans.
7. The list of data to be reported by all types of participants.
8. A description of the data format or formats that will be available to the Authority and other persons receiving trade reporting data.

**Exhibit H – Access to Services**

1. A complete set of all forms, agreements or other materials pertaining to access to the services of the trade repository described in Exhibit E.4.
2. Describe the types of trade repository participants.
3. Describe the trade repository's criteria for access to the services of the trade repository.
4. Describe any differences in access to the services offered by the trade repository to different groups or types of participants.
5. Describe conditions under which the trade repository's participants may be subject to suspension or termination with regard to access to the services of the trade repository.
6. Describe any procedures that will be involved in the suspension or termination of a participant.
7. Describe the trade repository's arrangements for permitting clients of participants to have access to the trade repository. Provide a copy of any agreements or documentation relating to these arrangements.

**Exhibit I – Fees**

A description of the fee model and all fees charged by the trade repository, or by a party to which services have been directly or indirectly outsourced, including, but not limited to, fees relating to access and the collection and maintenance of derivatives data, how such fees are set, and any fee rebates or discounts and how the rebates and discounts are set.

**CERTIFICATE OF TRADE REPOSITORY**

The undersigned certifies that the information given in this report is true and correct.

DATED at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_

\_\_\_\_\_  
(Name of trade repository)

\_\_\_\_\_  
(Name of director, officer or partner – please type or print)

\_\_\_\_\_  
(Signature of director, officer or partner)

\_\_\_\_\_  
(Official capacity – please type or print)

**IF APPLICABLE, ADDITIONAL CERTIFICATE  
OF TRADE REPOSITORY THAT IS LOCATED OUTSIDE OF QUÉBEC**

The undersigned certifies that

(a) it will provide the Authority with access to its books and records and will submit to onsite inspection and examination by the Authority;

(b) as a matter of law, it has the power and authority to

- i. provide the Authority with access to its books and records, and
- ii. submit to onsite inspection and examination by the Authority.

DATED at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_

\_\_\_\_\_  
(Name of trade repository)

\_\_\_\_\_  
(Name of director, officer or partner – please type or print)

\_\_\_\_\_  
(Signature of director, officer or partner)

\_\_\_\_\_  
(Official capacity – please type or print)

**FORM 91-507F2**  
**TRADE REPOSITORY SUBMISSION TO JURISDICTION AND APPOINTMENT**  
**OF AGENT FOR SERVICE OF PROCESS**

1. Name of trade repository (the "Trade Repository"):

\_\_\_\_\_

2. Jurisdiction of incorporation, or equivalent, of Trade Repository:

\_\_\_\_\_

3. Address of principal place of business of Trade Repository:

\_\_\_\_\_

4. Name of the agent for service of process for the Trade Repository (the "Agent"):

\_\_\_\_\_

5. Address of Agent for service of process in Québec:

\_\_\_\_\_

6. The Trade Repository designates and appoints the Agent as its agent upon whom may be served a notice, pleading, subpoena, summons or other process in any action, investigation or administrative, criminal, quasi-criminal, penal or other proceeding arising out of or relating to or concerning the activities of the Trade Repository in Québec. The Trade Repository hereby irrevocably waives any right to challenge service upon its Agent as not binding upon the Trade Repository.

7. The Trade Repository agrees to unconditionally and irrevocably attorn to the non-exclusive jurisdiction of (i) the courts and administrative tribunals of Québec and (ii) any proceeding in any province or territory arising out of, related to, concerning or in any other manner connected with the regulation and oversight of the activities of the Trade Repository in Québec.

8. The Trade Repository shall file a new submission to jurisdiction and appointment of agent for service of process in this form at least 30 days before the Trade Repository ceases to be recognized or exempted by the Authority, to be in effect for 6 years from the date it ceases to be recognized or exempted unless otherwise amended in accordance with section 9.

9. Until 6 years after it has ceased to be a recognized or exempted by the Authority from the recognition requirement under subsection 12 of the Act, the Trade Repository shall file an amended submission to jurisdiction and appointment of agent for service of process at least 30 days before any change in the name or above address of the Agent.

10. This submission to jurisdiction and appointment of agent for service of process shall be governed by and construed in accordance with the laws of Québec.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Signature of the Trade Repository

\_\_\_\_\_  
Print name and title of signing  
officer of the Trade Repository

**AGENT CONSENT TO ACT AS AGENT FOR SERVICE**

I, \_\_\_\_\_ (name of Agent in full; if Corporation, full Corporate name) of \_\_\_\_\_ (business address), hereby accept the appointment as agent for service of process of \_\_\_\_\_ (insert name of Trade Repository) and hereby consent to act as agent for service pursuant to the terms of the appointment executed by \_\_\_\_\_ (insert name of Trade Repository) on \_\_\_\_\_ (insert date).

Dated: \_\_\_\_\_

\_\_\_\_\_  
Signature of Agent

\_\_\_\_\_  
Print name of person signing and, if Agent is not an individual, the title of the person

**FORM 91-507F3  
CESSATION OF OPERATIONS REPORT FOR TRADE REPOSITORY**

1. Identification:
  - A. Full name of the recognized trade repository:
  - B. Name(s) under which business is conducted, if different from item 1A:
2. Date recognized trade repository proposes to cease carrying on business as a trade repository:
3. If cessation of business was involuntary, date trade repository has ceased to carry on business as a trade repository:

**Exhibits**

File all Exhibits with the Cessation of Operations Report. For each exhibit, include the name of the trade repository, the date of filing of the exhibit and the date as of which the information is accurate (if different from the date of the filing). If any Exhibit required is inapplicable, a statement to that effect shall be furnished instead of such Exhibit.

**Exhibit A**

The reasons for the recognized trade repository ceasing to carry on business as a trade repository.

**Exhibit B**

A list of all derivatives instruments for which data recordkeeping is offered during the last 30 days prior to ceasing business as a trade repository.

**Exhibit C**

A list of all participants who are counterparties to a transaction whose derivatives data is required to be reported pursuant to this Regulation and for whom the trade repository provided services during the last 30 days prior to ceasing business as a trade repository.

**CERTIFICATE OF TRADE REPOSITORY**

The undersigned certifies that the information given in this report is true and correct.

DATED at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

\_\_\_\_\_  
(Name of trade repository)

\_\_\_\_\_  
(Name of director, officer or partner – please type or print)

\_\_\_\_\_  
(Signature of director, officer or partner)

\_\_\_\_\_  
(Official capacity – please type or print)