

REGULATION TO AMEND REGULATION 94-101 RESPECTING MANDATORY CENTRAL COUNTERPARTY CLEARING OF DERIVATIVES

Derivatives Act

(chapter I-14.01, s. 175, 1st par., subpar. (11) and (29))

1. Section 1 of Regulation 94-101 respecting Mandatory Central Counterparty Clearing of Derivatives (chapter I-14.01, r. 0.01) is amended by inserting, in paragraph (1) and before the definition of the expression “local counterparty”, the following:

““investment fund” has the meaning ascribed to it in Regulation 81-106 respecting Investment Fund Continuous Disclosure (chapter V-1.1, r. 42);”.

2. Section 3 of the Regulation is amended by replacing, in paragraph (1), subparagraphs (b) and (c) with the following:

“(b) the counterparty

(i) is an affiliated entity of a participant referred to in paragraph (a),

(ii) is not an investment fund or a trust, and

(iii) has had, at any time after the date on which this Regulation comes into force, a month-end gross notional amount under all outstanding derivatives exceeding \$1 000 000 000 excluding derivatives to which paragraph 7(1)(a) applies;

“(c) the counterparty

(i) is a local counterparty in any jurisdiction of Canada,

(ii) is not an investment fund or a trust,

(iii) has had, at any time after the date on which this Regulation comes into force, a month-end gross notional amount under all outstanding derivatives, combined with each affiliated entity that is not an investment fund or a trust and that is a local counterparty in any jurisdiction of Canada, exceeding \$500 000 000 000 excluding derivatives to which paragraph 7(1)(a) applies, and

(iv) has had, at any time after the date on which this Regulation comes into force, a month-end gross notional amount under all outstanding derivatives exceeding \$1 000 000 000 excluding derivatives to which paragraph 7(1)(a) applies.”.

3. Section 5 of the Regulation is amended by replacing the word “all” with the word “both”.

4. Section 7 of the Regulation is amended, in paragraph (1):

(1) by deleting the words “the application of”;

(2) by replacing, in subparagraph (a), the word “if” with the word “and”.

5. Section 8 of the Regulation is amended:

(1) by deleting the words “the application of”;

(2) by replacing, in paragraph (e), the word “is” with the word “was”.

6. Section 12 of the Regulation is amended by replacing the word “offers” with the word “offered”.

7. Section 13 of the Regulation is amended by replacing the word “paragraphs” with the word “paragraph” and “(3)(1)(a)” with “3(1)(a)”.

8. Appendix A of the Regulation is replaced with the following:

**“APPENDIX A
MANDATORY CLEARABLE DERIVATIVES
(Subsection 1(1))**

Interest Rate Swaps

Type	Floating index	Settlement currency	Maturity	Settlement currency type	Optionality	Notional type
Fixed-to-float	CDOR	CAD	28 days to 30 years	Single currency	No	Constant or variable
Fixed-to-float	LIBOR	USD	28 days to 50 years	Single currency	No	Constant or variable
Fixed-to-float	EURIBOR	EUR	28 days to 50 years	Single currency	No	Constant or variable
Fixed-to-float	LIBOR	GBP	28 days to 50 years	Single currency	No	Constant or variable
Basis	LIBOR	USD	28 days to 50 years	Single currency	No	Constant or variable
Basis	EURIBOR	EUR	28 days to 50 years	Single currency	No	Constant or variable
Basis	LIBOR	GBP	28 days to 50 years	Single currency	No	Constant or variable
Overnight index swap	CORRA	CAD	7 days to 2 years	Single currency	No	Constant
Overnight index swap	FedFunds	USD	7 days to 3 years	Single currency	No	Constant
Overnight index swap	EONIA	EUR	7 days to 3 years	Single currency	No	Constant
Overnight index swap	SONIA	GBP	7 days to 3 years	Single currency	No	Constant

Forward Rate Agreements

Type	Floating index	Settlement currency	Maturity	Settlement currency type	Optionality	Notional type
Forward rate agreement	LIBOR	USD	3 days to 3 years	Single currency	No	Constant
Forward rate agreement	EURIBOR	EUR	3 days to 3 years	Single currency	No	Constant
Forward rate agreement	LIBOR	GBP	3 days to 3 years	Single currency	No	Constant

9. This Regulation comes into force on *(insert here the date of coming into force of this Regulation)*.