

Frequently asked questions: OTC Derivatives Reporting in Canada



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› What is the purpose of the new OTC Derivatives Reporting Regulations (the “Reporting Regulations”)?

These changes are part of the first phase of a Canadian initiative resulting from decisions made by leaders of the G20 (including Canada) in September 2009. In response to the financial crisis, commitments were made to reform and increase post-trade transparency of the OTC derivatives markets.

› Are the Reporting Regulations under federal or provincial jurisdiction?

The Reporting Regulations fall under provincial jurisdiction, but have been harmonized across all Canadian provinces and territories.

› Where can I find more information about the Reporting Regulations?

You may obtain more information about the Reporting Regulations on the websites of the relevant provincial securities commissions as follows: the *Autorité des marchés financiers* in Quebec, the Ontario Securities Commission in Ontario, and the Manitoba Securities Commission in Manitoba.

› When are the Reporting Regulations coming into force?

The Reporting Regulations have been in effect since **October 31, 2014, in Quebec, Ontario and Manitoba**. They were extended to all provinces and territories as of July 29, 2016.

› What’s a Legal Entity Identifier (“LEI”) and what purpose does it serve?

An LEI is a 20-character code used to identify entities that enter into OTC derivatives.

› If my company has subsidiaries, should each of them have their own LEI?

Yes. All legal entities engaged in the trading of OTC derivatives must obtain their own LEI.

› Who can issue an LEI?

LEIs can only be obtained from entities endorsed by the Global LEI System (LOUs), such as **GMEI Utility** and **Bloomberg LEI**. Given that there are no LOUs currently established in Canada, Canadian entities will be required to obtain their LEI from foreign LOUs.

› Are the GMEI Utility and Bloomberg LEI websites available in the French language?

Currently, the entities endorsed by the Global Legal Entity Identifier System that are accessible by Canadians do not offer service in French. In order to facilitate the LEI registration process for francophone entities, National Bank of Canada has prepared a User Guide in French.

› What is the cost of registering for an LEI?

For all details about Bloomberg LEI fees, please refer to lei.bloomberg.com/docs/faq, section Fees, Payments and Taxes.

For all details about GMEI Utility fees, please refer to www.gmeiutility.org/gmeiUtilityPricing.jsp.

› What is the registration deadline?

You must have an LEI in order to trade OTC derivatives. Please note that there is a period of five (5) to ten (10) business days to generate an LEI once you have submitted your request on the Local Operating Unit (GMEI Utility or Bloomberg LEI) website.

› How do I provide my LEI to National Bank of Canada?

The Bank will ask for your LEI through the trading facility opening or renewal process.