



THE MANITOBA  
SECURITIES  
COMMISSION

THE SECURITIES ACT )  
Subsection 20(1) )  
)

Order No. 7628

Date June 14, 2023

COORDINATED BLANKET  
ORDER 96-930

**Re: Exemption from derivatives reporting requirements in Manitoba Securities Commission Local Rule 91-507 *Trade Repositories and Derivatives Data Reporting* for certain derivatives data relating to U.S. dollar London interbank offered rate**

**WHEREAS**

(A) Staff of The Manitoba Securities Commission (the **Commission**) seeks an exemption from derivatives reporting requirements in Manitoba Securities Commission Local Rule 91-507 *Trade Repositories and Derivatives Data Reporting* (**MSC Rule 91-507**) for certain derivatives data relating to U.S. dollar London interbank offered rate (**USD LIBOR**).

**Definitions**

(B) Terms defined in the *Securities Act* (Manitoba) (the **Act**), National Instrument 14-101 *Definitions*, Manitoba Securities Commission Local Rule 91-506 *Derivatives: Product Determination*, and MSC Rule 91-507 have the same meaning in this Blanket Order unless otherwise defined herein.

**Background**

(C) Section 32 of MSC Rule 91-507 requires a reporting counterparty to report life-cycle events to a recognized trade repository by the end of the business day on which the life-cycle event occurs, but if that is not technologically practicable, no later than the end of the business day following the day on which the life-cycle event occurs.

(D) In response to concerns regarding interbank offered rates (**IBORs**), the Financial Stability Board has called for implementation of alternative rates.

(E) In order to ensure that over-the-counter (**OTC**) derivatives that are based on IBORs continue to operate following the transition to alternative rates, parties to these OTC derivatives have implemented “fallback provisions”, which provide for alternative rates upon cessation or non-representativeness of certain IBORs.

- (F) Certain OTC derivatives are based on the USD LIBOR. These OTC derivatives are required to transition under fallback provisions to appropriate alternative rates by July 3, 2023 (the **USD LIBOR transition**).
- (G) A USD LIBOR transition is a life cycle event (a **USD LIBOR transition life-cycle event**) that must be reported under section 32 of MSC Rule 91-507.
- (H) Because of the large number of USD LIBOR transition life-cycle events that will need to be reported on or before July 3, 2023, reporting counterparties have indicated that they cannot comply with the requirement to report a USD LIBOR transition life-cycle event by the end of the business day on which the USD LIBOR transition life-cycle event occurs, but if that is not technologically practicable, by the end of the business day following the day on which the USD LIBOR transition life-cycle event occurs.
- (I) We expect that all other jurisdictions of Canada except Alberta and Ontario will make orders that are similar to the Order. On May 4, 2023 Alberta and Ontario published CSA Staff Notice 96-304 Derivatives Data Reporting Guidance for USD LIBOR Transition to provide guidance to market participants with respect to reporting requirements applicable to a USD LIBOR transition life-cycle event.
- (J) The Commission is of the opinion that it would not be prejudicial to the public interest to make this order.

**IT IS ORDERED:**

1. **THAT**, under subsection 20(1) of the Act, a reporting counterparty is exempt from the requirement to report life-cycle event data under section 32 of MSC Rule 91-507 in relation to a USD LIBOR transition life-cycle event provided that
  - a. the USD LIBOR transition life-cycle event occurs on or before July 3, 2023, and
  - b. the life-cycle event data relating to the USD LIBOR transition life-cycle event is reported on or before the end of the fifth business day after the day on which the USD LIBOR transition life-cycle event occurs.

**Effective Date**

2. This order takes effect on July 1, 2023 and expires on July 11, 2023.

**BY ORDER OF THE COMMISSION**

A handwritten signature in blue ink, appearing to read "Chris Besko", written over a horizontal line.

Director  
Chris Besko