



Frequently Asked Questions

What is the purpose of these regulations?

This new regulatory framework is designed to improve the transparency and monitoring of over-the-counter (“OTC”) derivatives trading and results from decisions made by leaders of the G20 (including Canada) in September 2009 in response to the financial crisis. Reporting to a designated trade repository should increase regulatory bodies’ ability to more closely track risks within the financial system or concerning a single market participant as well as OTC derivatives trading. Along with the public disclosure of selected information, trade reporting is also aimed at promoting fair and efficient markets for all participants.

When do the new regulations come into force?

Effective October 31, 2014, all new operations involving OTC derivative instruments will need to be reported to a designated central repository in Canada. To date, the regulatory authorities in Quebec, Ontario and Manitoba are the only ones to have adopted rules to this effect. The same harmonized rules are expected to be adopted by the other Canadian provinces.

Will pre-existing transactions also be required to be reported to a designated trade repository?

OTC derivatives trades entered into before October 31, 2014, and expiring or ending after April 30, 2015, are required to be reported as of such date.

What is a trade repository?

A trade repository is an entity that collects and retains OTC derivatives trade reporting information. It must be recognized by the local regulatory authorities and comply with several requirements.

What entities can provide me with additional information?

In Québec, the Autorité des marchés financiers is the regulatory body responsible for enforcing the new regulations. Please visit the following page of its website for additional information: www.lautorite.qc.ca/en/derivatives.html.

In Ontario and Manitoba, please contact the following regulatory authorities for more information:

Ontario Securities Commission: www.osc.gov.on.ca/en/home.htm

Manitoba Securities Commission: www.msc.gov.mb.ca/index_en.html



What is a “LEI”?

A LEI (Legal Entity Identifier) is a 20-character code used to identify entities involved in OTC derivatives trading. It is an international standard endorsed by the G20 and developed in accordance with the Global LEI System.

Example: 5493008NRL4MG0HDER74

Who must obtain a LEI?

All legal entities that enter into OTC derivatives trading. Entities that operate several subsidiaries that enter into derivatives trading are required to obtain a LEI for each subsidiary.

How can I obtain a LEI?

Canadian legal entities are required to obtain a LEI using the Global Market Entity Identifier (GMEI) Utility. This tool is accessible online on the following website: www.gmeiutility.org. Desjardins had provided a registration guide designed to facilitate the process. You can download this guide at the following address: desjardins.com/reportingLEI.

What information is required to obtain a LEI?

- Official name of the legal entity that enters into OTC derivatives trading
- Address of the legal entity’s head office
- Address of incorporation of the legal entity
- Name of the business register in which the entity was recorded (if applicable)
- Business identifier in the register (if applicable)

What is the cost of registering for a LEI?

The fee for obtaining a LEI is approximately \$US220. Annual maintenance fees of \$US100 also apply.

What is the deadline for providing Desjardins with a LEI?

The deadline is September 30. However, there is a period of five (5) to ten (10) business days to generate a LEI once the request has been submitted. Your legal entity must take these timelines into consideration to continue trading OTC derivatives without interruption as of October 31, 2014.

Furthermore, the number of LEI requests will most probably increase during the weeks leading to the October 31, 2014, cut-off date. We therefore recommend that you not wait until the last minute because additional delays are foreseeable.



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Why must I fill out the Canadian Registration Letter?

The questions asked in the Canadian Registration Letter enable us to collect the information we need to determine whether you are a local counterparty and where (in which jurisdictions) you are a local counterparty. The requirement to report OTC derivatives trading in Canada and disclose information on such trading to the concerned regulatory authorities depends on the presence or absence of a local counterparty. Also, this letter serves to obtain your consent to disclose the required information to the regulatory authorities.

Is a company required to report its own derivatives trades?

No. Desjardins will report all derivatives trading carried out through the services it makes available.