

CDOR AND CORRA OVERSIGHT COMMITTEE

MEETING MINUTES

AUGUST 11, 2015 – 9:00AM TO 11:00AM ET

THOMSON REUTERS OFFICE, TORONTO, CANADA

Committee Members and Observers Attending:

Chris Climo – CIBC
Fred Smith – BMO
Greg Moore – TD Bank
Marty Halpin – HSBC
Mike Vanhees – Scotiabank (delegate to Martin Weeks)
Nadyne McConkey – National Bank
Shaine Pollock – RBC
Chris Woolcock – Tullett Prebon
Kevin Kirby – Freedom
Peter Conroy – Shorcan
Léon Bitton – Montreal Exchange
Jack Rando – Investment Industry Association of Canada
Harri Vikstedt – Bank of Canada (Observer)
Kieran Smyth – Thomson Reuters
John Cooley – Thomson Reuters
Tobias Sproehle – Thomson Reuters
John Ewan – Thomson Reuters

Apologies:

Martin Weeks

Guests Attending:

Katherine Darras – International Swaps and Derivatives Association
Julian Day, Paul Bowes, Carl Chambers – Thomson Reuters

1. Introductions & Meeting Agenda

- The first official meeting of the CDOR and CORRA Oversight Committee was opened by Thomson Reuters, the Administrator of the two benchmarks, with an introduction of all participants and an overview of the agenda items.
- Committee Operating Rhythm
- Attendees discussed the operating rhythm of the Committee, including meeting frequency and quorum, voting, keeping and approval of minutes, and the appointment of a Committee Chair.
- Attendees were invited to express their potential interest in the Chair position ahead of the next meeting in Q4, during which the Chair will be appointed.
- Kieran Smyth was appointed Interim Committee Chair in the meantime.

2. Committee Composition

- The Committee composition was reviewed. It was recommended by attendees that the composition be extended to include representation from buy-side firms or industry associations, as well as potentially corporations and academics.
- Committee members representing CDOR submitter banks expressed concerned that Risk and Compliance functions were overrepresented on the Committee. Attendees agreed that additional capital markets expertise from Front Office functions would be needed in order to successfully address all matters brought in front of the Committee going forward.
 - *It was subsequently agreed that Front Office representatives from the CDOR submitter banks would be made available to the Committee to act as subject matter experts when required by the agenda.*

3. Member Status, Observer Status, and Delegation Policy

- The rights and duties of members and observers were reviewed, as well as the delegation policy, and the invitation of guests to Committee meetings.

4. Conflicts of Interest & Confidentiality

- Conflicts of Interest and Confidentiality guidelines were reviewed by the Committee.

5. Committee Terms of Reference

- Materials distributed prior to the meeting included the CDOR and CORRA Oversight Committee Terms of Reference.
- The attendees voted to ratify the Terms of Reference document.

6. Member Status, Observer Status, and Delegation Policy

- The rights and duties of members and observers were reviewed, as well as the delegation policy, and the invitation of guests to Committee meetings.

7. CDOR Submitter Code of Conduct, and Administrator Code of Conduct for CDOR, CORRA

- Materials distributed prior to the meeting included: the CDOR Submitter Code of Conduct, the CDOR Administrator Code of Conduct, the CORRA Administrator Code of Conduct.
- An overview of these documents was presented to the attendees.

8. Methodology Documents for CDOR, CORRA

- Materials distributed prior to the meeting included: methodology documents for CDOR and CORRA.
- It was agreed that these methodology documents would be subject to further review before being published.
- Attendees identified methodology points for CDOR and CORRA that should be reviewed going forward as part of the Committee's responsibility to ensure the integrity of the benchmarks.
- Questions raised included:
 - determining whether the current refix policies for CDOR and CORRA are appropriate
 - determining whether the number of CDOR maturities being published should be reduced
- It was agreed that Thomson Reuters would raise these questions again with the Committee for further review.
- A request was made by an attendee to know when Thomson Reuters' Statement of IOSCO Compliance in relation to CDOR and CORRA had been published on the Thomson Reuters website. It was confirmed that the statement had been published in June 2015.
- Thomson Reuters accepted a request to share with the Committee the findings of an Internal Audit of CDOR and CORRA governance and oversight processes, once finalized.

9. Licensing Agreements for CDOR and CORRA

- Thomson Reuters presented the draft commercial model for CDOR and CORRA, including the contemplated licensing agreements that will be made available to users and redistributors of the benchmarks.
- Attendees discussed the different license agreements.

10. Benchmarks Operations Update for Q2 2015

- An Operations update was provided to the Committee, confirming that CDOR and CORRA Operations processes had encountered no significant issues since going live.

11. Any Other Business

- It was suggested that the appointment of an academic, or Committee member representing the buy-side, be considered for the Chairman role. In the absence of any such candidate, it was suggested a representative of a CDOR submitter bank be appointed in the interim.
- In the absence of further comments, the meeting was adjourned.