

# THOMSON REUTERS

## Canadian Overnight Repo Rate Average (CORRA) Administrator Code of Conduct

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## 1 – Background

- 1.1 CORRA is a financial benchmark in Canada that is calculated on the basis of Government of Canada general collateral (“GC”) repo transactions executed through designated inter-dealer brokers.
- 1.2 In July 2013, IOSCO published the IOSCO Principles, with the objective of creating an overarching framework of principles for benchmarks used in financial markets by articulating policy guidance and principles for benchmark-related activities that will address conflicts of interest in the benchmark-setting process, as well as transparency and openness when considering issues related to transition.
- 1.3 The Canadian Authorities have been working to promote and enhance the oversight framework for certain Canadian financial benchmarks, including CORRA, to ensure that they are compliant with the IOSCO Principles.
- 1.4 At the request of the Canadian Authorities, an invitation for proposals process was conducted by Canadian industry representatives, including the IIAC, to identify a Person to undertake and perform the CORRA Administrator Responsibilities, and Thomson Reuters was identified in this regard.
- 1.5 The Thomson Reuters Entities have 30 years of experience designing, calculating and distributing financial benchmarks. As of the Effective Date, the Thomson Reuters Entities are administrator or calculation agent for more than 80 benchmarks, and Thomson Reuters has declared its capability, willingness and intention to undertake and perform the CORRA Administrator Responsibilities in accordance with the CORRA Administrator Performance Standard.



## 2 – Interpretation

- 2.1 Capitalized terms used herein and not otherwise defined will have the meaning set out in Appendix A (Defined Terms).
- 2.2 This CORRA Administrator Code of Conduct shall be effective as of March 30, 2015 (the “Effective Date”) and will remain in effect until the first of the following to occur: (a) the CORRA Administrator ceases to receive Data in its capacity as Calculation Agent for CORRA from the CORRA Contributors; (b) the CORRA Administrator withdraws from its role as CORRA Administrator in accordance with Section 3.2 (the period from the Effective Date until such occurrence, the “Tenure”).
- 2.3 **This CORRA Administrator Code of Conduct does not create any contractual or quasi-contractual relationship between any Person and Thomson Reuters or any other Thomson Reuters Entity and must not be construed to have created such relationship.**



### 3 – Administration of CORRA

- 3.1 The CORRA Administrator hereby adopts and issues this CORRA Administrator Code of Conduct and undertakes at all times during its Tenure to perform the CORRA Administrator Responsibilities in accordance with the CORRA Administrator Performance Standard.
- 3.2 The CORRA Administrator may wish to withdraw from its role as Administrator for CORRA, and may do so following meaningful consultation with the applicable Canadian Authorities, in any of the following circumstances:
  - 3.2.1 it has served as the Administrator for at least five years following the Effective Date and wishes to retire from such role;
  - 3.2.2 there have been changes in Applicable Law which impose a significant incremental burden on the CORRA Administrator or any of its Affiliates that facilitate the CORRA Administrator's performance of the CORRA Administrator Responsibilities; or
  - 3.2.3 the CORRA Administrator's performance of the CORRA Administrator Responsibilities has been frustrated by the acts or omissions of the CORRA Contributors,

provided, however, that in any such circumstance, prior to withdrawing from the role of Administrator for CORRA, the CORRA Administrator has provided reasonable notice to the Independent Oversight Committee and, if applicable, has complied with the requirements in the IOSCO Principles relating to the cessation of benchmarks and preparation therefor. For avoidance of doubt, upon any such withdrawal, subject to any arrangement that may be approved or otherwise supported by the applicable Canadian Authorities, the CORRA Administrator will cease serving as Administrator, Calculation Agent and Publication Agent for CORRA..

- 3.3 The CORRA Administrator will publicly issue a written statement confirming its undertaking of the CORRA Administrator Responsibilities and will post and maintain during its Tenure a copy of this CORRA Administrator Code of Conduct on its public website.
- 3.4 The CORRA Administrator will publicly disclose a statement regarding the extent of its compliance with the IOSCO Principles as it relates to CORRA not later than September 30, 2015, and annually thereafter during its Tenure. In support of such statements, the CORRA Administrator will appoint an independent internal or external auditor in compliance with the IOSCO Principles to review and report on such compliance.
- 3.5 Throughout its Tenure, the CORRA Administrator will have not less than one employee based in Canada dedicated to supporting the performance of the CORRA Administrator Responsibilities and the administration of other Canadian benchmarks.
- 3.6 The CORRA Administrator will publish and maintain this CORRA Administrator Code of Conduct in both English and French.



## 4 – Independent Oversight Committee

- 4.1 The CORRA Administrator will establish and maintain the Independent Oversight Committee and the Independent Oversight Committee Terms of Reference and will undertake consultation processes with the Independent Oversight Committee, all on a basis that is consistent with the IOSCO Principles, to allow the Independent Oversight Committee the opportunity to review and provide challenge and meaningful input regarding:
- 4.1.1 all aspects of the CORRA determination process, including consideration of the features and intended, expected or known usages of CORRA and the materiality of identified existing or potential conflicts of interest and means of addressing same;
  - 4.1.2 fees and other remuneration to be charged by the CORRA Administrator for licensing, access and use of CORRA (including Real-Time CORRA Rates);
  - 4.1.3 the adoption of, and any amendment to or replacement of, the CORRA Processes, and any amendment to or replacement of this CORRA Administrator Code of Conduct;
  - 4.1.4 the adoption of the Independent Oversight Committee Terms of Reference and any amendment thereto or replacement thereof; and
  - 4.1.5 any other material issues regarding the CORRA Administrator Responsibilities;

except to the extent that, in any particular circumstances, such consultation processes would result in the CORRA Administrator being unable to perform the CORRA Administrator Responsibilities in accordance with the CORRA Administrator Performance Standard, in which case the CORRA Administrator will undertake such consultation processes with the Independent Oversight Committee as are, so far as possible, consistent with the foregoing while allowing the CORRA Administrator to perform the CORRA Administrator Responsibilities in accordance with the CORRA Administrator Performance Standard.

- 4.2 The CORRA Administrator will offer representation on the Independent Oversight Committee to individuals from: (i) each of the existing CORRA Contributors; (ii) the IIAC or its chosen delegate; (iii) the Canadian Authorities; and (iv) other stakeholders identified by Thomson Reuters; provided, however, that the CORRA Administrator may cause the rights of the individuals from the CORRA Contributors to vote on matters to be limited or restricted (including making such representatives non-voting observers) if such limitations or restrictions are reasonably necessary to preserve the quality or integrity of CORRA or the CORRA determination process or in order for the CORRA Administrator to perform the CORRA Administrator Responsibilities in accordance with the CORRA Administrator Performance Standard. Notwithstanding the foregoing, the CORRA Administrator may, in consultation with the Independent Oversight Committee, make changes to the composition of the Independent Oversight Committee if, due to changes in Applicable Law, the CORRA Administrator, acting reasonably and in good faith, determines that it is necessary or demonstrably prudent to make such changes in order to comply with Applicable Law.
- 4.3 The CORRA Administrator will establish and maintain the Independent Oversight Committee, the function and composition of which and the Terms of Reference for which, will be appropriate to provide effective scrutiny of the CORRA Administrator and oversight of the CORRA design and the integrity of the CORRA determination and control framework.



## 5 – Publication and Fees

5.1 **Real-Time CORRA Rates.** The CORRA Administrator will, or will cause the Publication Agent for CORRA to, make the Real-Time CORRA Rates available during its Tenure for use on a real time basis: (i) through various service offerings of the CORRA Administrator or other Thomson Reuters Entities, and (ii) through Authorized Third Party Redistributors.

### 5.2 **Delayed CORRA Rates.**

5.2.1 During its Tenure, the CORRA Administrator will permit any Canadian Authority (or any successor thereto) that, as of the Effective Date, is making CORRA available to the public in a manner that is not for commercial gain (each, a “Grandfathered Authority”), to display Delayed CORRA Rates on one or more public websites or other public electronic sources for a period of up to five Business Days. Although the CORRA Administrator may require a Grandfathered Authority to enter into an appropriate licence agreement for Delayed CORRA Rates, the CORRA Administrator shall not charge the Grandfathered Authority, or any person accessing or using Delayed CORRA Rates published by the Grandfathered Authority, any licence fee or charge or any end user fee or charge for such permission or such use, as the case may be.

5.2.2 During its Tenure, the CORRA Administrator will permit Authorized Third Party Redistributors to display Delayed CORRA Rates on one or more public websites or other public electronic sources.

5.2.3 Within ninety (90) days of the Effective Date and thereafter during its Tenure, the CORRA Administrator or a Thomson Reuters Entity designated by the CORRA Administrator will, or will require a third party engaged by the CORRA Administrator or the designated Thomson Reuters Entity to, make Delayed CORRA Rates available to the public on one or more public websites or other public electronic sources (which, for avoidance of doubt, will not require any person accessing or using such Delayed CORRA Rates to procure any other data, information, product, service, solution or equipment from any Thomson Reuters Entity), at no cost or expense to any person accessing or using such Delayed CORRA Rates. Each Delayed CORRA Rate will be made available as of 4:00 PM Eastern Time on the day of publication, for a period of not less than five Business Days.

### 5.3 **Historical CORRA Rates.**

5.3.1 The CORRA Administrator shall make the Historical CORRA Rates available during its Tenure through the following distribution channels: (a) through Authorized Third Party Redistributors; and (b) directly to clients that have entered into an appropriate licence agreement for bulk Historical CORRA Rates, which rates will be provided in one or more common, standard data format(s) and through common technological means that do not require any such client to procure any other data, information, product, service, solution or equipment from any Thomson Reuters Entity (such means may include, for example, email, FTP (file transfer protocol) or SFTP (secure file transfer protocol)). Nothing herein shall limit the CORRA Administrator’s right to make Historical CORRA Rates available as part of a broader service offering of the CORRA Administrator or any Thomson Reuters Entity.

5.3.2 During its Tenure, the CORRA Administrator will permit any Grandfathered Authority to display Historical CORRA Rates on one or more public websites or other public electronic sources; provided that the CORRA Administrator may require a Grandfathered Authority to enter into an appropriate licence agreement for Historical CORRA Rates. For at least one year following the Effective Date, the CORRA Administrator shall not charge the Grandfathered Authority, or any person accessing or using Historical CORRA Rates published by the Grandfathered Authority, any licence fee or charge or any end user fee or charge for such permission or such use, as the case may be.



- 5.4 For a 180 day period following the Effective Date (the “Standstill Period”), the CORRA Administrator will permit all Persons who are authorized to access or use CORRA rates through the CORRA Administrator or any Thomson Reuters Entity to continue to access and use CORRA rates on the same basis and terms and conditions (including price) that were applicable as of the Effective Date; provided that, to the extent that such CORRA rates are offered by the CORRA Administrator or any Thomson Reuters Entity as part of a broader service offering, the CORRA Administrator and the Thomson Reuters Entities have the right to modify pricing and any other terms and conditions with respect to such broader service offering so long as such modification is not directed at access to or use of CORRA rates. For greater certainty, during the Standstill Period, the CORRA Administrator and the Thomson Reuters Entities are not prevented from entering into legal agreements with any Person that modify the basis and terms and conditions (including price) upon which Persons are permitted to access and use CORRA rates, provided that such modified basis and terms and conditions do not become effective until the expiration of the Standstill Period. In addition, during the Standstill Period, the CORRA Administrator will not apply any end user fees or charges in respect of CORRA rates received by an end user through an Authorized Third Party Redistributor or require any such end user to remit any such end user fees or charges. .
- 5.5 At all times during its Tenure, the CORRA Administrator may set fees or other charges in respect of the licensing of, access to and use of CORRA (including Real-Time CORRA Rates), provided that: (i) any fees and other charges for CORRA are commercially reasonable and are set in accordance with pricing principles that are fair, reasonable and non-discriminatory; and (ii) the CORRA Administrator establishes, maintains and undertakes processes which provide for meaningful input from the Independent Oversight Committee in relation to such fees and other charges for CORRA.
- 5.6 At all times during its Tenure, the CORRA Administrator will not increase or otherwise modify the terms of any fees or other charges for CORRA charged by the CORRA Administrator in respect of licensing of, access to or use of CORRA (including Real-Time CORRA Rates) unless it has provided: (i) not less than 90 days prior written notice to the Independent Oversight Committee and an opportunity for the Independent Oversight Committee to provide meaningful input in relation thereto; and (ii) reasonable prior written notice to all Subscribers.





## Appendix A – Defined Terms

Capitalized terms used in this document but not otherwise defined are defined in the following table.

Term	Definition
<b>Administrator</b>	has the meaning given to it in the IOSCO Principles.
<b>Affiliate</b>	means, with respect to any Person, any other Person who directly or indirectly Controls, is Controlled by, or is under direct or indirect common Control with, such Person, and includes any Person in like relation to an Affiliate.
<b>Applicable Law</b>	means, with respect to any Person, property, transaction, event or other matter, (a) any U.K. or Canadian constitution, treaty, law, statute, regulation, code, ordinance, principle of common law or equity, rule, municipal by-law, or other requirement having the force of law, (b) any order, directive, judgment, decree, injunction, decision, ruling, award or writ of any Authority, and (c) any published policy, standard or guideline of any Canadian regulatory authority (for greater certainty, whether federal or provincial) which although not necessarily having the force of law, is regarded by such Canadian regulatory authority as requiring compliance as if it had the force of law, in each case, applicable to and having jurisdiction over such Person, property, transaction, event or other matter. For greater certainty, the IOSCO Principles per se are not, and are deemed not to be, an Applicable Law.
<b>Authority</b>	means: (a) U.K. or Canadian government (whether administrative, legislative, executive or otherwise and whether federal, provincial or otherwise); (b) any U.K. or Canadian agency, authority, ministry, department, regulatory body, court, central bank, bureau, board or other instrumentality (whether federal, provincial or otherwise) having legislative, judicial, taxing, regulatory, prosecutorial or administrative powers or functions of, or pertaining to, government; (c) any U.K. or Canadian court, tribunal, commission, individual, arbitrator, arbitration panel or other body (whether federal, provincial or otherwise) having adjudicative, regulatory, judicial, quasi-judicial, administrative or similar functions; and (d) any other body or entity created under the authority of any of the foregoing and having legislative, judicial, taxing, regulatory, prosecutorial or administrative powers or functions of, or pertaining to, government; and “Authorities” has a corresponding meaning.
<b>Authorized Third Party Redistributor</b>	means a third party market data vendor or redistributor that has entered into an appropriate licence agreement with the CORRA Administrator or any Thomson Reuters Entity for the redistribution of CORRA.
<b>Business Day</b>	means any day that Schedule 1 banks under the Bank Act (Canada) are open for business in Toronto, Ontario, Canada.
<b>Calculation Agent</b>	has the meaning given to it in the IOSCO Principles.
<b>Canadian Authorities</b>	means some or all of the Bank of Canada, the federal Department of Finance, OSFI, the Ontario Securities Commission and the Autorité des marchés financiers and any other Authority or Authorities that may, during the Tenure of the CORRA Administrator, have jurisdiction over the Administration (as such term is defined in the IOSCO Principles) of CORRA.
<b>CORRA</b>	means the Canadian Overnight Repo Rate Average.
<b>CORRA Administrator</b>	means the Administrator in respect of CORRA, whose responsibilities, for greater certainty, include those of Publication Agent and Calculation Agent in respect of CORRA and may not be assigned or delegated to any third Person, from time to time, being Thomson Reuters as of the Effective Date.
<b>CORRA Administrator Code of Conduct</b>	means this code of conduct regarding the undertaking and performance by the CORRA Administrator of the roles and responsibilities of the CORRA Administrator, as same may be amended or replaced from time to time by the CORRA Administrator in accordance with this CORRA Administrator Code of Conduct.
<b>CORRA Administrator Performance Standard</b>	means the undertaking and performance of the CORRA Administrator Responsibilities: (a) in a manner that is compliant in all material respects with the IOSCO Principles, taking into consideration the concept of proportional application as set out therein, (b) in a manner that complies with this CORRA Administrator Code of Conduct, (c) in a manner that complies with the CORRA Processes, and (d) in a manner that complies with Applicable Law in effect from time to time, and in the event of any conflict or inconsistency between



Term	Definition
	or among the IOSCO Principles, this CORRA Administrator Code of Conduct, the CORRA Processes and Applicable Law, in the following order of priority: item (d), item (a), item (b), and item (c).
<b>CORRA Administrator Responsibilities</b>	mean the duties and responsibilities of the CORRA Administrator, including responsibility for all stages of the CORRA administration process and the calculation and dissemination of CORRA.
<b>CORRA Contributors</b>	means the inter-dealer brokers providing Data to the CORRA Administrator for the purposes of determining CORRA from time to time, being Freedom International Brokerage, Shorcan Brokerage and Tullett Prebon Canada as of the Effective Date.
<b>CORRA Processes</b>	means the CORRA methodologies and procedures adopted by the CORRA Administrator in accordance with Section 4.1.3 of this CORRA Administrator Code of Conduct, as same may be amended or replaced from time to time by the CORRA Administrator in accordance with this CORRA Administrator Code of Conduct.
<b>Control</b>	means, with regard to any Person, the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of securities, by contract or otherwise.
<b>Data</b>	means information provided by a CORRA Contributor to the CORRA Administrator for the purposes of determining CORRA.
<b>Delayed CORRA Rates</b>	means the then-current day's published CORRA rate from and after 4:00 PM Eastern Time on the day of publication.
<b>Effective Date</b>	has the meaning set out in Section 2.2.
<b>Grandfathered Authority</b>	has the meaning set out in Section 5.2.1.
<b>Historical CORRA Rates</b>	means (a) the then-current day's Delayed CORRA Rate; (b) all CORRA rates published on or after the Effective Date and prior to the then-current day; and (c) all CORRA rates published prior to the Effective Date in the possession or control of the CORRA Administrator on the Effective Date.
<b>IIAC</b>	means Investment Industry Association of Canada.
<b>including</b>	means including without limitation and "include" and "includes" have a corresponding meaning.
<b>Independent Oversight Committee</b>	means the oversight committee to be established and maintained by the CORRA Administrator pursuant to this CORRA Administrator Code of Conduct, which, in addition to CORRA, may carry out the oversight function for similar benchmarks.
<b>Independent Oversight Committee Terms of Reference</b>	means the terms of reference for the Independent Oversight Committee to be adopted and maintained by the CORRA Administrator pursuant to this CORRA Administrator Code of Conduct, as same may be amended or replaced from time to time by the CORRA Administrator in accordance with this CORRA Administrator Code of Conduct.
<b>IOSCO</b>	means the International Organization of Securities Commissions.
<b>IOSCO Principles</b>	mean the Principles for Financial Benchmarks set out in the IOSCO Report.
<b>IOSCO Report</b>	means the July 2013 Final Report of the Board of IOSCO FRO 7/13.
<b>non-discriminatory</b>	means the practice of offering materially similar terms to all parties who are similarly situated.
<b>OSFI</b>	means the Office of the Superintendent of Financial Institutions Canada.
<b>Person</b>	is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, an Authority, and the executors, administrators or other legal representatives of an individual in such capacity.
<b>Publication Agent</b>	has the meaning given to "Benchmark Publisher" in the IOSCO Principles.
<b>Real-Time CORRA Rates</b>	means, on any Business Day, the CORRA rate for that day as determined by the CORRA Administrator in its capacity as Calculation Agent, until such CORRA rate becomes a Delayed CORRA Rate, all in accordance with this CORRA Administrator Code of Conduct.
<b>Standstill Period</b>	has the meaning set out in Section 5.4.
<b>Subscriber</b>	has the meaning given in the IOSCO Principles.
<b>Tenure</b>	has the meaning set out in Section 2.2.
<b>Thomson Reuters</b>	means Thomson Reuters Benchmark Services Limited, a subsidiary of Thomson Reuters Corporation.



Term	Definition
<b>Thomson Reuters Entities</b>	means Thomson Reuters and its Affiliates, and “ <b>Thomson Reuters Entity</b> ” means any one of them, as the context dictates.
<b>usage</b>	in reference to any Person’s usage of Real-Time CORRA Rates or Historical CORRA Rates, is to be broadly interpreted and includes, where applicable and appropriate, access to, reference to or other usage of such of Real-Time CORRA Rates or Historical CORRA Rates by such Person for its own purposes and the aggregation and/or distribution to any other Persons of such of Real-Time CORRA Rates or Historical CORRA Rates by such Person for any purpose, including a commercial purpose; and “ <b>use</b> ” and “ <b>used</b> ” shall have a corresponding meaning.

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