

Nova Scotia Securities Commission

Amendments to Multilateral Instrument 25-102 *Designated Benchmarks and Benchmark Administrators* (the Rule Amendments)

-and-

Changes to Changes to Companion Policy 25-102 *Designated Benchmarks and Benchmark Administrators* (the Policy Changes)

WHEREAS:

1. Pursuant to section 150 of the *Securities Act*, R.S.N.S. 1989, chapter 418, as amended (the Act), the Nova Scotia Securities Commission (the Commission) has power to make rules subject to compliance with the requirements of the Act;
2. Pursuant to section 19 of the Act, the Commission has power to issue and publish policy statements; and
3. The Commission is of the opinion that the attainment of the purpose of the Act is advanced by this Instrument.

NOW THEREFORE the Commission hereby:

- (a) pursuant to the authority contained in section 150 of the Act and subject to compliance with the requirements of section 150A of the Act, approves the Rule Amendments as attached and makes the same a rule of the Commission;
- (b) pursuant to the authority contained in section 19 of the Act and subject to publication on the Commission's website, issues the Policy Changes as attached as a policy statement of the Commission; and
- (c) declares that the rule approved and made pursuant to clause (a) and the issuance of the policy statement pursuant to clause (b) shall both take effect on May 5, 2026 or on such other date as may be specified by the Minister, unless the Minister disapproves the rule or returns it to the Commission in accordance with subsection 150A(3) of the Act in which event the rule and the policy statement shall not be effective until the rule is approved by the Minister.

IN WITNESS WHEREOF this Instrument has been signed by the Chair and Vice Chair of the Commission, being the members of the Commission prescribed by the Chair pursuant to subsection 15(3) of the Act to attend the hearing of this matter and the quorum with respect to this matter, on the 18th day of February, 2026.

(signed) "Valerie Seager"

Valerie Seager

Chair

(signed) "Heidi Walsh-Sampson"

Heidi Walsh-Sampson, K.C.

Vice Chair

Attachments

**AMENDMENTS TO
MULTILATERAL INSTRUMENT 25-102
DESIGNATED BENCHMARKS AND BENCHMARK ADMINISTRATORS**

- 1. *Multilateral Instrument 25-102 Designated Benchmarks and Benchmark Administrators is amended by this Instrument.***
- 2. *Subsection 1(1) is amended by repealing the definitions of “CSAE 3000”, “CSAE 3001”, “CSAE 3530”, “CSAE 3531”, “ISAE 3000”, “limited assurance report on compliance”, and “reasonable assurance report on compliance”.***
- 3. *Subsection 1(1) is amended by adding the following definition:***

“reasonable assurance report on controls” means a report prepared on a reasonable assurance basis

- (a) by a public accountant, on the statement of an individual or management of a person or company, as applicable, that
 - (i) relates to the description, design and implementation of policies, procedures and controls by the individual or management with respect to applicable subject requirements, and
 - (ii) states whether those policies, procedures and controls operated effectively over the applicable period, and
- (b) in accordance with
 - (i) the Handbook, or
 - (ii) International Standards on Assurance Engagements set by the International Auditing and Assurance Standards Board, as amended from time to time;.

- 4. *Subsection 1(1) is amended in the definition of “subject requirements”:***

(a) *by adding the following paragraph:*

(a.0) paragraphs 13.1(1)(a) and (b);, ***and***

(b) *by repealing paragraphs (c) and (d) and substituting the following:*

(c) paragraphs 36(1)(a), (b) and (c),

(d) paragraphs 37(1)(a), (b) and (c),.

5. *Paragraph 5(2)(b) is amended by replacing “, a public accountant’s limited assurance report on compliance or a reasonable assurance report on compliance” with “or a reasonable assurance report on controls”.*
6. *Paragraphs 7(8)(f) and (g) are amended by replacing “, or any public accountant’s limited assurance report on compliance or reasonable assurance report on compliance” with “or any reasonable assurance report on controls”.*
7. *The following section is added:*

Assurance report on designated benchmark administrator

- 13.1(1)** A designated benchmark administrator must engage a public accountant to provide a reasonable assurance report on controls, in respect of each designated benchmark it administers that is not a designated critical benchmark, a designated interest rate benchmark or a designated commodity benchmark, relating to
- (a) the designated benchmark administrator’s compliance with sections 5, 8 to 16 and 26, and
 - (b) whether the designated benchmark administrator follows the methodology of the designated benchmark.
- (2)** For the purposes of subsection (1), the applicable period of a report referred to in that subsection is,
- (a) in the case of a first report, the period commencing 9 months and one day after the date of designation of a benchmark referred to in that subsection and ending 12 months after that date, and
 - (b) in the case of a report that is not the first report, the period commencing 12 months and one day after the end of the applicable period of the report preceding the subsequent report and ending 24 months after the end of that period.
- (3)** For the purposes of subsection (1), an engagement referred to in that subsection must require a public accountant to provide a report referred to in that subsection to the designated benchmark administrator not later than 90 days after the end of the applicable period under subsection (2).
- (4)** For the purposes of subsection (1), a designated benchmark administrator must, not later than 100 days after the end of the applicable period under subsection (2) of a report referred to in subsection (1), publish the report and deliver a copy of the report to the regulator or securities regulatory authority..
8. *Paragraphs 24(4)(f), 24(5)(a) and (b) and 26(3)(b) are amended by replacing “limited assurance report on compliance or reasonable assurance report on compliance” with “reasonable assurance*

report on controls”.

9. *Section 32 is repealed and the following substituted:*

Assurance report on designated benchmark administrator

32.(1) A designated benchmark administrator must engage a public accountant to provide a reasonable assurance report on controls, in respect of each designated critical benchmark it administers, relating to

- (a) the designated benchmark administrator’s compliance with sections 5, 8 to 16 and 26, and
 - (b) whether the designated benchmark administrator follows the methodology of the designated critical benchmark.
- (2)** For the purposes of subsection (1), the applicable period of a report referred to in that subsection is,
- (a) in the case of a first report, the period commencing 9 months and one day after the date of designation of a benchmark referred to in that subsection and ending 12 months after that date, and
 - (b) in the case of a report that is not the first report, the period commencing on the first day after the end of the applicable period of the report preceding the subsequent report and ending 12 months after the end of that period.
- (3)** For the purposes of subsection (1), an engagement referred to in that subsection must require a public accountant to provide a report referred to in that subsection to the designated benchmark administrator not later than 90 days after the end of the applicable period under subsection (2).
- (4)** For the purposes of subsection (1), a designated benchmark administrator must, not later than 100 days after the end of the applicable period under subsection (2) of a report referred to in subsection (1), publish the report and deliver a copy of the report to the regulator or securities regulatory authority..

10. *Section 33 is repealed and the following substituted:*

Assurance report on benchmark contributor requested by oversight committee

33.(1) If requested by the oversight committee referred to in section 7 as a result of a concern relating to a benchmark contributor to a designated critical benchmark, the benchmark contributor must engage a public accountant to provide a reasonable assurance report on controls relating to

- (a) the benchmark contributor's compliance with section 24, and
 - (b) whether the benchmark contributor follows the methodology of the designated critical benchmark.
- (2) For the purposes of subsection (1), the applicable period of a report referred to in that subsection is 3 months, 6 months, 9 months or 12 months, as specified in a request referred to in that subsection.
- (3) For the purposes of subsection (1), an engagement referred to in that subsection must require a public accountant to provide a report referred to in that subsection to the benchmark contributor not later than 90 days after a request referred to in that subsection.
- (4) For the purposes of subsection (1), a benchmark contributor must, not later than 100 days after a request of the oversight committee referred to in that subsection, deliver a copy of a report referred to in that subsection to
 - (a) the oversight committee,
 - (b) the board of directors of the designated benchmark administrator that established the oversight committee referred to in paragraph (a), and
 - (c) the regulator or securities regulatory authority..

11. *Section 36 is repealed and the following substituted:*

Assurance report on designated benchmark administrator

- 36.(1)** A designated benchmark administrator must engage a public accountant to provide a reasonable assurance report on controls, in respect of each designated interest rate benchmark it administers, relating to
- (a) the designated benchmark administrator's compliance with sections 5, 8 to 16, 26 and 34,
 - (b) for a benchmark with a benchmark contributor, the designated benchmark administrator's compliance with section 23, and
 - (c) whether the designated benchmark administrator follows the methodology of the designated interest rate benchmark.
 - (2) For the purposes of subsection (1), the applicable period of a report referred to in that subsection is,
 - (a) in the case of a first report,

- (i) for a benchmark with a benchmark contributor, the period commencing 3 months and one day after the date of designation of the benchmark and ending 6 months after that date, or
 - (ii) for a benchmark without a benchmark contributor, the period commencing 9 months and one day after the date of designation of the benchmark and ending 12 months after that date, and
- (b) in the case of a report that is not the first report, the period commencing 12 months and one day after the end of the applicable period of the report preceding the subsequent report and ending 24 months after the end of that period.
- (3) For the purposes of subsection (1), an engagement referred to in that subsection must require a public accountant to provide a report referred to in that subsection to the designated benchmark administrator not later than 90 days after the end of the applicable period under subsection (2).
- (4) For the purposes of subsection (1), a designated benchmark administrator must, not later than 100 days after the end of the applicable period under subsection (2) of a report referred to in subsection (1), publish the report and deliver a copy of the report to the regulator or securities regulatory authority..

12. *Section 37 is repealed and the following substituted:*

Assurance report on benchmark contributor requested by oversight committee

- 37.(1)** If requested by the oversight committee referred to in section 7 as a result of a concern relating to a benchmark contributor to a designated interest rate benchmark, the benchmark contributor must engage a public accountant to provide a reasonable assurance report on controls relating to
- (a) the benchmark contributor's compliance with sections 24 and 39,
 - (b) whether the benchmark contributor follows the methodology of the designated interest rate benchmark, and
 - (c) the benchmark contributor's compliance with the code of conduct referred to in section 23.
- (2) For the purposes of subsection (1), the applicable period of a report referred to in that subsection is 3 months, 6 months, 9 months or 12 months, as specified in a request referred to in that subsection.
- (3) For the purposes of subsection (1), an engagement referred to in that subsection must require a public accountant to provide a report referred to in that subsection to the benchmark contributor not later than 90 days after a request referred to in that subsection.

- (4) For the purposes of subsection (1), a benchmark contributor must, not later than 100 days after a request of the oversight committee referred to in that subsection, deliver a copy of a report referred to in that subsection to
- (a) the oversight committee,
 - (b) the board of directors of the designated benchmark administrator that established the oversight committee referred to in paragraph (a), and
 - (c) the regulator or securities regulatory authority..

13. Section 38 is repealed and the following substituted:

Assurance report on benchmark contributor required at certain times

- 38.(1)** A benchmark contributor to a designated interest rate benchmark must engage a public accountant to provide a reasonable assurance report on controls relating to
- (a) the benchmark contributor's compliance with sections 24 and 39,
 - (b) whether the benchmark contributor follows the methodology of the designated interest rate benchmark, and
 - (c) the benchmarks contributor's compliance with the code of conduct referred to in section 23.
- (2) For the purposes of subsection (1), the applicable period of a report referred to in that subsection is,
- (a) in the case of a first report, the period commencing 3 months and one day after the date of designation of a benchmark referred to in that subsection and ending 6 months after that date, and
 - (b) in the case of a report that is not the first report, the period commencing 12 months and one day after the end of the applicable period of the report preceding the subsequent report and ending 24 months after the end of that period.
- (3) For the purposes of subsection (1), an engagement referred to in that subsection must require a public accountant to provide a report referred to in that subsection to the benchmark contributor not later than 90 days after the end of the applicable period under subsection (2).
- (4) For the purposes of subsection (1), a benchmark contributor must, not later than 100 days after the end of the applicable period under subsection (2) of a report referred to in subsection (1), deliver a copy of the report to

- (a) the oversight committee referred to in section 7,
 - (b) the board of directors of the designated benchmark administrator that established the oversight committee referred to in paragraph (a), and
 - (c) the regulator or securities regulatory authority..
14. *Paragraphs 39(8)(b) and 40.11(3)(b) are amended by replacing “limited assurance report on compliance or reasonable assurance report on compliance” with “reasonable assurance report on controls”.*
15. *Section 40.13 is repealed and the following substituted:*

Assurance report on designated benchmark administrator

- 40.13.(1)** A designated benchmark administrator must engage a public accountant to provide a reasonable assurance report on controls, in respect of each designated commodity benchmark it administers, relating to
- (a) the designated benchmark administrator’s compliance with subsection 5(1) and sections 11 to 13, 40.3, 40.4, 40.6, 40.7, and 40.9 to 40.12, and
 - (b) whether the designated benchmark administrator follows the methodology of the designated commodity benchmark.
- (2)** For the purposes of subsection (1), the applicable period of a report referred to in that subsection is,
- (a) in the case of a first report, the period commencing 9 months and one day after the date of designation of a benchmark referred to in that subsection and ending 12 months after that date, and
 - (b) in the case of a report that is not the first report, the period commencing one day after the end of the applicable period of the report preceding the subsequent report and ending 12 months after the end of that period.
- (3)** For the purposes of subsection (1), an engagement referred to in that subsection must require a public accountant to provide a report referred to in that subsection to the designated benchmark administrator not later than 90 days after the end of the applicable period under subsection (2).
- (4)** For the purposes of subsection (1), a designated benchmark administrator must, not later than 100 days after the end of the applicable period under subsection (2) of a report referred to in subsection (1), publish the report and deliver a copy of the report to the regulator or securities regulatory authority..

Transition

Applicable period of first report – designated interest rate benchmark without a benchmark contributor

16. Despite subparagraph 36(2)(a)(ii) of Multilateral Instrument 25-102 *Designated Benchmarks and Benchmark Administrators*, as enacted by this Instrument, if a designated interest rate benchmark without a benchmark contributor was designated before the coming into force of this Instrument, the applicable period of the first report referred to in subparagraph 36(2)(a)(ii), as enacted by this Instrument, is the period commencing on May 1, 2025 and ending on April 30, 2026.

First report - designated interest rate benchmark without a benchmark contributor

17. Despite subsection 36(3) of Multilateral Instrument 25-102 *Designated Benchmarks and Benchmark Administrators*, as enacted by this Instrument, if a designated interest rate benchmark without a benchmark contributor was designated before the coming into force of this Instrument, the engagement referred to in subsection 36(1), as enacted by this Instrument, must require the public accountant to provide the first report referred to in subsection 36(3), as enacted by this Instrument, to the designated benchmark administrator not later than 90 days after the coming into force of this Instrument.

Publication and delivery of first report – designated interest rate benchmark without a benchmark contributor

18. Despite subsection 36(4) of Multilateral Instrument 25-102 *Designated Benchmarks and Benchmark Administrators*, as enacted by this Instrument, if a designated interest rate benchmark without a benchmark contributor was designated before the coming into force of this Instrument, a designated benchmark administrator must publish and deliver the first report referred to in subsection 36(4), as enacted by this Instrument, to the regulator or the securities regulatory authority not later than 100 days after the coming into force of this Instrument.

Effective date

19.
 - (1) This Instrument comes into force on May 5, 2026.
 - (2) In Saskatchewan, despite subsection (1), if these regulations are filed with the Registrar of Regulations after May 5, 2026, these regulations come into force on the day on which they are filed with the Registrar of Regulations.

**CHANGES TO
COMPANION POLICY 25-102
DESIGNATED BENCHMARKS AND BENCHMARK ADMINISTRATORS**

1. *Companion Policy 25-102 Designated Benchmarks and Benchmark Administrators is changed by this Document.*
2. *Subsection 1(1) with the heading of “Definition of input data” is changed by replacing “s. 1(3)” with “subsection 1(3)”.*
3. *Subsection 1(1) with the heading of “Definitions of limited assurance report on compliance and reasonable assurance report on compliance” is replaced with the following:*

Subsection 1(1) – Definition of reasonable assurance report on controls

A “reasonable assurance report on controls” must be prepared in accordance with the applicable Canadian Standard on Assurance Engagements (CSAE) under the Handbook or the applicable International Standard on Assurance Engagements (ISAE). The applicable CSAE and ISAE require that any public accountant that prepares such a report be independent.

In the Instrument, “Handbook” has the meaning set out in National Instrument 14-101 *Definitions*.

A reasonable assurance report on controls is required, as applicable, by sections 13.1, 32, 33, 36, 37, 38 and 40.13 of the Instrument.

- The definition of “reasonable assurance report on controls” refers to “applicable subject requirements”. The term “subject requirements” is defined in subsection 1(1) of the Instrument and refers to paragraphs 13.1(1)(a) and (b), 32(1)(a) and (b), 33(1)(a) and (b), 36(1)(a), (b) and (c), 37(1)(a), (b) and (c), 38(1)(a), (b) and (c) and 40.13(1)(a) and (b) of the Instrument.
- The reference to “12 months” in paragraphs 32(2)(b) and 40.13(2)(b) of the Instrument refers to a period of 12 consecutive months and does not need to correspond to a calendar year or a financial year of a designated benchmark administrator.
- The definition of “reasonable assurance report on controls” refers to “applicable period” (which is relevant for the reference to “the applicable period for the report” in subsections 13.1(2), 32(2), 33(2), 36(2), 37(2), 38(2) and 40.13(2) of the Instrument). In the future, we will generally plan to arrange for any future designation of a benchmark to occur at the end of a month, in order to facilitate the applicable periods for future assurance reports required under the Instrument for the designated benchmark.
- In the case of a reasonable assurance report on controls requested by an oversight committee under section 33 or 37 of the Instrument, the oversight committee would specify the beginning and the end of the applicable period for the report, as contemplated by subsection 33(2) and 37(2) of the Instrument, respectively.

First and subsequent reasonable assurance report on controls

Sections 13.1, 32, 36, 38 and 40.13 of the Instrument specify the timing for:

- the first assurance report for a designated benchmark after its designation, and
- any subsequent assurance report.

In all cases, the report must be provided to the designated benchmark administrator not later than 90 days after the end of the applicable period for the report.

In the case of the first assurance report for a designated interest rate benchmark with a benchmark contributor, the applicable period commences 3 months and one day after the designation of the benchmark and ends 6 months after the designation of the benchmark. This is intended to result in a first report covering a three-month “look-back” period.

In the case of the first assurance report for any other designated benchmark, the applicable period commences 9 months and one day after the designation of the benchmark and ends 12 months after the designation of the benchmark. This is intended to result in a first report covering a three-month “look-back” period.

For a designated critical benchmark and a designated commodity benchmark, a subsequent assurance report is required every 12 months. The applicable period commences one day after the end of the applicable period of the prior report and ends 12 months after the end of the applicable period of the prior report. This is intended to result in a reasonable assurance report covering a 12-month period provided each year following the first report.

For a designated interest rate benchmark and any other designated benchmark (other than a designated critical benchmark and a designated commodity benchmark), a subsequent assurance report is required every 24 months. The applicable period commences 12 months and one day after the end of the applicable period of the prior report and ends 24 months after the end of the applicable period of the prior report. This is intended to result in a reasonable assurance report covering a 12-month period provided every other year following the first report.

Examples

As an example of a subsequent assurance report required every 12 months, subsection 32(2) of the Instrument applies to designated critical benchmarks and provides that for purposes of subsection 32(1) of the Instrument, the applicable period for the report is:

- in the case of the first report for a designated critical benchmark, the period commencing 9 months and one day after the designation of the benchmark and ending 12 months after the designation of the benchmark, and
- in the case of any subsequent report for a designated critical benchmark, the period commencing one day after the end of the applicable period for the prior report and ending 12 months after the end of the applicable period for the prior report.

First report

- A critical benchmark subject to section 32 of the Instrument is designated on June 30, 2026.
- 9 months and one day after June 30, 2026 is April 1, 2027.
- 12 months after June 30, 2026 is June 30, 2027.
- The applicable period for the first report is April 1, 2027 to June 30, 2027.

Next subsequent report

- One day after June 30, 2027 is July 1, 2027.
- 12 months after June 30, 2027 is June 30, 2028.
- The applicable period for the next subsequent report is July 1, 2027 to June 30, 2028.

As an example of a subsequent assurance report required every 24 months, subsection 13.1(2) of the Instrument applies to a designated benchmark that is not a designated critical benchmark, a designated interest rate benchmark or a designated commodity benchmark and provides that for the purposes of subsection 13.1(1) of the Instrument, the applicable period for the report is:

- in the case of the first report for a designated benchmark, the period commencing 9 months and one day after the designation of the benchmark and ending 12 months after the designation of the benchmark, and
- in the case of any subsequent report for a designated benchmark, the period commencing 12 months and one day after the end of the applicable period for the prior report and ending 24 months after the end of the applicable period for the prior report.

First report

- A benchmark subject to section 13.1 of the Instrument is designated on June 30, 2026.
- 9 months and one day after June 30, 2026 is April 1, 2027.
- 12 months after June 30, 2026 is June 30, 2027.
- The applicable period for the first report is April 1, 2027 to June 30, 2027.

Next subsequent report

- 12 months and one day after June 30, 2027 is July 1, 2028.
- 24 months after June 30, 2027 is June 30, 2029.

- The applicable period for the next subsequent report is July 1, 2028 to June 30, 2029..

4. Subsection 36(1) with the heading of “Assurance report for designated interest rate benchmark” is changed by replacing the first paragraph with the following:

Subsection 36(1) of the Instrument provides that a designated benchmark administrator must engage a public accountant to provide a reasonable assurance report on controls, relating to the designated benchmark administrator's compliance with certain sections of the Instrument and whether the designated benchmark administrator follows the methodology of each designated interest rate benchmark it administers.

Section 23 of the Instrument requires that a designated interest rate benchmark with a benchmark contributor must have a code of conduct for benchmark contributors. We expect that code of conduct to be in place soon after the designation of the benchmark, given the requirement for a first assurance report in respect of a designated benchmark administrator in subparagraph 36(2)(a)(i) of the Instrument and a benchmark contributor in paragraph 38(2)(a) of Instrument..

5. Part 8.1 is changed

(a) in the sixth bullet of the first paragraph under the heading of “Publication of information” by replacing “limited assurance report or a reasonable assurance report” with “reasonable assurance report on controls”.

(b) in the second paragraph under the heading “Subsections 40.1(3) and (4) – Dual designation as a commodity benchmark and a regulated-data benchmark” by replacing “an assurance report” with “a reasonable assurance report on controls”.

6. Section 40.13 with the heading of “Assurance report on designated benchmark administrator” is deleted.

7. These changes become effective on May 5, 2026.