

For Immediate Release
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Canadian Securities Regulators propose harmonized approach to clearing agency requirements

Toronto – The Canadian Securities Administrators (CSA) today published for comment Proposed National Instrument 24-102 *Clearing Agency Requirements*, which adopts international standards for Canadian financial market infrastructures (FMIs). The comment period closes on February 10, 2015.

These standards were first published internationally as the Principles for Financial Market Infrastructures (PFMIs) by the then Committee on Payment and Settlement Systems (now Committee on Payments and Market Infrastructure) and the Technical Committee of the International Organization of Securities Commissions in 2012, to raise and harmonize the international standards for payment, clearing, deposit, reporting and settlement systems. FMIs include clearing agencies serving both securities and derivatives markets under securities legislation.

“It is critical that Canadian financial infrastructures maintain the highest standards in today’s increasingly interconnected capital markets,” said Bill Rice, Chair of the CSA and Chair and Chief Executive Officer of the Alberta Securities Commission. “This proposal brings a harmonized approach to clearing agency requirements in Canada and aligns them with international best practices.”

In addition to adopting the PFMIs as ongoing requirements for recognized clearing agencies in the jurisdictions of Canada, the proposed instrument formalizes a framework for the recognition or exemption of clearing agencies seeking to carry on business in jurisdictions of Canada. The proposal takes into account comments received from stakeholders on proposed Local Rule 24-503 that was published in December 2013 in Manitoba, Ontario and Québec, and Multilateral Staff Notice 24-309 that was published at the same time in British Columbia, Alberta, Saskatchewan, New Brunswick and Nova Scotia.

The CSA, together with the Bank of Canada, has also developed supplementary guidance to clarify certain aspects of the PFMIs in the Canadian context. This supplementary guidance is included in the companion policy to the proposed instrument. The CSA and Bank of Canada will continue to work together to develop further guidance with respect to the PFMIs, as necessary.

CSA NI 24-102 is available on CSA members’ websites.

The CSA, the council of the securities regulators of Canada’s provinces and territories, coordinates and harmonizes regulation for the Canadian capital markets.

For more information:

Carolyn Shaw-Rimmington
Ontario Securities Commission
416-593-2361

Richard Gilhooley
British Columbia Securities Commission
604-899-6713

Kevan Hannah
Manitoba Securities Commission
204-945-1513

Tanya Wiltshire
Nova Scotia Securities Commission
902-424-8586

Don Boyles
Office of the Superintendent of Securities
Service Newfoundland and Labrador
709-729-4501

Louis Arki
Nunavut Securities Office
867-975-6587

Shannon McMillan
Financial and Consumer Affairs
Authority of Saskatchewan
306-798-4160

Mark Dickey
Alberta Securities Commission
403-297-4481

Sylvain Théberge
Autorité des marchés financiers
514-940-2176

Andrew Nicholson
Financial and Consumer Services
Commission, New Brunswick
506-658-3021

Janice Callbeck
Government of Prince Edward Island,
Superintendent of Securities
902-368-6288

Rhonda Horte
Office of the Yukon Superintendent of
Securities
867-667-5466

Gary MacDougall
Office of the Superintendent of Securities,
Northwest Territories
867-920-3318