



Ontario  
Securities  
Commission

Commission des  
valeurs mobilières  
de l'Ontario

22<sup>nd</sup> Floor  
20 Queen Street West  
Toronto ON M5H 3S8

22<sup>e</sup> étage  
20, rue Queen ouest  
Toronto ON M5H 3S8

---

**IN THE MATTER OF  
THE SECURITIES ACT,  
R.S.O. 1990, CHAPTER S.5, AS AMENDED (THE "OSA")**

**AND**

**IN THE MATTER OF  
THE COMMODITY FUTURES ACT,  
R.S.O. 1990, CHAPTER C.20, AS AMENDED (THE "CFA")**

**AND**

**IN THE MATTER OF  
THE CANADIAN DOLLAR OFFERED RATE ("CDOR")**

**AND**

**IN THE MATTER OF  
REFINITIV BENCHMARK SERVICES (UK) LIMITED ("RBSL")**

**DESIGNATION ORDER**

**Background**

The Ontario Securities Commission (the "**Commission**") has received an application (the "**Application**") from the Director under the OSA and the CFA (the "**Director**") for a decision under the OSA and the CFA that:

- (a) CDOR be designated as a designated benchmark,
- (b) CDOR be assigned as a designated critical benchmark and a designated interest rate benchmark for the purposes of Multilateral Instrument 25-102 *Designated Benchmarks and Designated Benchmark Administrators* ("**MI 25-102**") and Ontario Securities Commission Rule 25-501 (Commodity Futures Act) *Designated Benchmarks and Benchmark Administrators* ("**OSC Rule 25-501**"), and
- (c) RBSL be designated as a designated benchmark administrator of CDOR.

The Director has given notice of the Application to RBSL and RBSL has declined the opportunity to be heard before the Commission makes its decision.

## **Interpretation**

Terms defined in the OSA, the CFA, National Instrument 14-101 *Definitions*, MI 25-102 or OSC Rule 25-501 have the same meanings in this decision, unless otherwise defined herein.

## **Representations**

This decision is based on the following facts represented by the Director:

1. CDOR is a key domestically important interest rate benchmark that is currently published in tenors of 1, 2 and 3 months. CDOR is used for a variety of purposes, including to:
  - (a) calculate the floating-rate component of certain over-the-counter and exchange-traded derivatives,
  - (b) determine interest payments on certain floating-rate notes and other securities, and
  - (c) determine the base interest rate on certain loan agreements between corporate borrowers and banks.
2. Significant reliance is placed by market participants on CDOR, which is used in various financial instruments with a notional value of at least \$10.9 trillion dollars (based on data published by the Bank of Canada in 2018). This figure is approximately five times larger than the gross domestic product for Canada in 2019 (based on data published by the Government of Canada).
3. CDOR is subject to certain risks, including risks of manipulation of CDOR and risks of interruption or uncertainty in the operations of the administrator of CDOR. Given the reliance placed by market participants on CDOR, if one of these events were to occur, the loss of confidence that Canadian capital markets would suffer and the costs that would be borne by Canadian financial markets (including investors) could be significant.
4. Consequently, Commission staff believe that CDOR should be designated as a designated benchmark and RBSL – the benchmark administrator of CDOR – should be designated as a designated benchmark administrator of CDOR. After CDOR and RBSL are so designated, RBSL and the benchmark contributors to CDOR will be required to comply with the applicable provisions of MI 25-102 and OSC Rule 25-501 in respect of CDOR.
5. Furthermore, Commission staff believe that CDOR should be assigned as a designated critical benchmark and a designated interest rate benchmark for the purposes of MI 25-102 and OSC Rule 25-501.

## Decision

The Commission is satisfied that it is in the public interest to make this decision.

The decision of the Commission, pursuant to section 24.1 of the OSA and section 21.5 of the CFA, is that:

1. CDOR is designated as a designated benchmark,
2. CDOR is assigned as a designated critical benchmark and a designated interest rate benchmark for the purposes of MI 25-102 and OSC Rule 25-501, and
3. RBSL is designated as a designated benchmark administrator of CDOR.

Dated this 15<sup>th</sup> day of September, 2021.

*“Timothy Moseley”*

---

Vice-Chair  
Ontario Securities Commission

*“Grant Vingo”*

---

Chair  
Ontario Securities Commission