UNITED STATES OF AMERICA

Before the

COMMODITY FUTURES TRADING COMMISSION

In the Matter of the Application of
Canadian Derivatives Clearing Corporation
For Exemption from Registration
as a Derivatives Clearing Organization

ORDER OF EXEMPTION FROM REGISTRATION

Canadian Derivatives Clearing Corporation ("CDCC") has submitted to the Commodity Futures Trading Commission ("Commission"), pursuant to Section 5b(h) of the Commodity Exchange Act ("Act"), 7 U.S.C. § 7a-1(h), and Commission Regulation 39.6, § 17 C.F.R. 39.6, an application for exemption from registration as a derivatives clearing organization ("DCO"). Section 5b(h) of the Act permits the Commission to exempt, conditionally or unconditionally, a DCO from registration for the clearing of swaps if the Commission determines that the DCO is subject to comparable, comprehensive supervision and regulation by the appropriate government authority in the home country of the DCO ("Home Country Regulator").

The Commission has reviewed the application and finds that CDCC has demonstrated compliance with those requirements of the Act and applicable Commission regulations with which it must comply to be eligible for an exemption from registration as a DCO.

In light of the foregoing, **IT IS ORDERED**, pursuant to Section 5b(h) of the Act, 7 U.S.C. § 7a-1(h), that CDCC is granted an exemption from registration as a DCO subject to the terms and conditions specified herein:

(1) Cleared Products. CDCC is permitted to clear, pursuant to this order, swaps, including, but not limited to, total return swaps denominated in U.S. dollars and Canadian dollars based on broad-based equity indices.

(2) U.S. Clearing Services Restricted to Proprietary Swap Positions for U.S. Persons. For purposes of this order, "U.S. person" is defined as set forth in the Commission's Interpretive Guidance and Policy Statement Regarding Compliance With Certain Swap Regulations, 78 FR 45,292, 45,316-17 (July 26, 2013), as such definition may be amended or superseded by a definition of the term "U.S. person" that is adopted by the Commission with a scope encompassing this order. CDCC must maintain rules that limit swap clearing services for U.S. persons and futures commission merchants ("FCMs") to the following circumstances:

(a) A U.S. person that is a clearing member of CDCC may clear swaps for itself and those persons identified in the Commission's definition of "proprietary account" set forth in Commission Regulation 1.3;

(b) A non-U.S. person that is a clearing member of CDCC may clear swaps for any affiliated U.S. person identified in the definition of "proprietary account" set forth in Commission Regulation 1.3; and

(c) An entity that is registered with the Commission as an FCM may be a clearing member of CDCC, or otherwise maintain an account with an affiliated broker that is a clearing member, for the purpose of clearing swaps for itself and those persons identified in the definition of "proprietary account" set forth in Commission Regulation 1.3.

(3) Open Access. CDCC must maintain rules with respect to swaps to which one or more of the counterparties is a U.S. person. Such rules must:

(a) Provide that all swaps with the same terms and conditions, as defined by product specifications established under CDCC's rules, submitted to CDCC for clearing are economically equivalent within CDCC and may be offset with each other within CDCC, to the extent offsetting is permitted by CDCC's rules; and

(b) Provide that there must be non-discriminatory clearing of a swap executed bilaterally or on or subject to the rules of an unaffiliated electronic matching platform or trade execution facility.

(4) Consent to Jurisdiction; Designation of Agent for Service of Process. CDCC must consent to jurisdiction in the United States, and must designate, authorize, and identify to the Commission, an agent in the United States who must accept any notice or service of process, pleadings, or other documents, including any summons, complaint, order, subpoena, request for information, or any other written or electronic documentation or correspondence issued by or on behalf of the Commission or the United States Department of Justice to CDCC, in connection with any actions or proceedings brought against, or investigations relating to, CDCC or any U.S. person or FCM that is a clearing member, or that clears swaps through an affiliated clearing member, of CDCC. CDCC must promptly inform the Commission of any change in its designated and authorized agent.

(5) Compliance. CDCC must comply, and must demonstrate compliance as requested by the Commission, with the requirements of this order.

(6) Inspection of Books and Records. CDCC must make all documents, books, records, reports, and other information related to its operation pursuant to this order ("Books and Records") open to inspection and copying by any representative of the Commission; and in response to a request by any representative of the Commission, CDCC must, promptly and in the

form specified, make the requested Books and Records available and provide them directly to Commission representatives.

(7) Observance of the CPMI-IOSCO Principles for Financial Market Infrastructures ("PFMIs"). On an annual basis, within 60 days following the end of its fiscal year, CDCC must provide to the Commission a certification that it continues to observe the PFMIs in all material respects.

(8) Representation of Good Regulatory Standing. On an annual basis, within 60 days following the end of its fiscal year, the Commission must receive from the Home Country Regulator, at CDCC's request, a written representation that CDCC is in good regulatory standing. For purposes of this paragraph 8, "good regulatory standing" means that either (a) there has been no finding by the Home Country Regulator of material non-observance of the PFMIs or other relevant home country legal requirements, or (b) there has been a finding by the Home Country Regulator of material non-observance of the PFMIs or other relevant home country legal requirements but any such finding has been or is being resolved to the satisfaction of the Home Country Regulator by means of corrective action taken by CDCC.

(9) General Reporting Requirements. CDCC shall submit to the Commission the following information, as specified:

(a) A report compiled as of the end of each trading day and submitted to the Commission by 10:00 a.m. U.S. Central time on the following business day, containing:

(i) Initial margin requirements and initial margin on deposit for each U.S. person, with respect to swaps; provided, however, if a clearing member margins on a portfolio basis its own positions and the positions of its affiliates, and either the clearing member or any of its

affiliates is a U.S. person, CDCC must report initial margin requirements and initial margin on deposit for all such positions on a combined basis for each such clearing member; and

(ii) Daily variation margin, separately listing the mark-to-market amount collected from or paid to each U.S. person, with respect to swaps; provided, however, if a clearing member margins on a portfolio basis its own positions and the positions of its affiliates, and either the clearing member or any of its affiliates is a U.S. person, CDCC must separately list the mark-to-market amount collected from or paid to each such clearing member, on a combined basis;

(b) A report compiled as of the last day of each fiscal quarter of CDCC and submitted to the Commission no later than 17 business days after the end of CDCC's fiscal quarter, containing the following information:

(i) The aggregate clearing volume of U.S. persons during the fiscal quarter, with respect to swaps. If a clearing member is a U.S. person, the volume figure shall include the transactions of the clearing member and all affiliates. If a clearing member is not a U.S. person, the volume figure shall include only transactions of affiliates that are U.S. persons.

(ii) The average open interest of U.S. persons during the fiscal quarter, with respect to swaps. If a clearing member is a U.S. person, the open interest figure shall include the positions of the clearing member and all affiliates. If a clearing member is not a U.S. person, the open interest figure shall include only positions of affiliates that are U.S. persons.

(iii) A list of U.S. persons and FCMs that are either clearing members or affiliates of any clearing member, with respect to the clearing of swaps, as of the last day of the fiscal quarter.

(c) Prompt notice regarding any change in the home country regulatory regime that is material to CDCC's continuing observance of the PFMIs or with any of the requirements set forth in this order;

(d) As available to CDCC, any assessment of CDCC's or the Home Country Regulator's observance of the PFMIs, or any portion thereof, by a Home Country Regulator or other national authority, or an international financial institution or international organization;

(e) As available to CDCC, any examination report, examination findings, or notification of the commencement of any enforcement or disciplinary action by a Home Country Regulator;

(f) Immediate notice of any change with respect to CDCC's licensure, registration, or other authorization to act as a clearing organization in its home country;

(g) In the event of a default by a U.S. person or FCM clearing swaps, with such event of default determined in accordance with CDCC's rules, immediate notice of the default including the name of the U.S. person or FCM, a list of the positions held by the U.S. person or FCM, and the amount of the U.S. person's or FCM's financial obligation;

(h) Notice of action taken against a U.S. person or FCM by CDCC, no later than two business days after CDCC takes such action against a U.S. person or FCM; and

(i) Any other information that the Commission deems necessary, including, but not limited to, information for the purpose of the Commission evaluating CDCC's continued eligibility for exemption from registration, reviewing CDCC's compliance with any conditions of the exemption, or conducting oversight of U.S. persons and their affiliates, and the swaps that are cleared by such persons through CDCC.

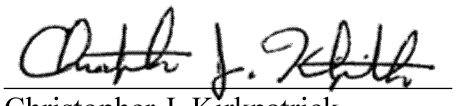
(10) Swap Data Recordkeeping and Reporting Requirements. If a clearing member clears through CDCC a swap that has been reported to a Commission-registered swap data repository ("SDR") pursuant to Part 45 of the Commission's regulations, then CDCC must report to an SDR, pursuant to this order, data regarding the two swaps resulting from the novation of

the original swap that had been submitted to CDCC for clearing. CDCC must also report the termination of the swap accepted for clearing by CDCC, to the SDR to which the swap was originally reported. In order to avoid duplicative reporting for such transactions, CDCC shall have rules that prohibit the Part 45 reporting of the two new swaps by the original counterparties to the original swap.

(11) Reservation of Rights. This order is based upon the representations made and supporting material provided to the Commission by CDCC. In the event of any changes to or omissions in the material facts or circumstances pursuant to which this order is issued, or for any reason in its own discretion, the Commission may condition, modify, suspend, terminate, or otherwise restrict the terms of this order, as appropriate and as permitted by law, on its own motion.

Issued in Washington, D.C. this 31st day of March, 2026.

By the Commission



Christopher J. Kirkpatrick
Secretary of the Commission