

# **Procedures Applicable to Significant Changes or Cessation of the Term CORRA Benchmark**

June 2025

4.0



## Purpose

This document sets out the procedures by which CanDeal Benchmark Administration Services Inc. (“CBAS”) ensures that significant changes to the methodology or potential cessation of Term CORRA are conducted in compliance with the applicable regulatory requirements, notably those contained in Multilateral Instrument 25-102 *Designated Benchmarks and Benchmark Administrators* (“MI 25-102”) and equivalent rules under other Canadian legislation that applies to benchmarks.

## Introduction

Factors, including external factors, such as an enduring period of insufficient input data, a lack of adoption by market participants, or changes in the needs of the market, beyond the control of CBAS, could necessitate changes to, or the cessation of, the designated benchmark.

CBAS will not cease to provide the Term CORRA rates unless CBAS has provided notice of the cessation on a date that provides benchmark users and other members of the public with reasonable time to consider the impact of the cessation.

In case of an event that requires an immediate cessation of Term CORRA, CBAS will announce a timetable detailing the schedule of dates and events regarding the cessation of Term CORRA as soon as possible.

CBAS encourages all stakeholders who rely on Term CORRA as a determinant or a performance measurement in a financial contract/instrument to ensure robust contingency measures are contained within such contracts/instruments.

## Role of the Oversight Committee

The Oversight Committee will:

- review the methodology for calculating Term CORRA at least once every 12 months
- oversee any changes to the methodology of the designated benchmark, including requesting that CBAS consult with benchmark users as required by subsection 17(2) of MI 25-102 and overseeing the resulting consultation process
- review and approve procedures for the cessation of Term CORRA

## Role of the CBAS Board of Directors

The CBAS Board of Directors (Board) will review and approve any changes to the methodology for calculating Term CORRA before its implementation. Any changes to the methodology that are deemed significant based on the guidance set out below and which arise from the Board’s comments will follow the process for significant changes outlined in this Policy, including further consultation with the Oversight Committee and, if applicable, republication for comment. Non-significant changes made as a result of the Board’s comments will be implemented and presented to the Oversight Committee for their information. For additional clarity, non-significant changes are changes of a housekeeping nature that do not impact the calculation of Term CORRA under the methodology.



## Process for Methodology Reviews

- CBAS will assist the Oversight Committee and carry out a review of the methodology to calculate Term CORRA on at least an annual basis. Additional reviews may be conducted at CBAS's discretion. Such additional reviews may be triggered by (i) events affecting Term CORRA that are not appropriately addressed by the methodology, (ii) events in the underlying market, (iii) developments in the source of input data, and (iv) issues raised by stakeholders.
- Reviews will include an analysis of the underlying market represented by Term CORRA, adequacy of data contributed and analysis of other sources of data. Reviews will confirm that Term CORRA is accurate, traceable and verifiable.
- The objectives of the review are to ensure that Term CORRA is still representative of the underlying market, the data contributed is adequate, timely and representative of the underlying market. The Board will approve changes to the methodology resulting from the review.

## Significant changes to the methodology

To determine if a proposed change to the benchmark calculation methodology would constitute a significant change, CBAS will use the following criteria:

- **Magnitude of the change:** consider the extent of the proposed change to the benchmark calculation methodology. If the change significantly affects the benchmark's calculation or methodology, it is more likely to be considered a significant change.
- **Benchmark calculation history, market participant needs and other benchmarks:** consider any instances in which the benchmark could not be calculated or complaints about calculations were found to be well-founded or where fall-back methodology had to be relied upon excessively, or where the needs of the market participants were not met by the benchmark or practices followed by other benchmark administrators suggested a change in methodology might be appropriate. If a proposed change deviates significantly from established practices or is likely to face resistance from market participants, it could be viewed as significant.
- **Regulatory requirements:** consider relevant regulatory guidelines and requirements in defining significant changes. If a change is mandated or recommended by the regulators, it is more likely to be considered significant.

## Consultation and Notification to Regulators of Proposed Significant Changes to the Methodology

CBAS will invite market participants and stakeholders to participate in a public consultation process to assess:

- the proposed significant methodology changes
- the rationale for a proposed change or cessation
- the seriousness of the issues
- potential alternatives
- the end users' mitigation plans



In the event a suitable alternative cannot be identified, and the continuation of the Benchmark is not possible or meaningful, CBAS will discontinue the administration and maintenance of the Benchmark completely.

CBAS will provide at least 45-day prior notice to the securities regulatory authorities of a proposed significant change to the methodology. If, however, the changes must be implemented within 45 days of the date of the decision to make the change in limited circumstances, as set out in subsection 17(3) of MI 25-102, a shorter notification period would be acceptable.

## Implementation of Changes to the Methodology

Changes to the Methodology will be implemented on a timely basis, no later than six months from the date of their Board approval. A notice will be published on CBAS's website and distributed to stakeholders including:

- a description of the changes
- the expected implementation date
- any other relevant information



## Document Revision History

Issue Date	Version	Comments
2023.09.14	1.0	
2024.03.15	2.0	Updated with additional guidance on regulatory requirements
2024.08.13	3.0	Changes to provide additional clarification, correct typos and use the name “CBAS” also included.
2025	4.0	Additional description of the role of the Board.



**CANDEAL**  
Benchmark  
Solutions