ISDA Amend: Canadian Representation Letter #1

Summary

Trade reporting is a central part of larger global reforms agreed to by G20 countries and already takes place in both the US and Europe, amongst other jurisdictions. Trade reporting requirements will be placed on Canadian entities by Canadian regulators, including the Ontario Securities Commission (OSC), Autorité des Marchés Financiers (AMF) and Manitoba Securities Commission (MSC). Other Canadian federal and provincial regulators are expected to issue similar rules, designed to be nationally consistent, in short order. Canadian banks, including RBC, are expecting to report all transactions to which they are a party, irrespective of counterparty jurisdiction. In transactions between RBC and a client, RBC will connect to the repository and report transactions.

ISDA Amend Process Flow

Step 1 – Register for an LEI/ Pre-LEI
* If you have already registered for an LEI/Pre-LEI(s), proceed to Step 2

The LEI/Pre-LEI is a mandatory field when signing up to Markit Counterparty Manager and when exchanging counterparty information through ISDA Amend. Of the LEI providers, the Global Markets Entity Identifier (GMEI) Utility currently manages the most registrations globally, with the registration process performed entirely online through https://www.gmeiutility.org/.

A click-by-click guide on the GMEI Utility registration process is available here.

Step 2 – Sign up for Markit Counterparty Manager (New Clients)*
*If you are already an existing ISDA Amend User, proceed to Step 3

ISDA Amend is a free service for non-swap dealers (i.e. end-users of derivatives) and is part of the overall Markit Counterparty Manager. To use this service, users must log on to Markit’s website and register personal contact and firm information (described below). Once registered, users will receive a username and password via email and be contacted by the Markit Operations team to begin the on-boarding process.

For questions concerning ISDA Amend, please contact Markit customer support at MCPsupport@markit.com or by telephone:

ISDA Amend Hotline UK: + 44 (0) 207 260 2102
ISDA Amend Hotline US: + 1 212 488 4049

1. Online click through to Markit Counterparty Manager, available here
2. Click on “Register” in the bottom-right-corner as depicted below. A black screen should appear next.

![Register for Counterparty Manager]

3. Enter your information as requested.

![Register for Counterparty Manager]
4. Under the section entitled “Additional Services” check the box under “Canadian Representation Letter #1”. Scroll down and click on “Submit”.

5. A confirmation screen will appear. Click on “close”. You will be contacted by an ISDA Markit Client Services representative within 48 hours to receive your Username and Password to begin the onboarding process.

6. Once you have (1) registered for an LEI and (2) received your Username and Password from Markit, proceed to Step 3 below.
Step 3 – Access and complete the Canadian Representation Letter #1

1. Log on to ISDA Amend Markit Counterparty Manager available here

2. Once you log in you will be directed to the below screen
3. Click “Create” in the top-left-corner and select “New Entity” from the drop-down menu.

![Create Entity](image1.png)

4. Click the “Basic Information” chevron and complete the fields. You only need to complete the fields highlighted in red, which are mandatory.

![Basic Information](image2.png)

5. Once your information is saved, refer to the steps outlined in the user guide attached below. **Start from step 1.3 Click on the Regulatory Information chevron.**

![Start from step 1.3](image3.png)
ISDA Amend User Guide

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1. Overview

Markit has released new functionality on the ISDA Amend tool to enable clients to make the Canadian Representation Letter 1 directly to their counterparties via the Markit Counterparty Manager platform.

1. Edit existing Entities on Markit Counterparty Manager and Select Counterparties

This section explains how to answer the questions for the Canadian Representation Letter 1 questions and select your counterparties.

Important Note

You need to complete this step for each entity on whose behalf you will be making a representation. If you have a number of entities to update we can provide you with a Batch Upload template to expedite this process.

1.1 Under the “Manage” Tab in Markit Counterparty Manager select “Entities”

1.2 Edit an Entity via “Edit” Button

- Select the entity and click on the Edit button

1.3 Click on the Regulatory Information chevron

- Select Canadian Representation Letter from the list of regulatory actions you can perform
• Answer ‘Canadian Person’ or ‘Not a Canadian Person’ to the Canadian Persons Representation question.
• If you answer ‘Canadian Person’ a box will appear to select the jurisdiction – this is mandatory.

[Image of regulatory form]

• Answer whether you are ‘Registered to Trade Derivatives Representation’ question
• Answer whether or not you are an ‘Affiliate of a Responsible Canadian Person’
• If you are an ‘Affiliate of a Responsible Canadian Person’ a box will appear to select the jurisdiction – this is mandatory.

[Image of regulatory form]

• Answer the Consent to Disclosure to Regulators and Trade Repositories question

[Image of regulatory form]

• You can also supply information on Additional Covenants re Reporting Responsibility and Agreement to the Reporting Party Rules in this section
- Select all of the Counterparties you wish to match against by checking the box to the left of the counterparty OR select all counterparties by checking the top box next to Counterparty Name

- Click on ‘Apply Relationships to other entities’
- A pop up box will appear

- Click on the right arrow button to select all entities or select entities one by one

- Select the protocol you wish to apply to the relationships
- Click Save
- A confirmation pop-up will appear

- Alternatively you can navigate to Tools > Batch > Copy Protocol Relationships
- A pop-up will appear on screen – this will allow you to apply existing relationships you have initiated for previous protocols for Canadian Representation Letter 1
You can select multiple protocols to copy the existing relationships from
You can only select one protocol to apply the relationships to

Important Note

- Only relationships you have initiated can be copied
- Only entities with LEI/pre-LEIs can be included

1.4 Under “Manage” tab click “Regulatory Services”

- Select ISDA Amend Canadian Representation Letter 1

On this screen you will be able to view all of the answers from your counterparties
Clicking on the ‘Download CP Changes’ button will present a pop up
Select the As of Date and the time and click ‘Submit’
The resulting report will show you any changes to your counterparties responses during the specified time period.
Clicking on the "Download Relationships Removed" button will provide a list of the entities for which the relationship has been removed either by your company or by your counterparty depending on who initiated the relationship.
Click on View in the History column – you will be presented with a pop up which provide a list of all the auditable actions from the point the relationship has been created.

- Download the selected audit records by clicking on the "Download" button
- If you would like to download your own entity representations go to the ‘Manage’ tab and choose ‘Entities’
- Click on ‘Download All Canadian Representation Letter 1 information’

- An excel file will be generated with your data

2. Questions about the ISDA Amend tool?

For questions about the ISDA Amend tool functionality, please contact Markit via email at MCPMsupport@markit.com or telephone:

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