

Feedback form – CORRA-in-arrears calculation methodology and CDOR fallback language for Floating Rate Notes

Please e-mail a PDF of your response using this template to CARR-TARCOM-Consultation@bank-banque-canada.ca later than December 22nd, 2020 with the subject line “Consultation Responses”. All responses will be confidential. CARR will publish an anonymized summary of comments on the CARR website after the consultation period closes. We ask respondents to coordinate their responses across their organization to provide a single response per institution.

Respondent Name:	
Title:	
Contact email:	
Organization name	
Organization type:	

Question 1) Do you agree with the proposed calculation methodologies for the CORRA compounded average rates and the CORRA Compounded Index, including the level of decimal precision and the tenors for the CORRA compounded average rates?

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Question 2) Do you see value in publishing the CORRA compounded average rates or, given its flexibility and precision, would the index be sufficient? If so, should all 3 averages be published, or are some more useful than others?

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Question 3) Are there any changes to the compounded average rates or index that would make them more useful? If so, how?

Question 4) Do you agree with the two proposed fallback triggers? Are there additional criteria that should be included in these two triggers?

Question 5) Do you agree that pre-cessation triggers should not be included in the proposed fallback language? Please explain your response.

Question 6) Do you agree with the rates included in the proposed replacement rate waterfall? If not, how should they change?

Question 7) Do you agree with the ordering of the proposed replacement rate waterfall? If not, how would you change the order?

Question 8) Do you believe any additional rates should be included in the waterfall? Please describe why they should be included and how would you order the resulting waterfall.

Question 9) Do you agree with the two proposed Replacement Benchmark Spreads? Are there details that should be included in the fallback language describing the spreads?

Question 10) Are there any other spreads you believe should be added to the waterfall? If so, please describe them and your rationale.

Question 11) Are there any market conventions (e.g. for the fallback rates or Replacement Benchmark Spreads) that should be explicitly outlined in the fallback language, or should the language remain broad enough to allow for different interpretations? Please be specific.

Question 12) Would any aspect of this proposal significantly impact your ability to issue or purchase FRNs? If so, please explain how.

Question 13) Please provide any additional feedback on the proposed fallback language.