

**13.3 Clearing Agencies**

**13.3.1 CDS – Notice of Effective Date – Technical Amendments to CDS Procedures – Annual Issuance and Custodial Certification Forms**

**TECHNICAL AMENDMENTS TO CDS PROCEDURES  
ANNUAL ISSUANCE AND CUSTODIAL CERTIFICATION FORMS**

**NOTICE OF EFFECTIVE DATE**

**A. DESCRIPTION OF THE PROPOSED CDS PROCEDURE AMENDMENTS**

The proposed procedure amendments are available for review and download on the User Documentation page on the CDS website at [www.cds.ca/cdsclearinghome.nsf/Pages/-EN-UserDocumentation?Open](http://www.cds.ca/cdsclearinghome.nsf/Pages/-EN-UserDocumentation?Open).

***Description of the proposed amendments***

Each CDS participant that issues money market or non-money market instruments in CDSX is expected to maintain minimum internal control standards on the issuance and handling processes of those notes, and to perform periodic reviews of these controls. The standards are described in the documents “Minimum Internal Control Standards on Money Market Securities Issuance (*Standards*)” and “Minimum Internal Control Standards on Non-Money Market Securities Issuance (*Standards*)”, which can be found on the CDS website, [www.cds.ca](http://www.cds.ca).

Participants with issuance functionality are asked to provide annual certification of their controls, by submitting the following forms to CDS:

- CDSX852 – Annual Money Market Participation Certification
- CDSX853 – Annual Custodian Certification
- CDSX855 – Annual Certification by a Participant Issuing Non-Money Market Securities

The proposed amendments are formatting and descriptive changes to the above certification forms. These changes came about as a result of participant feedback on the ease of use of these forms.

CDS procedure amendments are reviewed and approved by CDS’s strategic development review committee (SDRC). The SDRC determines or reviews, prioritizes and oversees CDS-related systems development and other changes proposed by participants and CDS. The SDRC’s membership includes representatives from the CDS participant community and it meets on a monthly basis.

These amendments were reviewed and approved by the SDRC on November 24, 2011.

**B. REASONS FOR TECHNICAL CLASSIFICATION**

The amendments proposed pursuant to this Notice are considered technical amendments as they are matters of a technical nature in routine operating procedures and administrative practices relating to the settlement service.

**C. EFFECTIVE DATE OF THE CDS PROCEDURE AMENDMENTS**

Pursuant to Appendix A (“Rule Protocol Regarding The Review And Approval Of CDS Rules By The OSC”) of the Recognition and Designation Order, as amended on November 1, 2006, and Annexe A (“Protocole d’examen et d’approbation des Règles de Services de Dépot et de Compensation CDS Inc. par l’Autorité des marchés financiers”) of AMF Decision 2006-PDG-0180, made effective on November 1, 2006, CDS has determined that the proposed amendments will become effective on December 30, 2011.

**D. QUESTIONS**

Questions regarding this notice may be directed to:

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