

13.1.2 Technical Amendments to CDS Procedures – New Extended Failed Trades File for IIROC Members – Notice of Effective Date

CDS CLEARING AND DEPOSITORY SERVICES INC. (CDS®)
TECHNICAL AMENDMENTS TO CDS PROCEDURES
NEW EXTENDED FAILED TRADES FILE FOR IIROC MEMBERS
NOTICE OF EFFECTIVE DATE

A. DESCRIPTION OF THE CDS PROCEDURE AMENDMENT

Background

The proposed amendment is to allow subscription to a new file that is required to assist CDS participants in complying with the regulatory reporting requirements of the Investment Industry Regulatory Organization of Canada (IIROC).

A new file will be created to identify unsettled non-exchange trades to IIROC. The new file will be based on the existing end-of-day outbound non-exchange trade file sent to subscribing participants each day, but will only report those trades that are outstanding 10 days past value date, where the buyer (and subscriber) is an IIROC member. The new daily file will be delivered on behalf of a subscribing participant directly to IIROC.

By having CDS provide this information to IIROC, individual participant costs associated with developing and supporting a facility to report this data are reduced or eliminated.

The CDSX218 form marked for the amendments may be accessed at the CDS website at:

<http://www.cds.ca/cdsclearinghome.nsf/Pages/-EN-FormsOnline?Open>

Description of Proposed Amendments

The proposed amendment allows participants to subscribe to the new Extended Failed Trades-IIROC file.

CDS subscription form:

CDSX218: Data Transmission Request

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 SDRCs 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 August 27, 2009.

B. REASONS FOR TECHNICAL CLASSIFICATION

The amendments proposed pursuant to this Notice are considered technical amendments required to ensure consistency or compliance with a regulatory requirement.

C. EFFECTIVE DATE OF THE CDS PROCEDURE AMENDMENT

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 a date subsequently determined by CDS, and as stipulated in the related CDS Bulletin.

D. QUESTIONS

Questions regarding this notice may be directed to:

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