

13.1.2 CDS Rule Amendment Notice – Technical Amendments to CDS Procedures – ITP Stats: Trade Details File and Report

CDS CLEARING AND DEPOSITORY SERVICES INC. (CDS®)

TECHNICAL AMENDMENTS TO CDS PROCEDURES

ITP STATS: TRADE DETAILS FILE AND REPORT

NOTICE OF EFFECTIVE DATE

A. DESCRIPTION OF THE AMENDMENTS

Background

The National Instrument 24 – 101 (“NI 24 – 101”) rule requires participants involved in institutional trading to have a process in place to allow for trade matching within a prescribed period of time, and to report exceptions to the regulators.

Currently CDS generates reports that provide participants with their performance statistics broken down by trading buckets (i.e. various time periods between when a trade is entered or confirmed on CDSX® and the trade date). The Institutional Trade Processing (“ITP”) Working Group, via the CDS Strategic Development Review Committee (“SDRC”) Debt subcommittee, have requested that the details of the trades contained in each of these buckets be provided in a file and a report to allow participants to identify and investigate trades that do not meet the performance standard.

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

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

Description of Proposed Amendments

The following procedures will be impacted by this initiative:

CDS Reporting Procedures:

- Chapter 15 Institutional Trade Processing Reports, Section 15.6

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 services, and they are required to ensure consistency or compliance with an existing rule, securities legislation or other regulatory requirement.

C. EFFECTIVE DATE OF THE RULE

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 these amendments will be effective on **September 15, 2008**.

These amendments were reviewed and approved by the SDRC on **July 31, 2008**.

D. QUESTIONS

Questions regarding this notice may be directed to:

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