

13.1.4 CDS Rule Amendment Notice – Technical Amendments to CDS Procedures Relating to New Trade Type

CDS CLEARING AND DEPOSITORY SERVICES INC. (CDS®)

TECHNICAL AMENDMENTS TO CDS PROCEDURES

NEW TRADE TYPE

NOTICE OF EFFECTIVE DATE

A. DESCRIPTION OF THE RULE AMENDMENT

Background

The proposed amendments address a request from the CDS Strategic Development Review Committee (“SDRC”) Debt & Equity Subcommittee. The SDRC Subcommittee request will improve Participants’ ability to track security donation activity. These trades will be reported to CDSX as client trades; the proposed addition of the new trade type will allow Participants to identify specific donation-related transactions for year-end tax-related reporting to Participants’ clients. This new trade type is classified as a non-exchange trade for purposes of trading and settlement.

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

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

[en francais: <http://www.cds.ca/cdsclearinghome.nsf/Pages/-FR-Documentation?Open>]

Description of Proposed Amendments

The proposed amendments to the CDS User Guide entitled *Trade and Settlement Procedures* will be to include the new trade type – ‘DTN’ – as a non-exchange trade type at section 1.3. This section lists the available trade types within CDSX and their classification.

B. REASONS FOR TECHNICAL CLASSIFICATION

The amendments proposed pursuant to this Notice are considered technical amendments; they are matters of a technical nature in routine operating procedures and administrative practices relating to the settlement services (3(a)(i)).

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 OSC Recognition and Designation Order, as amended 1 November, 2006, and *Annexe A (“Protocole d’examen et d’approbation des Règles de Services de Dépôt et de Compensation CDS Inc. par l’Autorité des marchés financiers”)* of AMF Decision 2006-PDG-0180, made effective on 1 November, 2006, CDS has determined that these amendments will be effective on **August 13, 2007**.

D. QUESTIONS

Questions regarding this notice may be directed to:

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