

13.1.4 CDS Rule Amendment Notice – Technical Amendments to CDS Rules Relating to Delivery Services – Responsibility for Shipments

CDS CLEARING AND DEPOSITORY SERVICES INC. (CDS)

**TECHNICAL AMENDMENTS TO CDS RULES RELATING TO
DELIVERY SERVICES - RESPONSIBILITY FOR SHIPMENTS**

NOTICE OF EFFECTIVE DATE

A. DESCRIPTION OF THE PROPOSED AMENDMENTS

The CDS Participant Rules were recently amended to add Rule 13 – Delivery Services. During the review period for that Rule amendment, it was noted that a provincial statute conflicted with Rule 13.6. That is, Rule 13.6 provided a broad scope liability disclaimer while the provincial statute provided that a person could not exclude or limit their liability for material injury caused to another through an intentional or gross fault.

Through examination of Rule 13.6, it was agreed that there should not be a broad disclaimer of liability that applies only to the Delivery Services – there should be consistency with all services provided by CDS. The deletion of the last sentence in Rule 13.6 will result in consistency with the provincial statute and the CDS Rules.

The CDS Participant Rules marked for the proposed amendments may be accessed on the CDS website at:

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

B. REASONS FOR TECHNICAL CLASSIFICATION

The amendments proposed pursuant to this Notice are classified as “technical/housekeeping” as they involve only amendments required to ensure consistency or compliance with an existing rule, securities legislation or other regulatory requirement.

C. EFFECTIVE DATE OF THE RULE

Pursuant to (1) Appendix A (“Rule Protocol Regarding The Review And Approval Of CDS Rules By The OSC”) of the OSC Recognition and Designation Order, as amended November 01, 2006 and (2) *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 November 01, 2006, CDS has determined that these amendments will be effective on February 20, 2007.

D. Questions

Questions regarding this notice may be directed to:

Jamie Anderson
Managing Director, Legal
CDS Clearing and Depository Services Inc.
85 Richmond Street West
Toronto, Ontario M5H 2C9

Fax: 416-365-1984
e-mail: attention@cds.ca

TOOMAS MARLEY
Chief Legal Officer