

**13.1.3 CDS Rule Amendment Notice – Technical Amendments to CDS Procedures Relating to International Services Procedures**

**CDS CLEARING AND DEPOSITORY SERVICES INC. (CDS)**

**TECHNICAL AMENDMENTS TO CDS PROCEDURES**

**INTERNATIONAL SERVICES PROCEDURES**

**NOTICE OF EFFECTIVE DATE**

**A. DESCRIPTION OF THE AMENDMENT**

*Background*

CDS's International Message Hub was implemented on November 27<sup>th</sup>, 2006, and procedures addressing its use were submitted for, and received regulatory approval prior to that implementation. In the course of CDS's regular testing of its systems and associated external procedures since the initial external procedures were submitted for public comment and review, several amendments to the procedures put in place at the time of the implementation have been suggested. The proposed amendments address these suggestions.

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

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

*Description of Proposed Amendments*

In addition to several typographical and stylistic amendments, the proposed amendments appear in the following sections of the CDS User Guide entitled *International Services Procedures*, specifically:

- At section 2.2, a notation has been added addressing the processing of duplicate international delivery instructions from JASDEC.
- At section 4.5, a notation has been added addressing the cancellation or rejection of international delivery instructions, per Swedish practice, up to the settlement date.

In the CDS User Guide entitled *CDS Reporting Procedures*, at section 16.33, the sort order for the international delivery report has been modified.

In the CDS User Guide entitled *Participating in CDS Services*, sections 8.3 and 8.4 – which address the procedures in the event of a merger of CDS participants and their CUIDs – have been modified to address the treatment of outstanding CDSX transactions and the processing of unsettled trades related to the International Message Hub.

**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.

**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 February 5, 2007.

**D. QUESTIONS**

Questions regarding this notice may be directed to:

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