



## NOTICE TO MEMBERS

No. 058-24

**May 17, 2024**

### SELF-CERTIFICATION

#### **AMENDMENTS TO THE RULES, OPERATIONS MANUAL AND RISK MANUAL OF THE CORPORATION IN ORDER TO MOVE TO T+1 SETTLEMENT**

On October 26, 2023, the Board of Directors of the Canadian Derivatives Clearing Corporation (“**CDCC**”) approved certain amendments to its Rules, Operations Manual and Risk Manual to move to T+1 Settlement.

CDCC wishes to inform the Clearing Members that these amendments have been self-certified pursuant to the self-certification process set forth in the *Derivatives Act* (C.Q.L.R., c I-14.01) and submitted to the Ontario Securities Commission in accordance with the “Rule Change Requiring Approval in Ontario” process.

You will find attached hereto the amendments set to come into force and to be incorporated into the version of the Rules, Operations Manual and Risk Manual of CDCC that will be made available on the CDCC website at [www.cdcc.ca](http://www.cdcc.ca) on **May 24, 2024**, after market close.

If you have any questions or concerns regarding this notice, please contact Dima Ghozaiel, Legal Counsel, by email at [dima.ghozaiel@tmx.com](mailto:dima.ghozaiel@tmx.com).

George Kormas  
President

**BLACKLINE VERSION**

**CANADIAN DERIVATIVES CLEARING CORPORATION**

**RULES**

**XX, 202X**

## Section B-1101 – Definitions

Notwithstanding Section A-102 for the purpose of Bond Futures Options, the following terms shall have the meaning specified:

[...]

“Last Day of Trading” - The third Friday of the Expiration Month provided that such Friday is a Business Day and precedes by at least ~~one~~~~two~~ Business Days the first day on which a Tender Notice may be submitted for the Underlying Interest. Otherwise the Last Day of Trading shall be the Business Day prior to such Friday which precedes by ~~two~~~~one~~ Business Days the first day on which a Tender Notice may be submitted for the Underlying Interest.

[...]

## Section C-1103- Submission of Tender Notices

- (1) A Clearing Member who holds a Short Position in the currently deliverable series and who wishes to make delivery must submit a Tender Notice to the Corporation no later than the time established by the Corporation on a Business Day from ~~two~~~~one~~ Business Days preceding the first Business Day of the Delivery Month up to and including the ~~second~~~~first~~ last Business Day preceding the last Business Day of the Delivery Month indicating the maturity of the Government of Canada Bonds being delivered.

[...]

## Section C-1104 - Delivery Through the Central Securities Depository

- (1) Day of Delivery – Delivery of long term Government of Canada bonds as required by this Rule shall be made by the Clearing Member on the ~~first~~~~second~~ Business Day following submission of a Tender Notice, or on a day as otherwise determined by the Corporation.

[...]

## Section C-1303- Submission of Tender Notices

- (1) A Clearing Member who holds a Short Position in the currently deliverable series and who wishes to make delivery must submit a Tender Notice to the Corporation no later than the time established by the Corporation on a Business Day from ~~two~~~~one~~ Business Days preceding the first Business Day of the Delivery Month up to and including the ~~first~~~~second~~ last Business Day preceding the last Business Day of the Delivery Month indicating the maturity of the Government of Canada bonds being delivered.
- (2) A Clearing Member who, at the time that trading has ceased, holds a Short Position of the currently deliverable series shall submit a Tender Notice to the Corporation indicating the maturity of the Government of Canada Bonds being delivered. Such Notice must be tendered

no later than the ~~second~~-first Business Day preceding the last Business Day of the Delivery Month.

This Section C-1303 supplements Section C-503.

#### **Section C-1304 - Delivery Through the Central Securities Depository**

- (1) Day of Delivery - Delivery of Government of Canada bonds as required by this Rule shall be made by the Clearing Member on the ~~second~~-first Business Day following submission of a Tender Notice, or on a day as otherwise determined by the Corporation. Delivery must be made no later than the last Business Day of the Delivery Month.

[...]

#### **Section C-1403- Submission of Tender Notices**

- (1) A Clearing Member who holds a Short Position in the currently deliverable series and who wishes to make delivery must submit a Tender Notice to the Corporation no later than the time established by the Corporation on a Business Day from ~~two~~-one Business Days preceding to the first Business Day of the Delivery Month up to and including the ~~second~~-first last Business Day preceding the last Business Day of the Delivery Month indicating the maturity of the Government of Canada bonds being delivered.
- (2) A Clearing Member who, at the time that trading has ceased, holds a Short Position of the currently deliverable series shall submit a Tender Notice to the Corporation indicating the maturity of the Government of Canada Bonds being delivered. Such Notice must be tendered no later than the ~~second~~-first Business Day preceding the last Business Day of the Delivery Month.

[...]

#### **Section C-1404 - Delivery Through the Clearing Corporation**

- (1) Day of Delivery - Delivery of Government of Canada bonds as required by this Rule shall be made by the Clearing Member on the ~~second~~-first Business Day following submission of a Tender Notice, or on a day as otherwise determined by the Corporation. Delivery must be made no later than the last Business Day of the Delivery Month.

[...]

#### **Section C-1603- Submission of Tender Notices**

- (1) A Clearing Member who holds a Short Position in the currently deliverable series and who wishes to make delivery must submit a Tender Notice to the Corporation no later than the time established by the Corporation on a Business Day from ~~two~~-one Business Days preceding the first Business Day of the Delivery Month up to and including the ~~second~~-first last Business Day preceding the last Business Day of the Delivery Month indicating the maturity of the Government of Canada bonds being delivered.

(2) A Clearing Member who, at the time that trading has ceased, holds a Short Position of the currently deliverable series shall submit a Tender Notice to the Corporation indicating the maturity of the Government of Canada Bonds being delivered. Such Notice must be tendered no later than the ~~second~~first Business Day preceding the last Business Day of the Delivery Month.

[...]

#### **Section C-1604 - Delivery Through the Clearing Corporation**

(1) Day of Delivery - Delivery of Government of Canada bonds as required by this Rule shall be made by the Clearing Member on the ~~second~~first Business Day following submission of a Tender Notice, or on a day as otherwise determined by the Corporation. Delivery must be made no later than the last Business Day of the Delivery Month.

[...]

#### **Section C-1804 - Delivery Through the Central Securities Depository**

(1) Day of Delivery - Delivery of Government of Canada bonds as required by this Rule shall be made by the Clearing Member on the ~~second~~first Business Day following submission of a Tender Notice, or on a day as otherwise determined by the Corporation.

[...]

#### **Section C-1904 - Delivery Through the Corporation**

(1) Day of Delivery – Delivery of Carbon Dioxide Equivalent (CO2e) Units as required by this Rule shall be made by the Clearing Member on the ~~first~~second Business Day following submission of a Tender Notice, or on a day as otherwise determined by the Corporation.

[...]

#### **Section C-1906 - Shortage of Deliverable Carbon Dioxide Equivalent (CO2e) Units**

[...]

A Final Settlement Price will be determined by the Exchange on the last day of trading. The final settlement in cash shall be made in accordance with the procedure specified in Section C-2002 on the final settlement date, which shall be the same date as the Day of Delivery described in Subsection C-1904(1), that is the ~~second~~first Business Day following the last day of trading, or on a day as otherwise determined by the Corporation.

[...]

#### **Section C-1907 - Alternative Delivery Procedure**

[...]

The Corporation is released from any responsibility towards these Clearing Members and for the Futures Contract on Carbon Dioxide Equivalent (CO<sub>2</sub>e) Units with Physical Settlement once an Alternative Delivery Procedure agreement and its terms have been confirmed by the two Clearing Members and the Corporation. Clearing Members who agree on an Alternative Delivery Procedure undertake to indemnify the Corporation in respect of any costs, charges and expenses incurred by the Corporation in connection with this contract and such agreement, including, without limitation, any costs, charges and expenses incurred as a result of a failure on the part of a Clearing Member to meet its obligations under an Alternative Delivery Procedure agreement. The Alternative Delivery Procedure agreement must be confirmed by the two Clearing Members and the Corporation no later than 2:45 p.m. on the ~~second~~first Business Day that follows the last day of trading, otherwise the relevant Clearing Members will be considered to have failed to their delivery related obligations under the Rules of the Corporation.

[...]

**CANADIAN DERIVATIVES CLEARING CORPORATION**  
**OPERATIONS MANUAL**



[...]

## **EXERCISES, TENDERS, ASSIGNMENTS AND DELIVERIES**

### **FUTURES**

#### **Submission of Tender Notices**

Notices must be submitted before Close of Business during the relevant FIFO Period (which, subject to any contract adjustment by the Exchange, shall be as follows):

CGB, CGF and CGZ ~~one~~<sup>two</sup> Business Days preceding the first Business Day of the Delivery Month up to and including the ~~second~~<sup>second</sup>-last Business Day preceding the last Business Day of the Delivery Month.

[...]

#### **Buy-In Process (excluding Fixed Income Variation Margin Buy-Ins)**

[...]

When initiated by a Receiver of Securities, the Buy-In process shall be as follows:

1. The Receiver of Securities who wants to initiate a Buy-In must send to CDCC the appropriate Buy-In Scan Form (which is accessible on CDCC's Secured Website) duly completed, with the following information:

- a) Clearing Member's Name;
- b) Clearing Member's Number;
- c) The Acceptable Security (ISIN) involved;
- d) The total quantity of the Failed Delivery;
- e) The quantity requested in the Buy-In;
- f) The Buy-In delivery date, which shall be the current Business Day + not less than ~~one~~<sup>two</sup> (12) complete Business Days.

**CANADIAN DERIVATIVES CLEARING CORPORATION**  
**RISK MANUAL**

### 1.3 SUPPLEMENTAL LIQUIDITY CONTRIBUTIONS

[...]

For the purposes of this Section 1.3, an “expiry period” generally covers two~~three~~ “expiry days”: the expiry day and the next ~~two~~ Business Days.

**CLEAN VERSION**

**CANADIAN DERIVATIVES CLEARING CORPORATION**

**RULES**

**XX, 202X**

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[...]

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## **Section C-1103- Submission of Tender Notices**

- (1) A Clearing Member who holds a Short Position in the currently deliverable series and who wishes to make delivery must submit a Tender Notice to the Corporation no later than the time established by the Corporation on a Business Day from one Business Day preceding the first Business Day of the Delivery Month up to and including the first last Business Day preceding the last Business Day of the Delivery Month indicating the maturity of the Government of Canada Bonds being delivered.

[...]

## **Section C-1104 - Delivery Through the Central Securities Depository**

- (1) Day of Delivery – Delivery of long term Government of Canada bonds as required by this Rule shall be made by the Clearing Member on the first Business Day following submission of a Tender Notice, or on a day as otherwise determined by the Corporation.

[...]

## **Section C-1303- Submission of Tender Notices**

- (1) A Clearing Member who holds a Short Position in the currently deliverable series and who wishes to make delivery must submit a Tender Notice to the Corporation no later than the time established by the Corporation on a Business Day from one Business Day preceding the first Business Day of the Delivery Month up to and including the first last Business Day preceding the last Business Day of the Delivery Month indicating the maturity of the Government of Canada bonds being delivered.
- (2) A Clearing Member who, at the time that trading has ceased, holds a Short Position of the currently deliverable series shall submit a Tender Notice to the Corporation indicating the maturity of the Government of Canada Bonds being delivered. Such Notice must be tendered no later than the first Business Day preceding the last Business Day of the Delivery Month.

This Section C-1303 supplements Section C-503.

### **Section C-1304 - Delivery Through the Central Securities Depository**

- (1) Day of Delivery - Delivery of Government of Canada bonds as required by this Rule shall be made by the Clearing Member on the first Business Day following submission of a Tender Notice, or on a day as otherwise determined by the Corporation. Delivery must be made no later than the last Business Day of the Delivery Month.

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### **Section C-1404 - Delivery Through the Clearing Corporation**

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**OPERATIONS MANUAL**

[...]

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- c) The Acceptable Security (ISIN) involved;
- d) The total quantity of the Failed Delivery;
- e) The quantity requested in the Buy-In;
- f) The Buy-In delivery date, which shall be the current Business Day + not less than one (1) complete Business Day .

**CANADIAN DERIVATIVES CLEARING CORPORATION**  
**RISK MANUAL**

### **1.3 SUPPLEMENTAL LIQUIDITY CONTRIBUTIONS**

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For the purposes of this Section 1.3, an “expiry period” generally covers two “expiry days”: the expiry day and the next Business Day.