



NOTICE TO MEMBERS

No. 071-23

Mai 26, 2023

SELF-CERTIFICATION

AMENDMENTS TO THE RISK MANUAL OF THE CANADIAN DERIVATIVES CLEARING CORPORATION REGARDING THE BASE INITIAL MARGIN MODEL USED TO CALIBRATE MARGIN RELIEFS FOR EXCHANGE TRADED DERIVATIVES

On February 2, 2023, the Board of Directors of Canadian Derivatives Clearing Corporation (“CDCC”) approved certain amendments to the Risk Manual of CDCC (the “Manual”) to allow the modification of the methodology used by CDCC to calibrate margin reliefs between Futures products listed at the Montréal Exchange (the “Bourse”) and cleared by CDCC.

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 of CDCC that will be made available on the CDCC website at www.cdcc.ca on **May 26, 2023, after market close**.

The amendments described in the present notice were published for public comment by CDCC on February 3, 2023 (see Notice [020-23](#)). Further to the publication of this notice, no comments were received by CDCC. The amendments include minor modifications made to the Manual since the publication of Notice 020-23.

For more information, please contact Maxime Rousseau-Turenne, Legal Counsel, at maxime.rousseauturenne@tmx.com.

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AMENDMENTS TO THE RISK MANUAL
BLACKLINED VERSION

[...]

6.1.3 Inter-Commodity

The Corporation may consider the correlation that exists between different Combined Commodities when calculating the Base Initial Margin. The Corporation will grant a credit according to the historical correlation of the profit and loss of the two Combined Commodities~~returns of the two Combined Commodities~~. If multiple Inter-Commodity are defined, the Corporation will prioritize the ones with the highest correlation.

The Inter-Commodity and the spread priorities are updated by CDCC from time to time.

[...]

AMENDMENTS TO THE RISK MANUAL
CLEAN VERSION

[...]

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