

NOTICE TO MEMBERS

N°: 142-23

November 27, 2023

REQUEST FOR COMMENTS

AMENDMENTS TO THE OPERATIONS MANUAL OF THE CANADIAN DERIVATIVES CLEARING CORPORATION TO INCLUDE A GROSS CLIENT MARGIN BALANCE RISK ACCOUNT FORECAST

On October 26, 2023, the Board of Directors of the Canadian Derivatives Clearing Corporation (“**CDCC**”) approved changes to its Operations Manuals in order to introduce additional Gross Client Margin (“**GCM**”) reporting and system functionality, which will facilitate Clearing Members’ GCM reconciliation, and in addition, include further details regarding some operational processes on GCM.

Please find enclosed an analysis document as well as the proposed amendments.

Process for Changes to the Rules

CDCC is recognized as a clearing house under section 12 of the *Derivatives Act* (Québec) by the Autorité des marchés financiers (“AMF”) and as a recognized clearing agency under section 21.2 of the *Securities Act* (Ontario) by the Ontario Securities Commission (“OSC”).

The Board of Directors of the CDCC have the power to approve the adoption or amendments of the Rules and Operations Manual of the CDCC. Amendments are submitted to the AMF in accordance with the self-certification process and to the OSC in accordance with the process provided in the Recognition Order.

Comments on the proposed amendments must be submitted before **December 29, 2023**. Please submit your comments to:

Sophie Brault

Legal Counsel

Canadian Derivatives Clearing Corporation

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A copy of these comments shall also be forwarded to the AMF and to the OSC to:

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Executive Director, Legal Affairs
Autorité des marchés financiers
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George Kormas
President



AMENDMENTS TO THE OPERATIONS MANUAL OF THE CANADIAN DERIVATIVES CLEARING CORPORATION TO INCLUDE A GROSS CLIENT MARGIN BALANCE RISK ACCOUNT FORECAST

I. DESCRIPTION

Canadian Derivatives Clearing Corporation (“**CDCC**”) is proposing changes to its Operations Manuals in order to introduce additional Gross Client Margin (“**GCM**”) reporting and system functionality, which will facilitate Clearing Members’ GCM reconciliation, and in addition, include further details regarding some operational processes on GCM.

Following the implementation of GCM, CDCC and Clearing Members observed significant Additional Margin for Undeclared GCM Positions Risk (hereafter “**Balance Account Margins**”) charges to Clearing Members, due to position differences between CDCC’s Book Positions and the GCM declared position. As a result, CDCC decided to develop a new report (GCM Forecasted Risk Balance Account) and system functionality in an effort to reduce the frequency of these events. CDCC will also take the opportunity to include certain details to clarify some operation processes on GCM.

Unless otherwise defined herein, any defined term used in this analysis will have the meaning described in the CDCC Rules and Operations Manual.

II. PROPOSED AMENDMENTS

CDCC hereby proposes amendments to the Operations Manual as follows:

- Section 2 - adding descriptions of timeframes on operational processes on GCM
- Section 3 - including a new report (GCM Forecasted Risk Balance Account - MP53) to its existing list of reports and enhancing the current list
- Section 5 - adding a clarification regarding the failure to submit a GCM Declaration File by a Clearing Member.
- Section 7 - minor correction of a timeline (from 7:45 a.m. to 8:15 a.m.)

The proposed amendments are provided herein in Appendix “A”.

III. ANALYSIS

a. Background

GCM was implemented in March 2023 and during the first few months of the project, CDCC has observed significant Undeclared GCM Positions Risk (hereafter “Balance Account Margins”) for some of its Clearing Members, especially around the quarterly Futures roll period. To avoid these significant Balance Account Margin impacts, CDCC decided to develop a new report and a new system functionality in an effort to reduce the frequency of these events.

GCM Forecasted Risk Balance Account and System functionality

Currently, the GCM position change submission via the GCM Declaration File mechanism closes positions within the Canadian Derivatives Clearing Service (“CDCC”) to match the Clearing Member’s declared GCM positions if and only if the net positions are equal (meaning $CDCC \text{ Long Position} - CDCC \text{ Short Position} = GCM \text{ declared Long Position} - GCM \text{ declared Short Position}$). Should there be a net difference, a balance account is calculated by assessing the difference between CDCC positions and the declared positions (meaning $CDCC \text{ Long Position} - GCM \text{ declared Long Position} = \text{Balance Long Position}$; $CDCC \text{ Short Position} - GCM \text{ declared Short Position} = \text{Balance Short Position}$). Positions within the GCM Balance Risk Account are margined on a gross basis (Long Positions and Short Positions are margined independently as if belonging to two independent clients).

The issue that Clearing Members are facing is that their position reconciliation generally occurs the day following the settlement date of transactions (“T+1”). This results in large open positions on the CDCC Book Positions. Furthermore, small operational errors are quite frequent. In the event where CDCC is unable to do the automatic adjustment for the reason mentioned above, large positions could result in large balance accounts for relatively small position differences.

In order to address this concern, CDCC will offer to its Clearing Members the ability to access a forecasted balance account report (GCM Forecasted Balance Risk Account). Once a Clearing Member submits its GCM Declaration File, CDCC will produce a GCM Forecasted Risk Balance Account report (MP53) providing a similar layout to the GCM Declaration Report (MP55). The GCM Forecasted Balance Risk Account report will assist in preventing large unexpected Balance Account Margins when Clearing Members submit a GCM Declaration File. The report will be generated every time a GCM Declaration File is submitted by a Clearing Member. It will be then available in the same location as all other Clearing Member’s reports.

Furthermore, a new functionality will be added allowing Clearing Members to correct discrepancies between their declared GCM positions and CDCC’s Book Positions between 7:00 p.m. and 8:45 p.m. prior to the GCM Declaration File end-of-day cut-off (9:00 p.m. EST) improving Clearing Member’s ability to align their CDCC positions with their declared GCM positions

GCM Timeframe

CDCC proposes to include the following timeframes in order to clarify the current GCM operation processes:

- 1) GCM Position Adjustment availability at 7:00 p.m.
- 2) GCM Position Adjustment end of availability at 8:45 p.m.

As mentioned previously, this will be the period where Clearing Members will be able to submit their GCM Declaration File and receive the GCM Forecasted Risk Balance Account report (MP53). Clearing Members are then able to perform position adjustments on the CDCC Book Positions to align the CDCC Book Positions to their GCM Declaration. Note that a GCM Declaration File must still be received before 9:00 p.m., as this has been the case since the implementation of GCM in March 2023.

- 3) GCM Settlement Calculation at 9:00 p.m.

Since the implementation of GCM in March 2023, CDCC performs settlement calculations based on the GCM Declaration Files submitted by Clearing Members. CDCC is adding this timeframe to clarify its current system activity in order to ensure CDCC's Operation Manual's completeness.

Failure to submit a GCM Declaration File

CDCC wishes to clarify its current process regarding the failure of a Clearing Member to submit a GCM Declaration File. In the event a Clearing Member fails to submit a GCM Declaration File, CDCC will use the previous Business Day Declaration File. While this mitigates the impact of having all the positions as undeclared positions and margined separately, changes in positions that occurred on the day of the missed declaration may result in undeclared positions. If a Clearing Member fails to submit a GCM Declaration File for a second consecutive Business Day (or any following Business Day), CDCC will not use the previous GCM Declaration File and will treat all the GCM client positions as undeclared positions.

Minor corrections

CDCC will take the opportunity to modify the names and description of reports to ensure clarity and ease of understanding of the reports to the benefit of its Clearing Members.

In addition, CDCC is correcting the deadline for payment of a previous day's settlement, from 7:45 a.m. to 8:15 a.m. (Limited Clearing Members' deadline remains at 9:00 a.m.) in section 7 of the Operations Manual. This has been in effect since the launch of the GCM initiative in March 2023. It was reflected in section 2 of the Operations Manual at the time of the GCM implementation, but was not reflected in section 7 of the Operations Manual. This was put in place to allow more time for Clearing Members to make payments to CDCC given that the end-of-day settlement notification was changed to 9:00 p.m. to account for the GCM Declaration File.

b. Objectives

CDCC wishes to achieve three main objectives with the proposed changes:

- Offer its Clearing Members a forecast of the position that will reside in their GCM Balance Risk Account directly after the submission of their GCM Declaration File
- Following the forecast, the option to correct operational errors that may lead to significant Balance Account Margin before the GCM margin is calculated
- Include further details regarding some operational processes on GCM and correcting minor inconsistencies in the manual

c. Analysis of Impacts

i. Impacts on Market

By offering Clearing Members the ability to correct operational errors via the GCM Forecasted Risk Balance Account report ahead of the GCM Declaration File, CDCC expects a significant reduction in the occurrence of large margins required under the Additional Margin for Undeclared GCM Positions Risk.

ii. Impacts on Technology

CDCC will perform technological changes to its systems to create a new report (MP53) and add system functionalities so that Clearing Members are able to correct position discrepancies (between 7:00 p.m. and 8:45 p.m.) as described above. User acceptance testing will be conducted to ensure the new functionalities perform as expected.

iii. Impacts on trading functions

The proposed amendments will have no impact on Bourse de Montréal Inc. trading systems or rules.

iv. Public Interest

CDCC is of the view that the proposed amendments are not contrary to the public interest. In fact, the public and Clearing Members are generally requesting clear rules that are consistent with the best practices of other clearing houses and are compliant with the Principles for Financial Market Infrastructures ("PFMI").

IV. PROCESS

The proposed amendments, including this analysis, have been approved by CDCC's board of directors and is submitted to the Autorité des marchés financiers, in accordance with the regulatory self-certification process, and to the Ontario Securities Commission in accordance with the rules stated in Appendix "A" of Schedule "C" of CDCC Recognition Order dated June 15, 2023 (as amended from time to time).

The proposed amendments and analysis will also be submitted to the Bank of Canada in accordance with the Amended and Restated Oversight Agreement.

Subject to public comments, the proposed amendments are expected to take effect no later than the first quarter of 2024.

V. ATTACHED DOCUMENTS

Proposed amendments to the Operations Manual

APPENDIX A: PROPOSED AMENDMENTS TO THE OPERATIONS
MANUAL BLACKLINE VERSION

OPERATIONS MANUAL
XXX, 202X



**CANADIAN DERIVATIVES CLEARING
CORPORATION CORPORATION CANADIENNE DE
COMPENSATION DE PRODUITS DÉRIVÉS
OPERATIONS MANUAL**

*****, 202***



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Section 2 TIME FRAMES

[...]

With respect to operational activity related to Options with an Expiration Date on Expiry Friday, CDCC staff members are available ~~on-site~~ from 7:00 a.m. to fifteen (15) minutes after delivery of the Options Exercised and Assigned Report (MT02).

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SETTLEMENT TIME FOR EVERY BUSINESS DAY

Activity	Time Frames	Activity Type
Beginning of Clearing Day and Overnight Clearing Cycle	8:00 p.m. (t-1)	System Activity
Clearing Member's (excluding LCMs) Overnight Margin Calculation & Notification	Every hour from 10:00 p.m. (t-1) to 7:00 <u>a.m.</u> and 8:15 a.m. (t)	System Activity/Notification
Deadline to settle Overnight Margin Call notification	2 hours after	Obligation Deadline
Beginning of Settlement Day at CDS	5:30 a.m.	System Activity
End of Overnight Clearing Cycle	8:15 a.m.	System Activity
Beginning of Regular Clearing Cycle	8:15 a.m.	System Activity
Assets Concentration Limits breach notification	7:30 a.m.	Notification
Deadline for Clearing Members (excluding LCMs) for Settlement Time with respect to payments for overnight settlement	8:15 a.m.	Obligation Deadline
Fixed Income Transactions - Netting Cycle Timeframe in respect of any Pending Settlement Requirements - 15 minutes cycle	8:30 a.m.	System Activity
Deadline for Clearing Members (excluding LCMs) to receive EOD Amount due from CDCC	8:45 a.m.	Obligation Deadline
Deadline for LCMs for Settlement Time with respect to payments for overnight settlement	9:00 a.m.	Obligation Deadline
Fixed Income Transactions - Morning Netting Cycle Timeframe in respect of any Pending Payment Against Delivery Requirements (Morning Net Payment Against Delivery Requirements sent to CDS for settlement during the Morning Net DVP Settlement Timeframe) - 15 minutes cycle	10:00 a.m.	System Activity
Morning Net DVP Settlement Calculation	10:15 a.m.	System Activity
Deadline for Morning Net DVP Settlement	10:30 a.m.	Obligation Deadline
Clearing Member's (excluding LCMs) Morning Intra-Day Margin Calculation & Notification	10:30 a.m.	System Activity/Notification
Deadline to settle Morning Intra-Day Margin Call for Clearing Members (excluding LCMs)	1 hour after notification	Obligation Deadline
Assets Concentration Limit breach correction deadline	11:45 a.m.	Obligation Deadline
Fixed Income Transactions - Netting Cycle Timeframe in respect of any Pending Settlement Requirements - 15 minutes cycle	12:15 p.m.	System Activity
Clearing Member's Afternoon Intra-Day Margin Calculation & Notification	12:45 p.m.	System Activity/Notification
Deadline to settle Afternoon Intra-Day Margin Call for Clearing Members (excluding LCMs)	1 hour after notification	Obligation Deadline



Activity	Time Frames	Activity Type
Specific Deposits (same day withdrawal)	12:45 p.m.	Operational Deadline
Deadline to settle Intra-Day Margin Call and Additional Margins for LCMs	The later of 2:45 p.m. or 2 hours after notification	Obligation Deadline
Fixed Income Transactions - Netting Cycle Timeframe in respect of any Pending Settlement Requirements - 15 minutes cycle	2:00 p.m.	System Activity
CAD Deposits - \$10,000,000 and under (same day deposit)	2:45 p.m.	Operational Deadline
CAD Deposits - over \$10,000,000 (2 Business Days notice)	2:45 p.m.	Operational Deadline
CAD withdrawal requests - \$10,000,000 and under (same day withdrawal)	2:45 p.m.	Operational Deadline
CAD withdrawal requests - over \$10,000,000 (2 Business Days notice)	2:45 p.m.	Operational Deadline
Fixed Income Transactions - (Same Day Transactions) - Submission Cut-Off Time	3:30 p.m.	Operational Deadline
Clearing Members (excluding LCMs) - All Assets deposits other than cash (Margin deposits)	3:30 p.m.	Operational Deadline
Clearing Members - All Assets withdrawal requests other than cash (Margin deposits) for same day withdrawal	3:30 p.m.	Operational Deadline
Clearing Members - All Assets substitution requests other than cash (Margin deposits) for same day substitution	3:30 p.m.	Operational Deadline
Foreign currency withdrawal requests deadline	3:30 p.m.	Operational Deadline
Fixed Income Transactions - Afternoon Netting Cycle Timeframe in respect of any Pending Settlement Requirements (Afternoon Net DVP Settlement Requirements sent to CDS for settlement by End of Day DVP Settlement Time) - 5 minutes cycle	3:35 p.m.	System Activity
CDS Payment Exchange, Net Wire Payment	4:00 p.m.	System Activity
End of Day DVP Settlement Time	4:00 p.m.	Obligation Deadline
Unsettled Item (Options Underlying deliveries only): Confirmation of settled items to be sent to CDCC	4:15 p.m.	Operational Deadline
Deadline for CDCC to respond to substitution or withdrawal request (other than (Fixed Income) Variation Margin)	4:30 p.m.	Obligation Deadline
OTCI (other than Fixed Income Transactions) - Trade Submission Deadline	4:30 p.m.	Operational Deadline
Projected Margin Report Computation	4:30 p.m.	System Activity
Request for Standard vs Mini Offset	5:00 p.m.	Operational Deadline



Activity	Time Frames	Activity Type
Position Transfers	5:25 p.m.	Operational Deadline
Same Day and T+1 Trade corrections	5:30 p.m.	Operational Deadline
Futures - Tender Notices submission	5:30 p.m.	Operational Deadline
Options - Exercise Notices submission	5:30 p.m.	Operational Deadline
Fixed Income Transactions and Futures contracts on Acceptable Securities - Netting Cut Off Time (Netted settlement instructions (Net Delivery Requirements and Net Payment Against Delivery Requirements) sent to CDS for settlement on the next business day)	5:30 p.m.	System Activity
FIFO: Daily reporting by Clearing Members of the Long Positions in each of their accounts in chronological order	5:30 p.m.	Operational Deadline
FIFO: Submission of Tender Notices	5:30 p.m.	Operational Deadline
Open Position changes / Position Change Submission (PCS)	6:00 p.m.	Operational Deadline
End of Regular Clearing Cycle and CDCC Clearing Application shutdown - Close of Business	6:00 p.m.	System Activity
LCM Only - All Assets deposits other than cash (in respect of all Margin requirements)	6:30 p.m.	Operational Deadline
Fixed Income Transactions - available (next Business Day start)	7:00 p.m.	System Activity
<u>GCM -Position Adjustment availability</u>	<u>7:00 p.m.</u>	<u>System Activity</u>
<u>GCM Position Adjustment end of availability</u>	<u>8:45 p.m.</u>	<u>Operational Deadline</u>
GCM Declaration File <u>Submission</u> end-of-day cut-off	<u>Before 9:00 p.m.</u>	System Activity <u>Operational Deadline</u>
<u>GCM Settlement Calculation</u>	<u>9:00 p.m.</u>	<u>System Activity</u>

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Section 3 CDCC - REPORTS

[...]

REPORT DETAILS

Report Code	Report Name	Report Description
Daily:		
MA01	<u>Collateral Report</u> Deposits and Withdrawals Report	Details on Clearing Member's deposits and withdrawals for Margin Fund Accounts (Firm, GCM Regime, Non-GCM Regime), Clearing Fund and (Fixed Income) Variation Margin Account. (Note: will find the letters D, W and PW next to the date of deposit)

Report Code	Report Name	Report Description
MD01	Options Unsettled Delivery Report	Lists unsettled deliveries for Options.
MD51	Futures Unsettled Delivery Report	Lists unsettled deliveries for Futures (does not include Share Futures) <ul style="list-style-type: none"> - the issue and number of Futures contracts which must be delivered - the account to which the delivery has been assigned and the opposite Clearing Member - the Settlement Amount and settlement date
MD52	Share Futures Unsettled Delivery Report	Lists unsettled deliveries for Share Futures (SF) <ul style="list-style-type: none"> - the issue and number of SF contracts which must be delivered - the account to which the delivery has been assigned and the opposite Clearing Member - the Settlement Amount and settlement date
MD70	Fixed Income Net Settlement Delivery Status Report	Status of Clearing Member's settlement activity at the Central Securities Depository with respect to Acceptable Securities on that day.
MD71	Settlement Obligation Calculated Amounts Reports	Provide information on each Settlement Instruction produced at the exit of the Intra-Day netting that is being considered in the PITSO.
MD72	Settlement Obligation Fulfillment	Provide the different settlement instruction status changes during the PITSO. The report is separated in three sections: Settlement, Pending Party At Fault and Cancelled.
MI12	U/I Primary Exchange	List of the underlying prices
MO12	Converge Option Price	List of the Clearing Member's Converge option prices
MP01	Options Open Positions Report	Lists the Clearing Member's Open Positions for puts and calls.
MP02	Sub-Account Options Open Positions Report	Lists all Options Open Positions in sub-accounts of the Clearing Member's Client Account(s), Firm Account(s) and Multi-Purpose Account(s).
MP21	Contract Adjustment Report	Lists the Clearing Member's Long Positions and Short Positions before and after the relevant contract adjustment.
MP51	Futures Open Positions Report	Lists the Clearing Member's Futures and Options on Futures Open Positions for all accounts.
MP53	GCM Forecasted Balance Account Report	Lists the Clearing Member's clients Futures and Options on Futures open positions declared via the GCM Declaration File at the time of the GCM file submission highlighting the forecasted balance account positions.
MP54	GCM Declaration File Report (CSV file)	Details the results of the GCM Declaration File received from Clearing Members and provide any errors found (in CSV format)

Report Code	Report Name	Report Description
MP55	GCM Balance Account Report GCM Declaration Report	Lists the Clearing Member's Clients Futures and Options on Futures open positions declared via the GCM Declaration File highlighting the balance account positions. Lists the Clearing Member's Clients Futures and Options on Futures Open Positions declared via the GCM Declaration File with the associated margin figures of each individual client account within the Client Account Omnibus structure.
MP51	Futures Open Positions Report	Lists the Clearing Member's Futures and Options on Futures Open Positions for all accounts.
MP70	Fixed Income Forward Repo Position Report	Lists the Clearing Member's Repurchase Transactions accepted for clearing by CDCC.
MP71	Fixed Income Forward Repo Conversion Fixed Income Repo Conversion Position Report	Lists all of the Clearing Member's Repurchase Transactions that have progressed from Forward Repurchase Transactions to Running Repurchase Transactions on that day.
MP73	Fixed Income Running Repo Open Positions Report	Lists all of the Clearing Member's Running Repurchase Transactions as of that day.
MP75	Fixed Income Forward Net Settlement Positions Report	Lists all of the Clearing Member's forward Net Settlement Positions obligations.
MP79	Daily Repo Rate Mark to Market Report	Lists the Clearing Member's Repo Rate Requirements.
MS01	Daily Settlement Summary Report	Lists assets balances with Margin requirements for each Margin Fund Accounts (Firm, GCM Regime and Non-GCM Regime) and cash settlement in Canadian and U.S. dollars.
MS06	Total Margin Requirement Report	Total margin requirement report with breakdown by Margin Fund Accounts (Firm, GCM Regime and Non-GCM Regime) categories, account types (Firm, Client, Multi-Purpose) and sub-accounts.
MS07	Margin Report By Collateral Pool Intra-Day Margin Report	Margin call details with Margin requirements by Margin Fund Accounts (Firm, GCM Regime and Non-GCM Regime) and Risk Accounts.
MS08	Daily Margin Positions Report Daily Margin Activity Report	Lists details of positions by Class Group with Margin requirements.
MS10	Variation Margin Summary Report	Lists the details of the Fixed Income Clearing Member's Variation Margin activities and suggests securities to return if applicable.
MS70	Fixed Income Net Settlement Position Activity Report	Lists all of the Clearing Member's Fixed Income Transactions activities that contribute to its Net Settlement Position.
MS72	Fixed Income Net Settlement Position Summary Report	Lists a summary of the Clearing Member's Fixed Income Transactions activities that contribute to its Net Settlement Position.
MS73	Entitlement Report	Lists all Fixed Income Clearing Member's coupon payments.
MS75	Fixed Income End of Day Settlement Instruction Report	Detail of Clearing Member's net settlement instructions to be sent to the Central Securities Depository after Netting Cut-Off Time.
MS77	Net Payment Against Delivery Requirement	Provide information at the sub-account level on settlements that occurred during the PITSO.



Report Code	Report Name	Report Description
MS78	Forward NSP & Settlement Instruction Reconciliation Report	Information report containing Net Settlement Position information for the use of Clearing Member for reconciliation.
MT01	Options Daily Transaction Report	Lists details for all Option contracts from previous Business Day.
MT02	Options Exercised and Assigned Report	Lists totals for Options Exercised Positions and Assigned Positions by Series of Options (including the debit and credit dollar values of the Transactions).
MT03	List of Options/Cash Adjustments Report	Lists all trade adjustments and Open Position changes including cash adjustments and Position Transfers.
MT05	Options Consolidated Activity Report	Lists all positions with activity including Option Premiums.
MT06	Options SubAccount Consolidated Activity Report	Lists positions with activity including Option Premiums for only the subaccounts of Client, Firm and Multi-Purpose.
MT10	Unconfirmed Items Report	Lists all items that remained unconfirmed by the opposite member at the end of the current Business Day.
MT29	Trades Rejection Modification Report	Lists all original and modified trade rejections for the Clearing Member.
MT51	Final Futures Daily Transaction Report	Lists trade details for all Futures and Options on Futures activity.
MT52	Futures Tenders and Assignments Report	Lists all Tender Notices and Assigned Positions details.
MT53	List of Futures/Cash Adjustments Report	Lists details on all Futures and Options on Futures trade adjustments, Open Position changes, including cash adjustments and Position Transfers.
MT54	Futures Trading Summary Report	Lists all Series of Futures and Options on Futures and prices, and volumes at which each were traded. Lists number of contracts bought and sold for each Series of Futures Trade Prices.
MT60	Single Stock Futures Tenders and Assignments Share Futures Tender and Assigned Report	Lists totals for Share Futures (SF) tendered and assigned positions including the debit and credit dollar values of the transactions.
MT66	Futures Sub-Account Consolidated Activity Report	Lists Futures and Options on Futures positions with activity including Settlement of Gain and Losses and Futures Premiums respectively, for the sub-accounts of Client, Firm and Multi-Purpose.
MT70	Fixed Income Novated Transactions Report	Lists the Clearing Member's daily Fixed Income Transactions novated to CDCC in accordance with the CDCC Clearing Application.
MT71	Fixed Income Novated Trades Report Fixed Income CSD Novated Trades Report	Lists the data transmitted to CDCC by the Central Securities Depository with respect to the Clearing Member's daily Fixed Income Transactions submitted for clearing.
MT73	Fixed Income Trade Rejection Report	Lists details of Clearing Member's daily Fixed Income Transactions that were rejected (DK) by CDCC or by the Clearing Member itself.



Report Code	Report Name	Report Description
MT74	Fixed Income Not-Novated Transactions Report	Lists the Clearing Member's daily Fixed Income Transactions that were not novated to CDCC, including all rejected and orphaned trades.
MT92	Options on Futures Exercised & Assigned Report	Lists totals for Options on Futures Exercised Positions and Assigned Positions by Series. (Note: Futures Options Exercised Positions and Assigned Positions value is nil.)
MT99	Detailed Futures Consolidated Activity Report	Detailed list of all Futures position with activity, including Settlement of Gains and Losses. Detailed list of all Options on Futures positions and activity including Futures Premiums.
Monthly:		
MA71	Clearing Fund Statement (monthly and intra-monthly)	Identifies the Clearing Member's (excluding LCM) Clearing Fund obligation. Lists the Clearing Member's (excluding LCM) current Deposits within the Clearing Fund and what is owed.
MA80	Supplemental Liquidity Fund Statement (monthly and intra-monthly)	Identifies the Clearing Member's (excluding LCM) Supplemental Liquidity Contributions. Lists the Clearing Member's (excluding LCM) current Supplemental Liquidity Contributions within the Supplemental Liquidity Fund and what is owed.
MB01	Monthly Clearing Fees Invoice	This report contains summarization of the monthly clearing fees in an invoice format - THIS IS NOT TO BE PAID. The system automatically includes the collection of the fees within the daily settlement on the morning of the fifth business day of the month.
MB02	Monthly Clearing Fees Details Report	This report contains the following four sub-reports: "Fees" - this is product by sub-account. "Summary by Category" - this is summarization by product. "Sub-Account Summary" - this is a summary of the operational charges by sub-account irrespective of product. "Summary by Account Operation Type" - this is a summary of the operational charges by sub-account.
MB03	Monthly Fixed Income Clearing Fees Invoice	This report details the clearing fees that are due with respect to Fixed Income Transactions by each Clearing Member.
MT40	Broker Ranking by Account Report	Individual Clearing Member ranking within CDCC for contracts, value traded and transactions (trade only) by month with year to date.
FIFO Period:		
MP56	FIFO Position Report	Lists Series of Futures with positions in chronological order, contracts in positions.
MP60	FIFO Declaration vs. Open Position Report	Lists Clearing Member's Futures positions and FIFO long positions declaration.



Report Code	Report Name	Report Description
Options on Futures Expiry:		
MT51	Final Futures Daily Transaction Report	Lists trade details for all Futures and Options on Futures activity.
MX11	Futures Options Expiry Report	Lists all expiring Options on Futures with In-the-Money Options or Out-Of-the-Money Options amounts and Automatic Exercise positions for Expiry.
MX12	Futures Options Expiry Adjustments Report	Lists all trade adjustments and Open Positions changes on expiring Series only.
MX13	Futures Options Expiry Difference Report	Lists all reported changes, deletions and/or additions to exercises on the Futures Options Expiry Report (MX11).
Options Expiry (Friday Evening):		
MT01	Options Daily Transaction Report	Lists trade details for all expiring Option contracts for the Business Day.
MT02	Options Exercised and Assigned Report	Lists totals for Options Exercised Positions and Assigned Positions by Series of Options (including the debit and credit dollar values of the transactions).
MX01	Expiry Report	Lists all expiring Options with In-the-Money Options or Out-of-the-Money Options amounts and Automatic Exercise positions for Expiry.
MX02	List of Expiry Adjustments Report	Lists all trade adjustments and Open Positions changes on expiring Series of Options only.
MX03	Expiry Difference Report	Lists all reported changes, deletions and/or additions to exercises on the Expiry Report.
OTCI Expiry:		
MX01	Expiry Report	Lists all expiring Options with In-the-Money Options or Out-of-the-Money Options amounts and Automatic Exercise positions for Expiry.
Business Day following Expiry:		
MP11	Expired Options Positions Report	Lists the Clearing Member's balance of expired Options positions following the Friday Expiry process.
MP12	Expired Futures Options Positions Report	Lists the Clearing Member's balance of expired Futures Options positions following the Friday Expiry process.

[...]

Section 5 OPEN POSITIONS

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Types of Adjustments

The following adjustments are acceptable for Exchange Transactions and OTCI (other than Fixed Income Transactions):

1. Same Day Trade Corrections (T). Same day trade corrections are only permitted on account type, sub-account designation and opening/closing and no corrections are permitted on OTCI Transactions after a Trade Confirmation has been issued by CDCC.
2. Trade Date + 1 Corrections (T+1). Modifications of any type are subject to approval by the relevant Exchange and no corrections permitted on OTCI Transactions.
3. Open Position Changes. For OTCI Transactions, these will be performed through the Position Transfer function of the CDCC Clearing Application. Note: there is a Position Transfer fee per contract.
4. Position Transfers. Specific function of the CDCC Clearing Application to move positions from one Clearing Member to another or between accounts of a same Clearing Member on a post trade basis. Note: there is a Position Transfer fee per contract.
5. Standard vs Mini Offset. Upon the receipt of a Request for Standard vs Mini Offset in the prescribed form, CDCC will offset (i) one or more existing Standard Contract Long Position(s) against the equivalent number of existing Mini Contract Short Positions (totalling the same quantity of the Underlying Interest in accordance with the ratio prescribed in the Contract Specifications of the Mini Contract) having the same Delivery Month and booked in the same Clearing Member's account, or (ii) a number of existing Mini Contract Long Positions against one or more Standard Contract Short Position(s) (totalling the same quantity of the Underlying Interest in accordance with the ratio prescribed in the Contract Specifications of the Mini Contract) having the same Delivery Month and booked in the same Clearing Member's account, based on the instructions provided in the Request for Standard vs Mini Offset. Such Long Positions and Short Positions shall be offset at the previous day's Settlement Price, with the effect of reducing the Open Positions that the Clearing Member has on the relevant Series of Futures in the relevant account. A Future may only be offset against a Future and an Option may only be offset against an Option.

Adjustments via the Gross Client Margin (GCM) Declaration File

Via submission of the GCM Declaration File, CDCC will perform a Position Change Submission ("GCM PCS") as part of the GCM Settlement Calculation. This will be performed on the CDCC Book Positions, to align the CDCC open positions with the open positions declared by the Clearing Member for (i) each Series of Futures and Futures Options, and (ii) for each client declared in the GCM Declaration File.

The position adjustment can only be performed if the CDCC net position (CDCC Long Position minus CDCC Short Position) is equal to the GCM declared net position (GCM declared Long Position - GCM declared Short Position) on the same Series of Futures or Futures Options, for a specific client declared in the GCM Declaration File. If the condition is met, CDCC will adjust both the CDCC Long Position and CDCC Short Position to what was declared in the GCM Declaration File. In the event of discrepancies between the CDCC Book Positions and net GCM declared positions, no position adjustment will be performed and the undeclared positions will be treated separately (see Additional Margin for Undeclared GCM Position Risk in the Risk Manual for more details).

Clearing Members may make use of the GCM Position Adjustment availability window to submit their GCM Declaration File to assess their declared positions with the CDCC Book Position. Clearing Members are able to submit additional GCM Declaration File(s) anytime before the GCM Position Adjustment availability window closes should they wish to make further adjustments. Only the last declared file will be considered for the GCM Settlement Calculation and therefore the GCM PCS.

Additionally, in the event a Clearing Member fails to submit their GCM Declaration File, CDCC will use the previous Business Day's GCM Declaration File. While this mitigates the impact of having all the positions as undeclared positions and margined separately, changes in positions that occurred on the day of the missed declaration may result in undeclared positions. If the GCM Declaration File is not received for a second consecutive Business Day (or any



following Business Days), CDCC will not use the previous GCM Declaration File and will treat all GCM client positions as undeclared positions in a separate Risk Account.

[...]

Section 7 SETTLEMENT

[...]

FINES

CDCC applies fines with regards to late payments to deter Clearing Members from being late in the performance of their payment obligations.

End of Day Settlement

Payments for end of day settlement (Futures mark-to-market, premiums, Margin shortfalls, etc.) must be received by ~~7:45~~ **8:15** a.m. the next Business Day for each Clearing Member (excluding LCMs) and 9:00 a.m. for each LCM.

If a payment is late, CDCC will notify the Clearing Member that it is being fined. The fine structure is as follows:

APPENDIX A: PROPOSED AMENDMENTS TO THE OPERATIONS
MANUAL CLEAN VERSION

OPERATIONS MANUAL
XXX, 202X



**CANADIAN DERIVATIVES CLEARING
CORPORATION CORPORATION CANADIENNE DE
COMPENSATION DE PRODUITS DÉRIVÉS
OPERATIONS MANUAL**

*****, 202***



[...]

Section 2 TIME FRAMES

[...]

With respect to operational activity related to Options with an Expiration Date on Expiry Friday, CDCC staff members are available from 7:00 a.m. to fifteen (15) minutes after delivery of the Options Exercised and Assigned Report (MT02).

[...]



SETTLEMENT TIME FOR EVERY BUSINESS DAY

Activity	Time Frames	Activity Type
Beginning of Clearing Day and Overnight Clearing Cycle	8:00 p.m. (t-1)	System Activity
Clearing Member's (excluding LCMs) Overnight Margin Calculation & Notification	Every hour from 10:00 p.m. (t-1) to 7:00 a.m. and 8:15 a.m. (t)	System Activity/Notification
Deadline to settle Overnight Margin Call notification	2 hours after	Obligation Deadline
Beginning of Settlement Day at CDS	5:30 a.m.	System Activity
End of Overnight Clearing Cycle	8:15 a.m.	System Activity
Beginning of Regular Clearing Cycle	8:15 a.m.	System Activity
Assets Concentration Limits breach notification	7:30 a.m.	Notification
Deadline for Clearing Members (excluding LCMs) for Settlement Time with respect to payments for overnight settlement	8:15 a.m.	Obligation Deadline
Fixed Income Transactions - Netting Cycle Timeframe in respect of any Pending Settlement Requirements - 15 minutes cycle	8:30 a.m.	System Activity
Deadline for Clearing Members (excluding LCMs) to receive EOD Amount due from CDCC	8:45 a.m.	Obligation Deadline
Deadline for LCMs for Settlement Time with respect to payments for overnight settlement	9:00 a.m.	Obligation Deadline
Fixed Income Transactions - Morning Netting Cycle Timeframe in respect of any Pending Payment Against Delivery Requirements (Morning Net Payment Against Delivery Requirements sent to CDS for settlement during the Morning Net DVP Settlement Timeframe) - 15 minutes cycle	10:00 a.m.	System Activity
Morning Net DVP Settlement Calculation	10:15 a.m.	System Activity
Deadline for Morning Net DVP Settlement	10:30 a.m.	Obligation Deadline
Clearing Member's (excluding LCMs) Morning Intra-Day Margin Calculation & Notification	10:30 a.m.	System Activity/Notification
Deadline to settle Morning Intra-Day Margin Call for Clearing Members (excluding LCMs)	1 hour after notification	Obligation Deadline
Assets Concentration Limit breach correction deadline	11:45 a.m.	Obligation Deadline
Fixed Income Transactions - Netting Cycle Timeframe in respect of any Pending Settlement Requirements - 15 minutes cycle	12:15 p.m.	System Activity
Clearing Member's Afternoon Intra-Day Margin Calculation & Notification	12:45 p.m.	System Activity/Notification
Deadline to settle Afternoon Intra-Day Margin Call for Clearing Members (excluding LCMs)	1 hour after notification	Obligation Deadline



Activity	Time Frames	Activity Type
Specific Deposits (same day withdrawal)	12:45 p.m.	Operational Deadline
Deadline to settle Intra-Day Margin Call and Additional Margins for LCMs	The later of 2:45 p.m. or 2 hours after notification	Obligation Deadline
Fixed Income Transactions - Netting Cycle Timeframe in respect of any Pending Settlement Requirements - 15 minutes cycle	2:00 p.m.	System Activity
CAD Deposits - \$10,000,000 and under (same day deposit)	2:45 p.m.	Operational Deadline
CAD Deposits - over \$10,000,000 (2 Business Days notice)	2:45 p.m.	Operational Deadline
CAD withdrawal requests - \$10,000,000 and under (same day withdrawal)	2:45 p.m.	Operational Deadline
CAD withdrawal requests - over \$10,000,000 (2 Business Days notice)	2:45 p.m.	Operational Deadline
Fixed Income Transactions - (Same Day Transactions) - Submission Cut-Off Time	3:30 p.m.	Operational Deadline
Clearing Members (excluding LCMs) - All Assets deposits other than cash (Margin deposits)	3:30 p.m.	Operational Deadline
Clearing Members - All Assets withdrawal requests other than cash (Margin deposits) for same day withdrawal	3:30 p.m.	Operational Deadline
Clearing Members - All Assets substitution requests other than cash (Margin deposits) for same day substitution	3:30 p.m.	Operational Deadline
Foreign currency withdrawal requests deadline	3:30 p.m.	Operational Deadline
Fixed Income Transactions - Afternoon Netting Cycle Timeframe in respect of any Pending Settlement Requirements (Afternoon Net DVP Settlement Requirements sent to CDS for settlement by End of Day DVP Settlement Time) - 5 minutes cycle	3:35 p.m.	System Activity
CDS Payment Exchange, Net Wire Payment	4:00 p.m.	System Activity
End of Day DVP Settlement Time	4:00 p.m.	Obligation Deadline
Unsettled Item (Options Underlying deliveries only): Confirmation of settled items to be sent to CDCC	4:15 p.m.	Operational Deadline
Deadline for CDCC to respond to substitution or withdrawal request (other than (Fixed Income) Variation Margin)	4:30 p.m.	Obligation Deadline
OTCI (other than Fixed Income Transactions) - Trade Submission Deadline	4:30 p.m.	Operational Deadline
Projected Margin Report Computation	4:30 p.m.	System Activity
Request for Standard vs Mini Offset	5:00 p.m.	Operational Deadline



Activity	Time Frames	Activity Type
Position Transfers	5:25 p.m.	Operational Deadline
Same Day and T+1 Trade corrections	5:30 p.m.	Operational Deadline
Futures - Tender Notices submission	5:30 p.m.	Operational Deadline
Options - Exercise Notices submission	5:30 p.m.	Operational Deadline
Fixed Income Transactions and Futures contracts on Acceptable Securities - Netting Cut Off Time (Netted settlement instructions (Net Delivery Requirements and Net Payment Against Delivery Requirements) sent to CDS for settlement on the next business day)	5:30 p.m.	System Activity
FIFO: Daily reporting by Clearing Members of the Long Positions in each of their accounts in chronological order	5:30 p.m.	Operational Deadline
FIFO: Submission of Tender Notices	5:30 p.m.	Operational Deadline
Open Position changes / Position Change Submission (PCS)	6:00 p.m.	Operational Deadline
End of Regular Clearing Cycle and CDCC Clearing Application shutdown - Close of Business	6:00 p.m.	System Activity
LCM Only - All Assets deposits other than cash (in respect of all Margin requirements)	6:30 p.m.	Operational Deadline
Fixed Income Transactions - available (next Business Day start)	7:00 p.m.	System Activity
GCM Position Adjustment availability	7:00 p.m.	System Activity
GCM Position Adjustment end of availability	8:45 p.m.	Operational Deadline
GCM Declaration File Submission	Before 9:00 p.m.	Operational Deadline
GCM Settlement Calculation	9:00 p.m.	System Activity

[...]

Section 3 CDCC - REPORTS

[...]

REPORT DETAILS

Report Code	Report Name	Report Description
Daily:		
MA01	Collateral Report	Details on Clearing Member's deposits and withdrawals for Margin Fund Accounts (Firm, GCM Regime, Non-GCM Regime), Clearing Fund and (Fixed Income) Variation Margin Account. (Note: will find the letters D, W and PW next to the date of deposit)



Report Code	Report Name	Report Description
MD01	Options Unsettled Delivery Report	Lists unsettled deliveries for Options.
MD51	Futures Unsettled Delivery Report	Lists unsettled deliveries for Futures (does not include Share Futures) <ul style="list-style-type: none"> - the issue and number of Futures contracts which must be delivered - the account to which the delivery has been assigned and the opposite Clearing Member - the Settlement Amount and settlement date
MD52	Share Futures Unsettled Delivery Report	Lists unsettled deliveries for Share Futures (SF) <ul style="list-style-type: none"> - the issue and number of SF contracts which must be delivered - the account to which the delivery has been assigned and the opposite Clearing Member - the Settlement Amount and settlement date
MD70	Fixed Income Net Settlement Delivery Status Report	Status of Clearing Member's settlement activity at the Central Securities Depository with respect to Acceptable Securities on that day.
MD71	Settlement Obligation Calculated Amounts Reports	Provide information on each Settlement Instruction produced at the exit of the Intra-Day netting that is being considered in the PITSO.
MD72	Settlement Obligation Fulfillment	Provide the different settlement instruction status changes during the PITSO. The report is separated in three sections: Settlement, Pending Party At Fault and Cancelled.
MI12	U/I Primary Exchange	List of the underlying prices
MO12	Converge Option Price	List of the Clearing Member's Converge option prices
MP01	Options Open Positions Report	Lists the Clearing Member's Open Positions for puts and calls.
MP02	Sub-Account Options Open Positions Report	Lists all Options Open Positions in sub-accounts of the Clearing Member's Client Account(s), Firm Account(s) and Multi-Purpose Account(s).
MP21	Contract Adjustment Report	Lists the Clearing Member's Long Positions and Short Positions before and after the relevant contract adjustment.
MP51	Futures Open Positions Report	Lists the Clearing Member's Futures and Options on Futures Open Positions for all accounts.
MP53	GCM Forecasted Balance Account Report	Lists the Clearing Member's clients Futures and Options on Futures open positions declared via the GCM Declaration File at the time of the GCM file submission highlighting the forecasted balance account positions.
MP54	GCM Declaration File Report	Details the results of the GCM Declaration File received from Clearing Members and provide any errors found (in CSV format)



Report Code	Report Name	Report Description
MP55	GCM Balance Account Report	Lists the Clearing Member's Clients Futures and Options on Futures open positions declared via the GCM Declaration File highlighting the balance account positions.
MP70	Fixed Income Forward Repo Position Report	Lists the Clearing Member's Repurchase Transactions accepted for clearing by CDCC.
MP71	Fixed Income Forward Repo Conversion	Lists all of the Clearing Member's Repurchase Transactions that have progressed from Forward Repurchase Transactions to Running Repurchase Transactions on that day.
MP73	Fixed Income Running Repo Open Positions Report	Lists all of the Clearing Member's Running Repurchase Transactions as of that day.
MP75	Fixed Income Forward Net Settlement Positions Report	Lists all of the Clearing Member's forward Net Settlement Positions obligations.
MP79	Daily Repo Rate Mark to Market Report	Lists the Clearing Member's Repo Rate Requirements.
MS01	Daily Settlement Summary Report	Lists assets balances with Margin requirements for each Margin Fund Accounts (Firm, GCM Regime and Non-GCM Regime) and cash settlement in Canadian and U.S. dollars.
MS06	Total Margin Requirement Report	Total margin requirement report with breakdown by Margin Fund Accounts (Firm, GCM Regime and Non-GCM Regime) categories, account types (Firm, Client, Multi-Purpose) and sub-accounts.
MS07	Margin Report By Collateral Pool	Margin call details with Margin requirements by Margin Fund Accounts (Firm, GCM Regime and Non-GCM Regime) and Risk Accounts.
MS08	Daily Margin Positions Report	Lists details of positions by Class Group with Margin requirements.
MS10	Variation Margin Summary Report	Lists the details of the Fixed Income Clearing Member's Variation Margin activities and suggests securities to return if applicable.
MS70	Fixed Income Net Settlement Position Activity Report	Lists all of the Clearing Member's Fixed Income Transactions activities that contribute to its Net Settlement Position.
MS72	Fixed Income Net Settlement Position Summary Report	Lists a summary of the Clearing Member's Fixed Income Transactions activities that contribute to its Net Settlement Position.
MS73	Entitlement Report	Lists all Fixed Income Clearing Member's coupon payments.
MS75	Fixed Income End of Day Settlement Instruction Report	Detail of Clearing Member's net settlement instructions to be sent to the Central Securities Depository after Netting Cut-Off Time.
MS77	Net Payment Against Delivery Requirement	Provide information at the sub-account level on settlements that occurred during the PITSO.
MS78	Forward NSP & Settlement Instruction Reconciliation Report	Information report containing Net Settlement Position information for the use of Clearing Member for reconciliation.
MT01	Options Daily Transaction Report	Lists details for all Option contracts from previous Business Day.



Report Code	Report Name	Report Description
MT02	Options Exercised and Assigned Report	Lists totals for Options Exercised Positions and Assigned Positions by Series of Options (including the debit and credit dollar values of the Transactions).
MT03	List of Options/Cash Adjustments Report	Lists all trade adjustments and Open Position changes including cash adjustments and Position Transfers.
MT05	Options Consolidated Activity Report	Lists all positions with activity including Option Premiums.
MT06	Options SubAccount Consolidated Activity Report	Lists positions with activity including Option Premiums for only the subaccounts of Client, Firm and Multi-Purpose.
MT10	Unconfirmed Items Report	Lists all items that remained unconfirmed by the opposite member at the end of the current Business Day.
MT29	Trades Rejection Modification Report	Lists all original and modified trade rejections for the Clearing Member.
MT51	Final Futures Daily Transaction Report	Lists trade details for all Futures and Options on Futures activity.
MT52	Futures Tenders and Assignments Report	Lists all Tender Notices and Assigned Positions details.
MT53	List of Futures/Cash Adjustments Report	Lists details on all Futures and Options on Futures trade adjustments, Open Position changes, including cash adjustments and Position Transfers.
MT54	Futures Trading Summary Report	Lists all Series of Futures and Options on Futures and prices, and volumes at which each were traded. Lists number of contracts bought and sold for each Series of Futures Trade Prices.
MT60	Single Stock Futures Tenders and Assignments	Lists totals for Share Futures (SF) tendered and assigned positions including the debit and credit dollar values of the transactions.
MT66	Futures Sub-Account Consolidated Activity Report	Lists Futures and Options on Futures positions with activity including Settlement of Gain and Losses and Futures Premiums respectively, for the sub-accounts of Client, Firm and Multi-Purpose.
MT70	Fixed Income Novated Transactions Report	Lists the Clearing Member's daily Fixed Income Transactions novated to CDCC in accordance with the CDCC Clearing Application.
MT71	Fixed Income Novated Trades Report	Lists the data transmitted to CDCC by the Central Securities Depository with respect to the Clearing Member's daily Fixed Income Transactions submitted for clearing.
MT74	Fixed Income Not-Novated Transactions Report	Lists the Clearing Member's daily Fixed Income Transactions that were not novated to CDCC, including all rejected and orphaned trades.
MT92	Options on Futures Exercised & Assigned Report	Lists totals for Options on Futures Exercised Positions and Assigned Positions by Series. (Note: Futures Options Exercised Positions and Assigned Positions value is nil.)



Report Code	Report Name	Report Description
MT99	Detailed Futures Consolidated Activity Report	Detailed list of all Futures position with activity, including Settlement of Gains and Losses. Detailed list of all Options on Futures positions and activity including Futures Premiums.
Monthly:		
MA71	Clearing Fund Statement (monthly and intra-monthly)	Identifies the Clearing Member's (excluding LCM) Clearing Fund obligation. Lists the Clearing Member's (excluding LCM) current Deposits within the Clearing Fund and what is owed.
MA80	Supplemental Liquidity Fund Statement (monthly and intra-monthly)	Identifies the Clearing Member's (excluding LCM) Supplemental Liquidity Contributions. Lists the Clearing Member's (excluding LCM) current Supplemental Liquidity Contributions within the Supplemental Liquidity Fund and what is owed.
MB01	Monthly Clearing Fees Invoice	This report contains summarization of the monthly clearing fees in an invoice format - THIS IS NOT TO BE PAID. The system automatically includes the collection of the fees within the daily settlement on the morning of the fifth business day of the month.
MB02	Monthly Clearing Fees Details Report	This report contains the following four sub-reports: "Fees" - this is product by sub-account. "Summary by Category" - this is summarization by product. "Sub-Account Summary" - this is a summary of the operational charges by sub-account irrespective of product. "Summary by Account Operation Type" - this is a summary of the operational charges by sub-account.
MB03	Monthly Fixed Income Clearing Fees Invoice	This report details the clearing fees that are due with respect to Fixed Income Transactions by each Clearing Member.
MT40	Broker Ranking by Account Report	Individual Clearing Member ranking within CDCC for contracts, value traded and transactions (trade only) by month with year to date.
FIFO Period:		
MP56	FIFO Position Report	Lists Series of Futures with positions in chronological order, contracts in positions.
MP60	FIFO Declaration vs. Open Position Report	Lists Clearing Member's Futures positions and FIFO long positions declaration.
Options on Futures Expiry:		
MT51	Final Futures Daily Transaction Report	Lists trade details for all Futures and Options on Futures activity.
MX11	Futures Options Expiry Report	Lists all expiring Options on Futures with In-the-Money Options or Out-Of-the-Money Options amounts and Automatic Exercise positions for Expiry.

Report Code	Report Name	Report Description
MX12	Futures Options Expiry Adjustments Report	Lists all trade adjustments and Open Positions changes on expiring Series only.
MX13	Futures Options Expiry Difference Report	Lists all reported changes, deletions and/or additions to exercises on the Futures Options Expiry Report (MX11).
Options Expiry (Friday Evening):		
MT01	Options Daily Transaction Report	Lists trade details for all expiring Option contracts for the Business Day.
MT02	Options Exercised and Assigned Report	Lists totals for Options Exercised Positions and Assigned Positions by Series of Options (including the debit and credit dollar values of the transactions).
MX01	Expiry Report	Lists all expiring Options with In-the-Money Options or Out-of-the-Money Options amounts and Automatic Exercise positions for Expiry.
MX02	List of Expiry Adjustments Report	Lists all trade adjustments and Open Positions changes on expiring Series of Options only.
MX03	Expiry Difference Report	Lists all reported changes, deletions and/or additions to exercises on the Expiry Report.
OTCI Expiry:		
MX01	Expiry Report	Lists all expiring Options with In-the-Money Options or Out-of-the-Money Options amounts and Automatic Exercise positions for Expiry.
Business Day following Expiry:		
MP11	Expired Options Positions Report	Lists the Clearing Member's balance of expired Options positions following the Friday Expiry process.
MP12	Expired Futures Options Positions Report	Lists the Clearing Member's balance of expired Futures Options positions following the Friday Expiry process.

[...]

Section 5 OPEN POSITIONS

[...]

Types of Adjustments

The following adjustments are acceptable for Exchange Transactions and OTCI (other than Fixed Income Transactions):

1. Same Day Trade Corrections (T). Same day trade corrections are only permitted on account type, sub-account designation and opening/closing and no corrections are permitted on OTCI Transactions after a Trade Confirmation has been issued by CDCC.
2. Trade Date + 1 Corrections (T+1). Modifications of any type are subject to approval by the relevant Exchange and no corrections permitted on OTCI Transactions.
3. Open Position Changes. For OTCI Transactions, these will be performed through the Position Transfer function of the CDCC Clearing Application. Note: there is a Position Transfer fee per contract.

4. Position Transfers. Specific function of the CDCC Clearing Application to move positions from one Clearing Member to another or between accounts of a same Clearing Member on a post trade basis. Note: there is a Position Transfer fee per contract.
5. Standard vs Mini Offset. Upon the receipt of a Request for Standard vs Mini Offset in the prescribed form, CDCC will offset (i) one or more existing Standard Contract Long Position(s) against the equivalent number of existing Mini Contract Short Positions (totalling the same quantity of the Underlying Interest in accordance with the ratio prescribed in the Contract Specifications of the Mini Contract) having the same Delivery Month and booked in the same Clearing Member's account, or (ii) a number of existing Mini Contract Long Positions against one or more Standard Contract Short Position(s) (totalling the same quantity of the Underlying Interest in accordance with the ratio prescribed in the Contract Specifications of the Mini Contract) having the same Delivery Month and booked in the same Clearing Member's account, based on the instructions provided in the Request for Standard vs Mini Offset. Such Long Positions and Short Positions shall be offset at the previous day's Settlement Price, with the effect of reducing the Open Positions that the Clearing Member has on the relevant Series of Futures in the relevant account. A Future may only be offset against a Future and an Option may only be offset against an Option.

Adjustments via the Gross Client Margin (GCM) Declaration File

Via submission of the GCM Declaration File, CDCC will perform a Position Change Submission ("GCM PCS") as part of the GCM Settlement Calculation. This will be performed on the CDCC Book Positions, to align the CDCC open positions with the open positions declared by the Clearing Member for (i) each Series of Futures and Futures Options, and (ii) for each client declared in the GCM Declaration File.

The position adjustment can only be performed if the CDCC net position (CDCC Long Position minus CDCC Short Position) is equal to the GCM declared net position (GCM declared Long Position - GCM declared Short Position) on the same Series of Futures or Futures Options, for a specific client declared in the GCM Declaration File. If the condition is met, CDCC will adjust both the CDCC Long Position and CDCC Short Position to what was declared in the GCM Declaration File. In the event of discrepancies between the CDCC Book Positions and net GCM declared positions, no position adjustment will be performed and the undeclared positions will be treated separately (see Additional Margin for Undeclared GCM Position Risk in the Risk Manual for more details).

Clearing Members may make use of the GCM Position Adjustment availability window to submit their GCM Declaration File to assess their declared positions with the CDCC Book Position. Clearing Members are able to submit additional GCM Declaration File(s) anytime before the GCM Position Adjustment availability window closes should they wish to make further adjustments. Only the last declared file will be considered for the GCM Settlement Calculation and therefore the GCM PCS.

Additionally, in the event a Clearing Member fails to submit their GCM Declaration File, CDCC will use the previous Business Day's GCM Declaration File. While this mitigates the impact of having all the positions as undeclared positions and margined separately, changes in positions that occurred on the day of the missed declaration may result in undeclared positions. If the GCM Declaration File is not received for a second consecutive Business Day (or any following Business Days), CDCC will not use the previous GCM Declaration File and will treat all GCM client positions as undeclared positions in a separate Risk Account.

[...]

Section 7 SETTLEMENT

[...]

FINES

CDCC applies fines with regards to late payments to deter Clearing Members from being late in the performance of their payment obligations.



End of Day Settlement

Payments for end of day settlement (Futures mark-to-market, premiums, Margin shortfalls, etc.) must be received by 8:15 a.m. the next Business Day for each Clearing Member (excluding LCMs) and 9:00 a.m. for each LCM.

If a payment is late, CDCC will notify the Clearing Member that it is being fined. The fine structure is as follows: