



NOTICE TO MEMBERS

No. 2003 - 017

April 11, 2003

Rule Amendments

CDCC Rules A-1, A-1A01, A-9, B-1, B-6, B-9, B-10, B-15, C-15

The above listed Rule amendments were approved by the Board of Directors of Canadian Derivatives Clearing Corporation (CDCC) and by the Commission des valeurs mobilières du Québec (decision 2003-C-0131). These amendments are in effect immediately.

A brief description of each change is listed below. A replacement copy of the Rules (on CD-ROM) will be sent to the registered holders of the Rules.

Rule A-1, Section A-102 – Definitions

Section A-102 is amended to allow the addition of the following terms: “At-the-Money Option”, “Derivative Instrument” and “Final Settlement Price”. Amendments to the terms “Class of Options”, “Margin Deposit”, “Series of Futures”, “Series of Options”, “Underlying Interest” and “Unit of Trading” are also included to better reflect the nature of the products now being cleared by the corporation. The definition of “Bank Clearing Member” was also broadened.

Rule A-1A01 – Eligibility for Membership

This rule was amended to reflect the changes in the structure of the exchanges in Canada. In addition, clarification with regards to the clearing of Share Futures was added.

Rule A-9 – Adjustment in Contract Terms

This rule was created using Rule B-606 in its entirety, but also incorporates certain revisions to make it applicable to all derivative instruments where the underlying interest is an equity related product. The new term of “Derivative Instrument” is introduced to better reflect the nature of the products now being cleared by the corporation.

Canadian Derivatives Clearing Corporation	
65 Queen Street West	800 Victoria Square
Suite 700	3 rd Floor
Toronto, Ontario	Montréal, Québec
M5H 2M5	H4Z 1A9
Tel. : 416-367-2463	Tel. : 514-871-3545
Fax: 416-367-2473	Fax: 514-871-3530

www.cdcc.ca



Rule B-1, Section B-110 – Terms of Options

This rule was amended for a minor change in the Unit of Trading and to reflect the changes in Rule A-9. In addition, changes in the structure of the Canadian exchanges have been addressed.

Rule B-6 – Stock Options

Section B-601 was modified to reflect the changes in the Canadian exchanges. Section B-606 was deleted as it is addressed in the new Rule A-9.

Rule B-9 – Index Participation Unit Options

With the revision to the definitions in Rules B-10 and A-1 and the fact that the provisions of B-1 through B-5 apply to all options, this Rule no longer serves a purpose and is being eliminated.

Rule B-10 – European Style Index Options

Deletion of terms that are now defined in Rule A-1. Changes to refer to the contract adjustment information now centralized in Rule A-9.

Rule B-15 – Sponsored Options

Deletion of terms that are now defined in Rule A-1. Changes to refer to the contract adjustment information now centralized in Rule A-9.

Rule C-15 – Share Futures

Deletion of terms that are now defined in Rule A-1. Removal of the adjustment in terms section as it is now centralized in Rule A-9.

If you have any questions or concerns, please contact your local CDCC office.

Michel Favreau
Senior Vice President &
Chief Clearing Officer