



## NOTICE TO MEMBERS

No. 2005 - 078

September 12, 2005

### **OPTIONS – SETTLEMENT DELIVERY CYCLE**

While, in general, the settlement of equities follows a three day cycle, it may happen that different settlement cycles be exceptionally applied, by the stock exchange on which they are traded, to equities which form the underlying of equity options cleared by Canadian Derivatives Clearing Corporation (CDCC).

In those circumstances, it is the policy of CDCC to settle the shares resulting from exercises in the regular three day cycle. As stated in the contract specifications for Equity Options traded at the Bourse de Montréal Inc. (Bourse):

“Exercise is carried out via the Canadian Derivatives Clearing Corporation (CDCC) and delivery is carried out via The Canadian Depository for Securities Limited (CDS), on the 3rd business day following the exercise date.”

Members requiring additional information should contact your CDCC Operations Department.

Michel Favreau  
Senior Vice-President and Chief Clearing Officer