



NOTICE TO MEMBERS

No. 2018 – 015

February 6, 2018

SELF-CERTIFICATION

AMENDMENTS TO SECTION A-1A01 OF RULE A-1A OF THE CANADIAN DERIVATIVES CLEARING CORPORATION

MINOR CHANGES TO THE ELIGIBILITY CRITERIA FOR MEMBERSHIP IN THE CORPORATION

On November 3rd, 2017, the Board of Directors of Canadian Derivatives Clearing Corporation (“CDCC”) approved amendments to section A-1A01 of CDCC’s Rules for the purpose of the modifying CDCC’s eligibility criteria for membership in the corporation. 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 approved by 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 as of February 9, 2018, after market close.

If you have any questions or concerns regarding this notice, please contact CDCC’s Corporate Operations department or direct your email inquiries to cdcc-ops@tmx.com.

Glenn Goucher
President and Chief Clearing Officer

RULE A-1A MEMBERSHIP IN THE CORPORATION

SECTION A-1A01 – ELIGIBILITY FOR MEMBERSHIP

- a) In order to apply for membership, an applicant must be:
- i) a member or approved participant in good standing with an exchange recognized in a Canadian province or a dealer member in good standing with the Investment Industry Regulatory Organization of Canada; or
 - ii) a bank or an authorized foreign bank to which the Bank Act (Canada), as amended from time to time, applies; or
 - iii) a Financial Institution that is either:
 - a) a financial services cooperative regulated pursuant to an Act respecting financial services cooperatives (Québec), or
 - b) a credit union central or a central cooperative credit society, which is incorporated and regulated under the laws of Canada or under the legislature of a province,
one of whose principal purposes is to provide liquidity support to local credit unions or financial services cooperatives.
- b) A Clearing Member that intends to submit Stock Options or Share Futures to the Corporation for clearing must be a full member participant in good standing with CDS.
- c) A Clearing Member that intends to submit bond Options and/or bond Futures to the Corporation for clearing, must be a full member participant in good standing with CDS.
- d) A Clearing Member that intends to submit physically settled OTCI transactions to the Corporation for clearing, must ensure that it and/or its Client is in good standing and remains as such at all times with the appropriate Market Centres and/or Delivery Agents. Furthermore, and where appropriate, the Clearing Member and/or its Client need to ensure access to a transportation system for the physical transport of the Underlying Interest to the appropriate Market Centres and/or Delivery Agents.
- e) A Clearing Member that intends to submit Futures Contracts on Carbon Dioxide Equivalent (CO₂e) Units with physical settlement to the Corporation for clearing must ensure that at all times it and/or its client is and remains in good standing with the Registry as this term is defined in Section A-102 of the Rules.
- f) A Clearing Member that intends to submit Fixed Income Transactions to the Corporation for clearing must be a full member participant in good standing with CDS.

The Corporation may in its sole discretion waive the requirements set forth in clauses (b), (c), (d) or (f) if the Clearing Member enters into an agency agreement with a full member participant in good standing with CDS, that meets certain requirements established by the Corporation, which agency agreement shall be in form and substance satisfactory to the Corporation, pursuant to

which such entity agrees to act as the Clearing Member's agent for the purpose of fulfilling such Clearing Member's obligations to the Corporation under these Rules and the Application for Membership.

RULE A-1A MEMBERSHIP IN THE CORPORATION

SECTION A-1A01 – ELIGIBILITY FOR MEMBERSHIP

- g) In order to apply for membership, an applicant must be:
 - iv) a member or approved participant in good standing with an exchange recognized in a Canadian province or a dealer member in good standing with the Investment Industry Regulatory Organization of Canada; or
 - v) a bank or an authorized foreign bank to which the Bank Act (Canada), as amended from time to time, applies; or
 - vi) a Financial Institution that is either:
 - c) a financial services cooperative regulated pursuant to an Act respecting financial services cooperatives (Québec), or
 - d) a credit union central or a central cooperative credit society, which is incorporated and regulated under the laws of Canada or under the legislature of a province,
one of whose principal purposes is to provide liquidity support to local credit unions or financial services cooperatives.
- h) A Clearing Member that intends to submit Stock Options or Share Futures to the Corporation for clearing must be a full member participant in good standing with CDS.
- i) A Clearing Member that intends to submit bond Options and/or bond Futures to the Corporation for clearing, must be a full member participant in good standing with CDS.
- j) A Clearing Member that intends to submit physically settled OTCI transactions to the Corporation for clearing, must ensure that it and/or its Client is in good standing and remains as such at all times with the appropriate Market Centres and/or Delivery Agents. Furthermore, and where appropriate, the Clearing Member and/or its Client need to ensure access to a transportation system for the physical transport of the Underlying Interest to the appropriate Market Centres and/or Delivery Agents.
- k) A Clearing Member that intends to submit Futures Contracts on Carbon Dioxide Equivalent (CO₂e) Units with physical settlement to the Corporation for clearing must ensure that at all times it and/or its client is and remains in good standing with the Registry as this term is defined in Section A-102 of the Rules.
- l) A Clearing Member that intends to submit Fixed Income Transactions to the Corporation for clearing must be a full member participant in good standing with CDS.

The Corporation may in its sole discretion waive the requirements set forth in clauses (b), (c), (d) or (f) if the Clearing Member enters into an agency agreement with a full member participant in

good standing with CDS, that meets certain requirements established by the Corporation, which agency agreement shall be in form and substance satisfactory to the Corporation, pursuant to which such entity agrees to act as the Clearing Member's agent for the purpose of fulfilling such Clearing Member's obligations to the Corporation under these Rules and the Application for Membership.