

Proposed Rule Change by The Depository Trust Company
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial <input checked="" type="checkbox"/>	Amendment <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) <input checked="" type="checkbox"/>	Section 19(b)(3)(A) <input type="checkbox"/>	Section 19(b)(3)(B) <input type="checkbox"/>
			Rule		
			<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
			<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input type="checkbox"/> 19b-4(f)(6)	

Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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Description
Provide a brief description of the proposed rule change (limit 250 characters).

Contact Information
Provide the name, telephone number and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the proposed rule change.

First Name	<input type="text" value="Diane"/>	Last Name	<input type="text" value="Brennan"/>
Title	<input type="text" value="Director, Risk Management/Legal"/>		
E-mail	<input type="text" value="dbrennan@dtcc.com"/>		
Telephone	<input type="text" value="(212) 855-3320"/>	Fax	<input type="text" value="(212) 855-3215"/>

Signature
Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date

By (Name) (Title)

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

Form 19b-4 Information

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

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Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

Add Remove View

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

(a) The proposed rule change consists of:

- (1) a new Rule 30 of the Rules of The Depository Trust Company (“DTC”) which describes the operation of a new service (the “Canadian-Link Service”) that DTC is offering to its participants (“DTC Participants”), through the facilities of DTC and The Canadian Depository for Securities Limited (“CDS”), that will permit DTC Participants using the Service (“Canadian-Link Participants”) to (A) clear and settle valued securities transactions with participants of CDS (“CDS Participants”) and other Canadian-Link Participants in Canadian dollars and (B) transfer Canadian dollars to or receive Canadian dollars from CDS Participants and other Canadian-Link Participants without any corresponding delivery or receipt of securities;
- (2) a Canadian-Link Service Guide containing new Procedures adopted by DTC under such new Rule 30; and
- (3) fees applicable to the Canadian-Link Service.

The text of new Rule 30 and the Canadian-Link Service Guide, which includes the proposed fees, are attached hereto as Exhibit 5.

(b) Not Applicable.

(c) Not Applicable.

2. Procedures of the Self-Regulatory Organization

(a) The Canadian-Link Service was approved by the Board of Directors of DTC at its meeting on August 18, 2004.

(b) The names and telephone numbers of the persons on the staff of DTC prepared to respond to questions and comments on the proposed rule change are Richard B. Nesson (212) 855-3200 and Diane L. Brennan (212) 855-3320.

3. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(a) Purpose of the Proposed Rule Change

Overview of the Canadian-Link Service

The purpose of the proposed rule change is to create a new DTC service to facilitate the clearance and settlement of valued securities transactions and the transfer of funds denominated in Canadian dollars between Canadian-Link Participants and CDS Participants and between Canadian-Link Participants and other Canadian-Link Participants. The Canadian-Link Service will:

- (1) create a new link between DTC and CDS to leverage the existing CDS infrastructure for clearing and settling valued securities transactions and transferring funds in Canadian dollars, so that DTC will not have to replicate this infrastructure (DTC now only processes transactions in US dollars);
- (2) apply enhanced DTC risk management controls to the transactions processed for Canadian-Link Participants through the Canadian-Link Service, and DTC will also be subject to CDS risk management controls (which are similar in most respects to DTC risk management controls); and
- (3) permit DTC Participants to concentrate their securities positions at DTC, and not bifurcate inventory between DTC and CDS (or a Canadian custodian).

At the present time, CDS maintains a number of links with DTC and National Securities Clearing Corporation (“NSCC”):

- (1) The American and Canadian Connection for Efficient Securities Settlement (“ACCESS”) Service enables CDS Participants to clear and settle transactions with DTC Participants through omnibus accounts maintained by CDS with DTC and NSCC. CDS Participants that use the ACCESS Service are not participants or members of DTC or NSCC nor does CDS maintain or sponsor individual accounts at DTC or NSCC for such CDS Participants.
- (2) The New York Link Service enables CDS Participants to clear and settle transactions with DTC Participants through sponsored accounts maintained by CDS with DTC and NSCC. Through such sponsored accounts, CDS Participants may clear and settle transactions on a trade for trade basis or on a continuous net settlement basis through the facilities of DTC and NSCC.
- (3) The DTC Direct Link Service enables CDS Participants to clear and settle transactions with DTC Participants through sponsored accounts maintained by CDS with DTC. Through such sponsored accounts, CDS Participants may clear and settle their transactions on a trade for trade basis through the facilities of DTC.

At the present time, DTC maintains no comparable links with CDS, although DTC Participants may use the ACCESS Service of CDS for free deliveries of securities to and from CDS Participants.¹ With the implementation of the Canadian-Link Service by DTC, Canadian-Link Participants will have the same ability to clear and settle valued securities transactions with CDS Participants and other Canadian-Link Participants in Canadian dollars that CDS Participants now have to clear and settle valued securities transactions with DTC Participants in US dollars. As noted above, this will be accomplished using the existing CDS infrastructure for processing transactions in Canadian dollars together with enhanced DTC risk management controls.

¹ CDS has advised DTC that it has decided to terminate the ACCESS Service and transfer its users to the New York Link Service. However, the ACCESS Service will continue to be available to DTC Participants for free deliveries of securities to and from CDS Participants.

The DTC Omnibus Account

CDS will maintain for DTC, as a participant of CDS, a ledger consisting of a series of accounts, including a securities account (to record securities held by CDS for DTC and securities to be delivered by DTC to CDS) and a funds account (to record the net amount of money owing from time to time intra-day between DTC and CDS). Such ledger and the accounts included in the ledger are referred to collectively as the “DTC Omnibus Account”.

The DTC Omnibus Account will be subject to all CDS risk management controls, including the full collateralization of securities transactions (subject to appropriate haircuts) and limits on allowable net debits. DTC will be the account party on the DTC Omnibus Account. As a participant of CDS, DTC will be liable to CDS in respect of transactions processed for Canadian-Link Participants through the DTC Omnibus Account. Such obligations of DTC to CDS will, in turn, be matched by the obligations of Canadian-Link Participants to DTC in respect of such transactions. As an operational matter, DTC will act as a conduit between Canadian-Link Participants and CDS -- transmitting to CDS information and instructions received from Canadian-Link Participants and transmitting to Canadian-Link Participants information and instructions received from CDS. CDS will not have a direct relationship with Canadian-Link Participants and Canadian-Link Participants will not have a direct relationship with CDS.

The DTC Omnibus Account will have its own (i) collateral and net debit requirements and controls, (ii) settlement obligations and (iii) line of credit from a Canadian bank that is a CDS Participant to secure the settlement obligations of DTC to CDS. In accordance with the Rules and Procedures of CDS, DTC will be a member of a credit ring with certain other CDS Participants.² Although DTC will take instructions from Canadian-Link Participants in respect of their transactions with CDS Participants through the Canadian-Link Service, DTC will, at all times, maintain control over the securities and funds credited to the DTC Omnibus Account.

Transactions will be processed in the CDS system on each day that CDS is open for business (a “CDS Business Day”) whether or not such day is a day that DTC is otherwise open for business (a “DTC Business Day”).

Transactions Processed Through the Canadian-Link Service

Transactions between Canadian-Link Participants and CDS Participants will be processed through the DTC Omnibus Account in accordance with the Rules and Procedures of CDS. Canadian-Link Participants will be able to (i) deliver securities to or receive securities from CDS Participants against payment in Canadian dollars and (ii) transfer funds to or receive funds from CDS Participants in Canadian dollars without any corresponding delivery or receipt of securities.

² CDS has advised DTC (i) that it will be required to be a member of the Non-Contributing Receivers Credit Ring for Canadian Dollar Settlements, (ii) that the only claims that could be made against DTC as a member of this credit ring involve very unusual events such as a dividend credited to a credit ring member that must be returned to the issuer or its legal representative because the dividend was unauthorized or preferential but which cannot be reversed because the credit ring member has become insolvent and (iii) that, in fact, no claim has ever been made by CDS against any member of this credit ring.

Transactions between Canadian-Link Participants and other Canadian-Link Participants will be processed through accounts at DTC in accordance with the Rules and Procedures of DTC. Canadian-Link Participants will be able to (i) deliver securities to or receive securities from other Canadian-Link Participants against payment in Canadian dollars and (ii) transfer funds to or receive funds from other Canadian-Link Participants in Canadian dollars without any corresponding delivery or receipt of securities.

For both transactions between Canadian-Link Participants and CDS Participants processed through the DTC Omnibus Account and transactions between Canadian-Link Participants and other Canadian-Link Participants processed through accounts at DTC, there will be a single end-of-day Canadian dollar money settlement between DTC and its Canadian-Link Participants (“Canadian-Link Money Settlement”). For the transactions between Canadian-Link Participants and CDS Participants processed through the DTC Omnibus Account, there will be a separate end-of-day Canadian dollar money settlement between CDS and DTC.

Eligibility of Participants and Securities

All DTC Participants will be eligible to be Canadian-Link Participants and use the Canadian-Link Service, provided that they comply with (i) the Rules and Procedures of DTC, (ii) the Rules and Procedures of CDS and (iii) all agreements between DTC and CDS relating to the participation of DTC in CDS (such agreements together with the Rules and Procedures of CDS, the “Canadian-Link Documents”).

DTC will determine what securities will be eligible for the Canadian-Link Service (“Canadian-Link Securities”). Some securities may be eligible for all purposes of the Canadian-Link Service and some securities may be eligible only for limited purposes, e.g., clearance and settlement through the facilities of CDS but only custody and asset servicing through the facilities of DTC. In no case will a security be eligible for the Canadian-Link Service if the issuer is on an OFAC list of specially designated nationals and blocked persons or is incorporated in a jurisdiction on an OFAC list of sanctioned countries. As is the case with securities processed through the facilities of DTC, it will be DTC (rather than CDS) that will monitor such compliance with OFAC regulations.

Enhanced DTC Risk Management Controls

Each Canadian-Link Participant will be required to make an additional required deposit, in cash, to the DTC Participants Fund (a “Canadian-Link Required Participants Fund Deposit”). The amount of the Canadian-Link Required Participants Fund Deposit will be determined by a formula that will be fixed by DTC and set forth in the Procedures. For all purposes of the Rules and Procedures of DTC, the Canadian-Link Required Participants Fund Deposit of a Canadian-Link Participant will be considered a part of the Required Participants Fund Deposit of such Participant, and will secure all of the obligations of such Participant to DTC, including both transactions processed for such Participant through the Canadian-Link Service and other transactions processed by DTC for such Participant.

Each Canadian-Link Participant will be assigned a net debit cap on the transactions that may be processed for such Participant through the Canadian-Link Service, *i.e.*, a limit on the negative funds balance that may from time to time be incurred in respect of its Canadian dollar transactions (a “Canadian-Link Net Debit Cap”). The Canadian-Link Net Cap of a Canadian-Link Participant will be determined by a formula that will be fixed by DTC and set forth in the Procedures. Under existing DTC Rules, which will not be affected by new Rule 30, each DTC Participant is assigned a Net Debit Cap on the transactions that may be processed for such Participant through the facilities of DTC, *i.e.*, a limit on the negative funds balance that may from time to time be incurred in respect of its US dollar transactions. The Canadian-Link Net Debit Cap of a Canadian-Link Participant and not its Net Debit Cap will apply to the transactions of such Participant processed through the Canadian-Link Service, including both transactions with CDS Participants processed for such Participant through the DTC Omnibus Account and transactions with other Canadian-Link Participants processed for such Participant through accounts at DTC. The Net Debit Cap of a Canadian-Link Participant and not its Canadian-Link Net Debit Cap will apply to all other transactions processed by DTC for such Participant.

Each Canadian-Link Participant will have a single Collateral Monitor in respect of both transactions processed for such Participant through the Canadian-Link Service and other transactions processed by DTC for such Participant. For this purpose, the Collateral Monitor of a Canadian-Link Participant will be adjusted, as follows:

- (1) Canadian dollar net credits from transactions processed for such Participant through the Canadian-Link Service will be converted into US dollar equivalents and added to US dollar net credits from other transactions processed by DTC for such Participant;
- (2) Canadian dollar net debits from transactions processed for such Participant through the Canadian-Link Service will be converted into US dollar equivalents and added to US dollar net debits from other transactions processed by DTC for such Participant;
- (3) the Collateral Value of Canadian-Link Securities delivered by such Participant to CDS Participants through the DTC Omnibus Account and the Collateral Value of Canadian-Link Securities delivered by such Participant to other Canadian-Link Participants through accounts at DTC will be converted into US dollar equivalents and deducted from the Collateral Value of the Collateral of such Participant; and
- (4) Collateral Value in US dollars will be given for Canadian-Link Securities received by such Participant from other Canadian-Link Participants but no Collateral Value will be given for Canadian-Link Securities received by such Participant from CDS Participants (unless and until such Securities are credited to an account of such Participant at DTC).

Instructions for Transactions Processed Through the Canadian-Link Service

A Canadian-Link Participant may give DTC an instruction to clear and settle a securities transaction or effect a funds transaction between such Participant and a CDS Participant, as follows:

- (1) An instruction from a Canadian-Link Participant to DTC to clear and settle a delivery of Canadian-Link Securities to a CDS Participant will constitute an instruction for DTC to (i) report or confirm (as appropriate) the details of the transaction to CDS for processing in the CDS system and (ii) transfer the Securities subject to such instruction from an account of such Participant at DTC to the DTC Omnibus Account (for the purpose of making such delivery) on the settlement date.
- (2) An instruction from a Canadian-Link Participant to DTC to clear and settle a receipt of Canadian-Link Securities from a CDS Participant will constitute an instruction for DTC to (i) report or confirm (as appropriate) the details of the transaction to CDS for processing in the CDS system and (ii) transfer the Securities subject to such instruction from the DTC Omnibus Account (subject to CDS risk management controls) to an account of such Participant at DTC on the settlement date.
- (3) An instruction from a Canadian-Link Participant to DTC with respect to a payment of Canadian dollars to a CDS Participant without any corresponding receipt of Canadian-Link Securities will constitute an instruction for DTC to report or confirm (as appropriate) the details of the transaction to CDS for processing in the CDS system.
- (4) An instruction from a Canadian-Link Participant to DTC with respect to a receipt of Canadian dollars from a CDS Participant without any corresponding delivery of Canadian-Link Securities will constitute an instruction for DTC to report or confirm (as appropriate) the details of the transaction to CDS for processing in the CDS system.

A Canadian-Link Participant may give DTC an instruction to clear and settle a securities transaction or effect a funds transaction with another Canadian-Link Participant, as follows:

- (1) An instruction from a Canadian-Link Participant to DTC to clear and settle a delivery of Canadian-Link Securities to another Canadian-Link Participant will constitute an instruction for DTC to (i) match the details of such transaction and, if such details match, (ii) debit the Securities from an account of the delivering Participant at DTC and credit the Securities to an account of the receiving Participant at DTC and (iii) credit the delivering Participant and debit the receiving Participant the contract price of the Securities in Canadian-Link Money Settlement.
- (2) An instruction from a Canadian-Link Participant to DTC to clear and settle a receipt of Canadian-Link Securities from another Canadian-Link Participant will constitute an instruction for DTC to (i) match the details of such transaction and, if such details match, (ii) credit the Securities to an account of the receiving Participant at DTC and debit the Securities from an account of the delivering Participant at DTC and (iii) debit the receiving Participant and credit the delivering Participant the contract price of the Securities in Canadian-Link Money Settlement.

- (3) An instruction from a Canadian-Link Participant to DTC with respect to the payment of Canadian dollars to another Canadian-Link Participant without any corresponding receipt of Canadian-Link Securities will constitute an instruction for DTC to (i) match the details of such transaction and, if such details match, (ii) debit the paying Participant and credit the receiving Participant the appropriate amount of funds in Canadian-Link Money Settlement.
- (4) An instruction from a Canadian-Link Participant to DTC with respect to the receipt of Canadian dollars from another Canadian-Link Participant without any corresponding delivery of Canadian-Link Securities will constitute an instruction for DTC to (i) match the details of such transaction and, if such details match, (ii) credit the paying Participant and debit the receiving Participant the appropriate amount of funds in Canadian-Link Money Settlement.

All valued securities transactions processed through the Canadian-Link Service will be settled trade for trade on a delivery against payment basis.

The Settlement of Transactions Processed through the Canadian-Link Service

On each CDS Business Day, CDS will give DTC a recap of all transactions processed for DTC through the DTC Omnibus Account on such CDS Business Day, and the net amount of money that CDS owes DTC or that DTC owes CDS in respect of such transactions. In turn, DTC will give each Canadian-Link Participant a recap of the transactions processed for such Participant through the Canadian-Link Service on such CDS Business Day (including both transactions with CDS Participants processed for such Participant through the DTC Omnibus Account and transactions with other Canadian-Link Participants processed for such Participant through accounts at DTC), and the net amount of money that DTC owes such Participant or that such Participant owes DTC in respect of such transactions. Then, in the following order, (i) Canadian-Link Participants with net settlement debits will pay DTC the amounts of such net settlement debits, (ii) DTC will pay CDS the amount of any net settlement debit owing to CDS or CDS will pay DTC the amount of any net settlement credit owing to DTC and (iii) DTC will pay Canadian-Link Participants with net settlement credits the amounts of such net settlement credits; provided, however that the amount of any net settlement credit owing to a Canadian-Link Participant in respect of transactions processed for such Participant through the Canadian-Link Service may be withheld and applied to any obligation of such Participant to DTC or any obligation of DTC to another registered clearing agency in respect of such Participant. DTC will not be required to make any payment to Canadian-Link Participants with net settlement credits unless and until it receives payment from all Canadian-Link Participants with net settlement debits and payment of any net amount of money that CDS owes DTC.

If a Canadian-Link Participant fails to pay any Canadian dollar net settlement debit in respect of the transactions processed for such Participant through the Canadian-Link Service, then:

- (1) DTC may apply the DTC Participants Fund to cover any shortfall in its settlement obligations to CDS.

- (2) If the day of such default is a DTC Business Day, DTC may either:
- (A) declare such Participant to be a Defaulting Participant, in which case DTC will have all of its rights and remedies under the Rules and Procedures of DTC, including to sell out or pledge (i) all securities credited to the DTC Omnibus Account at CDS for delivery to the Defaulting Participant (which securities are owned by DTC until they are paid for by the Participant), (ii) all securities provisionally credited to an account of the Defaulting Participant at DTC against payment (which securities are owned by DTC until they are paid for by the Participant) and (iii) all securities which are designated as additional Collateral by the Defaulting Participant pursuant to the Rules and Procedures of DTC ; or
 - (B) translate the amount of such Canadian dollar net settlement debit into a US dollar amount that will be added to or subtracted from, as the case may be, the US dollar net settlement debit or credit of such Participant in respect of other transactions processed for such Participant through the facilities of DTC on that day, and if as a result of this process such Participant has a net-net settlement debit in respect of all transactions processed for such Participant and fails to pay such net-net settlement debit to DTC, DTC may declare such Participant to be a Defaulting Participant, in which case DTC will have all of its rights and remedies under the Rules and Procedures of DTC, including the rights and remedies described above.
- (3) If the day of such default is not a DTC Business Day (so that the amount of such Canadian dollar net settlement debit cannot be included in the calculation of the settlement obligations such Participant in respect of other transactions processed by DTC for such Participant on that day), such Participant shall be deemed to be a Defaulting Participant, in which case DTC will have all of its rights and remedies under the Rules and Procedures of DTC, including the rights and remedies described above.
- (4) Any amounts withdrawn from the DTC Participants Fund to cover a shortfall in the settlement obligations of DTC to CDS will be restored to the Fund (i) from any payments subsequently received by DTC from the Defaulting Participant and/or (ii) from any amounts derived by DTC from the operation of its failure to settle procedures and loss allocation rules.

Additional Matters

As a member of CDS, DTC must observe and comply with the Canadian-Link Documents.

Each Canadian-Link Participant, in order to use the Canadian-Link Service, acknowledges (i) that all transactions processed for such Participant through the facilities of CDS are subject to the Canadian-Link Documents, (ii) that the Canadian-Link Documents may include grants of security interests in and liens on securities and funds in the CDS system in

which such Participant has an interest, (iii) that there are other provisions of the Canadian-Link Documents that could also affect the interest of such Participant in such securities and funds and (iv) that, in the event of any conflict between the Rules and Procedures of DTC (a contract between DTC and DTC Participants) and the Canadian-Link Documents (a contract between DTC and CDS), the requirements of the Canadian-Link Documents will prevail.

(b) Statutory Basis for the Proposed Rule Change

Section 17A(a)(2)(A) of the Act directs the Commission to facilitate the establishment of a national system for the prompt and accurate clearance and settlement of securities transactions and also to facilitate the establishment of linked or coordinated facilities for the clearance and settlement of securities transactions.

The Canadian-Link Service will promote the prompt and accurate clearance and settlement of cross-border securities transactions between DTC Participants and CDS Participants and between DTC Participants and other DTC Participants in a secure, efficient and regulated environment, and will more efficiently link the facilities of DTC and CDS to maximize service to their respective Participants and minimize the duplication of effort and expense.

The proposed fees are consistent with DTC's policy to price its services commensurate with DTC's costs, and to equitably allocate the costs among the users of the services.

4. Self-Regulatory Organization's Statement of Burden on Competition

DTC does not believe that the proposed rule change will impose any burden on competition.

5. Self-Regulatory Organization's Statement of Comments on the Proposed Rule Change Received from Members, Participants or Others

No written comments relating to the proposed rule change have been solicited or received by DTC from members, participants or other persons. DTC will notify the Commission of any written comments it receives.

6. Extension of Time for Commission Action

DTC does not consent to an extension of the time period specified in Section 19(b)(2) of the Act.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

Not Applicable.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

Not Applicable.

9. Exhibits

1. Form of Notice of Proposed Rule Change for publication in the Federal Register.
2. Canadian-Link Service Guide.
3. Not applicable.
4. Not applicable.
5. Rule 30.

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-_____ ; File No. SR-DTC-2005-08)

SELF-REGULATORY ORGANIZATIONS

Proposed Rule Change by The Depository Trust Company (“DTC”) relating to a new service that will enable participants of DTC and participants of The Canadian Depository for Securities Limited to (i) clear and settle securities transactions in Canadian dollars and (ii) transfer or receive Canadian dollars without any corresponding delivery or receipt of securities.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”), 15 U.S.C. 78s(b)(1), notice is hereby given that on [date], The Depository Trust Company (“DTC”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The text of the proposed rule change is attached hereto as Exhibit 5.

II. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and statutory basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in Sections (A), (B) and (C) below, of the most significant aspects of such statements.

A. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

Overview of the Canadian-Link Service

(a) The purpose of the proposed rule change is to create a new DTC service to facilitate the clearance and settlement of valued securities transactions and the transfer of funds denominated in Canadian dollars between Canadian-Link Participants and CDS Participants and

between Canadian-Link Participants and other Canadian-Link Participants. The Canadian-Link Service will:

- (1) create a new link between DTC and CDS to leverage the existing CDS infrastructure for clearing and settling valued securities transactions and transferring funds in Canadian dollars, so that DTC will not have to replicate this infrastructure (DTC now only processes transactions in US dollars);
- (2) apply enhanced DTC risk management controls to the transactions processed for Canadian-Link Participants through the Canadian-Link Service, and DTC will also be subject to CDS risk management controls (which are similar in most respects to DTC risk management controls); and
- (3) permit DTC Participants to concentrate their securities positions at DTC, and not bifurcate inventory between DTC and CDS (or a Canadian custodian).

At the present time, CDS maintains a number of links with DTC and National Securities Clearing Corporation (“NSCC”):

- (1) The American and Canadian Connection for Efficient Securities Settlement (“ACCESS”) Service enables CDS Participants to clear and settle transactions with DTC Participants through omnibus accounts maintained by CDS with DTC and NSCC. CDS Participants that use the ACCESS Service are not participants or members of DTC or NSCC nor does CDS maintain or sponsor individual accounts at DTC or NSCC for such CDS Participants.
- (2) The New York Link Service enables CDS Participants to clear and settle transactions with DTC Participants through sponsored accounts maintained by CDS with DTC and NSCC. Through such sponsored accounts, CDS Participants may clear and settle transactions on a trade for trade basis or on a continuous net settlement basis through the facilities of DTC and NSCC.
- (3) The DTC Direct Link Service enables CDS Participants to clear and settle transactions with DTC Participants through sponsored accounts maintained by CDS with DTC. Through such sponsored accounts, CDS Participants may clear and settle their transactions on a trade for trade basis through the facilities of DTC.

At the present time, DTC maintains no comparable links with CDS, although DTC Participants may use the ACCESS Service of CDS for free deliveries of securities to and from CDS Participants.¹ With the implementation of the Canadian-Link Service by DTC, Canadian-Link Participants will have the same ability to clear and settle valued securities transactions with CDS Participants and other Canadian-Link Participants in Canadian dollars that CDS Participants now have to clear and settle valued securities transactions with DTC Participants in US dollars. As noted above, this will be accomplished using the existing CDS infrastructure for

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processing transactions in Canadian dollars together with enhanced DTC risk management controls.

The DTC Omnibus Account

CDS will maintain for DTC, as a participant of CDS, a ledger consisting of a series of accounts, including a securities account (to record securities held by CDS for DTC and securities to be delivered by DTC to CDS) and a funds account (to record the net amount of money owing from time to time intra-day between DTC and CDS). Such ledger and the accounts included in the ledger are referred to collectively as the “DTC Omnibus Account”.

The DTC Omnibus Account will be subject to all CDS risk management controls, including the full collateralization of securities transactions (subject to appropriate haircuts) and limits on allowable net debits. DTC will be the account party on the DTC Omnibus Account. As a participant of CDS, DTC will be liable to CDS in respect of transactions processed for Canadian-Link Participants through the DTC Omnibus Account. Such obligations of DTC to CDS will, in turn, be matched by the obligations of Canadian-Link Participants to DTC in respect of such transactions. As an operational matter, DTC will act as a conduit between Canadian-Link Participants and CDS -- transmitting to CDS information and instructions received from Canadian-Link Participants and transmitting to Canadian-Link Participants information and instructions received from CDS. CDS will not have a direct relationship with Canadian-Link Participants and Canadian-Link Participants will not have a direct relationship with CDS.

The DTC Omnibus Account will have its own (i) collateral and net debit requirements and controls, (ii) settlement obligations and (iii) line of credit from a Canadian bank that is a CDS Participant to secure the settlement obligations of DTC to CDS. In accordance with the Rules and Procedures of CDS, DTC will be a member of a credit ring with certain other CDS Participants.² Although DTC will take instructions from Canadian-Link Participants in respect of their transactions with CDS Participants through the Canadian-Link Service, DTC will, at all times, maintain control over the securities and funds credited to the DTC Omnibus Account.

Transactions will be processed in the CDS system on each day that CDS is open for business (a “CDS Business Day”) whether or not such day is a day that DTC is otherwise open for business (a “DTC Business Day”).

Transactions Processed Through the Canadian-Link Service

Transactions between Canadian-Link Participants and CDS Participants will be processed through the DTC Omnibus Account in accordance with the Rules and Procedures of CDS. Canadian-Link Participants will be able to (i) deliver securities to or receive securities from CDS

² CDS has advised DTC (i) that it will be required to be a member of the Non-Contributing Receivers Credit Ring for Canadian Dollar Settlements, (ii) that the only claims that could be made against DTC as a member of this credit ring involve very unusual events such as a dividend credited to a credit ring member that must be returned to the issuer or its legal representative because the dividend was unauthorized or preferential but which cannot be reversed because the credit ring member has become insolvent and (iii) that, in fact, no claim has ever been made by CDS against any member of this credit ring.

Participants against payment in Canadian dollars and (ii) transfer funds to or receive funds from CDS Participants in Canadian dollars without any corresponding delivery or receipt of securities.

Transactions between Canadian-Link Participants and other Canadian-Link Participants will be processed through accounts at DTC in accordance with the Rules and Procedures of DTC. Canadian-Link Participants will be able to (i) deliver securities to or receive securities from other Canadian-Link Participants against payment in Canadian dollars and (ii) transfer funds to or receive funds from other Canadian-Link Participants in Canadian dollars without any corresponding delivery or receipt of securities.

For both transactions between Canadian-Link Participants and CDS Participants processed through the DTC Omnibus Account and transactions between Canadian-Link Participants and other Canadian-Link Participants processed through accounts at DTC, there will be a single end-of-day Canadian dollar money settlement between DTC and its Canadian-Link Participants ("Canadian-Link Money Settlement"). For the transactions between Canadian-Link Participants and CDS Participants processed through the DTC Omnibus Account, there will be a separate end-of-day Canadian dollar money settlement between CDS and DTC.

Eligibility of Participants and Securities

All DTC Participants will be eligible to be Canadian-Link Participants and use the Canadian-Link Service, provided that they comply with (i) the Rules and Procedures of DTC, (ii) the Rules and Procedures of CDS and (iii) all agreements between DTC and CDS relating to the participation of DTC in CDS (such agreements together with the Rules and Procedures of CDS, the "Canadian-Link Documents").

DTC will determine what securities will be eligible for the Canadian-Link Service ("Canadian-Link Securities"). Some securities may be eligible for all purposes of the Canadian-Link Service and some securities may be eligible only for limited purposes, e.g., clearance and settlement through the facilities of CDS but only custody and asset servicing through the facilities of DTC. In no case will a security be eligible for the Canadian-Link Service if the issuer is on an OFAC list of specially designated nationals and blocked persons or is incorporated in a jurisdiction on an OFAC list of sanctioned countries. As is the case with securities processed through the facilities of DTC, it will be DTC (rather than CDS) that will monitor such compliance with OFAC regulations.

Enhanced DTC Risk Management Controls

Each Canadian-Link Participant will be required to make an additional required deposit, in cash, to the DTC Participants Fund (a "Canadian-Link Required Participants Fund Deposit"). The amount of the Canadian-Link Required Participants Fund Deposit will be determined by a formula that will be fixed by DTC and set forth in the Procedures. For all purposes of the Rules and Procedures of DTC, the Canadian-Link Required Participants Fund Deposit of a Canadian-Link Participant will be considered a part of the Required Participants Fund Deposit of such Participant, and will secure all of the obligations of such Participant to DTC, including both transactions processed for such Participant through the Canadian-Link Service and other transactions processed by DTC for such Participant.

Each Canadian-Link Participant will be assigned a net debit cap on the transactions that may be processed for such Participant through the Canadian-Link Service, *i.e.*, a limit on the negative funds balance that may from time to time be incurred in respect of its Canadian dollar transactions (a “Canadian-Link Net Debit Cap”). The Canadian-Link Net Cap of a Canadian-Link Participant will be determined by a formula that will be fixed by DTC and set forth in the Procedures. Under existing DTC Rules, which will not be affected by new Rule 30, each DTC Participant is assigned a Net Debit Cap on the transactions that may be processed for such Participant through the facilities of DTC, *i.e.*, a limit on the negative funds balance that may from time to time be incurred in respect of its US dollar transactions. The Canadian-Link Net Debit Cap of a Canadian-Link Participant and not its Net Debit Cap will apply to the transactions of such Participant processed through the Canadian-Link Service, including both transactions with CDS Participants processed for such Participant through the DTC Omnibus Account and transactions with other Canadian-Link Participants processed for such Participant through accounts at DTC. The Net Debit Cap of a Canadian-Link Participant and not its Canadian-Link Net Debit Cap will apply to all other transactions processed by DTC for such Participant.

Each Canadian-Link Participant will have a single Collateral Monitor in respect of both transactions processed for such Participant through the Canadian-Link Service and other transactions processed by DTC for such Participant. For this purpose, the Collateral Monitor of a Canadian-Link Participant will be adjusted, as follows:

- (1) Canadian dollar net credits from transactions processed for such Participant through the Canadian-Link Service will be converted into US dollar equivalents and added to US dollar net credits from other transactions processed by DTC for such Participant;
- (2) Canadian dollar net debits from transactions processed for such Participant through the Canadian-Link Service will be converted into US dollar equivalents and added to US dollar net debits from other transactions processed by DTC for such Participant;
- (3) the Collateral Value of Canadian-Link Securities delivered by such Participant to CDS Participants through the DTC Omnibus Account and the Collateral Value of Canadian-Link Securities delivered by such Participant to other Canadian-Link Participants through accounts at DTC will be converted into US dollar equivalents and deducted from the Collateral Value of the Collateral of such Participant; and
- (4) Collateral Value in US dollars will be given for Canadian-Link Securities received by such Participant from other Canadian-Link Participants but no Collateral Value will be given for Canadian-Link Securities received by such Participant from CDS Participants (unless and until such Securities are credited to an account of such Participant at DTC).

Instructions for Transactions Processed Through the Canadian-Link Service

A Canadian-Link Participant may give DTC an instruction to clear and settle a securities transaction or effect a funds transaction between such Participant and a CDS Participant, as follows:

- (1) An instruction from a Canadian-Link Participant to DTC to clear and settle a delivery of Canadian-Link Securities to a CDS Participant will constitute an instruction for DTC to (i) report or confirm (as appropriate) the details of the transaction to CDS for processing in the CDS system and (ii) transfer the Securities subject to such instruction from an account of such Participant at DTC to the DTC Omnibus Account (for the purpose of making such delivery) on the settlement date.
- (2) An instruction from a Canadian-Link Participant to DTC to clear and settle a receipt of Canadian-Link Securities from a CDS Participant will constitute an instruction for DTC to (i) report or confirm (as appropriate) the details of the transaction to CDS for processing in the CDS system and (ii) transfer the Securities subject to such instruction from the DTC Omnibus Account (subject to CDS risk management controls) to an account of such Participant at DTC on the settlement date.
- (3) An instruction from a Canadian-Link Participant to DTC with respect to a payment of Canadian dollars to a CDS Participant without any corresponding receipt of Canadian-Link Securities will constitute an instruction for DTC to report or confirm (as appropriate) the details of the transaction to CDS for processing in the CDS system.
- (4) An instruction from a Canadian-Link Participant to DTC with respect to a receipt of Canadian dollars from a CDS Participant without any corresponding delivery of Canadian-Link Securities will constitute an instruction for DTC to report or confirm (as appropriate) the details of the transaction to CDS for processing in the CDS system.

A Canadian-Link Participant may give DTC an instruction to clear and settle a securities transaction or effect a funds transaction with another Canadian-Link Participant, as follows:

- (1) An instruction from a Canadian-Link Participant to DTC to clear and settle a delivery of Canadian-Link Securities to another Canadian-Link Participant will constitute an instruction for DTC to (i) match the details of such transaction and, if such details match, (ii) debit the Securities from an account of the delivering Participant at DTC and credit the Securities to an account of the receiving Participant at DTC and (iii) credit the delivering Participant and debit the receiving Participant the contract price of the Securities in Canadian-Link Money Settlement.
- (2) An instruction from a Canadian-Link Participant to DTC to clear and settle a receipt of Canadian-Link Securities from another Canadian-Link Participant will constitute an instruction for DTC to (i) match the details of such transaction and, if such details match, (ii) credit the Securities to an account of the receiving Participant at DTC and debit the Securities from an account of the delivering Participant at DTC and (iii) debit the receiving Participant and credit the delivering Participant the contract price of the Securities in Canadian-Link Money Settlement.

- (3) An instruction from a Canadian-Link Participant to DTC with respect to the payment of Canadian dollars to another Canadian-Link Participant without any corresponding receipt of Canadian-Link Securities will constitute an instruction for DTC to (i) match the details of such transaction and, if such details match, (ii) debit the paying Participant and credit the receiving Participant the appropriate amount of funds in Canadian-Link Money Settlement.
- (4) An instruction from a Canadian-Link Participant to DTC with respect to the receipt of Canadian dollars from another Canadian-Link Participant without any corresponding delivery of Canadian-Link Securities will constitute an instruction for DTC to (i) match the details of such transaction and, if such details match, (ii) credit the paying Participant and debit the receiving Participant the appropriate amount of funds in Canadian-Link Money Settlement.

All valued securities transactions processed through the Canadian-Link Service will be settled trade for trade on a delivery against payment basis.

The Settlement of Transactions Processed through the Canadian-Link Service

On each CDS Business Day, CDS will give DTC a recap of all transactions processed for DTC through the DTC Omnibus Account on such CDS Business Day, and the net amount of money that CDS owes DTC or that DTC owes CDS in respect of such transactions. In turn, DTC will give each Canadian-Link Participant a recap of the transactions processed for such Participant through the Canadian-Link Service on such CDS Business Day (including both transactions with CDS Participants processed for such Participant through the DTC Omnibus Account and transactions with other Canadian-Link Participants processed for such Participant through accounts at DTC), and the net amount of money that DTC owes such Participant or that such Participant owes DTC in respect of such transactions. Then, in the following order, (i) Canadian-Link Participants with net settlement debits will pay DTC the amounts of such net settlement debits, (ii) DTC will pay CDS the amount of any net settlement debit owing to CDS or CDS will pay DTC the amount of any net settlement credit owing to DTC and (iii) DTC will pay Canadian-Link Participants with net settlement credits the amounts of such net settlement credits; provided, however that the amount of any net settlement credit owing to a Canadian-Link Participant in respect of transactions processed for such Participant through the Canadian-Link Service may be withheld and applied to any obligation of such Participant to DTC or any obligation of DTC to another registered clearing agency in respect of such Participant. DTC will not be required to make any payment to Canadian-Link Participants with net settlement credits unless and until it receives payment from all Canadian-Link Participants with net settlement debits and payment of any net amount of money that CDS owes DTC.

If a Canadian-Link Participant fails to pay any Canadian dollar net settlement debit in respect of the transactions processed for such Participant through the Canadian-Link Service, then:

- (1) DTC may apply the DTC Participants Fund to cover any shortfall in its settlement obligations to CDS.

- (2) If the day of such default is a DTC Business Day, DTC may either:
- (A) declare such Participant to be a Defaulting Participant, in which case DTC will have all of its rights and remedies under the Rules and Procedures of DTC, including to sell out or pledge (i) all securities credited to the DTC Omnibus Account at CDS for delivery to the Defaulting Participant (which securities are owned by DTC until they are paid for by the Participant), (ii) all securities provisionally credited to an account of the Defaulting Participant at DTC against payment (which securities are owned by DTC until they are paid for by the Participant) and (iii) all securities which are designated as additional Collateral by the Defaulting Participant pursuant to the Rules and Procedures of DTC ; or
 - (B) translate the amount of such Canadian dollar net settlement debit into a US dollar amount that will be added to or subtracted from, as the case may be, the US dollar net settlement debit or credit of such Participant in respect of other transactions processed for such Participant through the facilities of DTC on that day, and if as a result of this process such Participant has a net-net settlement debit in respect of all transactions processed for such Participant and fails to pay such net-net settlement debit to DTC, DTC may declare such Participant to be a Defaulting Participant, in which case DTC will have all of its rights and remedies under the Rules and Procedures of DTC, including the rights and remedies described above.
- (3) If the day of such default is not a DTC Business Day (so that the amount of such Canadian dollar net settlement debit cannot be included in the calculation of the settlement obligations such Participant in respect of other transactions processed by DTC for such Participant on that day), such Participant shall be deemed to be a Defaulting Participant, in which case DTC will have all of its rights and remedies under the Rules and Procedures of DTC, including the rights and remedies described above.
- (4) Any amounts withdrawn from the DTC Participants Fund to cover a shortfall in the settlement obligations of DTC to CDS will be restored to the Fund (i) from any payments subsequently received by DTC from the Defaulting Participant and/or (ii) from any amounts derived by DTC from the operation of its failure to settle procedures and loss allocation rules.

Additional Matters

As a member of CDS, DTC must observe and comply with the Canadian-Link Documents.

Each Canadian-Link Participant, in order to use the Canadian-Link Service, acknowledges (i) that all transactions processed for such Participant through the facilities of CDS are subject to the Canadian-Link Documents, (ii) that the Canadian-Link Documents may include grants of security interests in and liens on securities and funds in the CDS system in

which such Participant has an interest, (iii) that there are other provisions of the Canadian-Link Documents that could also affect the interest of such Participant in such securities and funds and (iv) that, in the event of any conflict between the Rules and Procedures of DTC (a contract between DTC and DTC Participants) and the Canadian-Link Documents (a contract between DTC and CDS), the requirements of the Canadian-Link Documents will prevail.

(b) Statutory Basis for the Proposed Rule Change

Section 17A(a)(2)(A) of the Act directs the Commission to facilitate the establishment of a national system for the prompt and accurate clearance and settlement of securities transactions and also to facilitate the establishment of linked or coordinated facilities for the clearance and settlement of securities transactions.

The Canadian-Link Service will promote the prompt and accurate clearance and settlement of cross-border securities transactions between DTC Participants and CDS Participants and between DTC Participants and other DTC Participants in a secure, efficient and regulated environment, and will more efficiently link the facilities of DTC and CDS to maximize service to their respective Participants and minimize the duplication of effort and expense.

The proposed fees are consistent with DTC's policy to price its services commensurate with DTC's costs, and to equitably allocate the costs among the users of the services.

B. Self-Regulatory Organization's Statement on Burden on Competition

DTC does not believe that the proposed rule change will impose any burden on competition.

C. Self-Regulatory Organization's Statement of Comments on the Proposed Rule Change Received from Members, Participants or Others

No written comments relating to the proposed rule change have been solicited or received by DTC from members, participants or other persons. DTC will notify the Commission of any written comments it receives.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 35 days of the date of publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

- (A) by order approve such proposed rule change, or
- (B) institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

- Electronic comments may be submitted by using the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>), or send an e-mail to rule-comment@sec.gov. Please include File No. SR-DTC-2005-08 on the subject line.
- Paper comments should be sent in triplicate to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington D.C. 20549-0609

All submissions should refer to File Number SR-DTC-2005-08. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C 552, will be available for inspection and copying in the Commission's Public Reference Room, 450 Fifth Street, NW, Washington DC 20549. Copies of such filing also will be available for inspection and copying at the principal office of DTC. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submission should refer to the file number above and should be submitted within _____ days after the date of publication.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

Jonathan G. Katz

Exhibit 2
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Canadian Dollar Settlement

Service Guide - Draft

Version 11
Prepared by: Julie Krill

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1 Overview

Since the early 1980's DTCC's subsidiaries DTC and NSCC have developed linkages and close working relationships with The Canadian Depository for Securities Limited (CDS), the national central securities depository of Canada. The existing links between CDS and NSCC/DTC are among the most robust inter-market links in the world, processing each month more than a million transactions. DTCC and CDS also have a strong cooperative relationship in their dealings with industry issues as markets have sought to support global trading.

There are three principal links between CDS and NSCC/DTC – the "New York link" and the "Direct link" which rely on individual Canadian participant accounts at DTC (sponsored by CDS, but managed individually by these participants), and the "ACCESS" link which connects the CDS and NSCC clearing systems and provides an omnibus link through NSCC/DTC and CDS omnibus accounts. These links solely support free deliveries of securities and valued transactions settled in U.S. dollars, but do not currently support valued transactions settled in Canadian dollars.

We have worked with CDS to establish a "northbound" link to support valued transactions settled in Canadian dollars. This settlement link will allow DTC participants to settle Canadian dollar transactions directly with DTC. To implement the proposed link, DTC will process Canadian dollar transactions through its omnibus account at CDS on behalf of its participants. DTC will accept Canadian dollar settlement instructions from participants and will process Canadian dollar transactions via the DTC omnibus account within the CDS system. As with U.S. dollar transactions, participants' security positions received versus Canadian dollars will be immediately available for redelivery in DTC as long as sufficient collateral and debit cap controls exist.

DTC will also develop an end-of-day settlement process to settle Canadian dollar obligations. Canadian dollar settlement obligations will be calculated and displayed to participants via new DTC display screens. DTC will establish an account with a Canadian dollar concentration bank and each participant will settle its Canadian dollar obligation with the DTC concentration bank. At the end of each processing day, DTC will perform a single net Canadian dollar settlement with CDS.

1.1 Benefits

The proposed Canadian dollar link will provide participants with a single depository interface for U.S. and Canadian dollar transactions and will reduce cross-border processing costs and inefficiencies. The proposed link will also eliminate the problems associated with maintaining split inventories by permitting participants to concentrate all U.S. and Canadian security positions in their DTC accounts. This will eliminate the need for participants to maintain some portion of a position in a dually listed issue in CDS for Canadian dollar settlements and the remainder in DTC for U.S. dollar settlements. It also eliminates the need for participants to reposition inventory in preparation for corporate action events and or transaction processing.

2 DTC/CDS Interface

All Canadian dollar transactions require two-sided input prior to settlement. Generally, transactions are initiated by one of the participants involved in the transaction with the other participant confirming the transaction. Canadian processing practice is as follows:

Transaction Type	Initiator
Broker to broker	Delivering participant
Broker to custodian	Broker
Custodian to broker	Broker
Custodian to custodian	Delivering participant

Since DTC will be the participant in CDS, the practices outlined above will depend on how DTC establishes its account in CDS and not whether the DTC participant is a broker or bank in the U.S. market. DTC will establish its account in CDS as a broker participant; as a result, DTC participants will always initiate transactions except when they are receiving from a Canadian broker.

The guidelines outlined above for transaction submission will be optional to DTC participants utilizing the Canadian dollar link. DTC will accept either a deliver or receive instruction from any participant regardless of the contra participant in CDS.

To match Canadian dollar transactions, DTC will develop a “confirmation process.” As Canadian dollar transaction instructions are received from DTC participants, DTC will forward the instructions to CDS for the CDS contra to confirm. As transaction instructions are received from CDS, DTC will communicate the instructions to the appropriate DTC participant and the DTC participant can either “confirm” or “DK” the instruction.

Participants will be responsible for resolving errors that may occur when submission conventions are not followed. For example, if both a DTC participant and a CDS participant submit original instructions for a single delivery transaction, the delivery will appear as two separate transactions in DTC’s Canadian dollar link (CDL) system. In this situation, the DTC participant can submit a cancel instruction to eliminate the delivery it submitted and can send a confirmation instruction to confirm the other delivery or the CDS participant can cancel its delivery and authorize the DTC participant’s delivery.

Each transaction instruction either submitted to CDS by DTC or received by DTC from CDS will be assigned a unique CDS transaction number (Tag 20C on the 15022 message). This number will be the key used by DTC to instruct CDS to make changes to pending transactions and for CDS to report transaction status changes to DTC. Once this CDS transaction number is assigned and reported to participants, all instructions submitted by participants for that transaction should reference this number.

However, upon initial submission of a delivery or receive instruction, participants will be able to tie the CDS transaction number back to the transaction number assigned by the participant’s system since DTC will reference the participant’s original transaction number on all references to the transaction (see section 23.1.5 MT 548 Settlement Status and Processing Advice - Mandatory Subsequence A1 Linkages - Tag 20C - First of two: Valid Qualifier Value: RELA will contain the participants original transaction number and TRRP will contain the CDS trade ID). All future communications regarding this transaction will reference the CDS trade ID and the participant’s original transaction will be referenced in the linked field on an ISO 15022 message as described

above). However, when participants instruct DTC to take action on a transaction (confirmation, DK, etc.), participants must identify the transaction with the CDS trade ID.

3 Northbound Deliver Orders (DTC Participant to CDS broker or custodian)

On or prior to settlement date, a DTC participant can submit a deliver order (DO)¹ to DTC (see 7.1.2). Based on the delivery instruction submitted by the participant, DTC will format a delivery instruction and will forward the instruction to CDS for confirmation. CDS will report the alleged transaction to the CDS receiver. The CDS receiver can confirm the transaction, DK the transaction, or take no action. Each time the matching status of a transaction changes, CDS will report the change to DTC and DTC will report the change to the DTC participant. Transactions that are cancelled (only the initiator can cancel a transaction) will be immediately purged from DTC's and CDS's systems. Transactions that are not confirmed by settlement date will remain in the CDS matching system for 10 calendar days after the settlement date or the entry date (whichever is greater). Confirmed transactions will be queued for settlement on settlement date.

On settlement date, DTC will generate a free transaction to move the position from the initiating participant's DTC account to the CDS omnibus account at DTC (5099). Participants will see this transaction as a delivery from their participant number to the 5099 account in the ART function and all other DTC output. Participants will be able to distinguish between a Canadian dollar delivery and an existing free delivery to 5099 based on the reason code. The Canadian dollar delivery will have a reason code 700. The free transaction generated by DTC will contain the DTC Settlement account (DTCS) in the third-party field. If the delivering participant does not have sufficient position or collateral to complete the transaction to the 5099 account in DTC's system, the transaction will recycle in DTC.

If the DTC participant has sufficient position and collateral to complete the delivery to the 5099 account, the DTC participant will receive a made message from DTC via existing DTC transaction output. This made message will only represent the completion of the position movement from the DTC participant to the DTC omnibus account and does not represent the completion of the delivery in the CDS system. When the delivery from the DTC participant completes to the 5099 account in DTC's system, a message will be sent to CDS which will "flip" the position from the DTC Inventory account (DTCZ) to the DTCS account in CDS. This delivery will generate a second delivery from the DTCS account in CDS to the ultimate CDS receiver. As a result, the CDS receiver will see a delivery from the DTCS account with the DTC delivering participant referenced in the deliverer's 3rd party field.

If the CDS receiver has sufficient collateral and debit cap in the CDS system to accept the receive transaction, the delivery from the DTCS account to the CDS participant will complete. Participants that accept ISO 15022 messages will receive a 15022 "made" (MT 547) message as notification that the transaction completed in CDS and the transaction will appear with a made status on the CDL "Participant Trade Instructions" screen (see 26.1.4). DTC will process a collateral monitor increase to the DTC participant for the U.S. equivalent of the Canadian dollar settlement value of

¹ The DTC delivering participant may also submit a confirm or DK if the CDS receiving participant already submitted a receive instruction to the DTC delivering participant.

the deliver order². Participants will see this adjustment as an activity code 123 in the ART function. The DTC participant's Canadian dollar balance will also be adjusted to reflect the credit. The participant will see this credit amount posted to its Canadian dollar balance on the CDL "Participant Account Statement" screen (see 26.1.8) and as an activity code 26 on the "Activity Balances" screen (see 26.1.9)

If the delivery never completes in the CDS system, the transaction will continue to pend in the CDS system, but the position will be returned after the completion of CDS payment exchange (approximately 5:00 p.m., EST) to the delivering participant's account at DTC and the process will automatically be reattempted the following Canadian business day (see the "Fail Management" section for further details).

4 Southbound Deliver Orders (CDS broker or custodian to DTC Participant)

On or prior to settlement date, a DTC participant can submit a receive instruction³ to DTC (see 26.1.3). Based on the receive instruction submitted by the participant, DTC will format a receive instruction and will forward the instruction to CDS for confirmation. CDS will report the transaction to the CDS deliverer. The CDS deliverer can confirm the transaction, DK the transaction, or take no action. Each time the matching status of a transaction changes, CDS will report the change to DTC and DTC will report the change to the DTC participant. Transactions that are cancelled (only the submitter can cancel a transaction) will be immediately purged from DTC's and CDS's systems. Transactions that are not confirmed by settlement date will remain in the CDS matching system for 10 calendar days after the settlement date or the entry date (whichever is greater). Confirmed transactions will be queued for settlement on settlement date,

On settlement date, DTC will verify that the receiving DTC participant has sufficient collateral monitor and Canadian dollar debit cap to accept the receive. Once the DTC receiving participant's collateral monitor and Canadian settlement balance have been verified, DTC will process a collateral monitor decrease for the U.S. equivalent of the Canadian dollar settlement value using the Collateral Monitor Conversion Rate. Participants will see the collateral adjustment as an activity code 123 in the ART function. Once the collateral adjustment has made, DTC will send a message to CDS to process the transaction. Upon receipt of this message, CDS will submit a delivery from the CDS participant to the DTCS account with the ultimate DTC receiving participant identified in the receiver's 3rd party field. If the CDS participant does not have sufficient position or collateral to complete the delivery, the delivery will recycle in CDS's system. DTC will receive pend messages from CDS and will forward the pend messages to the DTC receiving participant.

If the CDS deliverer has sufficient collateral and position, the delivery from the CDS participant to

² For purposes of adjustments in the collateral monitor, DTC will convert Canadian dollar amounts into the equivalent U.S. dollar amounts using a conversion rate (Collateral Monitor Conversion Rate) that is a published rate for exchanging Canadian dollars to U.S. dollars on the prior business day plus (in the case of Canadian dollar debits) or minus (in the case of Canadian dollar credits) a factor of 3%. The 3% factor is based on one day, two day and five day exchange rate fluctuations over the past ten years. Such 3% factor adequately accounts for over 99% of exchange rate fluctuations during such period. DTC may from time to time if necessary change the factor used to calculate the Collateral Monitor Conversion Rate to appropriately account for exchange rate fluctuations.

³ The DTC receiving participant may also submit a confirm or DK if the CDS delivering participant already submitted a delivery instruction to the DTC receiving participant.

the DTCS account will complete in the CDS system. Once completed, the participant's Canadian dollar balance will be adjusted to reflect the debit. If the DTC receiving participant needs the position from the CDS receive to complete a delivery in DTC's system, the position will be recalled (see "Recall" section). However, if the position is not needed for a turnaround delivery in DTC, the DTC receiving participant will not receive the position in its DTC account until after the Canadian dollar settlement has been completed at approximately 5:00 p.m., EST.

Participants will see end-of-day position movements for Canadian receives as receives from the 6000 account (the delivery from the CDS participant to the DTCS account will create a message that will generate a delivery from the 6000 account to the DTC receiving participant). Although the DTC receiving participant will not see the receive from the 6000 account in ART until after Canadian dollar settlement has occurred (except in the case of recalls as indicated above), the DTC receiver will see the receive from the CDS CUID with its DTC participant number as the receiver number with a made status on the CDL Participant Trade Instructions screen (see 26.1.4). Participants that accept ISO 15022 messages will also receive a 15022 "made" (MT 545) message. Participants will be able to distinguish between a Canadian dollar receive transaction and an existing ACCESS receive transaction in the ART function (both will be displayed as free receives from the 6000 account) based on the reason code. The Canadian dollar receive transaction will have a reason code 703.

If the delivery from the CDS participant to the DTCS account never completes in the CDS system, DTC will process the DTC collateral and debit cap verification described above and the same process will follow on the next Canadian business day. If the transaction continues to pend, the process above will be followed and the transaction will be continuously attempted for 365 calendar days following the settlement date or submission date (whichever is later).⁴

5 Internal DTC Deliver Orders (DTC Participant to DTC Participant)

On or prior to settlement date, a DTC participant can submit a delivery instruction⁵ to DTC for a CDL transaction in which the contra party is another DTC participant rather than a CDS broker or custodian. Based on the delivery instruction submitted by the participant, DTC will format a delivery instruction and will forward the instruction to the contra DTC participant for confirmation. Each time the matching status of a transaction changes, DTC will report the change to both DTC participants. Transactions that are cancelled will be immediately purged from DTC's CDL system. Transactions that are not confirmed by settlement date will remain in the DTC's CDL system for 10 calendar days after the settlement date or the entry date (whichever is greater). Confirmed transactions will be queued for settlement on settlement date.

On settlement date, DTC will generate a free transaction to move the position from the delivering

⁴ Participants can cancel an unsettled trade on or after the settlement date once CDS payment exchange has begun (CDS payment exchange marks the end of valued transaction processing in the CDS system).

⁵ The DTC delivering participant may also submit a confirm or DK if the DTC receiving participant already submitted a receive instruction to the DTC delivering participant.

DTC participant's account to the receiving DTC participant's account. Participants will see this transaction as a free delivery from their participant number to the other DTC participant in the ART function and all other DTC output. Participants will be able to distinguish between a Canadian dollar delivery and an existing free delivery based on the reason code. Intra-DTC Canadian dollar deliveries will have a reason code 701.

If the DTC delivering participant has sufficient position and collateral, DTC will verify that the receiving DTC participant has sufficient collateral and Canadian dollar debit cap to accept the receive. Once validated, the receiving DTC participant's collateral monitor will increase by the collateral value of the securities (normal processing) and DTC will process a collateral monitor decrease to the receiver for the U.S. equivalent of the Canadian dollar settlement value using the Collateral Monitor Conversion Rate. Participants will see this collateral monitor adjustment as an activity code 123 in the ART function. The receiving participant's Canadian dollar balance will also be adjusted to reflect the debit. The receiving Participant will see this debit amount posted to its Canadian dollar balance on the Participant Account Statement screen in the CDL system. The DTC delivering participant's collateral monitor will be decreased by the collateral value of the shares (normal processing) and a collateral adjustment (activity code 123) will be processed to increase the delivering participants collateral monitor for the U.S. equivalent of the Canadian dollar settlement value using the Collateral Monitor Conversion Rate and the delivering participant's Canadian dollar balance will be adjusted to reflect the credit.

If the DTC delivering participant does not have sufficient position or collateral to complete the delivery or the DTC receiving participant does not have sufficient collateral or Canadian dollar debit cap, the Canadian dollar transaction will recycle until the CDL recycle cutoff is taken (see "Cutoff" section). Once the CDL recycle cutoff is taken, the transaction will drop, i.e., the free DO will be displayed as a drop on the ART screen, but the transaction will remain in a Pend status in the CDL system. On the following Canadian business day, the process described in the previous paragraph will reoccur and will continue for 365 business days or until the transaction settles.

6 Canadian Dollar Payment Order Processing

Like a Canadian dollar deliver order, a Canadian dollar payment order (PO) must be confirmed by the contra before they will be processed on the settlement date. Currently in DTC's system, the deliverer of a payment order always receives the credit and the receiver of the payment order always receives the debit. This is also the case in CDS's system; however, the deliverer is always the initiator in DTC's system, but either the receiver or the deliverer may be the initiator in CDS's system. In order to mirror CDS's Payment Order process, the following rules will apply to payment orders for Canadian dollars in the CDL system:

1. The initiator of the payment order must indicate if it wants to be debited or credited
2. The payment order amount cannot be greater than 500,000 Canadian dollars
3. The share quantity of a CDL payment order must be zero
4. The ISN of CDL payment orders must be CA99997Z1099

6.1 Payment Orders (DTC Participant is the initiator)

On or prior to settlement date, a DTC participant can submit a payment order instruction to DTC (see "Participant Transaction Input" section for details). The payment order instruction will indicate if the DTC participant wishes to be debited or credited. Based on the payment order instruction submitted by the participant, DTC will format a payment order instruction and will forward the instruction to CDS for confirmation. CDS will report the payment order to the CDS contra. The CDS contra can confirm the transaction, DK the transaction, or take no action. Each time the matching status of a transaction changes, CDS will report the change to DTC and DTC will report the change to the DTC participant. Payment orders that are cancelled (only submitter can cancel) will be immediately purged from DTC's and CDS's systems. Payment orders that are not confirmed by settlement date will remain in the CDS matching system for 10 calendar days after the settlement date or the entry date (whichever is greater). Confirmed payment orders will be queued for settlement on settlement date. CDL payment orders will be viewable only through the CDL system and will not be displayed in ART. Only the collateral adjustments (activity code 123) resulting from completed CDL POs will be displayed in ART.

6.1.1 DTC participant initiates and wants to be debited

On settlement date, if the DTC participant indicated that it wanted to be debited for the amount of the payment order, DTC will verify that the DTC participant has sufficient collateral and Canadian dollar debit cap. If the DTC participant does not have sufficient collateral or Canadian dollar debit cap to allow the payment order to complete, the transaction will recycle in the CDL system.

If sufficient collateral and Canadian dollar debit cap exists, DTC will process a collateral monitor decrease to the DTC participant for the U.S. equivalent of the Canadian dollar settlement value of the payment order using the Collateral Monitor Conversion Rate. Participants will see this adjustment as an activity code 123 in the ART function. The DTC participant's Canadian dollar balance will also be adjusted to reflect the debit. The participant will see this debit amount posted to its Canadian dollar balance on the *Participant Account Statement* screen in the CDL system.

Once the collateral adjustment and debit cap have been posted in DTC's system, a message will be sent to CDS which will generate a payment order from the CDS contra to the DTCS account. As a result, the CDS deliverer will see a payment order to the DTCS account with the DTC participant that initiated the payment order referenced in the receiver's 3rd party field. Since the CDS deliverer of the payment order will receive a credit, the transaction will not recycle for position, collateral, or debit cap and the payment order to the DTCS account from the CDS participant will complete in the CDS system. Participants that accept ISO 15022 messages will receive a 15022 "made" (MT 545) message from DTC as notification that the transaction completed in CDS and the payment order will be marked as completed in the CDL system.

6.1.2 DTC participant initiates and wants to be credited

On settlement date, if the DTC participant indicated that it wanted to be credited for the amount of the payment order, a message will be sent to CDS which will generate a payment order from the DTCS account to the CDS contra receiving the debit. As a result, the CDS contra will see a payment order from the DTCS account with the DTC participant that initiated the payment order referenced in the deliverer's 3rd party field. Since the CDS receiver of the payment order will receive a debit, the transaction may recycle in the CDS system for the CDS contra's collateral or debit cap. If the CDS participant does not have sufficient collateral or debit cap to receive the

payment order, the PO will recycle in CDS's system. DTC will receive pend messages from CDS and will forward the pend messages to the DTC delivering participant. If the payment order never completes in the CDS system, the transaction will continue to pend in the CDS system and the PO will automatically be reattempted the following business day (see "Fail Management" section for further details).

Once the payment order from the DTCS settlement account to the CDS participant completes in the CDS system, DTC will process a collateral monitor increase to the DTC participant for the U.S. equivalent of the Canadian dollar settlement value of the payment order using the Collateral Monitor Conversion Rate. Participants will see this adjustment as an activity code 123 in the ART function. The DTC participant's Canadian dollar balance will also be adjusted to reflect the credit. The participant will see this credit amount posted to its Canadian dollar balance on the *Participant Account Statement* screen in the CDL system as an activity code 78. Participants that accept ISO 15022 messages will receive a 15022 "made" (MT 547) message from DTC as notification that the transaction completed in CDS and the payment order will be marked as completed in the CDL system.

6.2 Payment Orders (CDS Broker or Custodian is the initiator)

On or prior to settlement date, a CDS broker or custodian can submit a payment order instruction to DTC. The payment order instruction will indicate if the CDS initiator wishes to be debited or credited. Based on the payment order instruction submitted by the CDS initiator, DTC will report the payment order to the DTC participant who is the contra to the payment order. The DTC participant can confirm the transaction, DK the transaction, or take no action. Payment orders that are cancelled (only the submitter can cancel) will be immediately purged from DTC's and CDS's systems. Payment orders that are not confirmed by settlement date will remain in the CDS matching system for 10 calendar days after the settlement date or the entry date (whichever is greater). Confirmed payment orders will be queued for settlement on settlement date.

6.2.1 CDS Broker or Custodian initiates and wants to be credited

On settlement date, if a DTC participant had confirmed a PO initiated by a CDS broker or custodian that wanted to be credited, DTC will verify that the DTC participant has sufficient collateral and Canadian dollar debit cap. If the DTC participant does not have sufficient collateral or Canadian dollar debit cap to allow the payment order to complete, the transaction will recycle in the CDL system.

If sufficient collateral and Canadian dollar debit cap exists, DTC will process a collateral monitor decrease to the DTC participant for the U.S. equivalent of the Canadian dollar settlement value of the payment order using the Collateral Monitor Conversion Rate. Participants will see this adjustment as an activity code 123 in the ART function. The DTC participant's Canadian dollar balance will also be adjusted to reflect the debit. The participant will see this debit amount posted to its Canadian dollar balance on the *Participant Account Statement* screen in the CDL system as and activity code 78.

Once the collateral adjustment and debit cap have been posted in DTC's system, a message will be sent to CDS which will indicate that the DTC participant is ready to settle the payment order and a payment order from the CDS participant to the DTCS account will be generated. As a result, the CDS deliverer will see a payment order to the DTCS account with the DTC participant that

confirmed the payment order referenced in the receiver's 3rd party field. Since the CDS deliverer of the payment order will receive a credit, the transaction will not recycle for position, collateral, or debit cap and the payment order from the CDS participant to the DTCS account will complete in the CDS system. Participants that accept ISO 15022 messages will receive a 15022 "made" (MT 545) message from DTC as notification that the transaction completed in CDS and the payment order will be marked as completed in the CDL system.

6.2.2 CDS Broker or Custodian initiates and wants to be debited

On settlement date, if a DTC participant had confirmed a PO initiated by a CDS broker or custodian that wanted to be debited, a message will be sent to CDS which will generate a payment order from the DTCS account to the CDS contra receiving the debit. As a result, the CDS contra will see a payment order from the DTCS account with the DTC participant that confirmed the payment order referenced in the deliverer's 3rd party field. Since the CDS receiver of the payment order will receive a debit, the transaction may recycle in the CDS system for the CDS contra's collateral or debit cap. If the CDS participant does not have sufficient collateral or debit cap to receive payment order, the PO will recycle in CDS's system. DTC will receive pend messages from CDS and will forward the pend messages to the DTC delivering participant. If the payment order never completes in the CDS system, the transaction will continue to pend in the CDS system and the PO will automatically be reattempted the following business day (see "Fail Management" section for further details).

Once the payment order from the DTCS settlement account to the CDS participant completes in the CDS system, DTC will process a collateral monitor increase to the DTC participant for the U.S. equivalent of the Canadian dollar settlement value of the payment order using the Collateral Monitor Conversion Rate. Participants will see this adjustment as an activity code 123 in the ART function. The DTC participant's Canadian dollar balance will also be adjusted to reflect the credit. The participant will see this credit amount posted to its Canadian dollar balance on the *Participant Account Statement* screen in the CDL system as an activity code 78. Participants that accept ISO 15022 messages will receive a 15022 "made" (MT 547) message from DTC as notification that the transaction completed in CDS and the payment order will be marked as completed in the CDL system.

6.3 Payment Orders (DTC Participant to DTC Participant)

On or prior to settlement date, a DTC participant can submit a payment order instruction to DTC for a Canadian dollar payment order in which the contra party is another DTC participant rather than a CDS broker or custodian. Based on the payment order instruction submitted by the participant, DTC will format a PO instruction and will forward the instruction to the contra DTC participant for confirmation. Each time the matching status of the PO changes, DTC will report the change to the DTC participant. Transactions that are cancelled (only the submitter can cancel) will be immediately purged from DTC's system. Transactions that are not confirmed by settlement date will remain in the DTC's CDL system for 10 calendar days after the settlement date or the entry date (whichever is greater). Confirmed transactions will be queued for settlement on settlement date.

6.3.1 DTC Participant initiator wants to be debited

On settlement date, if the DTC participant that initiated the PO (DTC initiator) indicated that it wanted to be debited for the amount of the payment order, DTC will verify that the DTC initiator has sufficient collateral and Canadian dollar debit cap. If the DTC initiator does not have sufficient collateral or Canadian dollar debit cap to allow the payment order to complete, the transaction will recycle in CDL system.⁶

If sufficient collateral and Canadian dollar debit cap exists, DTC will process a collateral monitor decrease to the DTC initiator for the U.S. equivalent of the Canadian dollar settlement value of the payment order using the Collateral Monitor Conversion Rate. Participants will see this adjustment as an activity code 123 in the ART function. The DTC initiator's Canadian dollar balance will also be adjusted to reflect the debit. The participant will see this debit amount posted to its Canadian dollar balance on the Participant Statement screen in the CDL system as an activity code 78.

Once the collateral adjustment and debit cap have been posted to the DTC initiator, the contra DTC participant (the deliverer of the PO) will receive the Canadian dollar PO credit. DTC will process a collateral monitor increase to the DTC participant for the U.S. equivalent of the Canadian dollar settlement value of the payment order using the Collateral Monitor Conversion Rate. Participants will see this adjustment as an activity code 123 in the ART function. The DTC participant's Canadian dollar balance will also be adjusted to reflect the credit. The participant will see this credit amount posted to its Canadian dollar balance on the Participant Statement screen in the CDL system as an activity code 78. Participants that accept ISO 15022 messages will receive a 15022 "made" (MT 547) message (the credited participant) and a 15022 "made" (MT 545) message (the debited participant) from DTC as notification that the transaction completed and the payment order will be marked as completed in the CDL system.

6.3.2 DTC Participant initiator wants to be credited

On settlement date, if the DTC participant that initiated the PO (DTC initiator) indicated that it wanted to be credited for the amount of the payment order, DTC will verify that the DTC contra has sufficient collateral and Canadian dollar debit cap. If the DTC contra does not have sufficient collateral or Canadian dollar debit cap to allow the payment order to complete, the transaction will recycle in CDL system.⁷

If sufficient collateral and Canadian dollar debit cap exists, DTC will process a collateral monitor decrease to the DTC contra for the U.S. equivalent of the Canadian dollar settlement value of the payment order using the Collateral Monitor Conversion Rate. Participants will see this adjustment as an activity code 123 in the ART function. The DTC contra's Canadian dollar balance will also be adjusted to reflect the debit. The participant will see this debit amount posted to its Canadian dollar balance on the Participant Statement screen in the CDL system as an activity code 78.

Once the collateral adjustment and debit cap have been posted to the DTC contra, the DTC initiator (the deliverer of the PO) will receive the Canadian dollar PO credit. DTC will process a collateral monitor increase to the DTC initiator for the U.S. equivalent of the Canadian dollar settlement value of the payment order using the Collateral Monitor Conversion Rate. Participants will see this adjustment as an activity code 123 in the ART function. The DTC participant's Canadian dollar

⁶ Canadian dollar payment orders will be processed through the CDL system only; therefore, CDL POs will not be displayed in ART. Only the collateral adjustments for CDL POs will be displayed in ART as activity code 123.

⁷ Canadian dollar payment orders will be processed through the CDL system only; therefore, CDL POs will not be displayed in ART. Only the collateral adjustments for CDL POs will be displayed in ART as activity code 123.

balance will also be adjusted to reflect the credit. The participant will see this credit amount posted to its Canadian dollar balance on the Participant Statement screen in the CDL system as an activity code 78. Participants that accept ISO 15022 messages will receive a 15022 “made” (MT 547) message (the credited participant) and a 15022 “made” (MT 545) message (the debited participant) from DTC as notification that the transaction completed and the payment order will be marked as completed in the CDL system.

7 Participant Transaction Input

DTC intends to develop PBS input screens only and will not develop PTS input screens for the new service (see Attachments section 26.1 for draft samples of the PBS CDL Main Menu and input and inquiry screens).

DTC will also accept ISO messages in the 15022 format via an MQ interface or the SWIFT network⁸ (see Attachments section 26.2 for descriptions of MT 541, MT 543, MT 545, MT 547 and MT 548 messages). Using 15022 messages for Canadian dollar transactions should minimize changes required by participants since most participants already use 15022 messages with their Canadian custodians.

DTC will not modify existing input mechanisms to accept Canadian dollar transactions. As a result, Canadian dollar transactions will not be accepted through existing MDH, CCF and CF2 inputs. Participants must use PBS or ISO 15022 messages to submit Canadian dollar transactions.

8 Canadian Dollar Transaction Reason Code Table

Canadian Dollar Reason Code	Reason Code Description
700	<p>Northbound Deliver Orders – DTC participant to CDS custodian or broker</p> <p>DTC part - 5099 (made or pending in DTC)</p> <p>6000 - DTC part (made at DTC, but failed in CDS; position is returned to the DTC participant at the end of the day)</p>
701	<p>Intra-DTC Canadian dollar deliveries (DTC participant to DTC participant)</p>
702	<p>Recalls: 6000 - DTC part (intraday) Intra-day movement of position received from a southbound delivery from the 6000 account to the DTC participant for a turnaround delivery in DTC</p> <p>Recall Adjustments: DTC part - 6000 (end-of-day)</p>

⁸ Only PBS and ISO 15022 messages via MQ will be available in November of 2005. A connection with the Swift network will be developed at a later date if necessary.

	End-of-day movement of position from the participant to the 6000 account to prevent the participant from receiving additional position from the end-of-day sweep
703	<p>Southbound – CDS custodian or broker to DTC Participant</p> <p>6000 - DTC part (end-of-day sweep process) End-of-day position movement from 6000 to DTC participant for receives that were not needed for turnaround deliveries in DTC</p>

9 Trade Processing Rules

Participants are permitted to submit Canadian dollar deliver and receive instructions on or prior to settlement date. Depending on the status of the trade instruction, the submitter of the transaction and the contra can perform certain actions on the instructions. The table below represents the summary of activities that the submitter and the contra can perform after the trade (deliver order or payment order) is accepted by CDS and CDS assigns a trade identification number.

Activity: Confirm / DK	PBS interface: Using Participant Trade Instructions screen	15022-message interface: Using MT548 message
	<p>General Rules: The contra can send a confirmation if it agrees with the trade details, but the trade must be in an unconfirmed status.</p> <p>The contra can DK (don't know) a trade instead of confirming it if it disagrees with the trade details. The submitter must then change the details. Once the trade details are changed, the contra can confirm or DK the new details. Only the contra can confirm or DK a trade.</p> <p>There is no limit to the number of times a trade can be DKed and corrected.</p>	
Activity: Changing Trade Detail	PBS interface: Using Participant Trade Instructions screen	15022-message interface: Not Applicable
	<p>General Rules: The submitter can change the financial details of the trade only if the contra DKs the trade to indicate that it does not recognize or does not agree with the trade details. However, if the DTC participant is the submitter of the trade, it cannot change the CDS CUID or Contra participant (if DTC to DTC) even if the contra DKs the trade. The DTC participant must cancel the trade and submit a new one with the correct CDS CUID.</p> <p>To change trade details, the trade must be in a DK status.</p>	

Activity: Changing CDS Settlement Control Indicator	PBS interface: Not Applicable	15022-message interface: Not Applicable
	<p>General Rules:</p> <p>The Omnibus account approach requires DTC to set the settlement indicator on all transactions to “No” in order to verify collateral and debit cap before allowing Canadian dollar settlement transactions to settle. As a result, the CDL system will internally control this indicator. For this reason, DTC participants cannot control the CDS settlement control indicator. However, DTC does permit transactions to be withheld from settlement with the hold indicator (see below).</p> <p>CDS participants’ settlement indicator can be either set to “Yes” or “No”, but both the CDS participant’s and the DTC participant’s settlement control indicator must be set to “Yes” before the transaction will be attempted to be settled.</p>	
Activity: Holding Trades	PBS interface: Using Participant Trade Instructions screen	15022-message interface: Not Applicable
	<p>General Rules:</p> <p>A DTC participant may hold a trade at any time prior to its settlement date. On the settlement date, a trade can only be released. If, however, a trade does not settle on settlement date or on the days following the settlement date, the pending trade can be held after payment exchange has begun, but prior to the start of the following business day (approximately 9:00 p.m.).</p>	
Activity: Canceling Trades	PBS interface: Using Participant Trade Instructions screen	15022-message interface: Not Applicable
	<p>General Rules:</p> <p>Only the submitter can cancel an unsettled trade (unconfirmed, Dked, confirmed, or pending) regardless of its status. Cancellations may occur anytime prior to a trade’s settlement date or after the beginning of payment exchange on or after the settlement date, but prior to the start of the next business day (approximately 9:00 p.m.). Once cancelled, the trade is deleted and cannot be changed or reinstated (reinstatement will require the submission of a new trade).</p>	

10 Recalls

As mentioned in section 4, positions received from southbound deliveries are not generally credited to DTC participant’s accounts intraday; however, one of the objectives of the Canadian dollar link is to make positions received in CDS immediately available for redelivery in DTC. Each time a position is received into the DTC omnibus account in CDS, DTC will look to see if the participant associated with the transaction has a delivery in the same security pending for insufficient position

in DTC. Similarly, each time a transaction recycles in DTC for insufficient position, DTC will check to see if the delivering participant has position in the same security in CDS. If DTC identifies the situation where a participant received position in CDS and has a delivery recycling for position in the same CUSIP in DTC, DTC will generate a message to CDS to recall the position needed to complete the delivery. When recalling positions, DTC will only recall position needed to complete the pending transaction. DTC will generate a transaction to deliver the position from the DTC 6000 account to the associated participant's DTC account and the position will be free for redelivery in DTC. Participants will see recalled position in the ART function as a receive from the 6000 account with a 702 reason code.

The process of recalling position received in the DTC omnibus account will be performed automatically by DTC. No participant intervention will be required to recall positions.

11 Sweeps

In order for DTC and CDS to perform certain RDP tasks, e.g., fail tracking, it is important that the integrity of each individual southbound transaction is maintained. As a result, DTC will generate individual transactions (rather than an aggregate total) from 6000 to the receiving participants' accounts in DTC once CDS payment exchange is complete. For example, assume participant "A" had a 100 share and a 200 share receive in CUSIP 123456789 in CDS. At the end of the processing day, after CDS payment exchange, DTC would generate two transactions in ATP to reflect the activity processed in CDS. The first would be a delivery from 6000 to participant "A's" account for 100 shares of CUSIP 123456789 and the second would be a delivery from 6000 to participant "A's" account for 200 shares in CUSIP 123456789. Participants will see these transactions as receives from the 6000 account in the ART function with a reason code 703.

Since some position may be "moved back" to a participant's DTC account prior to CDS payment exchange (see Recall section), an adjustment must be made to "back-out" the position associated with the recall transaction before the end-of-day southbound transactions can be processed in DTC. Continuing on the example above, if 50 shares of CUSIP 123456789 had been recalled intra day, processing the 100 and 200 share transactions would result in participant "A" receiving 350 shares of CUSIP 123456789 instead of the intended 300 shares.

To allow DTC to process recall transactions and maintain the integrity of the individual transactions processed in CDS, DTC must "back-out" the positions credited to a participant account as a result of a recall before the end-of-day transactions can be generated. Once again, continuing on the above example, an adjustment will be generated to deliver 50 shares from participant "A's" DTC account to the 6000 account reversing the recall before the 100 and 200 share deliveries from 6000 can be processed.

Participants will see the recall adjustments in the ART function as deliveries to the 6000 account with a reason code 702. The recall adjustments will be made prior to the end-of-day southbound deliveries (sweeps). Participants will see the sweeps in the ART function as receives from the 6000 account with a reason code 703.

12 Transaction Output**12.1 Deliver Order Output**

As described in section 3, a northbound CDS delivery will be processed in DTC's system as a free DO from the DTC participant to the 5099 account. Once this delivery completes in DTC, a delivery from the DTCS account to the Canadian receiver will be triggered in the CDS system with the DTC delivering participant number in the deliverer's 3rd party field. Because there are essentially two steps to each northbound delivery, participants will receive two separate output messages. The free DO to the 5099 account will be reported to participants on existing DTC output, but the completed valued delivery in CDS from the DTCS account to the Canadian receiver will be reported to participants via a 15022 (MT 547) message only. Participants will also receive an MT 548 ISO 15022 message each time the status changes, i.e., recycles for debit cap or collateral before the transaction completes in CDS's system. Participants will also be able to view their northbound deliver orders through PBS on the Participant Trade Instructions screen (see section 26.1.4) in the CDL system. Canadian dollar northbound deliver orders will have an activity code 26 in the CDL system and can be viewed in the ART function as deliveries to the 5099 account with a reason code 700.

Southbound deliveries, as described in section 4, will also be processed in two steps. A CDS participant will process a valued DO to the DTCS account with the receiving DTC participant number indicated in the receiver's third party field. Once this DO completes in the CDS system, the position will remain in the DTC omnibus account (except for recalls)⁹ until the end-of-day sweep when a free DO will be generated in DTC's system from the 6000 account to the participant.

As with northbound deliveries, participants will receive an MT 548 ISO 15022 message for southbound deliveries each time the status changes, i.e., recycles for debit cap or collateral. Once the transaction completes in CDS's system, participants will receive an MT 545 ISO 15022 message. DTC participants will receive existing DTC output for the free DO from the 6000 account to the participant in DTC's system for the sweeps and recalls. Participants will also be able to view their southbound deliver orders through PBS on the Participant's Trade Instructions screen in the CDL system. Canadian dollar southbound deliver orders will have an activity code 26 in the CDL system and can be viewed in the ART function as receives from the 6000 account with reason codes 702 (recalls) and 703 (sweeps).

As described in section 5, Canadian dollar deliver orders may be processed between two DTC participants. Participants will receive existing DTC output on Canadian dollar deliver orders that occur between two DTC participants. They will also receive an MT 548 ISO 15022 message each time the status changes, i.e., recycles for position, collateral or debit cap in DTC's system. Once an intra-DTC transaction completes, the DTC deliverer will receive an MT 547 ISO 15022 message and the DTC receiver will receive an MT 545 ISO 15022 message. Participants will also be able to view their intra-DTC Canadian dollar deliver orders through PBS on the Participant Trade Instructions screen in the CDL system. Intra-DTC Canadian dollar deliver orders will have an activity code 26 in the CDL system and can be viewed in the ART function as free deliveries between the DTC deliverer and the DTC receiver with a reason code 701.

⁹ Position received from southbound deliveries will remain in DTC's omnibus account until the end of the processing day unless the position is need by the receiving DTC participant to complete a turnaround delivery in DTC.

12.2 Payment Order Output

As described in section 6, Canadian dollar payment orders may be processed between a DTC participant and a CDS participant or between two DTC participants. Participants will **not** receive existing DTC output on Canadian dollar payment orders. They will receive an MT 548 ISO 15022 message for payment orders each time the status changes, i.e., recycles for debit cap or collateral and will receive an ISO 15022 MT 545 message for each completed payment order in which the participant was the receiver of the payment order and an ISO 15022 MT 547 message for each completed payment order in which the participant was the deliverer of the payment order. Unlike Canadian dollar deliver orders, Canadian dollar payment orders will not be viewable in the ART function. Participants will only be able to view their Canadian dollar payment orders through PBS on the Participant Trade Instructions screen in the CDL system. Canadian dollar payment orders will have an activity code 78 in the CDL system. They will also have zero shares and ISN # CA99997Z1099.

12.3 P&I Allocations Output

Participants will be able to elect to receive income payments on their Canadian positions paid in Canadian dollars for dividends declared in Canadian currency. These income payments will be posted to participants' Canadian dollar settlement balances in the CDL system. Participants will be able to view the details (CUSIPs & payments amounts) on the Activity Balances screen (see 26.1.9) screen in the CDL system. Canadian dollar income payments will have an activity code 88 in the CDL system.

13 Cutoffs

Input of Canadian dollar trade instructions will be accepted from 5:00 a.m. to 5:00 p.m., EST through PBS and 24 hours 7 days a week (except between Saturday 6:00 p.m. to Sunday 3:00 p.m., EST) via ISO 15022 messages. Trade instructions recycling in DTC will not be processed after 4:00 p.m., EST. Likewise, trade instructions received with the current day's settlement date or a prior day's settlement date after 4:00 p.m., EST will not be submitted for processing and will be queued for settlement on the next Canadian business date.

14 Risk Management Controls**14.1 Debit Cap**

Each participant (legal entity) will have a single Canadian dollar net debit cap regardless of how many accounts the participant maintains with DTC. Canadian dollar net debit cap will be calculated by multiplying a participant's three highest intra-day Canadian dollar net debit peaks over a rolling 70-day period by a factor. The factor will be based on a sliding scale, ranging from 1 to 2, where smaller average peaks are multiplied by larger factors and larger average peaks are multiplied by smaller factors. In no case may the Canadian dollar net debit cap of any participant exceed the limit imposed by CDS on transactions in the DTC omnibus account.

Once the Canadian dollar net debit cap is established, it will be displayed on the Participant Account Statement PBS screen. Transactions that would cause a participant to incur a net Canadian dollar debit that exceeds its net debit cap will be recycled by DTC. Recycling

transactions will be reported via 15022 messages (MT548 – status PEND) and can be viewed on the Participant Trade Instructions PBS screen in the CDL system. Participants can resolve net debit cap recycling transactions by pre-paying their Canadian dollar debit (prepayment wire instructions will be made available at a later date).

14.2 Collateral Monitor

In order for DTC to ensure that each participant is fully collateralized for its portion of DTC's net Canadian dollar settlement obligation at CDS, DTC will collateralize each participant's net Canadian dollar debit with collateral in its DTC collateral monitor by increasing each participant's DTC collateral monitor by the U.S. equivalent of its Canadian dollar credit balance and reducing each participant's DTC collateral monitor by the U.S. dollar equivalent of the participant's Canadian dollar debit balance.

Each time a northbound Canadian dollar transaction is processed in CDS, DTC will:

- Determine the Canadian dollar credit associated with the transaction
- Convert the Canadian dollar credit into the U.S. dollar equivalent using the Collateral Monitor Conversion Rate
- Generate an ATP code 123 transaction to increase the delivering participant's DTC collateral monitor by the amount of the converted Canadian dollar credit balance

In addition, each northbound Canadian dollar transaction will be processed as a free delivery in DTC and DTC will reduce the delivering participants' collateral monitors by the collateral value of the securities when the free delivery to the 5099 account completes in DTC.

Each time a southbound Canadian dollar transaction is processed, DTC will:

- Determine the Canadian dollar debit associated with the transaction
- Convert the Canadian dollar debit into the US dollar equivalent using the Collateral Monitor Conversion Rate
- Generate an ATP code 123 transaction to decrease the receiving participant's DTC collateral monitor by the amount of the converted Canadian dollar debit balance.

DTC will not give participants collateral value in their DTC collateral monitors for the securities they receive in CDS (southbound deliveries) versus Canadian dollars.

Intra-DTC Canadian dollar transactions will be processed as free deliveries between the two DTC participants. DTC will reduce the delivering participants' collateral monitors by the collateral value of the securities when the free deliveries to the DTC receivers complete in DTC and will increase the receiving participants' collateral monitors by the collateral value of the securities.

Each time an intra-DTC Canadian dollar delivery is processed, DTC will complete the following steps to adjust the DTC deliverer's collateral monitor:

- Determine the Canadian dollar credit associated with the transaction
- Convert the Canadian dollar credit into the U.S. dollar equivalent using the Collateral Monitor Conversion Rate
- Generate an ATP code 123 transaction to increase the delivering participant's DTC collateral monitor by the amount of the converted Canadian dollar credit balance

Each time an intra-DTC Canadian dollar delivery is processed, DTC will complete the following steps to adjust the DTC receiver's collateral monitor:

- Determine the Canadian dollar debit associated with the transaction
- Convert the Canadian dollar debit into the US dollar equivalent using the Collateral Monitor Conversion Rate
- Generate an ATP code 123 transaction to decrease the receiving participant's DTC collateral monitor by the amount of the converted Canadian dollar debit balance.

15 Participants Fund

Each participant that uses the Canadian dollar service will be required to contribute additional funds to the existing DTC participants fund. Total fund contributions will be based on the combined U. S. dollar and Canadian dollar net debit peaks using the existing DTC participants fund calculation formulas.

16 Fail Management (Automatic Reintroduction of Drops)

Only matched deliveries will be submitted for settlement processing. When a DTC participant is the deliverer of a DO that is to settle in Canadian dollars, DTC will generate a free DO to 5099 on settlement date once the transaction is matched in the CDS system. Like any free transaction, the free DO to 5099 will be subject to DTC's position and collateral edits and can "drop" in DTC. DOs to 5099 that are the result of Canadian dollar transactions will be dropped from DTC's system like any other failed delivery and will be reported on DTC's existing drop output reports. DTC will automatically resubmit Canadian dollar transactions that fail in DTC on the next Canadian business day. Therefore, participants that have processes in place to automatically resubmit their drops should revise them to exclude Canadian dollar settlement drops in order to prevent duplicate transactions from being resubmitted for the same trade.

If the delivery completes in DTC's system, the position will be repositioned to DTC's CDS omnibus account (as described in "Northbound Deliver Orders" section) and a delivery message will be sent to CDS to redeliver the position, for value, in the CDS system. The delivery in the CDS system will be subject to CDS's risk management controls and can drop in the CDS system. It should be noted, however, that the "drop" concept in CDS means that the transaction remains in a "pend" status.

If the delivery completes in DTC's system, but does not complete in CDS's system, the position will be moved back to the delivering participant's DTC account at the end of the day. Participants will see these moves as receives from the 6000 account¹⁰. Transactions that complete in DTC's system, but remain in a pend status in CDS's system will not be included on DTC's existing drop outputs. Instead, participants will receive a 15022-pend (MT548) message. Participants will also be able to view these transactions in a pend status on the PBS Participant Trade Instructions screen in the CDL system.

Transactions that complete in DTC's system, but remain in a pend status in CDS's system will also be resubmitted automatically on the next business day. Therefore, participants will see another free DO from their account to the 5099 account in the ART function on the following business day and the transaction will remain in the CDL system with a CDS pend status until it completes in CDS's system.

Unlike northbound deliveries (DTC participant to Canadian broker or custodian) that can drop in

¹⁰ Receives from 6000 resulting from northbound fails will have a reason code 700. Receives from 6000 resulting from southbound made deliveries will have a reason code 702. Receives from 6000 resulting from recalls will have a reason code 703).

either DTC's system or remain in a pend status in CDS's system, southbound deliveries (Canadian broker or custodian to DTC participant) can only drop (remain in a pend status) in CDS's system (the pend reason for southbound transactions could be insufficient deliverer's position or insufficient deliverer's collateral; however, the transaction will pend in the CDS system only). A Canadian dollar receive transaction will never drop in DTC's system because Canadian dollar receive transactions will be processed as free DOs in DTC (the DTC participant receives position and collateral). Participants will see a Canadian-dollar receive transaction as a free DO from the 6000 account in the ART function, but this movement representing the Canadian dollar transaction will not be reflected in the ART function until the transaction completes in CDS.

Like northbound deliveries, southbound deliveries (receives to a DTC participant) that drop (remain in a pending status) in CDS's system will also be automatically resubmitted on the following Canadian business day and should not be resubmitted by participants.

17 Reclaims

Since all Canadian dollar transactions will be matched prior to settlement, Canadian dollar transactions will not be reclaimable. Participants can view their CDL deliver orders and payment orders on the CDL screens and their CDL DOs on the ART screens (CDL POs will not be displayed in ART). Canadian dollar deliver orders can be uniquely identified on the DTC ART screens as deliver orders to the DTC 5099 account with reason code 700 or receives from the DTC 6000 account with reason codes 703 for southbound made DOs or 702 for southbound made DOs that have been recalled (except for DTC participant to DTC participant CDL DOs which will show in ART as free deliveries between the two DTC participants with reason code 701). Participants attempting to process reclaims of Canadian dollar deliver orders via the PBS ART screen will receive the following error message: *CDL (see ART screens below).

```

_ Menu _ ACTD _ ART _ PEND _ POS _ RMC1 _ SETD _ _____ _ Help _ HlpS
ERROR(S) ENCOUNTERED DURING RECLAMATION PROCESS. SEE CODE(S) UNDER 'STATUS'
QAAE/ART /MDB1 THE DEPOSITORY TRUST COMPANY Date: 01/20/2005
D0000031-40 ** Activity Summary-Activity/Contra ** Time: 11:48:48
=====
Part#: 5099 CUSIP or MMI-BASE: 868686866 Contra#: _____ ATP/SET: A
BRNSTN LLC LI TEST CORP + Actv: _____ Sub Actv: _____
Coll Grp: 0013 Bus-Date: 01 / 19 / 2005 Del/Rec/All: A Status: X
Rclm: _ Valued/Free: _ (>=) Dollar Amount: _____ MA/NA(Y/N): N
Dtl Time Activity Source CUSIP Reason Contra Quantity Dollar Amount Stat
R 10:52 DO - Rec CDLS 868686866 000 1250 100 100.00 *CDL
_ 10:52 DO - Delvr TLIP 868686866 000 1250 100 100.00 Made
_ 10:52 DO - Delvr TLIP 868686866 000 1250 100 100.00 Made
===== ..MORE->
1/13:Update 3/15:MMI-Recap 4/16:Prev-Day 5/17:Next-Day 6/18:Prev
7/19>List-Activities 8/20:End 9/21:Signoff 10/22:Back 11/23:Forw 12/24:Details

```

QABM/ART /MDB1 THE DEPOSITORY TRUST COMPANY Date: 01/20/2005
 D0000031-40 ** Status Codes and Descriptions ** Time: 14:02:00

```

=====
Status Code| Description
-----|-----
*ACT      | Invalid for this ACTIVITY
*ATP      | Critical ATP error
  Canc     | Original transaction was Cancelled
*CNS      | Requestor is 888
*CDL      | Canadian Dollar Link Transaction Not Reclaimable
  CNSM     | Partially Made to CNS
  CNSP     | Partially Recycled to CNS
*CUT      | Past ATP Cutoff time
*DB2      | System error ocured
*DO?      | Original Transaction is not a "DO"
*DLV      | Requestor is not Deliverer of the original transaction
  DRAD     | Rad item
*DRP      | Original transaction dropped
  Drop     | Could not make, so Dropped
*DTC      | Original Deliverer Participant is SIAC or internal account
*DTE      | Reclaim of prior day not allowed
  
```

```

=====
6/18:Prev      8/20:End      9/21:Signoff      11/23:Forw
...MORE->
  
```

18 RAD / IMS

Canadian dollar settlement deliver orders and payment orders will not be subjected to the Receiver Authorized Delivery (RAD) system since they are confirmed trades (the contra-party must agree to the terms of the transaction prior to settlement date). For this same reason, Canadian dollar deliver orders will not be subjected to the IMS Participant Entered Transactions profiles (PETS) for secondary approvals.

Confirmed Canadian dollar transactions that do not complete on settlement day will be automatically queued for settlement on the next Canadian business day (see "Fail Management" section). As a result, participants will not be permitted to update their IMS drop profiles with the Canadian dollar deliver order reason codes (700, 701, 702 & 703). Canadian dollar DO drops will remain in a pend state in the CDL system until the transaction has been settled, cancelled or purged from the system (see "Trade Processing Rules" section for further details).

Although Canadian dollar deliver orders will not be subjected to IMS PETS processing or IMS drop profiles for the reasons stated above, they will be eligible for IMS recycle prioritization. As such, participants will be able to prioritize their Canadian dollar deliveries (reason codes 700 and 701) on the IMS Recycle Order Profile Update screens.

19 Security Eligibility

Many CDS-eligible securities will not be permitted to be "full-service" eligible at DTC because they are not registered with the SEC. As a result, DTC will develop a new limited-eligibility or "custody-like" eligibility status. Limited-eligibility status securities will be added to DTC's security masterfile and will be uniquely identified on DTC's PTS/PBS GWIZ functions. Limited-eligibility issues will be included on DTC's existing eligibility files, but will be displayed as chilled for DTC activity. In addition, participants will receive a separate limited-eligibility file (LTDMST – see attachment 26.3) for CDS limited-eligibility issues upon request.

Securities with the new limited-eligibility status will not be transferable within DTC, i.e., intra-DTC DOs or pledges will not be permitted and DTC will not allow any physical security processing (deposits or withdrawals). Only security movements across the DTC/CDS interface (the existing and new) and segregation activities will be permitted. Although limited-eligibility securities will be blocked from moving between participant accounts within DTC, DTC will perform asset servicing on these limited-eligibility securities.

Limited-eligibility securities will be made eligible on a “need to” basis. DTC will accept a participant’s CDS instruction for any CUSIP that is eligible in CDS’s system even if it is not yet eligible in DTC. Barring any OFAC restrictions, any CUSIP for which an instruction is received that is eligible at CDS will be made eligible (either limited-eligibility or full-eligibility) in DTC’s system.

Each time DTC receives a Canadian dollar transaction instruction from a DTC participant or CDS, DTC will check to determine if the CUSIP or ISIN contained in the instruction is eligible (either full-service or limited). If the security is not DTC eligible, a call will be made to the CDS security master file to verify that the security is eligible at CDS. If the security is not eligible at CDS, DTC will reject the DTC participant instruction. If the security is eligible at CDS, DTC will retrieve the security data and will add the security to its security master file intra-day.

20 End-of- Day Settlement

DTC will engage a cash correspondent bank in Canada which will act as DTC’s settlement agent for Canadian dollars. This cash correspondent bank will collect participants’ settlement debit balances due DTC in connection with transactions (deliver orders and payment orders) and in turn will pay cash settlement credit balances. Participants that elect to participate in the Canadian dollar settlement service will be required to provide wire instructions indicating the bank and account to which they would like to receive their credit wires. Once a cash correspondent bank has been selected, DTC will publish wire instruction details (ABA and account number) at the cash correspondent bank where DTC will collect participants’ net Canadian dollar debits. Canadian dollar settlement will occur on the legal entity level (all participant accounts in a legal entity will be netted to one total); as such, participants’ Canadian-dollar settlement wire instructions will be kept on the legal entity level.

Participants will be required to pay their Canadian dollar debits by 4:30 p.m., EST. Participants that do not pay their Canadian dollar debits by 4:30 will be in default and DTC may implement its Failure-to-Settle procedures (see “Failure to Settle” section). Once all Canadian dollar debits have been collected from DTC participants and DTC has collected any net amount owed from CDS in respect of transactions processed through the omnibus account, DTC’s cash correspondent bank will wire DTC participants the amounts of their Canadian dollar credits; provided, however, that DTC may apply such Canadian dollar credits to satisfy any other obligations of such participants to DTC or any obligations of DTC in respect of such participants to another clearing organization. Assuming that all Canadian dollar debits are collected from DTC participants by 4:30 p.m. and that DTC has collected any net amount owed from CDS by 5:00 p.m., Canadian dollar credits will be paid to DTC participants at approximately 5:00 p.m. or shortly thereafter. Participants will be able to view their Canadian dollar balances on the Participant Account Statement in PBS (see 26.1.8).

21 Holiday Processing

The Canadian security market operates on a different holiday schedule than the U.S. securities market. DTC will modify its systems to enable processing of Canadian-dollar transactions on days when the Canadian market is open and the U.S. market is closed.

Processing Canadian-dollar transactions on U.S. holidays is complicated because during the evening of each DTC business day, beginning at approximately 9:00 p.m., DTC starts processing transactions scheduled to be settled on the next DTC business day. Although, as an operational matter, positions are moved during the night-cycle, as a legal matter, they are deemed to be moved on the settlement date, i.e., the next DTC business day. Normally this does not cause a problem because risk management controls are in place and, although positions are moved as an operational matter during the night-cycle, the actual settlement of the positions does not occur until the actual settlement day. That is, although U.S. dollar transactions are processed on the night prior to the holiday, they are done with legal effect on the next U.S. business day.

For example, since DTC processes its night-cycle on the night prior to a holiday, DTC begins its night-cycle processing for transactions that are to settle on July 5th on July 3rd. As a result, participants may see positions in their accounts on July 3rd that will not actually settle until July 5th. Since DTC will process Canadian dollar transactions on July 4th, unless systemically prevented by DTC, a participant might attempt to use position received from CNS or another DTC participant on July 3rd (for settlement of July 5th) to complete a Canadian dollar delivery in CDS on July 4th. Although participants would have to have other collateral to support the free delivery through the DTC/CDL interface for the Canadian dollar settlement transaction on July 4th, redeliveries of such positions will not be permitted.

DTC will prevent participants from using positions they receive in the night-cycle on the day prior to a U. S. holiday to complete Canadian dollar transactions in DTC. To determine the position available for deliveries versus Canadian dollars on a U.S. holiday, DTC will calculate available positions by using the participant's end-of-day balance prior to the night cycle, adding positions received intraday versus Canadian dollars and subtracting positions delivered intraday or in the night cycle versus U.S. or Canadian dollars.

Participants will be able to view their positions received in the night cycle, i.e., positions not available for redelivery in CDS on a U.S. holiday through the PTS POS screen in the Receive Versus Payment Canadian Dollar Settlement (RVPCDS) Counter.

Canadian dollar settlement transactions that complete in DTC's system on a holiday will only be reported to participants through the CDL system via ISO 15022 messages or on the CDL PBS screens on the Holiday (in this example, on July 4th).

As indicated in the "Transaction Output" section, the free delivery from the participant to the 5099 account for northbound Canadian dollar transactions that will occur in DTC's system will be reported on DTC's output on July 5th with the settlement date of July 4th. Likewise, the free deliver orders from the 6000 account to participants that result from southbound Canadian dollar receives on July 4th will be reported on DTC output on July 5th with the settlement date of July 4th.

22 Principal and Interest Payments / Tax Elections

Since end-of-day positions will always be resident within the participant's DTC account, all P&I and other corporate action servicing will conform to standard DTC processes. This includes instruction processing, tax elections, currency payments and other elective functions. With the exception of a

Canadian-dollar currency election, all payments made to participants within the DTC settlement system will be in U.S. dollars.

For dividends declared in Canadian currency, participants will be able to elect (using existing functionality) to have income payments paid in Canadian dollars. These income payments will be posted to participants' Canadian dollar settlement balances in the CDL system. Canadian dollar income payments will have an activity code 88 in the CDL system.

DTC and CDS are actively engaged in discussions to minimize any impact that arises from different market practices within the U.S. and Canadian marketplaces such as market claims, due bill processing, etc. A more detailed explanation of these issues will be published in the near future.

23 Fees

23.1 Deliver Order Fees

DTC will charge \$2.00 U.S. per submitted: Canadian dollar delivery / receive, recall transaction resulting from the automatic recall process, cancel instruction and modify instruction.

DTC will not charge for: hold instructions of Canadian dollar deliveries / receives, DK instructions, confirm instructions or end-of-day sweep transactions.

All fees will be collected in U.S. dollars through the existing U.S. dollar settlement system and will be uniquely identified on the DTC U.S. dollar settlement statement bill.

23.2 Payment Order Fees

DTC will charge \$2.00 U.S. per submitted: Canadian dollar payment order delivery / receive, cancel instruction and modify instruction.

DTC will not charge for: hold instructions of Canadian dollar payment order deliveries / receives, DK instructions or confirm instructions.

All fees will be collected in U.S. dollars through the existing U.S. dollar settlement system and will be uniquely identified on the DTC U.S. dollar settlement statement bill.

23.3 Asset Servicing / Custody Fees

DTC will charge for asset servicing and custody services on all Canadian and U.S. securities at the existing DTC Asset Servicing/ Custody fees.

24 Failure to Settle

In the event a participant is unable to satisfy its end of day Canadian dollar debit, DTC will secure

collateral from the defaulting participant's DTC account (any security held in a participant's DTC NA (net addition) account can be used as collateral in the event of a participant failure). In addition, DTC may impose a late payment fee (see section 26.4). DTC will use the collateral from the defaulting participant's account to support borrowing on one or more of its liquidity sources and use the borrowed funds to complete settlement. If the defaulting participant satisfies its Canadian dollar obligation by 10:00 a.m. on the following business day, DTC will use the funds to repay its liquidity sources and return the collateral. If the defaulting participant does not satisfy its Canadian dollar debit obligation by 10:00 the following business day, the collateral secured by DTC can be liquidated and the proceeds from the liquidation can be used to repay DTC's liquidity sources.

In addition, DTC may draw on its U.S. dollar liquidity resources and may convert the U.S. funds to Canadian funds to complete Canadian dollar settlement in the event of a participant default. The defaulting participant will be responsible for the FX cost and risk associated with the conversion of U.S. to Canadian dollars.

25 Loss Allocation

DTC will apply its existing loss allocation procedures in the event that DTC incurs a loss related to its Canadian dollar settlement service.



26 Attachments

26.1 PBS Screens

26.1.1 Canadian Dollar Link Menu

The screenshot shows the 'PBS - Settlement Services' web application. At the top right is the DTCC logo. Below it is a navigation bar with links: Home, Settlement Tools, Message Center, Change Password, Help, and Go To PTS. The main content area is divided into two columns. The left column has a header 'Welcome to the Canadian Dollar Link' and a paragraph describing the settlement link. The right column has a header 'Canadian Dollar Link Utilities' and a list of links: > CUSIP Search, > SMART/Search, > PINS, and > SMART/Messaging. Below these columns is a section titled 'Settlement Functions' which contains two sub-sections: 'Processors' with links for 'Deliver Instruction Entry', 'Receive Instruction Entry', and 'Participant Trade Instructions'; and 'Settlement Statement/Reconciliation' with links for 'Settlement Statement', 'Participant Account Statement', 'Funds Transfer', and 'Made Trades By Activity Code'.

26.1.2 Deliver Instruction Entry

Home | Settlement Tools | Message Center | Change Password | Help | Go To [RTS](#)

Canadian Dollar Link - Deliver Instruction Entry Go To:

Jun 21, 2005 - 9:50 AM EST
Logged on as: 00013 - 004

Deliver Instruction * = Required	
Delivering Participant ID:	13
Participant Name:	SANFORD C. BERNSTEIN & CO., LLC

Session Totals: Items: 0 Quantity: 0 Net-Amount: \$0.00

Reset | Validate | Submit

Instruction Details 1 Clear Current Instruction

Receiving Participant:	<input type="text" value="50"/> *	<input checked="" type="radio"/> DTC or <input type="radio"/> CDS Participant *
Amount (Canadian Dollars):	<input type="text" value="1.00"/> *	Quantity: <input type="text" value="1"/> *
ISIN/CUSIP:	<input type="text" value="254687106"/> *	Description:
Trade Date:	<input type="text" value=""/> *	Settlement Date: <input type="text" value="06/21/2005"/> *
Third Party:	<input type="text" value=""/>	Price:
Comments:	<input type="text" value="Canadian Dollar Trade"/>	

Instruction Details 2 Copy From Previous Instruction | Clear Current Instruction

Receiving Participant:	<input type="text" value="TD01"/> *	<input type="radio"/> DTC or <input checked="" type="radio"/> CDS Participant *
Amount (Canadian Dollars):	<input type="text" value="1.00"/> *	Quantity: <input type="text" value="1"/> *
ISIN/CUSIP:	<input type="text" value="254687106"/> *	Description:
Trade Date:	<input type="text" value=""/> *	Settlement Date: <input type="text" value="06/21/2005"/> *
Third Party:	<input type="text" value=""/>	Price:
Comments:	<input type="text" value="Canadian Dollar Trade"/>	

Instruction Details 3 Copy From Previous Instruction | Clear Current Instruction

Receiving Participant:	<input type="text" value=""/> *	<input type="radio"/> DTC or <input checked="" type="radio"/> CDS Participant *
Amount (Canadian Dollars):	<input type="text" value=""/> *	Quantity: <input type="text" value=""/> *
ISIN/CUSIP:	<input type="text" value=""/> *	Description:
Trade Date:	<input type="text" value=""/> *	Settlement Date: <input type="text" value=""/> *
Third Party:	<input type="text" value=""/>	Price:
Comments:	<input type="text" value=""/>	

Instruction Details 4 Copy From Previous Instruction | Clear Current Instruction

Receiving Participant:	<input type="text" value=""/> *	<input type="radio"/> DTC or <input checked="" type="radio"/> CDS Participant *
Amount (Canadian Dollars):	<input type="text" value=""/> *	Quantity: <input type="text" value=""/> *
ISIN/CUSIP:	<input type="text" value=""/> *	Description:
Trade Date:	<input type="text" value=""/> *	Settlement Date: <input type="text" value=""/> *
Third Party:	<input type="text" value=""/>	Price:
Comments:	<input type="text" value=""/>	

Instruction Details 5 Copy From Previous Instruction | Clear Current Instruction



Receiving Participant:	<input type="text" value=""/> *	<input type="radio"/> DTC or <input checked="" type="radio"/> CDS Participant *
Amount (Canadian Dollars):	<input type="text" value=""/> *	Quantity: <input type="text" value=""/> *
ISIN/CUSIP:	<input type="text" value=""/> *	Description:
Trade Date:	<input type="text" value=""/> *	Settlement Date: <input type="text" value=""/> *
Third Party:	<input type="text" value=""/>	Price:
Comments:	<input type="text" value=""/>	

Instruction Details 6 Copy From Previous Instruction | Clear Current Instruction

Receiving Participant:	<input type="text" value=""/> *	<input type="radio"/> DTC or <input checked="" type="radio"/> CDS Participant *
Amount (Canadian Dollars):	<input type="text" value=""/> *	Quantity: <input type="text" value=""/> *
ISIN/CUSIP:	<input type="text" value=""/> *	Description:
Trade Date:	<input type="text" value=""/> *	Settlement Date: <input type="text" value=""/> *
Third Party:	<input type="text" value=""/>	Price:
Comments:	<input type="text" value=""/>	

Reset | Validate | Submit

26.1.3 Receiver Instruction Entry

Home | Settlement Tools | Message Center | Change Password | Help | Go To **PTD**
Go To:

Jun 21, 2005 - 10:25 AM EST
 Logged on as: 00013 - 004

Receive Instruction = Required

Receiving Participant ID:	13	Participant Name:	SANFORD, C. BERNSTEIN & CO., LLC
---------------------------	----	-------------------	----------------------------------

Session Totals: Items: 3 Quantity: 8 Net-Amount: \$8.00

Reset Validate Submit

Instruction Details 1 Clear Current Instruction

Delivering Participant:	<input type="text" value="161"/> *	<input checked="" type="radio"/> DTC or <input type="radio"/> CDS Participant *
Amount (Canadian Dollars):	<input type="text" value="10.00"/> *	Quantity: <input type="text" value="1"/> *
ISIN/CUSIP:	<input type="text" value="254687106"/> *	Description:
Trade Date:	<input type="text" value=""/> *	Settlement Date: <input type="text" value="06/21/2005"/> *
Third Party:	<input type="text" value=""/>	Price:
Comments:	<input type="text" value="Canadian Dollar Trade"/>	

Instruction Details 2 Copy From Previous Instruction Clear Current Instruction

Delivering Participant:	<input type="text" value=""/> *	<input type="radio"/> DTC or <input type="radio"/> CDS Participant *
Amount (Canadian Dollars):	<input type="text" value=""/> *	Quantity: <input type="text" value=""/> *
ISIN/CUSIP:	<input type="text" value=""/> *	Description:
Trade Date:	<input type="text" value=""/> *	Settlement Date: <input type="text" value=""/> *
Third Party:	<input type="text" value=""/>	Price:
Comments:	<input type="text" value=""/>	

Instruction Details 3 Copy From Previous Instruction Clear Current Instruction

Delivering Participant:	<input type="text" value=""/> *	<input type="radio"/> DTC or <input type="radio"/> CDS Participant *
Amount (Canadian Dollars):	<input type="text" value=""/> *	Quantity: <input type="text" value=""/> *
ISIN/CUSIP:	<input type="text" value=""/> *	Description:
Trade Date:	<input type="text" value=""/> *	Settlement Date: <input type="text" value=""/> *
Third Party:	<input type="text" value=""/>	Price:
Comments:	<input type="text" value=""/>	

Instruction Details 4 Copy From Previous Instruction Clear Current Instruction

Delivering Participant:	<input type="text" value=""/> *	<input type="radio"/> DTC or <input type="radio"/> CDS Participant *
Amount (Canadian Dollars):	<input type="text" value=""/> *	Quantity: <input type="text" value=""/> *
ISIN/CUSIP:	<input type="text" value=""/> *	Description:
Trade Date:	<input type="text" value=""/> *	Settlement Date: <input type="text" value=""/> *
Third Party:	<input type="text" value=""/>	Price:
Comments:	<input type="text" value=""/>	

Instruction Details 5 Copy From Previous Instruction Clear Current Instruction



Delivering Participant:	<input type="text" value=""/> *	<input type="radio"/> DTC or <input type="radio"/> CDS Participant *
Amount (Canadian Dollars):	<input type="text" value=""/> *	Quantity: <input type="text" value=""/> *
ISIN/CUSIP:	<input type="text" value=""/> *	Description:
Trade Date:	<input type="text" value=""/> *	Settlement Date: <input type="text" value=""/> *
Third Party:	<input type="text" value=""/>	Price:
Comments:	<input type="text" value=""/>	

Instruction Details 6 Copy From Previous Instruction Clear Current Instruction

Delivering Participant:	<input type="text" value=""/> *	<input type="radio"/> DTC or <input type="radio"/> CDS Participant *
Amount (Canadian Dollars):	<input type="text" value=""/> *	Quantity: <input type="text" value=""/> *
ISIN/CUSIP:	<input type="text" value=""/> *	Description:
Trade Date:	<input type="text" value=""/> *	Settlement Date: <input type="text" value=""/> *
Third Party:	<input type="text" value=""/>	Price:
Comments:	<input type="text" value=""/>	

Reset Validate Submit

26.1.4 Participant Trade Instructions

Home | Settlement Tools | Message Center | Change Password | Help | Go To **PTS**

Canadian Dollar Link - Participant Trade Instructions Go To:

Jun 21, 2005 - 12:00 PM EST
Logged on as: 00013 - 004

Search Criteria				* = Required
Participant ID:	00000013	Participant Name:		
Contra Participant:	<input type="text"/>	Side (Participant ID):	Deliverer	*
ISIN/CUSIP:	<input type="text"/>	Description:		
Amount: (> or =)	<input type="text"/>	Free or Valued:	Both	
Settlement Date:	<input type="text" value=""/>	Activity:	[Select An Activity]	
Trade Status:	[Select Trade Status]	Hold Status:	[Select Hold Status]	

Reset Search

Reset Submit

Page: 1 Records Displayed: 4

Search Results											? = Look up
Action	CDS Trade ID	Time	Contra	Trade Initiator	ISIN	Quantity	Dollar Amount	Source	Trade Status	Hold Status	
[Action]	T200517200186	10:45	TD01	Participant	US2546871060	2	\$2.00	PBS	Unconfirmed		
[Action]	T200517200187	10:46	TD01	Participant	US2546871060	1	\$1.00	PBS	Unconfirmed		
[Action]	T200517200188	10:47	TR05	Contra	US2003002001	5,000	\$5,000.00	CDS	Unconfirmed		
[Action]	005172001018D	10:14	0060	Participant	US2546871060	1	\$1.00	PBS	Unconfirmed		

Page: 1 Records Displayed: 4

No More Records Available Reset Submit

26.1.5 Trade Instruction Details

Canadian Dollar Link - Instruction Details

Print  Close 

Activity Details			
CDS Trade ID:	T200517200188	ATP Transaction Number:	
Originator ID:	CLA -0	Originating Source:	CDS
Participant ID:	00000013	Participant Name:	SANFORD C. BERNSTEIN
Side:	Deliverer	Contra Participant:	TR05
ISIN:	US2003002001	ISIN Description:	COMCAST CORP CLASS A SPECIAL +
CUSIP:	200300200	CUSIP Description:	COMCAST CORP CLASS A SPECIAL +
Quantity:	5,000.00	Price:	\$1,000,000.000000000
Amount (Canadian Dollars):	\$5,000.00	Third Party:	00000013
Business Date:	06/21/2005	Time:	10:47
Trade Date:	06/21/2005	Settlement Date:	06/21/2005
Activity Code:	26	Activity Description:	Delivery Orders
DTC Participant Hold Indicator	No	CDS Settlement Indicator	No

Text Comments

Line 1:

Line 2:

Page: 1 Records Displayed: 1

Activity History			
Trade Status	User Id	Date	Time
Unconfirmed	CLA -0	On: 06/21/2005	At: 10:47:24

Page: 1 Records Displayed: 1
No More Records Available

Print  Close 

26.1.6 Confirm / DK / Cancel Trade Instruction

Canadian Dollar Link - Confirm Trade Instruction

Print Close Submit

Trade Details			
CDS Trade ID:	T200517200188		
Originator ID:	CLA -0	Originating Source:	CDS
Participant ID:	13	Participant Name:	SANFORD C. BERNSTEIN & CO., LLC
Side:	Deliver	Contra Participant:	TR05
ISIN:	US2003002001	ISIN Description:	COMCAST CORP CLASS A SPECIAL +
CUSIP:	200300200	CUSIP Description:	COMCAST CORP CLASS A SPECIAL +
Quantity:	5000	Price:	\$1,000,000.00
Amount (Canadian Dollars):	\$5,000.00	Third Party:	
Business Date:	06/21/2005	Time:	10:47:24
Trade Date:	06/21/2005	Settlement Date:	06/21/2005
Activity Code:	000	Activity Description:	*****
DTC Participant Hold Indicator:	No	CDS Settlement Indicator:	No

Text Comments

Comments:

Activity History

See Trade Instruction Details

Text Comments

Comments:

Print Close Submit

26.1.7 Modify Trade Instruction

Canadian Dollar Link - Modify Trade Instruction Go To:

Jun 21, 2005 - 4:27 PM EST
Logged on as: 00013 - 001
[<Back](#)

Deliver Instructions * = Required

Delivering Participant ID:	13	Participant Name:	SANFORD C. BERNSTEIN & CO., LLC
----------------------------	----	-------------------	---------------------------------



[Reset](#) [Validate](#) [Submit](#)

Instruction Details

Receiving Participant:	60	Quantity:	<input type="text" value="1"/> *
Amount (Canadian Dollars):	<input type="text" value="\$1.00"/> *	Price:	<input type="text" value="\$.00"/>
ISIN/CUSIP:	<input type="text" value="US2546871060"/> *	Description:	DISNEY (WALT) COMPANY HOLDING COMPANY <
Trade Date:	<input type="text" value="06/21/2005"/>	Settlement Date:	<input type="text" value="06/21/2005"/> *
Third Party:	<input type="text"/>		
Seller Settlement Indicator:	<input type="checkbox"/> Hold Delivery		
Comments:	<input type="text"/>		

[Reset](#) [Validate](#) [Submit](#)

26.1.8 Participant Account Statement

Home [Settlement Tools](#) [Message Center](#) [Change Password](#) [Help](#) [Go To P75](#)

Canadian Dollar Link - Participant Account Statement Go To:

Jun 21, 2005 - 5:37 PM EST
Logged on as: 00013 - 004

Selection Criteria * = Required

Participant ID:	0013	Participant Name:	SANFORD C. BERNSTEIN & CO., LLC
Bank:		Bank Name:	Unknown Bank Name/Number
Debit Cap:	\$ 1,000,000.00		
Legal Entity Statement:	<input type="checkbox"/>	Legal Entity:	0013

[Reset](#) [Search](#)

Participant Account Statement for SANFORD C. BERNSTEIN & CO., LLC

Description	Debit	Credit	Balance
Activity Balances			
	\$ 0.00	\$ 3.00	\$ 3.00
Adjustments			
	\$ 15.00	\$ 16.00	\$ 1.00
Post Activity	\$ 0.00	\$ 0.00	\$ 0.00
Net Balance			\$ 4.00

26.1.9 Activity Balances

Canadian Dollar Link - Activity Balances Go To:

Jun 21, 2005 - 5:15 PM EST
Logged on as: D0062 - 045

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Search Criteria					
Participant ID:	00000013	Participant Name:	SANFORD C. BERNSTEIN		

Records Displayed: 0001

Activity Balances for SANFORD C. BERNSTEIN					
Activity	Activity Description	Debit	Credit	Balance	
26	Delivery Orders	\$.00	\$ 3.00	\$ 3.00	

Records Displayed: 0001

26.1.10 Participant Activity Totals

Home [Settlement Tools](#) [Message Center](#) [Change Password](#) [Help](#) [Go To 975](#)

Canadian Dollar Link - DTC Participant Activity Totals Go To:

Jun 21, 2005 - 5:00 PM EST
Logged on as: 00013 - 004

[<Back](#)



Selection Criteria					
Legal Entity:	0013				

Page: 1 Records Displayed: 1

Participant Activity Totals for Legal Entity: 0013				
Participant	Debit	Credit	Balance	
13	\$.00	\$ 4.00	\$ 4.00	

Page: 1 Records Displayed: 1
No More Records Available

26.1.11 Adjustments

Home | Settlement Tools | Message Center | Change Password | Help | Go To **PTS**

Canadian Dollar Link - Adjustments Inquiry Go To:

Jun 21, 2005 - 2:30 PM EST
Logged on as: 00013 - 004

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Search Criteria					
Participant ID:	00000013	Participant Name:	SANFORD C. BERNSTEIN & CO., LLC	Credit or Debit:	<input type="text" value="Credit"/>

Page: 1 Records Displayed: 0001

Search Results: Adjustments for Participant ID: 00000013



Amount	Comments
\$16.00	ADJUST CANADIAN DOLLAR AMOUNT

Page: 1 Records Displayed: 0001

Settlement Services is a service of DTC, a wholly-owned subsidiary of DTCC

[Contact Us](#) | [Important Legal Information](#)

26.1.12 Funds Transfer

Home | Settlement Tools | Message Center | Change Password | Help | Go To **PTS**

Canadian Dollar Link - Funds Transfer Go To:

Jun 21, 2005 - 4:07 PM EST
Logged on as: 00013 - 004

[<Back](#)

Search Criteria		
Legal Entity:	13	

Page: 1 Records Displayed: 0001

Search Results for Legal Entity 13

Amount	Time	Manual ID
- \$2.00	15.57.24	D0070-023

Page: 1 Records Displayed: 0001

26.1.13 Made Trades By Activity Code

Canadian Dollar Link - Made Trades By Activity Code Go To:

Jun 21, 2005 - 4:57 PM EST
Logged on as: 00013 - 001

[<Back](#)

Search Criteria				Required
Participant ID:	00000013	Participant Name:	SANFORD C. BERNSTEIN & CO., LLC	
Contra Participant:	<input type="text"/>	Side (Participant ID):	Deliverer <input type="text"/> *	
ISIN/CUSIP:	<input type="text"/>	Description:	<input type="text"/>	
Amount: (> or =)	<input type="text"/>	Free or Valued:	Both <input type="text"/>	
Activity:	<input type="text" value="[Select An Activity]"/>			

Page: 1 Records Displayed: 2

CD\$ Trade ID	Time	Contra	ISIN	Quantity	Dollar Amount	Reason Code
005172001026D	16:54	0060	US2546871060	1	\$1.00	701
005172001027D	16:54	0060	US2546871060	3	\$2.00	701

Page: 1 Records Displayed: 2
No More Records Available

26.1.14 Trade Details

Canadian Dollar Link - Trade Details

Print Close

Activity Details			
CDS Trade ID:	005172001026D	ATP Transaction Number:	411401-0
Originator ID:	00013-004	Originating Source:	PBS
Participant ID:	00000013	Participant Name:	SANFORD C. BERNSTEIN
Side:	Deliverer	Contra Participant:	0060
ISIN:	US2546871060	ISIN Description:	DISNEY (WALT) COMPANY HOLDING COMPANY <
CUSIP:	254687106	CUSIP Description:	DISNEY (WALT) COMPANY HOLDING COMPANY <
Quantity:	1	Price:	\$0.00
Amount (Canadian Dollars):	\$1.00	Third Party:	
Business Date:	06/21/2005	Time:	16:16
Trade Date:	06/21/2005	Settlement Date:	06/21/2005
Activity Code:	26	Activity Description:	Delivery Orders

Text Comments

Line 1:

Line 2:

Page: 1 Records Displayed: 6

Activity History			
Trade Status	User Id	Date	Time
Unconfirmed	00013-004	On: 06/21/2005	At: 16:16:42
Confirmed By:	D0062-045	On: 06/21/2005	At: 16:17:56
Insuff Debit Cap By:		On: 06/21/2005	At: 16:19:07
DTC Coll Monitor Made By:		On: 06/21/2005	At: 16:46:06
DTC Made By:		On: 06/21/2005	At: 16:54:07
DTC Coll Monitor Made By:		On: 06/21/2005	At: 16:56:07

Page: 1 Records Displayed: 6

No More Records Available

Print Close

26.2 ISO 15022 Messages

ISO 15022 Incoming messages will be generated in the following situations:

- DTC participant submits a trade instruction (delivery or receive) to a CDS or another DTC participant.
- DTC participant confirms or DKs a trade instruction (deliver or receive) received from a CDS or another DTC participant.

The following table summarizes the 15022 Outgoing messages' processing.

Status Description	Trade Initiator	15022 message Sent to	Message Type
DTC participant originated trade instruction is edit-rejected by CDL system or CDS	Seller	Deliverer	MT548
	Buyer	Receiver	
DTC trade instruction is intercepted	Seller	Deliverer	MT548
	Buyer	Receiver	MT548
DTC Delivery Instruction accepted for further processing	Seller	Deliverer	MT548
DTC Receive Instruction accepted for further processing	Buyer	Receiver	MT548
CDS Delivery Instruction accepted for further processing	Seller	Receiver	MT543

DTC

CDS Receive Instruction accepted for further processing	Buyer	Deliver	MT541
DTC trade Instruction between two DTC participants accepted for further processing	Seller	Deliverer Receiver	MT548 MT541
	Buyer	Receiver Deliverer	MT548 MT543
CDS Participant Affirms or DKs DTC trade instruction	Seller	Deliverer	MT548
	Buyer	Receiver	
DTC Participant Affirms or DKs another DTC participant trade instruction	Seller	Deliverer	MT548
	Buyer	Receiver	MT548
CDS Participant Cancels DTC participant trade instruction	Seller	Receiver	MT543
	Buyer	Deliverer	MT541
DTC Participant Cancels another DTC participant trade instruction	Seller	Receiver	MT543
	Buyer	Deliverer	MT541
CDS participant modifies DTC participant trade instruction	Seller	Receiver	MT543
	Buyer	Deliverer	MT541
DTC participant modifies another DTC participant trade instruction	Seller	Receiver	MT543
	Buyer	Deliverer	MT541
Trade is pending in CDS	Seller or Buyer	Deliverer or Receiver (depending who DTC participant is)	MT548
Trade is made in CDS	Seller or Buyer	Deliverer or Receiver (depending who DTC participant is)	MT545 or MT547
DTC participant to DTC participant trade is Made	Seller or Buyer	Deliverer Receiver	MT545 MT547
DTC participant to DTC participant trade is pending in ATP	Seller or Buyer	Deliverer Receiver	MT548
DTC participant to CDS participant delivery pending in ATP	Seller or Buyer	Deliverer	MT548
DTC participant to DTC participant delivery collateral Monitor adjustment is pending in ATP	Seller or Buyer	Deliverer Receiver	MT548
CDS participant to DTC participant delivery Collateral Monitor adjustment is pending in ATP	Seller or Buyer	Receiver	MT548
Not sufficient debit cap – DTC participant to DTC participant delivery	Seller or Buyer	Deliverer Receiver	MT548
DTC participant holds or releases trade instruction – DTC to DTC participant delivery	Seller or Buyer	Deliverer or Receiver (depending who holds / releases the trade)	MT548

DTC

CDS participant holds or releases trade instruction	Seller or Buyer	Deliverer or Receiver (depending who DTC participant is)	MT548

26.2.1 MT 541 Receive against Payment

Description	<p>This message is used to:</p> <ul style="list-style-type: none"> Instruct the receipt of financial instruments against payment, physically or by book-entry, from a specified party (the function of the message is NEWM) Request the cancellation of a receive against payment instruction previously sent by the account owner (the function of the message is CANC) – Output only.
Functionality	<p>This message will be sent by a DTC participant:</p> <ul style="list-style-type: none"> To submit a trade entry in which it represents a receiver (buyer) of shares and a CDS or DTC participant (contra) is a deliver (seller) of shares. <p>This message will be sent by the CDL system:</p> <ul style="list-style-type: none"> To inform a DTC participant that a CDS or another DTC participant submitted a trade in which it (initiator of the trade) represents a receiver (buyer) of shares and a DTC participant is a deliver (seller) of shares. To inform a DTC participant that a CDS or another DTC participant (initiator of the trade) deletes previously submitted “Receive against payment” trade entry. To inform a DTC participant that a CDS or another DTC participant (initiator of the trade) modifies previously DTC participant-DKed “Receive against payment” trade entry.

Mandatory Sequence General Information

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: GENL	Y
20C	SEME	Sender's reference	Reference assigned by the Sender to unambiguously identify the message. Format: :4!c//16x Valid Value: :SEME//16 alphanumeric Where: Qualifier=SEME and Reference=16 bytes Note: Reference must not start or end with a slash '/' and not contain two consecutive slashes '//'. Valid Value: :SEME//16 alphanumeric	Y
23G	None	None	This field identifies the function of the message. Format: 4!c/[4!c] (function)(sub-function) Valid Function Values: NEWM – new instruction will be used in the following situations: <ul style="list-style-type: none"> DTC participant submits initial trade entry; 	Y

DTC

Tag	Qualifier	Name	Description	Required (Y/N)
			<ul style="list-style-type: none"> CDL system informs a DTC participant that a CDS or another DTC participant initiated a trade entry. DTC participant is a delivering party on this entry. CDL system informs a DTC participant that a CDS or another DTC participant modifies a previously submitted trade entry. DTC participant is a delivering party on this entry. <p>CANC – cancel instruction will be used in the following situations: CDL system informs a DTC participant that a CDS or DTC participant cancels a previously submitted trade entry. DTC participant is a delivering party on this entry. Valid Sub-function Values: Not Used</p>	
98C	PREP	Date/Time	Date/time at which message was prepared. Format: :4!c//8!n6!n (qualifier)(date)(time) Valid Value: :PREP//yyyymmddhhmmss Default Value: Date and time when message is received. Note: Date must be a valid date expressed as YYYYMMDD. Time must be a valid time expressed as HHMMSS.	N

Optional Repetitive Subsequence A1 Linkages

DTC doesn't require this subsequence to be present on a message sent by a DTC participant to initiate a trade.

CDL system will always have this subsequence on messages sent to DTC participants. It will be repeated twice: first occurrence will contain Sender Reference ID provided by a DTC participant on the original message; second occurrence will contain a CDS assigned trade identifier.

CDL system will require this Trade ID on any message that is sent by a participant in reference to the trade.

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: LINK	Y
20C	4!c	Reference	Link references Format: :4!c//16x (Qualifier)(Reference) Valid Qualifier Value: RELA – 1 st occurrence TRRF – 2 nd occurrence Valid Reference Value: For Qualifier RELA – Participant sender's reference For Qualifier TRRF – CDS trade ID	Y
16S	None	End of block	End of the block Valid Value: LINK	Y

End of Repetitive Subsequence A1 Linkages

16S	None	End of block	End of the block.	Y
-----	------	--------------	-------------------	---

Valid Value: GENL

End of Sequence A General Information

Mandatory Sequence B Trade Details

Tag	Qualifier	Name	Description	Required (Y/N)
-----	-----------	------	-------------	----------------

16R	None	Start of a block	This field specifies the start of a block and the name of that block.	Y
-----	------	------------------	-----------------------------------------------------------------------	---

Valid Value: TRADDET

The following entry (98a) will occur 2 times: once for SETT (mandatory) and once for TRAD (optional)

98A	SETT or TRAD	Date/Time	This tag will occur 2 times – for settlement date and trade date.	
-----	--------------	-----------	-------------------------------------------------------------------	--

Format: :4!c//8!n (Qualifier) (Date)

Valid Qualifier Values:

SETT - Date/time at which the securities are to be exchanged.

TRAD - Trade Date/Time at which the deal was agreed.

Note: Date must be a valid date expressed as YYYYMMDD

90B	DEAL	Price	Deal price.	N
-----	------	-------	-------------	---

Format: :4!c//4!c/3!a15d (Qualifier) (Amount Type Code) (Currency Code) (Price)

Valid Qualifier Values: DEAL

Valid Amount Type Code:

ACTU – actual (an amount of currency per share)

Valid Currency Code: CAD

Valid Price: Valid amount

Note: Currency Code must be a valid ISO 4217 currency code. The integer part of Price must contain at least one digit. A decimal comma is mandatory and is included in the maximum length.

35B	None	None	Description of Security.	Y
-----	------	------	--------------------------	---

Format: [ISIN1!e12!c][4*35x]

(Identification of security)(Description of Security) – 12 characters.

Note: Identification of a Security must be present; Must be composed of uppercase letters only.

16S	None	None	Description of Security Not Used. End of the block.	Y
-----	------	------	--------------------------------------------------------	---

Valid Value: TRADDET.

End of Mandatory Sequence B Trade Details

Repetitive Mandatory Sequence C Financial Instrument / Account – DTC will have it repeated once.

DTC

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: FIAC	Y
36B	SETT	Quantity of Financial Instrument	Total quantity of financial instrument (securities) to be settled. Quantity expressed as a number of shares. Quantity Type Code should always be = UNIT Format: :4!c//4!c/15d (Qualifier) (Quantity Type Code) (Quantity) Valid Qualifier Value: SETT Valid Quantity Type Code: UNIT Valid Quantity Value: Valid decimal number. Note: DTC will reject partial shares quantity. Note: The integer part of Quantity must contain at least one digit. A decimal comma is mandatory and is included in the maximum length.	Y
97A	4!c	Account	Safekeeping account that holds security. Format: :4!c//35x (Qualifier)(Account Number) Valid Qualifier Value: SAFE Valid Account Number Value: Literal: DTC – on a message sent to a DTC participant Participant Safekeeping account – on a message received from a DTC participant	Y
16S	None	End of block	This field specifies the start of a block and the name of that block. Valid Value: FIAC	

End of Repetitive Mandatory Sequence C Financial Instrument Account

Mandatory Sequence E Settlement Details

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: SETDET	Y
22F	None	Indicator	Type of Settlement Transaction Format: :4!c/[8c]/4!c (Qualifier) (Data Source Scheme) (Indicator) Valid Qualifier Value: SETR Valid Data Source Scheme Value: Not Used Valid Indicator Value: TRAD – the transaction relates to the settlement of a trade (default, most common settlement).	Y

Repetitive Mandatory Sequence E1 Settlement Parties – this sequence will repeat 4 times

DTC

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y
95R	None	Party	Format: :4!c/8c/34x (Qualifier)(Data Source Scheme)(Proprietary Code) Valid Qualifier Value: BUYR (buyer) Valid Data Source Scheme Value: DTCY Valid Proprietary Code Value: Valid DTC participant number prefixed by DTC – on a message received from a DTC participant. For example: DTC1234. Valid CDS CUID or valid DTC participant number prefixed by CDS or DTC – on a message sent to a DTC participant. For example: CDSABC1 or DTC0123.	Y
97A	SAFE	Account	Safekeeping account. Format: :4!c//35x (Qualifier)(Account Number) Valid Qualifier Value: SAFE Valid Account Number: Third party information	N
70C		Narrative	Comments Format: :4!c//4*35x (Qualifier)(Narrative) Valid Qualifier Value: PART Valid Account Number: Additional Information for the buyer.	N
16S	None	End of block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y

End of Subsequence E1 Settlement Parties

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y
95R	None	Party	Format: :4!c/8c/34x (Qualifier)(Data Source Scheme)(Proprietary Code) Valid Qualifier Value: DEAG (delivering agent) Valid Data Source Scheme Value: DTCY Valid Proprietary Code Value: Literal “CDS” – on a message received from a DTC participant. Literal “DTC” – on a message sent to a DTC participant.	Y

DTC

Tag	Qualifier	Name	Description	Required (Y/N)
16S	None	End of block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	

End of Subsequence E1 Settlement Parties

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y
95R	None	Party	Format: :4!c/8c/34x (Qualifier)(Data Source Scheme)(Proprietary Code) Valid Qualifier Value: REAG (receiving agent) Valid Data Source Scheme Value: DTCY Valid Proprietary Code Value: Literal "DTC" – on a message received from a DTC participant. Literal "CDS" – on a message sent to a DTC participant.	Y
16S	None	End of block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y

End of Subsequence E1 Settlement Parties

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y
95R	None	Party	Format: :4!c/8c/34x (Qualifier)(Data Source Scheme)(Proprietary Code) Valid Qualifier Value: SELL (seller) Valid Data Source Scheme Value: DTCY Valid Proprietary Code Value: Valid CDS CUID or valid DTC participant number prefixed by CDS or DTC – on a message received from a DTC participant. For example: CDSABC1 or DTC0123. Valid DTC participant number prefixed by DTC – on a message sent to a DTC participant. For example: DTC1234.	Y
16S	None	End of block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y

End of Subsequence E1 Settlement Parties

End of Mandatory Sequence E1 Settlement Parties

Repetitive Mandatory Sequence E3 Amounts

DTC

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: AMT	Y
19A	4!c	Amount	Settlement Amount – the total amount of money paid/to be paid or received in exchange for the securities. Format: :4!c//[N]3!a15d (Qualifier) (Sign) (Currency Code) (Amount) Valid Qualifier Value: SETT Valid Sign Value: Not Used Valid Currency Code: CAD Valid Amount Value: Valid positive decimal number; it must not be zero. Note: The integer part of Amount must contain at least one digit. A decimal comma is mandatory and is included in the maximum length. The number of digits following the comma must not exceed the maximum allowed for the specified currency.	Y
16S	None	End of block	This field specifies the start of a block and the name of that block. Valid Value: AMT	Y

End of Repetitive Mandatory Sequence E3 Amounts
End of Mandatory Sequence E Settlement Details

26.2.2 MT 543 Deliver against payment

Description	<p>This message is used to:</p> <ul style="list-style-type: none"> Instruct the receipt of financial instruments against payment, physically or by book-entry, from a specified party (the function of the message is NEWM) Request the cancellation of a receive against payment instruction previously sent by the account owner (the function of the message is CANC) – Output only
Functionality	<p>This message will be sent by a DTC participant:</p> <ul style="list-style-type: none"> To submit a trade entry in which it represents a deliver (seller) of shares and a CDS or DTC participant (contra) is a receiver (buyer) of shares. <p>This message will be sent by the CDL system:</p> <ul style="list-style-type: none"> To inform a DTC participant that a CDS or another DTC participant submitted a trade in which it (initiator of the trade) represents a deliver (seller) of shares and a DTC participant is a receiver (buyer) of shares. To inform a DTC participant that a CDS or another DTC participant (initiator of the trade) deletes previously submitted “Deliver against payment” trade entry. To inform a DTC participant that a CDS or another DTC participant (initiator of the trade) modifies previously DTC participant-DKed “Deliver against payment” trade entry.

Mandatory Sequence General Information

Tag	Qualifier	Name	Description	Required (Y/N)
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DTC

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: GENL	Y
20C	SEME	Reference	References assigned by the Sender to unambiguously identify the message. Format: :4!c//16x Valid Value: :SEME//16 alphanumeric Note: Reference must not start or end with a slash '/' and not contain two consecutive slashes '//'. Valid Function Values: NEWM – new instruction will be used in the following situations: <ul style="list-style-type: none"> DTC participant submits initial trade entry; CDL system informs a DTC participant that a CDS or another DTC participant initiated a trade entry. DTC participant is a receiving party. CDL system informs a DTC participant that a CDS or another DTC participant modifies a previously submitted trade entry. DTC participant is a receiving party. CANC – cancel instruction will be used in the following situations: CDL system informs a DTC participant that a CDS or another DTC participant cancels a previously submitted trade entry. DTC participant is a receiving party. Valid Sub function Value: Not Used	Y
23G	None	None	This field identifies the function of the message. Format: 4!c[4!c] (function)(subfunction) Valid Function Values: NEWM – new instruction will be used in the following situations: <ul style="list-style-type: none"> DTC participant submits initial trade entry; CDL system informs a DTC participant that a CDS or another DTC participant initiated a trade entry. DTC participant is a receiving party. CDL system informs a DTC participant that a CDS or another DTC participant modifies a previously submitted trade entry. DTC participant is a receiving party. CANC – cancel instruction will be used in the following situations: CDL system informs a DTC participant that a CDS or another DTC participant cancels a previously submitted trade entry. DTC participant is a receiving party. Valid Sub function Value: Not Used	Y
98C	PREP	Date/Time	Date/time at which message was prepared. Format: :4!c//8!n6!n (qualifier)(date)(time) Valid Value: :PREP//yyymmddhhmmss Default Value: If value is not provided date and time when message is received. Note: Date must be a valid date expressed as YYYYMMDD. Time must be a valid time expressed as HHMMSS.	N

Repetitive Optional Subsequence A1 Linkages

DTC doesn't require this subsequence to be present on a message sent by a DTC participant to initiate a trade.

CDL system will always have this subsequence on messages sent to DTC participants. It will be repeated twice: first occurrence will contain Sender Reference ID provided by a DTC participant on the original message; second occurrence will contain a CDS assigned trade identifier.

CDL system will require this Trade ID on any message that is sent by a participant in reference to

the trade.

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: LINK	Y
20C	4!c	Reference	Link References Format: :4!c//16x (Qualifier)(Reference) Valid Qualifier Value: RELA – 1 st occurrence TRRF – 2 nd occurrence Valid Reference Value: RELA – Participant sender's reference TRRF – CDS trade ID	Y
16S	None	End of block	End of the block Valid Value: LINK	Y

End of Subsequence A1 Linkages

16S	None	End of block	End of the block. Valid Value: GENL	Y
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End of Sequence General Information
Mandatory Sequence B Trade Details

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: TRADDET	Y

The following entry (98A) will occur 2 times: once for SETT (mandatory) and once for TRAD (optional)

98A	4!c	Date/Time	This tag will occur 2 times – for settlement date and trade date. Format: :4!c//8!n (Qualifier) (Date) Valid Qualifier Values: SETT - Date/time at which the securities are to be exchanged. TRAD - Trade Date/Time at which the deal was agreed. Note: Date must be a valid date expressed as YYYYMMDD.	Y
90B	DEAL	Price	Deal price. Format: :4!c//4!c/3!a15d (Qualifier) (Amount Type Code) (Currency Code) (Price) Valid Qualifier Values: DEAL Valid Amount Type Code: ACTU – actual (an amount of currency per	N

Tag	Qualifier	Name	Description	Required (Y/N)
			share) Valid Currency Code: CAD Valid Price: Valid amount Note: Currency Code must be a valid ISO 4217 currency code. The integer part of Price must contain at least one digit. A decimal comma is mandatory and is included in the maximum length.	
35B	None	None	Description of Security. Format: [ISIN1!e12!c][4*35x] (Identification of security)(Description of Security) – 12 characters. Note: Identification of a Security must be present; Must be composed of uppercase letters only.	Y
16S	None	End of block	Description of Security Not Used. This field specifies the start of a block and the name of that block. Valid Value: TRADDET	Y

End of Mandatory Sequence B Trade Details

Repetitive Mandatory Sequence C Financial Instrument Account

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: FIAC	Y
36B	SETT	Quantity of financial instruments	Total quantity of financial instrument (securities) to be settled. Quantity expressed as a number of shares. Quantity Type Code should always be = UNIT Format: :4!c//4!c/15d (Qualifier) (Quantity Type Code) (Quantity) Valid Qualifier Value: SETT Valid Quantity Type Code: UNIT Valid Quantity Value: Valid decimal number Note: DTC will reject partial shares quantity. Note: The integer part of Quantity must contain at least one digit. A decimal comma is mandatory and is included in the maximum length.	Y

DTC

Tag	Qualifier	Name	Description	Required (Y/N)
97A	4!c	Account	Safekeeping account that holds security. Format: :4!c//35x (Qualifier)(Account Number) Valid Qualifier Value: SAFE Valid Account Number Value: Literal "DTC" – on a message sent to a DTC participant Participant Safekeeping account – on a message received from a DTC participant	Y
16R	None	End of block	This field specifies the start of a block and the name of that block. Valid Value: FIAC	Y

End of Sequence C Financial Instrument/ Account

Mandatory Sequence E Settlement Details

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: SETDET	Y
22F	4!c	Indicator	Type of Settlement Transaction Format: :4!c/[8c]/4!c (Qualifier) (Data Source Scheme) (Indicator) Valid Qualifier Value: SETR Valid Data Source Scheme Value: Not Used Valid Indicator Value: TRAD – the transaction relates to the settlement of a trade (default, most common settlement).	Y

Repetitive Mandatory Sequence E1 Settlement Parties – this sequence will repeat 4 times

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y
95R	None	Party	Format: :4!c/8c/34x (Qualifier)(Data Source Scheme)(Proprietary Code) Valid Qualifier Value: BUYR (buyer) Valid Data Source Scheme Value: DTCY Valid Proprietary Code Value: Valid CDS CUID or valid DTC participant number prefixed by CDS or DTC – on a message received from a DTC participant. For example: CDSABC1 or DTC0123. Valid DTC participant number prefixed by DTC – on a message sent to a DTC participant. For	Y

DTC

Tag	Qualifier	Name	Description	Required (Y/N)
			example: DTC0123.	
16S	None	End of block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y

End of Subsequence E1 Settlement Parties

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y
95R	None	Party	Format: :4!c/8c/34x (Qualifier)(Data Source Scheme)(Proprietary Code) Valid Qualifier Value: DEAG (delivering agent) Valid Data Source Scheme Value: DTCY Valid Proprietary Code Value: Literal "DTC" – on a message received from a DTC participant. Literal "CDS" – on a message sent to a DTC participant.	Y
16S	None	End of block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y

End of Subsequence E1 Settlement Parties

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y
95R	None	Party	Format: :4!c/8c/34x (Qualifier)(Data Source Scheme)(Proprietary Code) Valid Qualifier Value: REAG (receiving agent) Valid Data Source Scheme Value: DTCY Valid Proprietary Code Value: Literal "CDS" – on a message received from a DTC participant; Literal "DTC" – on a message sent to a DTC participant.	Y
16S	None	End of block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y

DTC

End of Subsequence E1 Settlement Parties

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y
95R	None	Party	Format: :4!c/8c/34x (Qualifier)(Data Source Scheme)(Proprietary Code) Valid Qualifier Value: SELL (seller) Valid Data Source Scheme Value: DTCY Valid Proprietary Code Value: Valid DTC participant number prefixed by DTC – on a message received from a DTC participant. For example: DTC0123. Valid CDS CUID or valid DTC participant ID prefixed by CDS or DTC – on a message sent to a DTC participant. For example: CDSABC1 or DTC0123.	Y
97A	SAFE	Account	Safekeeping account. Format: :4!c//35x (Qualifier)(Account Number) Valid Qualifier Value: SAFE Valid Account Number: Third party information	N
70C		Narrative	Comments Format: :4!c//4*35x (Qualifier)(Narrative) Valid Qualifier Value: PART Valid Account Number: Additional Information for the seller.	N
16S	None	End of block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y

End of Subsequence E1 Settlement Parties

End of Repetitive Mandatory Sequence E1 Settlement Parties

Repetitive Mandatory Sequence E3 Amounts

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: AMT	Y
19A	None	Amount	Settlement Amount – the total amount of money paid/to be paid or received in exchange for the securities. Format: :4!c//[N]3!a15d (Qualifier) (Sign) (Currency Code) (Amount) Valid Qualifier Value: SETT	Y

DTC

Tag	Qualifier	Name	Description	Required (Y/N)
			Valid Sign Value: Not Used Valid Currency Code: CAD Valid Amount Value: Valid positive decimal number; for a trade entry it must not be zero; for collateral substitution or recall instructions can be zero. Note: The integer part of Amount must contain at least one digit. A decimal comma is mandatory and is included in the maximum length. The number of digits following the comma must not exceed the maximum allowed for the specified currency.	
16S	None	End of block	This field specifies the start of a block and the name of that block.	Y
			Valid Value: AMT	
16S	None	End of block	This field specifies the start of a block and the name of that block.	Y
			Valid Value: SETDET	

End of Repetitive Mandatory Sequence E3 Amounts
End of Mandatory Sequence E Settlement Details

26.2.3 MT 545 Receive against Payment Confirmation

Description This message is used to confirm the receipt of financial instruments against payment, physically or by book-entry, from a specified party (the function of the message is NEWM)

Functionality This message will be used to inform DTC participants when their receive trade instructions are settled.

Mandatory Sequence General Information

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: GENL	Y
20C	SEME	Reference	References assigned by the Sender to unambiguously identify the message. Format: :4!c//16x Valid Value: :SEME//16 alphanumeric Where: Qualifier=SEME and Reference=16 bytes Note: Reference must not start or end with a slash '/' and not contain two consecutive slashes '//'. Valid Function Values: NEWM Valid Sub-function Values: Not Used	Y
23G	None	None	This field identifies the function of the message. Format: 4!c[/4!c] (function)(subfunction) Valid Function Values: NEWM Valid Sub-function Values: Not Used	Y
98C	PREP	Date/Time	Date/time at which message was prepared. Format: :4!c//8!n6!n (qualifier)(date)(time) Valid Value: :PREP//yyyymmddhhmmss Default Value: If value is not provided date and time when message is received. Note: Date must be a valid date expressed as YYYYMMDD. Time must be a valid time expressed as HHMMSS.	N

End of Mandatory Sequence General Information

Repetitive Mandatory Subsequence A1 Linkages

This subsequence will be repeated twice: first occurrence will contain Sender Reference ID provided by a DTC participant on the original message; second occurrence will contain a CDS assigned trade identifier.

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: LINK	Y

DTC

Tag	Qualifier	Name	Description	Required (Y/N)
20C	4!c	Reference	Reference assigned to the trade by the CDS. This reference will be used throughout the trade life cycle to access/update the trade details. Format: :4!c//16x (Qualifier)(Reference) Valid Qualifier Value: RELA – 1 st occurrence TRRF – 2 nd occurrence Valid Reference Value: For qualifier RELA – Participant sender's reference For qualifier TRRF – CDS trade ID	Y
16S	None	End of block	End of the block Valid Value: LINK	Y

End of Subsequence A1 Linkages

Tag	Qualifier	Name	Description	Required (Y/N)
16S	None	End of a block	This field specifies the start of a block and the name of that block. Valid Value: GENL	Y

End of Mandatory Sequence General Information

Mandatory Sequence B Trade Details

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: TRADDET	Y

The following entry (98a) will occur 2 times: once for SETT (mandatory) and once for TRAD (optional)

98A	SETT or TRAD	Date/Time	This tag will occur 2 times – for settlement date and trade date. Format: :4!c//8!n (Qualifier) (Date) Valid Qualifier Values: SETT - Date/time at which the securities are to be exchanged. TRAD - Trade Date/Time at which the deal was agreed. Note: Date must be a valid date expressed as YYYYMMDD.	
90B	DEAL	Price	Deal price. Format: :4!c//4!c/3!a15d (Qualifier) (Amount Type Code) (Currency Code) (Price) Valid Qualifier Values: DEAL Valid Amount Type Code: ACTU – actual (an amount of currency per share) Valid Currency Code: CAD	N

DTC

Tag	Qualifier	Name	Description	Required (Y/N)
			Valid Price: Valid amount Note: Currency Code must be a valid ISO 4217 currency code. The integer part of Price must contain at least one digit. A decimal comma is mandatory and is included in the maximum length. Description of Security. Format: [ISIN1!e12!c][4*35x] (Identification of security)(Description of Security) – 12 characters. Note: Identification of a Security must be present; Must be composed of uppercase letters only. Description of Security Not Used.	
35B	None	None		Y
16S	None	None	End of the block. Valid Value: TRADDET	Y

End of Sequence B Trade Details
Repetitive Mandatory Sequence C Financial Instrument/Account

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: FIAC	Y
36B	SETT	Quantity of Financial Instrument	Total quantity of financial instrument (securities) to be settled. Quantity expressed as a number of shares. Quantity Type Code should always be = UNIT Format: :4!c//4!c/15d (Qualifier) (Quantity Type Code) (Quantity) Valid Qualifier Value: SETT Valid Quantity Type Code: UNIT Valid Quantity Value: Valid decimal number Note: The integer part of Quantity must contain at least one digit. A decimal comma is mandatory and is included in the maximum length.	Y
97A	4!c	Account	Safekeeping account that holds security. Format: :4!c//35x (Qualifier)(Account Number) Valid Account Number Value: Literal "DTC" – on a message sent to a DTC participant. Participant Safekeeping account – on a message received from a DTC participant.	Y
16S	None	End of block	This field specifies the start of a block and the name of that block. Valid Value: FIAC	Y

End of Sequence C Financial Instrument /Account
Mandatory Sequence E Settlement Details

DTC

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: SETDET	Y
22F	None	Indicator	Type of Settlement Transaction Format: :4!c/[8c]/4!c (Qualifier) (Data Source Scheme) (Indicator) Valid Qualifier Value: SETR Valid Data Source Scheme Value: Not Used Valid Indicator Value: TRAD – the transaction relates to the settlement of a trade (default, most common settlement).	Y

Repetitive Mandatory Sequence E1 Settlement Parties – this sequence will repeat 4 times

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y
95R	None	Party	Format: :4!c/8c/34x (Qualifier)(Data Source Scheme)(Proprietary Code) Valid Qualifier Value: BUYR (buyer) Valid Data Source Scheme Value: DTCY Valid Proprietary Code Value: Valid DTC participant number prefixed by DTC – on a message received from a DTC participant. For example: DTC0123. Valid CDS CUID or DTC participant number prefixed by CDS or DTC – on a message sent to a DTC participant. For example: CDSABC1 or DTC0123.	Y
97A	SAFE	Account	Safekeeping account. Format: :4!c//35x (Qualifier)(Account Number) Valid Qualifier Value: SAFE Valid Account Number: Third party information	N
70C		Narrative	Comments Format: :4!c//4*35x (Qualifier)(Narrative) Valid Qualifier Value: PART Valid Account Number: Additional Information for the buyer.	N
16S	None	End of block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y

End of Subsequence E1 Settlement Parties

Tag	Qualifier	Name	Description	Required (Y/N)
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DTC

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y
95R	None	Party	Format: :4!c/8c/34x (Qualifier)(Data Source Scheme)(Proprietary Code) Valid Qualifier Value: DEAG (delivering agent) Valid Data Source Scheme Value: DTCY Valid Proprietary Code Value: Literal "CDS" – on a message received from a DTC participant. Literal "DTC" – on a message sent to a DTC participant.	Y
16S	None	End of block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	

End of Subsequence E1 Settlement Parties

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y
95R	None	Party	Format: :4!c/8c/34x (Qualifier)(Data Source Scheme)(Proprietary Code) Valid Qualifier Value: REAG (receiving agent) Valid Data Source Scheme Value: DTCY Valid Proprietary Code Value: Literal "DTC" – on a message received from a DTC participant. Literal "CDS" – on a message sent to a DTC participant.	Y
16S	None	End of block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y

End of Subsequence E1 Settlement Parties

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y

DTC

Tag	Qualifier	Name	Description	Required (Y/N)
95R	None	Party	Format: :4!c/8c/34x (Qualifier)(Data Source Scheme)(Proprietary Code) Valid Qualifier Value: SELL (receiving agent) Valid Data Source Scheme Value: DTCY Valid Proprietary Code Value: Valid CDS CUID or DTC participant number prefixed by CDS or DTC – on a message received from a DTC participant. For example: CDSABC1 or DTC0123. Valid DTC participant number prefixed by DTC – on a message sent to a DTC participant. For example: DTC0123.	Y
16S	None	End of block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y

End of Repetitive Mandatory Sequence E1 Settlement Parties
 Repetitive Mandatory Subsequence E3 Amounts

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: AMT	Y
19A	4!c	Amount	Settlement Amount – the total amount of money paid/to be paid or received in exchange for the securities. Format: :4!c//[N]3!a15d (Qualifier) (Sign) (Currency Code) (Amount) Valid Qualifier Value: SETT Valid Sign Value: Not Used Valid Currency Code: CAD Valid Amount Value: Valid positive decimal number; for a trade entry it must not be zero; for collateral substitution or recall instructions can be zero. Note: The integer part of Amount must contain at least one digit. A decimal comma is mandatory and is included in the maximum length. The number of digits following the comma must not exceed the maximum allowed for the specified currency.	Y
16S	None	End of block	This field specifies the start of a block and the name of that block. Valid Value: AMT	Y

End of Repetitive Mandatory Sequence E3 Amounts

Tag	Qualifier	Name	Description	Required (Y/N)
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DTC

Tag	Qualifier	Name	Description	Required (Y/N)
16S	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: SETDET	Y

End of Mandatory Sequence E Settlement Details

26.2.4 MT 547 Deliver against Payment Confirmation

Description	This message is used to confirm the delivery of financial instruments against payment, physically or by book-entry, from a specified party (the function of the message is NEWM)
Functionality	This message will be used to inform DTC participants when their delivery trade instructions are settled.

Mandatory Sequence General Information

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: GENL	Y
20C	SEME	Reference	References assigned by the Sender to unambiguously identify the message. Format: :4!c//16x Valid Value: :SEME//16 alphanumeric Where: Qualifier=SEME and Reference=16 bytes Note: Reference must not start or end with a slash '/' and not contain two consecutive slashes '//'. Valid Value: :SEME//16 alphanumeric	Y
23G	None	None	This field identifies the function of the message. Format: 4!c[4!c] (function)(subfunction) Valid Function Values: NEWM Valid Sub-function Values: Not Used	Y
98C	PREP	Date/Time	Date/time at which message was prepared. Format: :4!c//8!n6!n (qualifier)(date)(time) Valid Value: :PREP//yyyymmddhhmmss Default Value: If value is not provided date and time when message is received. Note: Date must be a valid date expressed as YYYYMMDD. Time must be a valid time expressed as HHMMSS.	N

End of Mandatory Sequence General Information Repetitive Mandatory Subsequence A1 Linkages

DTC

This sequence will be repeated twice: first occurrence will contain Sender Reference ID provided by a DTC participant on the original message; second occurrence will contain a CDS assigned trade identifier.

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: LINK	Y
20C	4!c	Reference	Link References Format: :4!c//16x (Qualifier)(Reference) Valid Qualifier Value: RELA – 1 st occurrence TRRF – 2 nd occurrence Valid Reference Value: RELA – Participant sender's reference TRRF – CDS trade ID	Y
16S	None	End of block	End of the block Valid Value: LINK	Y

End of Subsequence A1 Linkages

Tag	Qualifier	Name	Description	Required (Y/N)
16S	None	End of a block	This field specifies the start of a block and the name of that block. Valid Value: GENL	Y

End of Mandatory Sequence General Information

Mandatory Sequence B Trade Details

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: TRADDET	Y

The following entry (98a) will occur 2 times: once for SETT (mandatory) and once for TRAD (optional)

98A	SETT or TRAD	Date/Time	This tag will occur 2 times – for settlement date and trade date. Format: :4!c//8!n (Qualifier) (Date) Valid Qualifier Values: SETT - Date/time at which the securities are to be exchanged. TRAD - Trade Date/Time at which the deal was agreed. Note: Date must be a valid date expressed as YYYYMMDD.	
90B	DEAL	Price	Deal price. Format: :4!c//4!c/3!a15d (Qualifier) (Amount Type Code) (Currency Code) (Price)	N

DTC

Tag	Qualifier	Name	Description	Required (Y/N)
35B	None	None	<p>Valid Qualifier Values: DEAL</p> <p>Valid Amount Type Code: ACTU – actual (an amount of currency per share)</p> <p>Valid Currency Code: CAD</p> <p>Valid Price: Valid amount</p> <p>Note: Currency Code must be a valid ISO 4217 currency code. The integer part of Price must contain at least one digit. A decimal comma is mandatory and is included in the maximum length.</p> <p>Description of Security.</p> <p>Format: [ISIN1!e12!c][4*35x] (Identification of security)(Description of Security) – 12 characters.</p> <p>Note: Identification of a Security must be present; Must be composed of uppercase letters only.</p>	Y
16S	None	None	<p>Description of Security Not Used.</p> <p>End of the block.</p> <p>Valid Value: TRADDET</p>	Y

End of Sequence B Trade Details

Repetitive Mandatory Sequence C Financial Instrument/Account

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	<p>This field specifies the start of a block and the name of that block.</p> <p>Valid Value: FIAC</p>	Y
36B	SETT	Quantity of Financial Instrument	<p>Total quantity of financial instrument (securities) to be settled. Quantity expressed as a number of shares.</p> <p>Quantity Type Code should always be = UNIT</p> <p>Format: :4!c//4!c/15d (Qualifier) (Quantity Type Code) (Quantity)</p> <p>Valid Qualifier Value: SETT</p> <p>Valid Quantity Type Code: UNIT</p> <p>Valid Quantity Value: Valid decimal number</p> <p>Note: The integer part of Quantity must contain at least one digit. A decimal comma is mandatory and is included in the maximum length.</p>	Y
97A	4!c	Account	<p>Safekeeping account that holds security.</p> <p>Format: :4!c//35x (Qualifier)(Account Number)</p> <p>Valid Qualifier Value: SAFE</p> <p>Valid Account Number Value: Literal "DTC" – on a message sent to a DTC participant. Participant Safekeeping account – on a message received from a DTC participant.</p>	Y

DTC

Tag	Qualifier	Name	Description	Required (Y/N)
16S	None	End of block	This field specifies the start of a block and the name of that block. Valid Value: FIAC	Y

End of Sequence C Financial Instrument /Account
Mandatory Sequence E Settlement Details

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: SETDET	Y
22F	None	Indicator	Type of Settlement Transaction Format: :4!c/[8c]/4!c (Qualifier) (Data Source Scheme) (Indicator) Valid Qualifier Value: SETR Valid Data Source Scheme Value: Not Used Valid Indicator Value: TRAD – the transaction relates to the settlement of a trade (default, most common settlement).	Y

Repetitive Mandatory Sequence E1 Settlement Parties – this sequence will repeat 4 times

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y
95R	None	Party	Format: :4!c/8c/34x (Qualifier)(Data Source Scheme)(Proprietary Code) Valid Qualifier Value: BUYR (buyer) Valid Data Source Scheme Value: DTCY Valid Proprietary Code Value: Valid CDS CUID or DTC participant number – on a message received from a DTC participant. For example: CDSABC1 or DTC0123.	Y
97A	SAFE	Account	Safekeeping account. Format: :4!c//35x (Qualifier)(Account Number) Valid Qualifier Value: SAFE Valid Account Number: Third party information	N
70C		Narrative	Comments Format: :4!c//4*35x (Qualifier)(Narrative) Valid Qualifier Value: PART Valid Account Number: Additional Information	N

DTC

Tag	Qualifier	Name	Description	Required (Y/N)
			for the buyer.	
16S	None	End of block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y

End of Subsequence E1 Settlement Parties

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y
95R	None	Party	Format: :4!c/8c/34x (Qualifier)(Data Source Scheme)(Proprietary Code) Valid Qualifier Value: DEAG (delivering agent) Valid Data Source Scheme Value: DTCY Valid Proprietary Code Value: Literal "DTC" – on a message received from a DTC participant. Literal "CDS" – on a message sent to a DTC participant.	Y
16S	None	End of block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	

End of Subsequence E1 Settlement Parties

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y
95R	None	Party	Format: :4!c/8c/34x (Qualifier)(Data Source Scheme)(Proprietary Code) Valid Qualifier Value: REAG (receiving agent) Valid Data Source Scheme Value: DTCY Valid Proprietary Code Value: Literal "CDS" – on a message received from a DTC participant. Literal "DTC" – on a message sent to a DTC participant.	Y

DTC

Tag	Qualifier	Name	Description	Required (Y/N)
16S	None	End of block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y

End of Subsequence E1 Settlement Parties

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y
95R	None	Party	Format: :4!c/8c/34x (Qualifier)(Data Source Scheme)(Proprietary Code) Valid Qualifier Value: SELL (seller) Valid Data Source Scheme Value: DTCY Valid Proprietary Code Value: Valid DTC participant number prefixed by DTC – on a message received from a DTC participant. For example: DTC0123. Valid CDS CUID or DTC participant number prefixed by CDS or DTC – on a message sent to a DTC participant. For example: CDSABC1 or DTC0123.	Y
16S	None	End of block	This field specifies the start of a block and the name of that block. Valid Value: SETPRTY	Y

End of Repetitive Mandatory Sequence E1 Settlement Parties

Repetitive Mandatory Subsequence E3 Amounts

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: AMT	Y
19A	4!c	Amount	Settlement Amount – the total amount of money paid/to be paid or received in exchange for the securities. Format: :4!c//[N]3!a15d (Qualifier) (Sign) (Currency Code) (Amount) Valid Qualifier Value: SETT Valid Sign Value: Not Used Valid Currency Code: CAD Valid Amount Value: Valid positive decimal number; for a trade entry it must not be zero; for collateral substitution or recall instructions can be zero. Note: The integer part of Amount must contain at least one digit. A decimal comma is mandatory	Y

DTC

Tag	Qualifier	Name	Description	Required (Y/N)
16S	None	End of block	and is included in the maximum length. The number of digits following the comma must not exceed the maximum allowed for the specified currency. This field specifies the start of a block and the name of that block. Valid Value: AMT	Y

End of Repetitive Mandatory Sequence E3 Amounts

Tag	Qualifier	Name	Description	Required (Y/N)
16S	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: SETDET	Y

End of Mandatory Sequence E Settlement Details

26.2.5 MT 548 Settlement Status and Processing Advice

Description	This message is used to advise the status of a settlement instruction previously sent by the account owner.
Functionality	<p>This message will be sent by a DTC participant:</p> <ul style="list-style-type: none"> To affirm or reject CDS or another DTC participant's trade instruction <p>This message will be sent by the CDL system:</p> <ul style="list-style-type: none"> To inform a DTC participant that its trade entry is accepted for further processing or edit-rejected. To inform a DTC participant that its trade entry is affirmed or DKed by a CDS or another DTC participant. To inform a DTC participant that its trade entry is on hold (a CDS or another DTC participant changed settlement indicator to N) To inform a DTC participant that its trade entry is in pending settlement status.

Mandatory Sequence General Information

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: GENL	Y
20C	SEME	Reference	References assigned by the Sender to unambiguously identify the message. Format: :4!c//16x Valid Value: :SEME//16 alphanumeric Where: Qualifier=SEME and Reference=16 positions Note: Reference must not start or end with a slash '/' and not contain two consecutive slashes '//'. //.	Y

DTC

Tag	Qualifier	Name	Description	Required (Y/N)
23G	None	None	Function of the message. Format: 4!c[/4!c](function)(subfunction) Valid Function Value: INST – Transaction Status (This message gives the status of the Receiver's transaction) Valid Sub-function Value: Not Used Note: The reference in the linkages sequence must contain the Receiver's reference of the transaction (original instruction).	Y
98A	PREP	Date/Time	Date/time at which message was prepared. Format: :4!c[/8!n6!n (qualifier)(date)(time) Valid Value: :PREP[/yyyymmddhhmmss Default Value: Date and time when message is received. Note: Date must be a valid date expressed as YYYYMMDD. Time must be a valid time expressed as HHMMSS.	N

Repetitive Mandatory Sequence Repetitive Mandatory Subsequence A1 Linkages

This sequence will be repeated twice when CDL system sends a message to a DTC participant: first occurrence will contain Sender Reference ID provided by a participant on the original message; second occurrence will contain CDS assigned trade identifier.

CDL system will require this Trade ID on any message that is sent by a participant in reference to the trade.

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: LINK	Y
20C	4!c	Reference	Reference assigned to the trade by the CDS. This reference will be used throughout the trade life cycle to access/update the trade details. Format: :4!c[/16x (Qualifier)(Reference) Valid Qualifier Value: RELA – 1 st occurrence TRRF – 2 nd occurrence Valid Reference Value: RELA – Participant sender's reference TRRF – CDS trade ID	Y
16S	None	End of block	End of the block Valid Value: LINK	Y

End of Repetitive Subsequence A1 Linkages

Repetitive Mandatory Subsequence A2 Status

Tag	Qualifier	Name	Description	Required (Y/N)
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DTC

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of a block	This field specifies the start of a block and the name of that block. Valid Value: STAT	Y
25D	4!C	Status	<p>Status</p> <p>Format: :4!c/[8c]/4!c (Qualifier)(Data Source Scheme)(Status Code)</p> <p>Valid Qualifier Value:</p> <p>IPRC – Instruction Processing Status</p> <p>MTCH – Matching Status</p> <p>SETT – Settlement Status</p> <p>Valid Data Source Scheme: DTCY (will be used to inform participants that a contra party changed its settlement indicator code)</p> <p>Valid Status Code Value:</p> <p>If Qualifier = IPRC:</p> <p>PACK – the instruction is accepted for further processing (technical receipt).</p> <p>REJT – the instruction has been rejected for further processing.</p> <p>If Qualifier = MTCH:</p> <p>MACH – the instruction has been affirmed by a DTC participant (inbound) or CDS participant (outbound).</p> <p>NMAT – the instruction has been DKed by a DTC participant (inbound) or CDS participant (outbound).</p> <p>If DTCY is present:</p> <p>BUON – buyer settlement indicator is changed to Yes.</p> <p>BUOF – buyer settlement indicator is changed to No.</p> <p>SEON – seller settlement indicator is changed to Yes.</p> <p>SEOF – seller settlement indicator is changed to No.</p> <p>If Qualifier = SETT:</p> <p>PEND – Deliver or receiving instruction is pending. Settlement at the instructed settlement date is still possible.</p>	Y

Repetitive Optional Subsequence A2a Reason (Used only if the status is: REJT or NMAT or PEND)

Tag	Qualifier	Name	Description	Required (Y/N)
16R	None	Start of block	This field specifies the start of a block and the name of that block. Valid Value: REAS	Y

DTC

Tag	Qualifier	Name	Description	Required (Y/N)
24B	Reason		Reason Format: :4!c/[8c]/4!c (Qualifier) (Data Source Scheme) (Reason Code) Valid Qualifier Value: REJT or NMAT or PEND Data Source Scheme Valid Value: Not used Valid Reason Code Value: See Appendix 1	Y
70D	Reason	Narrative	Format: :4!c//6*35x (Qualifier) (Narrative) Valid Qualifier Value: REAS Narrative: further information on the reason	N
16S		End of block	This field specifies the start of a block and the name of that block. Valid Value: REAS	Y
16S		End of block	This field specifies the start of a block and the name of that block. Valid Value: STAT	Y
End of Repetitive Optional Subsequence A2a Reason				
End of Repetitive Mandatory Subsequence A2 Status				
16S	None	End of block	End of the block. Valid Value: GENL	Y
End of Sequence A General Information				

26.3 Limited Eligibility File

A new DWIZ file called **LDMST** will be available as a machine readable file in the same manner as all other DWIZ files. This file will contain **all** Limited Eligibility CUSIPs existing on DTC's Security Master Files. The current DWIZ message types, I01, D01, D02, D03, D05, D06 and A01 will be produced for all existing Limited Eligibility CUSIPs plus one additional message type - L01.

This file will be produced daily at the same time as current DWIZ files (approximately 9:00 p.m., EST).

The Limited Eligibility Message (L01) will identify the "Limited Eligibility" flag and countries of eligibility for the security. This message will only be available for this DWIZ "Limited Eligibility" file. If there are no countries of eligibility, the field will be blank.

Position	Length	Format	Field Name	Description
1 - 3	3	Character	Message Type	The type of Message. The value is L01 (Limited Elig).
4 - 9	6	Numeric	Message Sequence Number	Identifies the sequence number within the message type. Initialized to 000001.
10 - 10	1	Character	Message Status Type	Indicates whether DTC is adding a new message or updating an existing message. The values are: <ul style="list-style-type: none"> · A: Add (newly added) · U: Update (existing)
11 - 19	9	Character	Issue Identifier	The 9-character CUSIP number.
20 - 31	12	Character	International Identifier	The 12-character ISIN (International Securities Identification Number) number.
32 - 32	1	Character	Limited Eligibility flag	Indicates whether or not the security is a "Limited Eligibility" Security <ul style="list-style-type: none"> · Y: Yes · N: No · Blank: N/A or not available.
33 - 35	3	Character	Eligibility country 1	There can be up to 5 countries of eligibility. The three-digit ISO country code (for non-United States and territory securities) as a 3 char code will be used.
36 - 38	3	Character	Eligibility country 2	There can be up to 5 countries of eligibility. The three-digit ISO country code (for non-United States and territory securities) as a 3 char code will be used.
39 - 41	3	Character	Eligibility country 3	There can be up to 5 countries of eligibility. The three-digit ISO country code (for non-United States and territory securities) as a 3 char code will be used.
42 - 44	3	Character	Eligibility country 4	There can be up to 5 countries of eligibility. The three-digit ISO country code (for non-United States and territory securities) as a 3 char code will be used.
45 - 47	3	Character	Eligibility country 5	There can be up to 5 countries of eligibility. The three-digit ISO country code (for non-United States and territory securities) as a 3 char code will be used.
Messages				

26.4 Late Payment (Failure to Settle) Fees

A participant will be charged failure-to-settle fees if satisfaction of its Canadian dollar settlement obligation is not received by 4:30 p.m., EST.

The interest rates are based on the following fee schedule.

Fee Interest Rates

Net Debit of Legal Entity	Rate (percent)
First \$5 million Canadian dollars	2.0
Next \$20 million Canadian dollars	1.5
Next \$50 million Canadian dollars	1.0
More than \$75 million dollars	0.5

Example:

Interest is calculated overnight on a 360 day/year basis. For a net debit of \$100 million Canadian dollars, the fee interest calculation is:

$$[(\$5 \text{ million} \times 0.02) + (\$20 \text{ million} \times 0.015) + (\$50 \text{ million} \times 0.01) + (\$25 \text{ million} \times 0.005)] / 360 = \$2,847 \text{ U.S. dollars}$$

Flat Fees

Net Balance of Legal Entity (Canadian dollars)	First Occasion (\$ U. S.)	Second Occasion (\$ U.S.)	Third Occasion (\$ U.S.)	Fourth Occasion (\$ U.S.)
0 to 100,000	100	200	500	1,000
Between 100,000 and 900,000	300	600	1,500	3,000
Between 900,000 and 1,700,000	600	1,200	3,000	6,000
Between 1,700,000 and 2,500,000	900	1,800	4,500	9,000
More than 2,500,000	1,000	2,000	5,000	10,000

Example:

For a first-time \$100 million net Canadian debit, total fees equal \$2,847 (fee interest) + \$1,000 (flat fee) = \$3,847 U. S.

Note:

- If a participant failed to settle, it will be charged a fee interest in addition to the interest charged for the cost of borrowing to complete settlement.
- The number of occasions will be determined over a moving 3-month period. If the participant exceeds four failure-to-settle occasions in a 3-month period, it will be subject to further fees and/or other actions at DTC's discretion after consultation with DTC.
- If DTC determines that it greatly affected the participants ability to settle (because of a DTC system delay, for example), DTC will waive failure-to-settle fees for that occurrence.

Underlined, boldface text indicates new Rule text

RULE 30

CANADIAN-LINK SERVICE

For convenience of reference, set forth below are terms defined in this Rule 30 and the Section in which such terms are defined:

<u>Defined Term</u>	<u>Section</u>
<u>CAD Funds</u>	<u>1(a)(8)</u>
<u>Canadian-Link Documents</u>	<u>2(a)</u>
<u>Canadian-Link Funds Transactions</u>	<u>1(a)(10)</u>
<u>Canadian-Link Interface</u>	<u>5(a)</u>
<u>Canadian-Link Money Settlement</u>	<u>1(a)(12)</u>
<u>Canadian-Link Net Additions</u>	<u>7(b)</u>
<u>Canadian-Link Net Debit Cap</u>	<u>8(a)</u>
<u>Canadian-Link Net Settlement Credit</u>	<u>12(b)</u>
<u>Canadian-Link Net Settlement Debit</u>	<u>12(b)</u>
<u>Canadian-Link Participants</u>	<u>1(a)(3)</u>
<u>Canadian-Link Participants Fund Cash</u>	<u>6(c)</u>
<u>Canadian-Link Required Participants Fund Deposit</u>	<u>6(a)</u>
<u>Canadian-Link Securities</u>	<u>1(a)(2)</u>
<u>Canadian-Link Securities Transactions</u>	<u>1(a)(5)</u>
<u>Canadian-Link Service</u>	<u>1(a)(1)</u>
<u>Canadian-Link Transactions</u>	<u>1(a)(11)</u>
<u>CDS</u>	<u>1(a)</u>
<u>CDS Business Day</u>	<u>11(a)</u>
<u>CDS Participants</u>	<u>1(a)(4)</u>
<u>CDS Payment Exchange</u>	<u>13(a)</u>
<u>CDS Settlement Recap</u>	<u>12(a)</u>
<u>CDS Settlement Recap Time</u>	<u>12(a)</u>
<u>Collateral Monitor Conversion Rate</u>	<u>16(b)</u>
<u>DTC Business Day</u>	<u>11(a)</u>
<u>DTC Canadian Settlement Bank</u>	<u>13(a)</u>
<u>DTC Omnibus Account</u>	<u>5(a)</u>
<u>DTC Settlement Payment Deadline</u>	<u>13(b)</u>
<u>DTC Settlement Recap</u>	<u>12(b)</u>
<u>DTC Settlement Recap Time</u>	<u>12(b)</u>
<u>Full-Service Canadian-Link Security</u>	<u>4(a)</u>
<u>Limited-Service Canadian-Link Security</u>	<u>4(a)</u>
<u>Omnibus Account Net Debit Cap</u>	<u>8(a)</u>
<u>Omnibus Account Net Settlement Credit</u>	<u>12(a)</u>
<u>Omnibus Account Net Settlement Debit</u>	<u>12(a)</u>
<u>Participant Canadian Settlement Bank</u>	<u>13(b)</u>

Payment Default Conversion Rate
Payment Default Exchange Rate
Rules and Procedures of CDS
USD Funds

16(c)
16(a)
2(a)
1(a)(9)

Section 1. Overview of Canadian-Link Service.

(a) The Corporation offers to Participants a service to facilitate the clearance and settlement of valued securities transactions and the transfer of funds denominated in Canadian dollars between Participants of the Corporation and participants of The Canadian Depository for Securities Limited (“CDS”) and between Participants of the Corporation and other Participants of the Corporation. For purposes of this Rule 30:

- (1) the service is referred to as the “Canadian-Link Service”;**
- (2) the securities are referred to as “Canadian-Link Securities”;**
- (3) Participants of the Corporation that use the Canadian-Link Service are referred to as “Canadian-Link Participants”;**
- (4) participants of CDS (other than the Corporation) are referred to as “CDS Participants”;**
- (5) valued transactions in Canadian-Link Securities are referred to as “Canadian-Link Securities Transactions”;**
- (6) funds denominated in Canadian dollars are referred to as “CAD Funds”;**
- (7) funds denominated in United States dollars are referred to as “USD Funds”;**
- (8) transfers of CAD Funds are referred to as “Canadian-Link Funds Transactions”;**
- (9) Canadian-Link Securities Transactions and Canadian-Link Funds Transactions are collectively referred to as “Canadian-Link Transactions”; and**
- (10) the money settlement of Canadian-Link Transactions in CAD Funds between the Corporation and Canadian-Link Participants is referred to as “Canadian-Link Money Settlement.”**

(b) All Canadian-Link Transactions are undertaken by the Corporation as a securities intermediary for Canadian-Link Participants and are subject to the Rules and Procedures of the Corporation, including this Rule 30 and the Procedures adopted hereunder. In the event of a conflict between the provisions of this Rule 30 and the Procedures adopted hereunder and the provisions of any other Rules and Procedures of the Corporation, the provisions of this Rule 30 and the Procedures adopted hereunder shall prevail. The Canadian-Link Service shall constitute a Program for purposes of the Rules and Procedures of the Corporation.

Section 2. Canadian-Link Documents.

(a) The Corporation has entered into various agreements with CDS, and as a participant of CDS has undertaken to abide by the rules, procedures and user guides of

CDS (the “Rules and Procedures of CDS”). Such agreements and the Rules and Procedures of CDS, as the same may be amended or supplemented from time to time, are collectively referred to as the “Canadian-Link Documents”. Notwithstanding anything else contained in this Rule 30 or otherwise in the Rules and Procedures of the Corporation, the Corporation shall offer the Canadian-Link Service only for so long as the Corporation continues to be a participant of CDS and there have been no changes in the Canadian-Link Documents, or actions taken by CDS, which would, in the judgment of the Corporation, prevent or impair the ability of the Corporation to offer the Canadian-Link Service or make it impractical or onerous for the Corporation to do so.

(b) Each Canadian-Link Participant shall observe and comply with the Canadian-Link Documents applicable to the Canadian-Link Service as if such Canadian-Link Participant were a CDS Participant and a direct party to the Canadian-Link Documents. Each Canadian-Link Participant acknowledges that the Canadian-Link Documents may include grants of security interests in and liens on Canadian-Link Securities and CAD Funds in which such Canadian-Link Participant may have an interest, and that certain risk management controls, failure to settle procedures, loss allocation rules and other terms and conditions of the Canadian-Link Documents may also affect such interest. Each Canadian-Link Participant further acknowledges that, pursuant to the Canadian-Link Documents, the Corporation must observe and comply with the Canadian-Link Documents applicable to the Canadian-Link Service and that, in the event of a conflict between provisions of the Canadian-Link Documents and provisions of the Rules and Procedures of the Corporation, the provisions of the Canadian-Link Documents shall prevail. Accordingly, in no case shall the performance of the obligations of the Corporation to CDS and CDS Participants under the Canadian-Link Documents be deemed to constitute a default in the performance of the obligations of the Corporation to any Canadian-Link Participants under the Rules and Procedures of the Corporation.

(c) The Corporation shall make copies of all Canadian-Link Documents available to Canadian-Link Participants.

Section 3. Participants Eligible for Canadian-Link Service.

(a) All Participants of the Corporation shall be eligible to become Canadian-Link Participants and use the Canadian-Link Service; provided, however, that all Canadian-Link Participants shall be subject to (i) the Rules and Procedures of the Corporation, including this Rule 30 and the Procedures adopted hereunder, (ii) the Canadian-Link Documents, (iii) the actions of the Corporation as a participant of CDS in providing the Canadian-Link Service to Canadian-Link Participants and (iv) any other or further requirements for the use of the Canadian-Link Service adopted by the Corporation and set forth in the Procedures.

(b) Each Canadian-Link Participant shall enter into such agreements, execute such documents and instruments and provide such information as the Corporation may require in connection with its use of the Canadian-Link Service.

(c) The Corporation shall maintain a list of all Canadian-Link Participants, and the Corporation may, from time to time, add Participants to or delete Participants from such list in accordance with this Section 3.

Section 4. Securities Eligible for the Canadian-Link Service.

(a) The Corporation shall designate and set forth in the Procedures the criteria for a Security to be a Canadian-Link Security and whether a Canadian-Link Security shall be eligible for all purposes of the Canadian-Link Service (a “Full-Service Canadian-Link Security”) or whether a Canadian-Link Security shall be eligible for only certain purposes of the Canadian-Link Service (a “Limited-Service Canadian-Link Security”). The Corporation shall determine, in its sole and absolute discretion, whether a Security shall be a Canadian-Link Security and, if so, whether it shall be a Full-Service Canadian-Link Security or a Limited-Service Canadian-Link Security. The Corporation shall further determine, in its sole and absolute discretion, what limitations shall apply to the custody and processing of a Canadian-Link Security that is a Limited-Service Canadian-Link Security. A Security that is an Eligible Security (as described in Section 1 of Rule 5) may or may not be a Canadian-Link Security. A Security that is not an Eligible Security may be a Limited-Service Canadian-Link Security but it may not be a Full-Service Canadian-Link Security. In no case may a Security be a Canadian-Link Security if the issuer is on an OFAC list of proscribed persons or is incorporated in a jurisdiction on an OFAC list of pariah countries. The Corporation may determine, in its sole and absolute discretion, (i) that a Security is no longer a Full-Service Canadian-Link Security but may be a Limited-Service Canadian-Link Security, (ii) that a Security which is a Limited-Service Canadian-Link Security may become a Full-Service Canadian-Link Security or (iii) that a Security is no longer a Canadian-Link Security.

(b) For purposes of this Rule 30, all references to a Canadian-Link Security shall mean a Full-Service Canadian-Link Security unless otherwise specified.

(c) The Corporation shall maintain a list of all Full-Service Canadian-Link Securities and all Limited-Service Canadian-Link Securities, and the Corporation may, from time to time, add Securities to or delete Securities from such list in accordance with this Section 4.

Section 5. Canadian-Link Interface and DTC Omnibus Account.

(a) The Corporation maintains certain accounts for CDS and CDS maintains certain accounts for the Corporation pursuant to which positions in Canadian-Link Securities may be moved from the Corporation to CDS and from CDS to the Corporation by electronic book-entry in accordance with the Rules and Procedures of the Corporation and the Rules and Procedures of CDS (such accounts collectively, the “Canadian-Link Interface”). CDS also maintains for the Corporation as a participant of CDS a ledger consisting of a series of accounts, including a securities account (to record Canadian-Link Securities held by CDS for the Corporation and Canadian-Link Securities to be delivered by the Corporation to CDS) and a funds account (to record the net amount of CAD Funds owing from time to time intra-day between CDS and the Corporation). Such ledger and

the accounts included in the ledger are collectively referred to as the “DTC Omnibus Account”.

(b) The Corporation shall make the DTC Omnibus Account available for the purpose of processing Canadian-Link Transactions between Canadian-Link Participants and CDS Participants. The Corporation shall act on behalf of Canadian-Link Participants and in accordance with their instructions but shall at all times maintain control over the Canadian-Link Securities and CAD Funds credited to the DTC Omnibus Account.

(c) Canadian-Link Securities credited to the DTC Omnibus Account are held by CDS as a securities intermediary for the Corporation. The interest of a Canadian-Link Participant in such Canadian-Link Securities credited to the DTC Omnibus Account (i) can be no greater than the interest of the Corporation in such Canadian-Link Securities and (ii) is subject to all of the obligations of the Corporation and rights of CDS and CDS Participants in respect of such Canadian-Link Securities under the Canadian-Link Documents.

(d) The Canadian-Link Interface and the DTC Omnibus Account are not Accounts (as defined in Section 1 of Rule 1).

Section 6. Canadian-Link Required Participants Fund Deposit.

(a) Each Canadian-Link Participant shall be required to deposit to the Participants Fund (as defined in Section 1 of Rule 1) an amount of USD Funds in addition to the amount of USD Funds specified in Section 1(a)(i) of Rule 4 (a “Canadian-Link Required Participants Fund Deposit”). The Canadian-Link Required Participants Fund Deposit shall be in cash. The Canadian-Link Required Participants Fund Deposit of each Canadian-Link Participant shall be determined by a formula (taking into account the volume of transactions of each Canadian-Link Participant) that shall be fixed by the Corporation and set forth in the Procedures. The Corporation may, from time to time, change the formula for determining the Canadian-Link Required Participants Fund Deposits of Canadian-Link Participants; provided, however, that notice of such change shall be given to each Canadian-Link Participant at least ten Business Days in advance of the effective date thereof.

(b) For all purposes under the Rules and Procedures of the Corporation, the Canadian-Link Required Participants Fund Deposit of a Participant that is a Canadian-Link Participant shall be deemed to be a part of the Required Participants Fund Deposit of such Participant and all references to the Required Participants Fund Deposit of a Participant shall be deemed to include the Canadian-Link Required Participants Fund Deposit of a Participant that is a Canadian-Link Participant.

(c) Notwithstanding Section 1(g) of Rule 4, that portion of the cash in the Participants Fund equal to the aggregate amount of the Canadian-Link Required Participants Fund Deposits of all Canadian-Link Participants (“Canadian-Link Participants Fund Cash”) may be partially or wholly invested by the Corporation, in its sole discretion for its account, either (i) in the manner provided in Section 1(g) of Rule 4 or (ii) in securities issued or guaranteed as to principal and interest by the Government of

Canada or repurchase agreements guaranteed as to principal and interest by the Government of Canada and to the extent not so invested shall be deposited by the Corporation in its name in a depository or depositories selected by the Corporation. Any securities, repurchase agreements or deposits in which Canadian-Link Participants Fund Cash is invested may be sold by the Corporation or Pledged (as defined in Section 1 of Rule 4(A)) as security for loans made to the Corporation, as provided in Rule 4(A). The Corporation shall pay interest to a Canadian-Link Participant on its Canadian-Link Required Participants Fund Deposit at the rate the Corporation earns on its investment of Canadian-Link Participants Fund Cash or as specified in the Procedures.

Section 7. Security for Canadian-Link Transactions.

(a) To secure the obligations of a Canadian-Link Participant to the Corporation in respect of its Canadian-Link Transactions and use of the Canadian-Link Service, the Corporation shall have all of the rights and powers and all of the security interests in and liens on Cash, Net Additions and Preferred Stock set forth in Rule 4(A) and the other Rules and Procedures of the Corporation.

(b) In addition, in the manner and for the purposes set forth in this Rule 30 and the Procedures adopted hereunder, the Corporation shall hold the entire interest in, and shall have the authority of a holder of Securities to act, in its sole discretion, with respect to any Canadian-Link Securities credited to the DTC Omnibus Account (“Canadian-Link Net Additions”), to issue or transfer the entire interest in such Securities, including the authority to sell, Pledge or otherwise dispose of such Securities. In furtherance of the rights of the Corporation pursuant to this Rule 30 and the Procedures adopted hereunder and for the purpose of securing loans made to the Corporation, subject only to such terms and conditions as may be provided in the Rules and Procedures of the Corporation, the Corporation shall have full power and authority to Pledge any or all Canadian-Link Net Additions. Such loans shall be on terms and conditions deemed necessary or advisable by the Corporation (including collateralization thereof), in its sole discretion, and may be in amounts greater, and extend for periods of time longer, than the obligations, if any, of any Canadian-Link Participant to the Corporation secured by the Pledge (by book entry or otherwise) of such property. No Canadian-Link Participant shall have any right, claim or action against any secured Lender (as defined in Section 1 of Rule 1), or any collateral agent of such secured Lender, for the return or otherwise in respect, of any such collateral Pledged by the Corporation to such secured Lender, or its collateral agent, so long as any loans made by such secured Lender to the Corporation or other obligations, secured by such collateral, are unpaid and outstanding.

Section 8. Canadian-Link Net Debit Caps of Canadian-Link Participants.

(a) Pursuant to the Rules and Procedures of CDS, a limit is established by CDS on the negative CAD Funds balance that may, from time to time, be incurred in the DTC Omnibus Account in respect of transactions processed for the Corporation through the facilities of CDS (the “Omnibus Account Net Debit Cap”). A limit shall be established by the Corporation on the negative CAD Funds balance that may, from time to time, be incurred by a Canadian-Link Participant in respect of Canadian-Link Transactions processed for such Participant through the Canadian-Link Service (each, a “Canadian-

Link Net Debit Cap”). The Canadian-Link Net Debit Cap of each Canadian-Link Participant shall be determined by a formula (taking into account the volume of Canadian-Link Transactions of each Canadian-Link Participant) that shall be fixed by the Corporation and set forth in the Procedures.

(b) Canadian-Link Transactions processed through the Canadian-Link Service for a Canadian-Link Participant shall be subject to its Canadian-Link Net Debit Cap, and not its Net Debit Cap (as defined in Section 1 of Rule 1) for other Deliveries, Pledges, Releases and Withdrawals of Securities processed by the Corporation for such Participant.

(c) The Corporation shall not comply with any instruction from a Canadian-Link Participant in respect of any Canadian-Link Transaction that would cause the Corporation to exceed its Omnibus Account Net Debit Cap or cause such Canadian-Link Participant to exceed its Canadian-Link Net Debit Cap but rather shall pend such Canadian-Link Transaction (subject to the Rules and Procedures of the Corporation) until such Canadian-Link Transaction may be processed without causing the Corporation to exceed its Omnibus Account Net Debit Cap or causing such Canadian-Link Participant to exceed its Canadian-Link Net Debit Cap.

Section 9. Collateral Monitor of Canadian-Link Participants.

(a) For the purpose of calculating the Collateral Monitor (as defined in Section 1 of Rule 1) of a Participant that is a Canadian-Link Participant on any day that is a CDS Business Day:

- (1) There shall be added to the Net Credit Balance (as defined in Section 1 of Rule 1), if any, of such Participant an amount of USD Funds equal to the amount, if any, by which the aggregate amount of CAD Funds payable by the Corporation to such Participant in respect of its Canadian-Link Transactions exceeds the aggregate amount of CAD Funds payable by such Participant to the Corporation in respect of such Canadian-Link Transactions.
- (2) There shall be added to the Net Debit Balance (as defined in Section 1 of Rule 1), if any, of such Participant an amount of USD Funds equal to the amount, if any, by which the aggregate amount of CAD Funds payable by such Participant to the Corporation in respect of its Canadian-Link Transactions exceeds the aggregate amount of CAD Funds payable by the Corporation to such Participant in respect of such Canadian-Link Transactions.
- (3) There shall be deducted from the aggregate Collateral Value of the Collateral (as each is defined in Section 1 of Rule 1) of such Participant an amount of USD Funds equal to the aggregate Collateral Value of (i) Canadian-Link Securities delivered by such Participant to CDS Participants and (ii) Canadian-Link Securities delivered by such Participant to other Canadian-Link Participants.
- (4) Collateral Value in USD Funds shall be given to Canadian-Link Securities received by such Participant from other Canadian-Link Participants but no

Collateral Value shall be given to any Canadian-Link Securities received by such Participant from CDS Participants.

(b) Canadian-Link Transactions processed for a Canadian-Link Participant through the Canadian-Link Service, and other Deliveries, Pledges, Releases and Withdrawals of Securities processed by the Corporation for such Participant, shall be subject to the same Collateral Monitor (as adjusted above) and, for the purpose of determining whether the conditions set forth in Section 1 of Rule 9(B) have been satisfied, Canadian-Link Securities held in the DTC Omnibus Account for a Canadian-Link Participant shall be deemed to be held in an Account in the Account Family (as defined in Section 1 of Rule 1) of such Participant.

Section 10. Processing Canadian-Link Transactions.

(a) A Canadian-Link Participant may give the Corporation an instruction to clear and settle a Canadian-Link Securities Transaction or effect a Canadian-Link Funds Transaction, as follows:

(1) In respect of a Canadian-Link Transaction between a Canadian-Link Participant and a CDS Participant --

(A) An instruction from a Canadian-Link Participant to clear and settle a delivery of Canadian-Link Securities to a CDS Participant shall constitute an instruction for the Corporation to (i) report or confirm (as appropriate) the details of such Canadian-Link Securities Transaction to CDS for processing in accordance with the Rules and Procedures of CDS and (ii) transfer the Canadian-Link Securities subject to such instruction, free of payment, from an Account of such Canadian-Link Participant with the Corporation through the Canadian-Link Interface to the DTC Omnibus Account on the settlement date (determined in accordance with the Rules and Procedures of CDS) for such delivery.

(B) An instruction from a Canadian-Link Participant to clear and settle a receipt of Canadian-Link Securities from a CDS Participant shall constitute an instruction for the Corporation to (i) report or confirm (as appropriate) the details of such Canadian-Link Securities Transaction to CDS for processing in accordance with the Rules and Procedures of CDS and (ii) transfer such Canadian-Link Securities, free of payment, at the end of the CDS Business Day on which they are credited to the DTC Omnibus Account by CDS, from the DTC Omnibus Account through the Canadian-Link Interface to an Account of such Canadian-Link Participant with the Corporation.

(C) An instruction from a Canadian-Link Participant with respect to a payment of CAD Funds to a CDS Participant without any corresponding receipt of Canadian-Link Securities shall constitute an instruction for the Corporation to report or confirm (as appropriate)

the details of such Canadian-Link Funds Transaction to CDS for processing in accordance with the Rules and Procedures of CDS.

(D) An instruction from a Canadian-Link Participant with respect to a receipt of CAD Funds from a CDS Participant without any corresponding delivery of Canadian-Link Securities shall constitute an instruction for the Corporation to report or confirm (as appropriate) the details of such Canadian-Link Funds transaction to CDS for processing in accordance with the Rules and Procedures of CDS.

(2) In respect of a Canadian-Link Transaction between a Canadian-Link Participant and another Canadian-Link Participant –

(A) An instruction from a Canadian-Link Participant to clear and settle a delivery of Canadian-Link Securities to another Canadian-Link Participant shall constitute an instruction for the Corporation to (i) match the details of such Canadian-Link Securities Transaction and, if such details match, (ii) debit such Canadian-Link Securities from an Account of the delivering Canadian-Link Participant and credit such Canadian-Link Securities to an Account of the receiving Canadian-Link Participant in accordance with the Rules and Procedures of the Corporation and (iii) credit the delivering Canadian-Link Participant and debit the receiving Canadian-Link Participant the CAD Funds contract price of such Canadian-Link Securities in Canadian-Link Money Settlement.

(B) An instruction from a Canadian-Link Participant to clear and settle a receipt of Canadian-Link Securities from another Canadian-Link Participant shall constitute an instruction for the Corporation to (i) match the details of such Canadian-Link Securities Transaction and, if such details match, (ii) credit such Canadian-Link Securities to an Account of the receiving Canadian-Link Participant and debit such Canadian-Link Securities from an Account of the delivering Canadian-Link Participant and (iii) debit the receiving Canadian-Link Participant and credit the delivering Canadian-Link Participant the CAD Funds contract price of such Canadian-Link Securities in Canadian-Link Money Settlement.

(C) An instruction from a Canadian-Link Participant with respect to a payment of CAD Funds to another Canadian-Link Participant without any corresponding receipt of Canadian-Link Securities shall constitute an instruction for the Corporation to (i) match the details of such Canadian-Link Funds Transaction and, if such details match, (ii) debit the paying Canadian-Link Participant and credit the receiving Canadian-Link Participant the appropriate amount of CAD Funds in Canadian-Link Money Settlement.

(D) An instruction from a Canadian-Link Participant with respect to a receipt of CAD Funds from another Canadian-Link Participant without any corresponding delivery of Canadian-Link Securities shall constitute an instruction for the Corporation to (i) match the details of such Canadian-Link Funds Transaction and, if such details match, (ii) credit the receiving Canadian-Link Participant and debit the paying Canadian-Link Participant the appropriate amount of CAD Funds in Canadian-Link Money Settlement.

(b) A Canadian-Link Participant that gives the Corporation an instruction represents and warrants to the Corporation that it has the full right, power and authority to give such instruction.

(c) A Canadian-Link Transaction between a Canadian-Link Participant and a CDS Participant is processed in accordance with to the Rules and Procedures of CDS. All trades settled through the facilities of CDS are settled on a delivery against payment basis. Trades settled through the facilities of CDS may be settled with pre-settlement netting on a continuous net settlement basis or without pre-settlement netting on a trade for trade basis. All Canadian-Link Securities Transactions settled through the facilities of CDS shall be settled on a trade for trade basis.

(d) In no case shall a Canadian-Link Participant give instructions to or otherwise communicate with CDS directly. Likewise, all Canadian-Link Securities that are delivered to or withdrawn from CDS in connection with the clearance and settlement of Canadian-Link Securities Transactions are delivered to or withdrawn from CDS by the Corporation. In no case shall a Canadian-Link Participant deliver Canadian-Link Securities to or withdraw Canadian-Link Securities from CDS directly. The Corporation shall have no responsibility for any direct communications between Canadian-Link Participants and CDS or for the consequences of any such direct communications.

(e) The Corporation shall provide to Canadian-Link Participants all reports, notices, documents and other information received from CDS with respect to their Canadian-Link Transactions. The Corporation shall provide such reports, notices, documents and other information to Canadian-Link Participants in the same form and medium in which it is received from CDS or in any other form or medium used for communications between the Corporation and Participants of the Corporation. The Corporation may review all such reports, notices, documents and other information received from CDS in respect of the Canadian-Link Transactions of Canadian-Link Participants but such Canadian-Link Participants shall have the sole responsibility for confirming the accuracy and completeness of such reports, notices, documents and other information and informing the Corporation of any errors or omissions.

Section 11. CDS Business Days.

(a) The Canadian-Link Service shall be available for processing Canadian-Link Transactions on every day that CDS is open for business (a “CDS Business Day”) whether or not such day is also a Business Day (as defined in Section 1 of Rule 1) for the Corporation (a “DTC Business Day”).

(b) On any day that is a CDS Business Day but not a DTC Business Day, the only Canadian-Link Securities that may be processed through the Canadian-Link Service shall be Canadian-Link Securities that were finally and effectively credited to an Account of the Canadian-Link Participant on the preceding DTC Business Day.

(c) There shall be present at the location of each Canadian-Link Participant on each CDS Business Day that is not also a DTC Business Day, during the hours that CDS is open for business and until, in the judgment of the Corporation, the obligations of such Canadian-Link Participant to the Corporation for such CDS Business Day have been satisfied, a Participant Representative (as defined in Section 1 of Rule 7), meeting all of the qualifications and having all of the powers and responsibilities of a Participant Representative set forth in Sections 1 through 4 of Rule 7.

(d) On every day that is a CDS Business Day, whether or not it is also a DTC Business Day, a Canadian-Link Participant shall ensure that it has the financial and operational ability to perform all of its obligations to the Corporation with respect to its use of the Canadian-Link Service.

Section 12. Settlement Recaps.

(a) On each CDS Business Day, by a time set forth in the Rules and Procedures of CDS, CDS calculates and provides to the Corporation a settlement recap (the “CDS Settlement Recap”) with the net amount of CAD Funds payable by CDS to the Corporation (an “Omnibus Account Net Settlement Credit”) or by the Corporation to CDS (an “Omnibus Account Net Settlement Debit”) and other information in respect of the Canadian-Link Transactions processed by CDS for the Corporation on such CDS Business Day. The time when CDS provides such information to the Corporation is referred to as the “CDS Settlement Recap Time”.

(b) On each CDS Business Day, by a time set forth in the Rules and Procedures of DTC, the Corporation shall calculate and provide to each Canadian-Link Participant a settlement recap (a “DTC Settlement Recap”) with the net amount of CAD Funds payable by the Corporation to such Canadian-Link Participant (a “Canadian-Link Net Settlement Credit”) or by such Canadian-Link Participant to the Corporation (a “Canadian-Link Net Settlement Debit”) and other information in respect of the Canadian-Link Transactions of such Canadian-Link Participant processed through the Canadian-Link Service on such CDS Business Day, including both Canadian-Link Transactions with CDS Participants processed for such Participant through the DTC Omnibus Account and Canadian-Link Transactions with other Canadian-Link Participants processed for such Participant through Accounts with the Corporation. The time when the Corporation provides such information to Canadian-Link Participants is referred to as the “DTC Settlement Recap Time”. Because the Corporation must receive settlement recap information from CDS before the Corporation can provide settlement recap information to Canadian-Link Participants, the DTC Settlement Recap Time shall be later than the CDS Settlement Recap Time.

Section 13. Settlement Payments.

(a) On each CDS Business Day, during a period of time set forth in the Rules and Procedures of CDS, CDS is required to pay to the Corporation the amount of its Omnibus Account Net Settlement Credit, or the Corporation is required to pay to CDS the amount of its Omnibus Account Net Settlement Debit, as specified in the CDS Settlement Recap. Such period of time is referred to as “CDS Payment Exchange”. All such payments to or by the Corporation are made to or by a Canadian bank acting on behalf of the Corporation (the “DTC Canadian Settlement Bank”).

(b) On each CDS Business Day, by a time set forth in the Procedures of the Corporation, each Canadian-Link Participant with a Canadian-Link Net Settlement Debit shall pay to the Corporation the amount of its Canadian-Link Net Settlement Debit, as specified in the DTC Settlement Recap. The time when such payment must be made is referred to as the “DTC Settlement Payment Deadline”. Because the Corporation must receive CAD Funds from Canadian-Link Participants with Canadian-Link Net Settlement Debts before it can pay CAD Funds to CDS, the DTC Settlement Payment Deadline shall be earlier than the end of CDS Payment Exchange.

(c) On each CDS Business Day, as soon as possible after CDS Payment Exchange, DTC shall pay to each Canadian-Link Participant with a Canadian-Link Settlement Credit the amount of its Canadian-Link Net Settlement Credit; provided, however, that the amount of any Canadian-Link Settlement Credit payable to a Canadian-Link Participant may be withheld and applied by the Corporation to satisfy (i) any obligation of such Participant to the Corporation or (ii) any obligation of the Corporation in respect of such Participant under any Clearing Agency Agreement (as defined in Section 1 of Rule 1).

(d) All payments to or by a Canadian-Link Participant shall be made to or by a Canadian bank acting on behalf of such Canadian-Link Participant (a “Participant Canadian Settlement Bank”). Each Canadian-Link Participant shall be responsible for selecting a Participant Canadian Settlement Bank and for making arrangements with such Participant Canadian Settlement Bank to assure the timely payment of its Canadian-Link Net Settlement Debts. A Participant Canadian Settlement Bank must have access to the Large Value Transfer System administered by the Canadian Payments Association, providing for the final and irrevocable settlement of money payments among members. A Canadian-Link Participant may choose the DTC Canadian Settlement Bank as its Participant Canadian Settlement Bank.

(e) Except as provided in the Procedures, the Corporation shall not be obligated to complete Canadian-Link Money Settlement or make payment of any Canadian-Link Net Settlement Credits owing to Canadian-Link Participants unless and until the Corporation shall have received payment of all Canadian-Link Net Settlement Debts due from Canadian-Link Participants and any Omnibus Account Net Settlement Debit due from CDS.

Section 14. End of Day Sweep.

(a) At the end of each CDS Business Day, after completion of Canadian-Link Money Settlement and subject to the Rules and Procedures of CDS, all Canadian-Link Securities credited to the DTC Omnibus Account shall be transferred, free of payment, from the DTC Omnibus Account through the Canadian-Link Interface to the Accounts of the Canadian-Link Participants for which such Canadian-Link Securities are held by the Corporation.

(b) No Canadian-Link Securities credited to the DTC Omnibus Account shall be transferred intraday from the DTC Omnibus Account through the Canadian-Link Interface to the Account of any Canadian-Link Participant unless a position in such Canadian-Link Securities is required by such Canadian-Link Participant intraday to meet an obligation to deliver such Canadian-Link Securities to another Participant through the facilities of the Corporation, in which case, subject to the Rules and Procedures of CDS, such Canadian-Link Securities shall be so transferred, for such purpose, free of payment, from the DTC Omnibus Account through the Canadian-Link Interface to an Account of such Canadian-Link Participant.

Section 15. Failure to Make Settlement Payments.

(a) If a Canadian-Link Participant shall fail to pay a Canadian-Link Net Settlement Debit to the Corporation by the DTC Settlement Payment Deadline (or such later time prior to the end of CDS Payment Exchange as the Corporation may allow, on a case by case basis, in its sole and absolute discretion), then:

(1) if the day of such Canadian-Link Money Settlement default is a DTC Business Day, the Corporation may either:

(A) declare such Participant to be a Defaulting Participant (as defined in Section 2 of Rule 9(B)), in which case the Corporation shall be entitled to implement the failure to settle procedures set forth in Section 2 of Rule 9(B) and exercise all of its other rights and remedies in accordance with the Rules and Procedures of the Corporation; or

(B) add an amount of USD Funds equal to the amount of such Canadian-Link Net Settlement Debit to the Gross Debit Balance (as defined in Section 1 of Rule 1) of such Canadian-Link Participant in the settlement of transactions in Securities and other items processed through the facilities of the Corporation on such DTC Business Day (as provided in Rule 9(A) and the Procedures thereunder); or

(2) if the day of such Canadian-Link Money Settlement default is not a DTC Business Day, such Participant shall, automatically and without any further action required on the part of the Corporation, be deemed to be a Defaulting Participant, in which case the Corporation shall be entitled to implement the failure to settle procedures set forth in Section 2 of Rule 9(B) and exercise all of

its other rights and remedies in accordance with the Rules and Procedures of the Corporation.

(b) Each Canadian-Link Participant hereby irrevocably appoints the Corporation (at such time as such Participant becomes a Defaulting Participant) as its attorney-in-fact and agent for the purpose of carrying out the provisions of this Section 15, and for such purpose the Corporation may substitute one or more persons with like power.

Section 16. Currency Conversion and Exchange

(a) If any amount of USD Funds has to be exchanged for an amount of CAD Funds to pay (or re-fund) an Omnibus Account Net Settlement Debit to CDS in accordance with Section 13 of this Rule 30 because a Canadian-Link Participant failed to pay the Corporation the amount of its Canadian-Link Net Settlement Debit, the exchange rate for such purpose shall be a rate determined by a formula (taking into account all factors incident to the default of such Participant in the payment of its Canadian-Link Net Settlement Debit) that shall be fixed by the Corporation and set forth in the Procedures (the “Payment Default Exchange Rate”).

(b) If any computation has to be made requiring the conversion of an amount of CAD Funds into an amount of USD Funds for the purpose of calculating the Collateral Monitor of a Canadian-Link Participant pursuant to Section 9 of this Rule 30, the conversion rate for such purpose shall be a rate determined by a formula (taking into account exchange rate fluctuations) that shall be fixed by the Corporation and set forth in the Procedures (the “Collateral Monitor Conversion Rate”).

(c) If any computation has to be made requiring the conversion of an amount of CAD Funds into an amount of USD Funds for the purpose of calculating the Gross Settlement Debit of a Canadian-Link Participant pursuant to Section 15 of this Rule 30, the conversion rate for such purpose shall be a rate determined by a formula (taking into account all factors incident to the default of such Participant in the payment of its Canadian-Link Net Settlement Debit) that shall be fixed by the Corporation and set forth in the Procedures (the “Payment Default Conversion Rate”).

(d) The determination of the Payment Default Exchange Rate, Collateral Monitor Conversion Rate and Payment Default Conversion Rate, as the case may be, by the Corporation shall be final and binding on Canadian-Link Participants.

Section 17. Choice of Law and Submission to Jurisdiction.

(a) Each Canadian-Link Participant acknowledges that Canadian-Link Securities and other property credited to the DTC Omnibus Account are located in Ontario, Canada, that Canadian-Link Transactions between Canadian-Link Participants and CDS Participants are processed through the facilities of CDS in Ontario and that Canadian-Link Documents are expressed to be governed by the laws of Ontario, including with respect to the operation of the DTC Omnibus Account, the role of CDS as a securities intermediary maintaining the DTC Omnibus Account for the Corporation and the

proprietary consequences of Canadian-Link Transactions processed through the facilities of CDS.

(b) Each Canadian-Link Participant further acknowledges that an action or proceeding arising out of or relating to Canadian-Link Transactions between Canadian-Link Participants and CDS Participants may be brought in the courts of Ontario and possibly in other courts in Canada. Accordingly, if the Corporation becomes a party to any such action or proceeding, such Canadian-Link Participant shall, at the request of the Corporation, submit to the jurisdiction of the court in which such action or proceeding is brought and become a party thereto.

Section 18. Canadian-Link Charges.

(a) Each Participant shall pay all fees and charges of the Corporation for the Canadian-Link Service, which fees and charges shall include without limitation (i) the fees and charges of CDS for holding Canadian-Link Securities and processing Canadian-Link Transactions between Canadian-Link Participants and CDS Participants for the Corporation, (ii) the expenses and interest costs of any liquidity facilities maintained by the Corporation to collateralize the obligations of the Corporation to CDS and/or finance the settlement obligations of Canadian-Link Participants to the Corporation, (iii) other third-party fees and charges related to the Canadian-Link Service, (iv) internal allocated costs, (v) taxes (except taxes imposed on or measured by the net income of the Corporation), other governmental charges and obligations to deduct or withhold taxes on dividend, interest and other payments related to Canadian-Link Securities held by the Corporation for Canadian-Link Participants, together with interest and penalties thereon and additions thereto (other than interest, penalties and additions imposed because of the gross negligence or willful misconduct of the Corporation or its agents) and (vi) penalties and other charges imposed by any governmental or regulatory authority for any failure to file documents or information required with respect to Canadian-Link Securities held by the Corporation for Canadian-Link Participants (other than a failure caused by the gross negligence or willful misconduct of the Corporation or its agents).

(b) The fees and charges for the Canadian-Link Service shall be billed and paid in accordance with Rules 20 and 23.