

13.3.2 OSC Notice and Request for Comment – Canadian Derivatives Clearing Corporation (CDCC) – Application for Recognition as a Clearing Agency

**OSC NOTICE AND REQUEST FOR COMMENT
CANADIAN DERIVATIVES CLEARING CORPORATION
APPLICATION FOR RECOGNITION AS A CLEARING AGENCY**

A. Background

Canadian Derivatives Clearing Corporation (CDCC) has applied (the Application) to the Commission for recognition as a clearing agency pursuant to subsection 21.2(0.1) of the *Securities Act* (Ontario) (OSA).

CDCC is the clearinghouse for trades in options, commodity futures contracts and commodity futures options that are listed or traded on the Bourse de Montreal Inc. (Bourse). CDCC also provides central counterparty clearing services for trades in certain over-the-counter equity options and Canadian and provincial government fixed income securities.

CDCC's head office and principal place of business are in Montréal. CDCC is regulated by the Québec Autorité des marchés financiers (AMF) and the Bank of Canada (BOC) and is recognized as a clearing agency by the British Columbia Securities Commission (BCSC).

In reviewing the Application, staff followed the process and assessed the Application against the criteria set out in OSC Staff Notice 24-702 *Regulatory Approach to Recognition and Exemption from Recognition of Clearing Agencies* (Staff Notice). In the Application, CDCC describes how it addresses each of the criteria set forth in the Staff Notice. The Application can be found on the OSC website.

B. Draft Order

Subject to comments received, staff propose to recommend to the Commission that it recognize CDCC with terms and conditions in the form of the proposed draft order attached as Appendix A to this Notice (Draft Order).

The terms and conditions in the Draft Order have been tailored to reflect the Commission's intention to generally focus its oversight of CDCC on certain aspects of CDCC's operations that would have a significant impact on Ontario capital markets and rely on the AMF for oversight of CDCC's clearing activities of Bourse trades. The Commission's regulatory oversight of CDCC would be undertaken in coordination and cooperation with the regulatory oversight by the AMF and BOC. Such coordination and cooperation is being formalized in a *Memorandum of Understanding Respecting the Oversight of Certain Clearing and Settlement Systems* (MOU) among the AMF, BCSC, BOC and OSC. Staff anticipate that the MOU will be signed by all parties shortly.

The Draft Order requires CDCC to comply with various terms and conditions, including relating to:

1. Regulation of CDCC
2. Governance
3. Access
4. Fees
5. CPSS-IOSCO standards
6. Risk controls
7. Rules
8. Financial viability
9. Systems capacity
10. Reporting obligations

C. Comment Process

The Commission is publishing for public comment the Application and Draft Order. We are seeking comment on all aspects of the Application and Draft Order.

You are asked to provide your comments in writing, via e-mail and delivered on or before **March 24, 2014** addressed to the attention of the Secretary of the Commission, Ontario Securities Commission, 20 Queen Street West, 22nd Floor, Toronto, Ontario, M5H 3S8, e-mail: comments@osc.gov.on.ca.

The confidentiality of submissions cannot be maintained as a summary of written comments received during the comment period will be published.

Questions may be referred to:

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APPENDIX A

[DRAFT ORDER]

IN THE MATTER OF
THE SECURITIES ACT,
R.S.O. 1990, CHAPTER S.5, AS AMENDED (“Act”)

AND

IN THE MATTER OF
THE CANADIAN DERIVATIVES CLEARING CORPORATION

ORDER
(Subsection 21.2(0.1) of the Act)

WHEREAS the Canadian Derivatives Clearing Corporation (“CDCC”) has filed an application (“Application”) with the Ontario Securities Commission (“Commission”) requesting an order pursuant to subsection 21.2(0.1) of the Act recognizing CDCC as a clearing agency in Ontario;

AND WHEREAS on February 15, 2011, the Commission issued an order (“Temporary Exemption Order”), pursuant to section 147 of the Act, temporarily exempting CDCC from the requirement in subsection 21.2(0.1) of the Act to be recognized as a clearing agency;

AND WHEREAS on February 14, 2012, February 26, 2013, June 7, 2013, October 8, 2013 and February 11, 2014, the Commission issued orders to vary the Temporary Exemption Order, pursuant to Section 144 of the Act, to, among other things, extend the date of expiration of the Temporary Exemption Order;

AND WHEREAS the Temporary Exemption Order, as varied, provides that CDCC is exempted from the recognition requirement until the earlier of (i) the date the Commission renders a subsequent order recognizing CDCC as a clearing agency under subsection 21.2(0.1) of the Act or exempting it from the requirement to be recognized as a clearing agency under section 147 of the Act, and (ii) May 30, 2014, subject to the terms and conditions set forth in Schedule “A” of the Temporary Exemption Order, as varied;

AND WHEREAS the Temporary Exemption Order, as varied, will be replaced by this order and therefore be automatically revoked upon issuance of this order;

AND WHEREAS CDCC has represented the following facts to the Commission:

1. CDCC is incorporated under the *Canada Business Corporations Act* and has its registered office in Montréal, Québec;
2. Originating in 1975 as the clearing facility for the first Canadian equity options market, CDCC expanded its service offerings to the Canadian derivatives marketplace over time and acquired its current name in 1996;
3. CDCC currently offers central counterparty (“CCP”) clearing services in Canada for:
 - a. financially or physically settled interest rate and equity futures and options traded on the Bourse de Montréal Inc. (the “Bourse”);
 - b. financially or physically settled over-the-counter equity options; and
 - c. fixed income transactions (the “Fixed Income CCP Service”);
4. CDCC is wholly-owned by the Bourse;
5. The Bourse, in turn, is an indirect wholly-owned subsidiary of TMX Group Limited, a public company, the common shares of which are listed on Toronto Stock Exchange;
6. TMX Group Limited is formerly known as Maple Group Acquisition Corporation, which completed in September 2012 a multi-step transaction (the “Maple Transactions”) to acquire all of the issued and outstanding voting securities of TMX Group Inc. and other entities operating marketplaces and clearing agencies in Canada;

7. As a result of the Maple Transactions, TMX Group Limited wholly owns indirectly both CDCC and CDS Clearing and Depository Services Inc. (“CDS”), a recognized clearing agency that operates the securities settlement system and central securities depository in Canada;
8. The Fixed Income CCP Service is a clearing service that was launched by CDCC on February 21, 2012;
9. The Fixed Income CCP Service currently provides CCP clearing services for bilaterally-traded repurchase (“repo”) transactions of Canadian and provincial government securities entered into among approved fixed income CDCC clearing members, and includes blind repo trades introduced by inter-dealer brokers;
10. On March 11, 2013, CDCC expanded the scope of the Fixed Income CCP Service to provide CCP clearing services for cash buy or sell trades of such government securities;
11. CDCC intends to further expand the scope of the Fixed Income CCP Service to provide CCP clearing services for so-called “general collateral” repo transactions, whereby the underlying securities of a repo transaction consists of a “basket” of acceptable government securities instead of an individual security;
12. To operate the Fixed Income CCP Service, CDCC has a link with CDS, which (i) facilitates the entering and transmission to CDCC of all necessary information relating to fixed income transactions that are to be novated and netted by CDCC and (ii) settles by book-entry on a delivery-versus-payment basis the transactions that are novated and netted by CDCC, with CDCC being on one side of all the cleared transactions in its capacity as the CCP and a participant of CDS being on the other side;
13. To manage counterparty credit risk, and protect CDCC, its clearing members and, indirectly, their clients, against extreme but plausible market events, CDCC has implemented risk management procedures, including: (i) maintaining minimum membership standards, (ii) assessing market exposure and requiring margin to cover such exposure from its clearing members, (iii) monitoring the capital margin ratio of each clearing member, (iv) collecting and holding clearing fund contributions from its clearing members, (v) accepting highly liquid assets as collateral, and (vi) having a default management process in place;
14. CDCC manages liquidity risk through a calibration of its collateral policy as well as commercial bank liquidity facilities, and regularly reviews its liquidity exposures;
15. CDCC has committed five million dollars in capital to the default management waterfall that would be applied to a suffered loss prior to applying the clearing fund assets of the non-defaulting clearing members;
16. To measure and monitor the adequacy of its financial resources and identify any shortcomings in its overall financial risk model, CDCC performs daily stress testing that simulates eighteen market events on open clearing member positions, as well as daily backtesting of open clearing member positions at both the product and portfolio levels;
17. CDCC’s board of directors receives advice and non-binding recommendations with respect to CDCC risk management issues from, among others, a Risk Management Advisory Committee, whose members must have a requisite level of expertise and be familiar with the risk management objectives of clearing agencies that settle and guarantee derivative instruments;
18. CDCC has been regulated and overseen by the Autorité des marchés financiers (“AMF”) in Québec since 1987, and currently is recognized by the AMF as a clearinghouse under section 12 of the *Derivatives Act* (Québec) (“QDA”) pursuant to decision No. 2012-PDG-0078, an English translation of which is set out in Schedule “B” to this order (the “AMF Decision”), and is exempt by the AMF from obtaining recognition as a clearing house under the *Securities Act* (Québec) (“QSA”) pursuant to the AMF Decision;
19. The Bourse is also subject to the regulatory oversight of the AMF, which acts as lead regulator of the Bourse in Canada;
20. Effective April 30, 2012, the Governor of the Bank of Canada (“BOC”) designated CDCC’s clearing and settlement system, the Canadian Derivatives Clearing Service (“CDCS”), pursuant to subsection 4(1) of the *Payment Clearing and Settlement Act* (Canada) (the “PCSA”); as a consequence of this designation, CDCS is subject to Part I – *Clearing and Settlement System Regulation* – of the PCSA and the BOC’s regulatory oversight;
21. Amendments to CDCC’s rules and procedures are generally:
 - a. subject to review by the AMF and implemented by CDCC by way of a self-certification process in accordance with the QDA regulations,

- b. subject to review and prior approval by the BOC in accordance with a regulatory oversight agreement;

AND WHEREAS the Commission considers the proper operation of a clearing agency as essential to investor protection and maintaining a fair and efficient capital market, and the Commission may recognise a clearing agency, pursuant to section 21.2 of the Act, if it is satisfied that it is in the public interest to do so;

AND WHEREAS the Commission considers the operation of a clearing agency in the public interest to include, among other things, appropriate governance arrangements, fair access and services to all market participants, adequate management of risk, including systemic risk, and operational reliability, fair and non-discriminatory fees, and appropriate rules and procedures that do not impose a burden on competition in the Canadian financial markets;

AND WHEREAS the Commission considers certain aspects of CDCC's activities, particularly the Fixed-Income CCP Service and any potential expansion of CCP clearing of derivatives transactions, to be important to Ontario's capital markets, and therefore proposes to recognize CDCC and regulate it in coordination and cooperation with the regulatory oversight undertaken by the BOC and AMF;

AND WHEREAS the Bourse has been exempted by the Commission since 2004 from the requirement to be recognized as an exchange under section 21 of the Act and from registration as a commodity futures exchange under section 15 of the *Commodity Futures Act* (Ontario) ("CFA"), subject to certain terms and conditions;

AND WHEREAS the current terms and conditions of the Commission's exemption order granted to the Bourse include requirements that, to the extent that CDCC is recognized by the Commission as a clearing agency under the Act or a clearing house under the CFA, or is exempted from any requirement to be recognized, the Bourse shall cause CDCC to:

- (a) carry out its activities as a clearing agency recognized or exempted from recognition under section 21.2 of the Act and in compliance with Ontario securities law, as and where applicable, and
- (b) comply with any terms and conditions imposed on CDCC through any order recognizing it as a clearing agency, or exempting it from recognition as a clearing agency, under section 21.2 of the Act;

AND WHEREAS the Commission considers that reliance on the AMF's regulatory oversight of CDCC's activities relating to the clearing of trades in Bourse listed or traded products would generally be appropriate;

AND WHEREAS CDCC has agreed to the respective terms and conditions as set out in Schedule "C" to this order;

AND WHEREAS based on the Application and the representations that CDCC has made to the Commission, the Commission has determined that:

- (a) CDCC satisfies the applicable criteria for recognition set out in Schedule "A" to this order; and
- (b) it is in the public interest to recognize CDCC as a clearing agency pursuant to section 21.2 of the Act, subject to terms and conditions that are set out in Schedule "C" to this order;

AND WHEREAS the Commission will monitor developments in international and domestic capital markets and CDCC's activities on an ongoing basis to determine whether the terms and conditions in this order continue to be appropriate;

IT IS HEREBY ORDERED that pursuant to subsection 21.2(0.1) of the Act, CDCC is recognized as a clearing agency, provided CDCC complies with the terms and conditions set out in Schedule "C".

DATED this ● day of ●, 2014 and effective immediately.

SCHEDULE "A" – CRITERIA FOR RECOGNITION

PART 1 GOVERNANCE

- 1.1 The governance structure and governance arrangements of the clearing agency ensures:
- (a) effective oversight of the clearing agency;
 - (b) the clearing agency's activities are in keeping with its public interest mandate;
 - (c) fair, meaningful and diverse representation on the governing body (Board) and any committees of the Board, including a reasonable proportion of independent directors;
 - (d) a proper balance among the interests of the owners and the different entities seeking access (participants) to the clearing, settlement and depository services and facilities (settlement services) of the clearing agency;
 - (e) the clearing agency has policies and procedures to appropriately identify and manage conflicts of interest;
 - (f) each director or officer of the clearing agency, and each person or company that owns or controls, directly or indirectly, more than 10 percent of the clearing agency, is a fit and proper person; and
 - (g) there are appropriate qualifications, limitation of liability and indemnity provisions for directors and officers of the clearing agency.

PART 2 FEES

- 2.1 All fees imposed by the clearing agency are equitably allocated. The fees do not have the effect of creating unreasonable barriers to access.
- 2.2 The process for setting fees is fair and appropriate, and the fee model is transparent.

PART 3 ACCESS

- 3.1 The clearing agency has appropriate written standards for access to its services.
- 3.2 The access standards and the process for obtaining, limiting and denying access are fair and transparent. A clearing agency keeps records of:
- (a) each grant of access including, for each participant, the reasons for granting such access; and
 - (b) each denial or limitation of access, including the reasons for denying or limiting access to an applicant.

PART 4 RULES AND RULEMAKING

- 4.1 The clearing agency's rules are designed to govern all aspects of the settlement services offered by the clearing agency, and
- (a) are not inconsistent with securities legislation;
 - (b) do not permit unreasonable discrimination among participants; and
 - (c) do not impose any burden on competition that is not necessary or appropriate.
- 4.2 The clearing agency's rules and the process for adopting new rules or amending existing rules should be transparent to participants and the general public.
- 4.3 The clearing agency monitors participants' activities to ensure compliance with the rules.
- 4.4 The rules set out appropriate sanctions in the event of non-compliance by participants.

PART 5 DUE PROCESS

- 5.1 For any decision made by the clearing agency that affects an applicant or a participant, including a decision in relation to access, the clearing agency ensures that:
- (a) an applicant or a participant is given an opportunity to be heard or make representations; and
 - (b) the clearing agency keeps a record of, gives reasons for, and provides for appeals or reviews of, its decisions.

PART 6 RISK MANAGEMENT

- 6.1 The clearing agency's settlement services are designed to minimize systemic risk.
- 6.2 The clearing agency has appropriate risk management policies and procedures and internal controls in place.
- 6.3 Without limiting the generality of the foregoing, the clearing agency's services or functions are designed to achieve the following objectives:
- 1. Where the clearing agency acts as a central counterparty, it rigorously controls the risks it assumes.
 - 2. The clearing agency minimizes principal risk by linking securities transfers to funds transfers in a way that achieves delivery versus payment.
 - 3. Final settlement occurs no later than the end of the settlement day. Intraday or real-time finality is provided where necessary to reduce risks.
 - 4. Where the clearing agency extends intraday credit to participants, including a clearing agency that operates net settlement systems, it institutes risk controls that, at a minimum, ensure timely settlement in the event that the participant with the largest payment obligation is unable to settle.
 - 5. Assets used to settle the ultimate payment obligations arising from securities transactions carry little or no credit or liquidity risk. If central bank money is not used, steps are to be taken to protect participants in settlement services from potential losses and liquidity pressures arising from the failure of the cash settlement agent whose assets are used for that purpose.
 - 6. If the clearing agency establishes links to settle cross-border trades, it designs and operates such links to reduce effectively the risks associated with cross-border settlements.
- 6.4 The clearing agency engaging in activities not related to settlement services carries on such activities in a manner that prevents the spillover of risk to the clearing agency that might affect its financial viability or negatively impact any of the participants in the settlement service.

PART 7 SYSTEMS AND TECHNOLOGY

- 7.1 For its settlement services systems, the clearing agency:
- (a) develops and maintains,
 - (i) reasonable business continuity and disaster recovery plans,
 - (ii) an adequate system of internal control,
 - (iii) adequate information technology general controls, including controls relating to information systems operations, information security, change management, problem management, network support, and system software support;
 - (b) on a reasonably frequent basis, and in any event, at least annually, and in a manner that is consistent with prudent business practice,
 - (i) makes reasonable current and future capacity estimates,
 - (ii) conducts capacity stress tests to determine the ability of those systems to process transactions in an accurate, timely and efficient manner,

(iii) tests its business continuity and disaster recovery plans; and

(c) promptly notifies the regulator of any material systems failures.

7.2 The clearing agency annually engages a qualified party to conduct an independent systems review and prepare a report in accordance with established audit standards regarding its compliance with paragraph 7.1(a).

PART 8 FINANCIAL VIABILITY AND REPORTING

8.1 The clearing agency has sufficient financial resources for the proper performance of its functions and to meet its responsibilities and allocates sufficient financial and staff resources to carry out its functions as a clearing agency in a manner that is consistent with any regulatory requirements.

PART 9 OPERATIONAL RELIABILITY

9.1 The clearing agency has procedures and processes to ensure the provision of accurate and reliable settlement services to participants.

PART 10 PROTECTION OF ASSETS

10.1 The clearing agency has established accounting practices, internal controls, and safekeeping and segregation procedures to protect the assets that are held by the clearing agency.

PART 11 OUTSOURCING

11.1 Where the clearing agency has outsourced any of its key functions, it has appropriate and formal arrangements and processes in place that permit it to meet its obligations and that are in accordance with industry best practices. The outsourcing arrangement provides regulatory authorities with access to all data, information, and systems maintained by the third party service provider required for the purposes of regulatory oversight of the agency.

PART 12 INFORMATION SHARING AND REGULATORY COOPERATION

12.1 The clearing agency cooperates by sharing information or otherwise with the Commission and its staff, self-regulatory organizations, exchanges, quotation and trade reporting systems, alternative trading systems, other clearing agencies, investor protection funds, and other appropriate regulatory bodies.

SCHEDULE "B" – ENGLISH TRANSLATION OF AMF DECISION

[see pages 2007-2037 at this time for an unofficial translation]

SCHEDULE "C" – TERMS AND CONDITIONS

Part I – Definitions

For the purposes of this Schedule "C":

"financial risk model" means the mechanisms adopted by CDCC to manage the risk of potential loss in the provision of clearing services for securities and derivatives transactions due to the failure of a Clearing Member to fulfill its obligations, and for greater certainty:

- (i) includes margin and clearing fund calculation models, stress and backtesting policies and procedures for determining the adequacy of CDCC's total financial resources, collateral and treasury management policies and procedures, and other tools to manage CDCC's credit and liquidity risk, but
- (ii) does not include mechanisms to manage business or operational risk;

"FMI Principles" means the international standards for financial market infrastructures established by the Committee on Payment and Settlement Systems (CPSS) and Technical Committee of the International Organization of Securities Commissions (IOSCO) in their April 2012 report *Principles for financial market infrastructures*;

"IT Systems" means CDCC's information technology systems supporting the services or the business operations of CDCC;

"Clearing Member" means a clearing member that uses the services offered by CDCC which are governed by the CDCC's Rules;

"Ontario securities law" has the meaning ascribed to it in subsection 1(1) of the Act; and

"Rule" has the meaning ascribed to it in section 2 of the Rule Protocol at Appendix "A" to this schedule.

Unless the context otherwise requires, other terms used in this Schedule "C" have the meanings ascribed to them in Ontario securities law (including terms defined elsewhere in this recognition order).

Part 2–Terms and Conditions

1 REGULATION OF CDCC

- 1.1 CDCC shall continue to be a recognized clearinghouse under the QDA and an exempt clearing house under the QSA and be subject to the AMF's regulatory oversight.
- 1.2 CDCC shall continue to meet the terms and conditions set out in Part IV of the AMF Decision (except terms and condition II(b)(iv), III and IV thereof).
- 1.3 CDCC shall continue to be designated by the BOC under the PCSA and be subject to the BOC's regulatory oversight.
- 1.4 CDCC shall inform the Commission in writing, promptly upon becoming aware, of any proposed change to the AMF's recognition of CDCC or the BOC's designation of the CDCC, including any proposed change to the terms and conditions of recognition as a clearinghouse under the QDA or exemption from recognition as a clearing house under the QSA and to the respective regulatory oversight of the AMF and BOC.
- 1.5 CDCC shall continue to meet the criteria for recognition in Schedule "A" to this order, as applicable.

2 OWNERSHIP OF CDCC

- 2.1 CDCC shall inform the Commission in writing, promptly upon becoming aware, of any (i) change in ownership of its share capital or (ii) agreement governing the exercise of voting rights attached to any class or series of its voting shares.

3 PUBLIC INTEREST RESPONSIBILITY

- 3.1 CDCC's board of directors shall provide a written report to the Commission at least annually, or as required by the Commission, describing how CDCC is meeting its public interest responsibility.

4 GOVERNANCE

- 4.1 CDCC shall promote within CDCC a governance structure that minimizes the potential for any conflict of interest between CDCC and its shareholder(s) that could adversely affect the clearing of products cleared by CDCC or the effectiveness of CDCC's risk management policies, controls and standards.

5 ACCESS

- 5.1 With respect to the Fixed Income CCP Service or any other CCP service for transactions in the cash markets and only for as long as CDCC offers such services:

- (a) CDCC shall allow any person or company, including other third party post-trade service providers, that meets CDCC's minimum operational requirements, to interface or connect to any of its services or systems on a commercially reasonable basis;
- (b) the Rules or any other arrangements between CDCC and its Clearing Members or between CDCC and a cash marketplace shall:
 - (i) be designed to foster cooperation and coordination with persons engaged in the clearance and settlement of securities transactions and to remove impediments to the prompt and accurate clearance and settlement of securities transactions;
 - (ii) not unreasonably create an impediment to competition including in respect of securities trades that are executed on marketplaces, or processed by third party post-trade service providers, not owned or controlled by TMX Group Limited; and
 - (iii) without limiting the generality of the foregoing, not unreasonably prohibit, limit or impede, directly or indirectly, the ability of Clearing Members to engage other third party post-trade service providers or use the provision of their services.

6 FEES

- 6.1 CDCC shall provide timely notice to its Clearing Members, the public and its regulators of any changes to fees charged by CDCC for its services.
- 6.2 CDCC shall file concurrently with the Commission all the reports filed with other regulatory authorities regarding the review of the fees and fee models related to clearing or other services of CDCC and any of its affiliates.
- 6.3 If the Commission considers that it would be in the public interest, it may, within 10 business days of receipt of the filing under paragraph 6.1 of a new or changed fee, object to such new or changed fee. In the event that the Commission so objects, CDCC shall withdraw the new or changed fee.
- 6.4 CDCC's process for setting fees for any of its services shall provide for meaningful input from the risk and audit committee of its board of directors.

7 CPSS-IOSCO STANDARDS

- 7.1 CDCC shall conduct a self-assessment against the FMI Principles as and when required by CDCC's regulators, and prepare a written report on the findings, conclusions and recommendations for addressing any gaps. CDCC shall provide the report to its board of directors promptly after the report's completion and then to the Commission within 30 days of providing it to its board of directors.

8 RISK CONTROLS

- 8.1 CDCC's financial risk model shall be reviewed every four years, or at other times required by the Commission, by an independent qualified party, acceptable to the Commission; the independent qualified party shall prepare a written report of its review and provide the report to CDCC's board of directors promptly after the report's completion and then to the Commission within 30 days of providing it to its board of directors.

9 ACCESS TO INFORMATION AND CONFIDENTIALITY OF INFORMATION

- 9.1 CDCC shall make available to the Commission, on request, all the data and information in CDCC's possession and which the Commission may need (i) to evaluate CDCC's performance of its clearing activities and its compliance with

the terms and conditions of this order, or (ii) generally in order to carry out its mandate. Without limiting the generality of the foregoing, CDCC shall provide the data and information described in Appendix "C" to this Schedule "C" on an ongoing basis at the intervals indicated therein.

9.2 The disclosure or sharing of information by CDCC or any of its affiliates pursuant to this order is subject to any confidentiality provisions contained in agreements entered into between CDCC and the BOC pertaining to information received from the BOC.

9.3 CDCC shall not release Clearing Members' confidential information to a person or company other than CDCC's affiliates, the Clearing Member, CDCC's regulators, other securities regulatory authorities, or regulation services providers unless:

- (a) the Clearing Member has consented in writing to the release of the information;
- (b) the release of the information is required by Ontario securities law or other applicable law; or
- (c) the information has been publicly disclosed by another person or company, and CDCC reasonably believes that the disclosure was lawful.

9.4 CDCC shall implement reasonable safeguards and procedures to protect Clearing Members' information, including limiting access to such Clearing Member information to CDCC's affiliates and employees, or persons or companies retained by CDCC to operate the system.

9.5 CDCC shall implement adequate oversight procedures to ensure that the safeguards and procedures established under paragraph 9.4 are followed.

10 RULES

10.1 CDCC shall file with the Commission all Rules and amendments to Rules subject to and in accordance with the Rule Protocol attached as Appendix "A" to this Schedule, as amended from time to time.

11 FINANCIAL VIABILITY

11.1 CDCC shall file with the Commission unaudited quarterly financial statements, without notes, within 60 days of the end of quarters one through three and audited annual financial statements within 90 days of each fiscal year end, all prepared in accordance with Canadian GAAP applicable to publicly accountable enterprises. The quarterly and annual financial statements of CDCC shall be provided on a separate and consolidated basis (if CDCC has one or more subsidiaries). Any annual report provided to CDCC's shareholder(s) shall be concurrently filed by CDCC with the Commission.

11.2 CDCC shall file with the Commission its annual budget, accompanied by the underlying assumptions, approved by its board of directors. The annual and quarterly financial statements of CDCC shall include a budget analysis of the results of the relevant period, as well as a comparative analysis of the results in relation to the corresponding period of the previous fiscal year.

11.3 CDCC shall meet the financial ratios and related threshold tests that may be agreed upon from time to time between CDCC and Commission staff, and shall file on a quarterly basis the calculations of such ratios together with the financial statements required under this section.

11.4 CDCC shall promptly notify the Commission upon becoming aware that it is no longer or will no longer meet one or more of the tests described in paragraph 11.3 or otherwise be able to maintain sufficient financial or other resources it needs to ensure its financial viability and the performance of its clearing functions, in a manner that is consistent with the public interest and in accordance with the terms and conditions of this decision.

12 SYSTEMS CAPACITY, INTEGRITY AND SECURITY

12.1 CDCC shall promptly notify the Commission of any material systems failure or other major operating delay or failure affecting its IT Systems, including any communication failure with the systems.

12.2 Before implementing a significant change affecting its IT Systems, CDCC shall file a written description of the change at least 45 days in advance with the Commission.

12.3 For any change to its IT Systems other than a change contemplated in paragraph 12.2, CDCC shall file a description of the change with the Commission, within a time limit of 30 days following the end of the calendar quarter during which the change occurred.

12.4 CDCC shall provide at least 30 days prior notice to the Commission before finalizing the scope of the review required under criteria for recognition 7.2 and the Commission may request amendments to the scope. CDCC shall file the report of the review with the Commission within 30 days after the presentation of the report to CDCC's board of directors or to the board's risk and audit committee.

13 REPORTING OBLIGATIONS

13.1 CDCC shall comply with Appendix "B" and Appendix "C" to this Schedule setting out the reporting obligations, as amended from time to time, regarding the reporting of information to the Commission.

Appendix “A” to Schedule “C”

Rule Protocol

**RULE PROTOCOL REGARDING THE REVIEW AND, WHERE APPROPRIATE,
APPROVAL AND PUBLICATION BY THE ONTARIO SECURITIES COMMISSION
OF RULES OF THE CANADIAN DERIVATIVES CLEARING CORPORATION**

1. Purpose of the Protocol

On ***, 2014, the Commission issued a recognition order (“Recognition Order”) with terms and conditions governing the recognition of CDCC as a clearing agency pursuant to subsection 21.2(0.1) of the Act. In accordance with the Recognition Order, CDCC will file, among other things, its Rules with the Commission for review and, where appropriate, approval and publication. This protocol (“Protocol”) sets out the procedures for the submission of a Rule by CDCC for the review and, where appropriate, approval and publication of the Rule by the Commission.

2. Definitions

(a) In addition to terms defined elsewhere in the Recognition Order, in this Protocol:

“MOU” means a memorandum of understanding dated *, 2014 among CDCC’s Canadian regulators respecting the regulatory oversight of certain commonly regulated clearing and settlement systems, including CDCC, as amended from time to time;

“Proposed Rule Implementation Date” means the date determined by CDCC pursuant to the QDA Rule Self-certification Process to be the date when a Rule is proposed to come into effect as a binding and enforceable Rule;

“QDA Regulation” means the *Derivatives Regulation* made in the Province of Québec under the QDA, as amended from time to time;

“QDA Rule Self-certification Process” means, in relation to a proposed Rule, the process by which the Rule is to be implemented in the Province of Québec pursuant to the QDA Regulation;

“Rule” means any provision or other requirement in CDCC’s rulebook, operating procedures or manuals, user guides, or similar documents governing rights and obligations between CDCC and the Clearing Members or among the Clearing Members; and includes for the purposes of this Protocol, any proposed new Rule or amendment to or deletion of an existing Rule.

(b) Unless the context otherwise requires, other terms used in this Protocol have the respective meanings ascribed to them in:

- (i) Ontario securities law, as defined in the Act; or
- (ii) Ontario commodity futures law, as defined in the *Commodity Futures Act* (Ontario).

3. Classification of Rules

(a) **Initial classification**

CDCC will present a Rule change as a “Rule Change Requiring Approval in Ontario” or a “Rule Change Not Requiring Approval in Ontario” for the purposes of this Protocol.

(b) **Rule Change Requiring Approval in Ontario**

For the purpose of this Protocol, a Rule will be classified as a Rule Change Requiring Approval in Ontario if it meets the following two conditions:

- (i) the Rule is required to be subject to public consultation under the QDA Rule Self-certification Process; and
- (ii) it pertains to the Fixed Income CCP Service or any CCP service for the clearing and settlement of derivatives trades.

(c) Rule Change Not Requiring Approval in Ontario

For the purpose of this Protocol, a Rule will be classified as a Rule Change Not Requiring Approval in Ontario if it is not a Rule Change Requiring Approval in Ontario.

(d) Disagreement with Classification

Where Commission staff disagree with classification of a Rule as a Rule Change Not Requiring Approval in Ontario, the following process will apply:

- (i) Commission staff will provide a written explanation to CDCC (with copy to CDCC's other regulators in accordance with the terms of the MOU) of its reasons for disagreeing with the classification of the Rule within the following timelines:
 - (A) within five (5) business days of receipt of CDCC's filing where CDCC has classified the Rule as a Rule Change Not Requiring Approval in Ontario because it is of the opinion that an emergency situation so requires in accordance with the QDA Regulation; and
 - (B) within twenty-one (21) business days of receipt of CDCC's filing in all other cases;
- (ii) Commission staff will use its best efforts to coordinate and consult with CDCC's other regulators in accordance with the MOU to seek consensus as to the classification of the Rule;
- (iii) following receipt of Commission staff's written explanation and confirmation that staff have consulted with CDCC's other regulators in accordance with the MOU regarding the disagreement, CDCC will suspend the operation of the Rule; CDCC may also, if it so chooses, reclassify the Rule as a Rule Requiring Approval in Ontario and resubmit it in accordance with the rule submission procedures set out in Section 4, with necessary modifications;
- (iv) the operation of the Rule will be suspended until such time as the disagreement on the classification of the Rule has been resolved or the Commission approves the Rule.

(e) Power to Reclassify a New Derivative Rule

Notwithstanding any other provision of this Protocol, where a Rule pertains to a new derivative pursuant to the QDA Regulation, Commission staff may require within 30 days of receipt of CDCC's filing of the Rule that it be immediately withdrawn and re-submitted as a Rule Change Requiring Approval in Ontario if, further to analysis, Commission staff has concerns with the potential impact of such Rule on Ontario's capital markets.

4. Rule Submission Procedures for a Rule Change Requiring Approval in Ontario

Prior to implementing a Rule Change Requiring Approval in Ontario, CDCC will obtain the Commission's approval of the Rule in accordance with this Section 4.

(a) Documents to be Filed

CDCC will file with the Commission, by electronic means all the documents that it is required to file with the AMF in respect of the Rule under the QDA Rule Self-certification Process. Where public consultation is required under the QDA Rule Self-certification Process, CDCC will disclose in its notice of publication the classification of the Rule under this Protocol and the rationale for that classification, and will include a statement that the Rule is not, in CDCC's opinion, contrary to the public interest.

(b) Confirmation of Receipt

Commission staff will endeavour to send to CDCC, within five (5) business days of receipt of the documents filed under subsection (a), a confirmation of receipt of such documents.

(c) Consultation Process

Where public consultation is required under the QDA Rule Self-certification Process, Commission staff will use its best efforts to coordinate with the AMF to publish in Ontario simultaneously the notice and text of the Rule filed by CDCC under subsection (a). The notice and Rule will be subject to public comment for a period of not less than 30 days in accordance with the QDA Rule

Self-certification Process. The notice will contain a statement that all comments should be sent to CDCC's counsel with a copy to the Commission.

(d) Review by Commission Staff

Commission staff will use its best efforts to conduct its review of the Rule Change Requiring Approval in Ontario and provide comments to CDCC during the public comment period or, if there is no public consultation process, within 30 days of receipt of the documents filed under subsection (a) ("Review Period"). Commission staff will concurrently provide to CDCC's other regulators copies of the Commission staff's comments provided to CDCC and any responses on such comments received from CDCC. If, at any time during the Review Period, Commission staff determines that it has further comments or requires further information from CDCC in respect of the Rule to adequately advise or prepare materials for the Commission, the Commission staff may extend the deadline for its reply by an additional period of 30 days or such other period as agreed upon by CDCC and the Commission staff, in consultation with CDCC's other regulators ("Extended Reply Deadline").

(e) CDCC Responses to Commission Staff's Comments

CDCC will respond to any comments on the Rule received from Commission staff in writing and, where applicable, provide all public comments received. In addition, CDCC will provide general responses to the key issues raised by the public comments or confirmation that it has not received public comments, as the case may be.

(f) Decision by the Commission

Commission staff will use its best efforts to prepare and submit the Rule Change Requiring Approval in Ontario for the Commission's consideration and decision prior to the Proposed Rule Implementation Date. In any event, the Commission will endeavour to render its decision in respect of the Rule within 15 days of the AMF having stated that it does not object to CDCC proceeding with self-certification of the Rule and will, in accordance with the MOU, endeavour to consult and coordinate with CDCC's other regulators in respect of the identification and resolution of any material issue arising from the proposed Rule.

(g) Publication of Notice of Decision

Commission staff will prepare and publish a short notice of the Commission's decision in respect of the Rule Change Requiring Approval in Ontario as soon as practical after notifying CDCC of the Commission's decision. Upon obtaining the Commission's approval and satisfying other regulatory requirements, as applicable, CDCC will publish a notice of coming into effect of the Rule. At a minimum, the notice of coming into effect of the Rule must contain the following information:

- (i) the approved text of the Rule;
- (ii) where applicable, a summary of all public comments made in the course of the consultation process and CDCC's general responses to the key issues raised by the public comments; and
- (iii) if changes were made to the version published for public comment, a blacklined copy of the revised Rule.

(h) Effective Date of a Rule Change Requiring Approval in Ontario

A Rule Change Requiring Approval in Ontario will be effective as of the Proposed Rule Implementation Date (or such deferred date as may result following the Extended Reply Deadline), provided that the Commission has approved the Rule Change Requiring Approval in Ontario and all other regulatory requirements have been satisfied (including requirements under the QDA).

(i) Significant Revisions to a Rule Change Requiring Approval in Ontario

Any significant revisions to a Rule Change Requiring Approval in Ontario following its publication for comment pursuant to the QDA Rule Self-certification Process, and before its approval by regulators, will be deemed to be a new Rule for the purposes of this Protocol.

(j) Withdrawal of a Rule Change Requiring Approval in Ontario

If CDCC withdraws a Rule Change Requiring Approval in Ontario that was submitted for public comment, then it will provide a notice of withdrawal to the Commission staff. The Commission staff shall publish a notice of withdrawal as soon as practicable.

5. Rule Submission Procedures for Rule Change Not Requiring Approval in Ontario

(a) Documents to be Filed

For a Rule Change Not Requiring Approval in Ontario, CDCC will file concurrently with the Commission, by electronic means, any documents that it files with the AMF related to the Rule in accordance with the QDA Rule Self-certification Process. CDCC will also indicate the classification of the Rule for the purpose of this Protocol and the rationale for that classification, including a statement that the Rule is not, in CDCC's opinion, contrary to the public interest. Where CDCC has classified the Rule as a Rule Change Not Requiring Approval in Ontario because it pertains to a new derivative pursuant to the QDA Regulation, CDCC will provide Commission staff with a clear description of the attributes of the new product or products and their underlying interests. Where CDCC has classified the Rule as a Rule Change Not Requiring Approval in Ontario because it is being made for the purpose of harmonization or compliance with the QDA or other legislation enacted by another province or territory in Canada or by a foreign jurisdiction, CDCC will provide to Commission staff a written description or relevant extract of such legislation. Where CDCC has classified the Rule as a Rule Change Not Requiring Approval in Ontario because it is of the opinion that an emergency situation so requires in accordance with the QDA Regulation, CDCC will, no later than the business day following the effective date of the emergency rule, provide to Commission staff a written explanation of the need for the emergency rule.

(b) Confirmation of Receipt

Commission staff will endeavour to send to CDCC, within five (5) business days of receipt of the documents filed under subsection (a), a confirmation of receipt of such documents.

(c) Effective Date of Rule Change Not Requiring Approval in Ontario

The Rule will become effective on the Proposed Rule Implementation Date, provided that CDCC does not receive any communication of disagreement with the classification from Commission staff in accordance with Section 3.

6. Miscellaneous Provisions

(a) Waiving Provisions of the Protocol

Commission staff may waive any provision of this Protocol upon request from CDCC in respect of a particular Rule filed with the Commission. Such a waiver will be granted in writing by Commission staff. Any such waiver by Commission staff under this Protocol shall not be construed as a waiver of the provision itself.

(b) Amendments

This Protocol and any provision hereof may be amended at any time or times by written agreement between the Commission and CDCC.

Appendix "B" to Schedule "C"

Other reports and documents to be submitted by CDCC to the Commission

In addition to the notification, reporting and filing obligations set out in Schedule "C" to the Recognition Order, CDCC shall also comply with the reporting obligations set out below.

1. Prior Notification

1.1 CDCC shall provide to Commission staff prior notification of:

- (a) any proposed change to CDCC's corporate governance structure (eg., changes to the structure of its board of directors, and changes to the structure of any of its board committees and their mandates, and changes to the structure of any of its user groups and their mandates);
- (b) a decision to enter into an agreement, memorandum of understanding or other similar arrangement with any governmental or regulatory body, self-regulatory organization, clearing agency, stock exchange, other marketplace or market;
- (c) a decision by CDCC to engage, either directly or through an affiliate, in a new material business activity or to cease to carry on a material business activity operated by CDCC at that time; and
- (d) the establishment of any link with another clearing agency or trade repository.

2. Immediate Notification

2.1 CDCC shall inform the Commission, promptly upon becoming aware, of any event or occurrence that has caused or could reasonably be expected to cause a significant risk to; an adverse material effect on; or a significant or potential disruption to CDCC, its Clearing Members, any of its services or the Canadian financial markets, including, but not limited to, a Clearing Member being declared a "non-conforming Member" or otherwise being considered in default; fraudulent activity; or a significant breach of CDCC's rules by a Clearing Member.

2.2 CDCC shall provide to the Commission immediate notice of:

- (a) the appointment of any new director or officer, including a description of the individual's employment history; and
- (b) the receipt of notice of resignation from, or the resignation of a director or officer or the auditors of CDCC, including a statement of the reasons for the resignation.

2.3 CDCC shall immediately notify the Commission if it becomes:

- (a) the subject of any order, directive or other similar action of a governmental or regulatory authority; or
- (b) aware that it is the subject of a criminal or regulatory investigation or of a material lawsuit.

2.4 CDCC shall immediately file with the Commission copies of all notices, bulletins and similar forms of communication that CDCC sends its Clearing Members.

2.5 CDCC shall immediately file with the Commission any minutes of the board of directors, board committees, management committees and user groups promptly after their approval.

3. Quarterly Reporting

3.1 CDCC shall file quarterly with the Commission a list of the internal audit reports and risk management reports issued in the previous quarter.

4. Annual Reporting

4.1 CDCC shall provide to the Commission annually:

- (a) a list of the directors and officers of CDCC;

- (b) a list of the committees of the CDCC board of directors, setting out the members, mandate and responsibilities of each of the committees;
- (c) a list of all Clearing Members as well as a list of Clearing Members using the Fixed Income CCP Service;
- (d) CDCC's strategic plan; and
- (e) CDCC's assessment of the risks it faces and the plans for addressing the risks.

Appendix “C” to Schedule “C”

Data and other information to be submitted by CDCC to the Commission

(Note: reporting requirements are considered met if the information items described below are emailed to Commission staff or are made available on CDCC’s regulatory extranet system.)

Definitions

1. In this Appendix “C” to Schedule “C” of the Recognition Order,
 - (a) “new OTC derivatives” means derivatives, within the meaning of the Act, that are not currently cleared by CDCC on the effective date of this Recognition Order; and
 - (b) “Ontario-based Member” means a Clearing Member that has a head office or principal place of business in Ontario.

Quarterly Reporting

2. CDCC will maintain the following updated information and submit such information to the Commission in a manner and form acceptable to the Commission on a quarterly basis (by the end of the month following the end of the calendar quarter), and at any time promptly upon the request of staff of the Commission:

- (a) statistical information in respect of fixed income transactions cleared and settled through the Fixed Income CCP Service;
 - 1) total number of transactions and net settlement value by category (blind, bilateral and cash)
 - 2) total net settlement value of unsettled / failed CCP repo transactions divided by ISIN
 - 3) total number and dollar value of all net settlement positions for future dated end leg transactions, separated into the following buckets:
 - (i) value date being less than or equal to T+1
 - (ii) value date greater than T+1 and less than or equal to T+7
 - (iii) value date greater than T+7 and less than or equal to T+29
 - (iv) value date greater than T+29 and less than or equal to T+90
 - (v) value date being after T+90
- (b) aggregate volume of Bourse-traded products cleared by CDCC by asset class during the quarter for each Ontario-based Member;
- (c) aggregate notional values of new OTC derivatives cleared by CDCC by asset class during the quarter, as well as total notional values of new OTC derivatives cleared by CDCC by asset class during the quarter for each Ontario-based Member;
- (d) the aggregate total margin amount (initial and variation) and clearing fund contributions required by CDCC ending on the last trading day during the quarter, as well as the total margin amount (initial and variation), and clearing fund contributions for each Ontario-based Member that clears fixed income transactions and / or new OTC derivatives at CDCC;
- (e) a list of Ontario-based Members who have received permission or approval by CDCC during the quarter to perform client clearing at CDCC for new OTC derivatives;
- (f) to the extent CDCC becomes aware of the offering of client clearing for new OTC derivatives to Ontario residents by a Clearing Member, the identity of such Clearing Member and its jurisdiction of incorporation (including that of its ultimate parent) that provides such client clearing services to Ontario residents including, where known,

- 1) the name of each of the Ontario residents receiving such services; and
 - 2) the notional value of new OTC derivatives cleared by asset class during the quarter for and on behalf of each Ontario resident;
- (g) a summary of risk management analysis related to the adequacy of required margin (initial and variation) and the level of the clearing funds, including but not limited to stress testing and back testing results;
- (h) any other information in relation to a new OTC derivative cleared by CDCC for Clearing Members as may be required by the Commission from time to time in order to carry out the Commission's mandate.

UNOFFICIAL TRANSLATION
OF AMF DECISION

DECISION No. 2012-PDG-0078

Recognition of Maple Group Acquisition Corporation as a clearing house under section 12 of the *Derivatives Act*, R.S.Q., c. I-14.01

Recognition of TMX Group Inc. as a clearing house under section 12 of the *Derivatives Act*, R.S.Q., c. I-14.01

Recognition of Bourse de Montréal Inc. as a clearing house under section 12 of the *Derivatives Act*, R.S.Q., c. I-14.01

Recognition of Canadian Derivatives Clearing Corporation as a clearing house under section 12 of the *Derivatives Act*, R.S.Q., c. I-14.01

Exemption from recognition of Maple Group Acquisition Corporation as a clearing house under the *Securities Act*, R.S.Q., c. V-1.1;

Exemption from recognition of TMX Group Inc. as a clearing house under the *Securities Act*, R.S.Q., c. V-1.1;

Exemption from recognition of Bourse de Montréal Inc. as a clearing house under the *Securities Act*, R.S.Q., c. V-1.1;

Exemption from recognition of Canadian Derivatives Clearing Corporation as a clearing house under the *Securities Act*, R.S.Q., c. V-1.1;

Whereas on October 3, 2011, Maple Group Acquisition Corporation (“Maple”) filed with the Autorité des marchés financiers (the “Autorité”) respecting a two-stage integrated transaction with a view to the acquisition of all the issued and outstanding common shares of TMX Group Inc. (“TMX Group”):

1. an application for recognition of Maple as a clearing house under the *Derivatives Act*, R.S.Q., c. I-14.01 (the “DA”), as the projected parent holding company of TMX Group (“TMX Group”);
 2. an application for exemption from recognition of Maple as a clearing house under the *Securities Act*, R.S.Q., c. V-1.1 (the “SA”), as the projected parent holding company of TMX Group;
 3. an application for recognition of TMX Group as a clearing house under the DA, as indirect parent holding company of Canadian Derivatives Clearing Corporation (“CDCC”), and
 4. an application for exemption from recognition of TMX Group as a clearing house, under the SA, as indirect parent holding company of CDCC
- (together, the “Application”);

Whereas Maple is a corporation formed by Alberta Investment Management Corporation, Caisse de dépôt et placement du Québec, Canada Pension Plan Investment Board, CIBC World Markets Inc., Desjardins Financial Corporation Inc., Dundee Capital Markets, Fonds de solidarité des travailleurs du Québec (F.T.Q.), GMP Capital Inc., The Manufacturers Life Insurance Company, National Bank Financial & Co. Inc., Ontario Teachers’ Pension Plan Board, Scotia Capital Inc. and TD Securities Inc. (individually, an “Original Maple Shareholder”, and collectively, the “Original Maple Shareholders”);

Whereas Bourse de Montréal Inc. (“Bourse”) is a parent holding company of CDCC;

Whereas on November 12, 1987, the Commission des valeurs mobilières du Québec (the “CMVQ”) rendered decision No. 8601 (1987), Vol. XVIII, No. 46, B.C.V.M.Q., 3) (“Decision No. 8601”) to the effect of recognizing Trans Canada Options Inc. as a self-regulatory organization under section 174 of the SA;

Whereas on December 21, 1995, the CMVQ rendered decision No. 1995-C-0580 (1996), Vol. XXVII, No. 3, B.C.V.M.Q., 25) to the effect of approving, under section 174 of the SA, the amendment to the constating documents of Trans Canada Options Inc. so that its name would be changed to “Corporation Canadienne de Compensation de Produits Dérivés” and in its English version, “Canadian Derivatives Clearing Corporation”;

Whereas under section 740 of the *Act respecting the Autorité des marchés financiers*, R.S.Q., c. A-33.2 (the “AAMF”), a clearing house recognized as a self-regulatory organization under the SA as of February 1, 2004 shall be authorized to carry on its activity in Québec in accordance with the prescribed conditions and is subject to section 74 to 91 of the AAMF;

Whereas under section 230 of the DA, a clearing house authorized under Title VI of the SA or a self-regulatory organization recognized under Title III of the AAMF before February 1, 2009, that carries on activities relating to transactions to which the DA applies is authorized to continue to carry on those activities in Québec in accordance with the terms and conditions prescribed by the Autorité under those Acts, or, effective from the date that it determines, in accordance with the new conditions it prescribes under the DA;

Whereas on October 6, 2010, the Autorité rendered decision No. 2010-PDG-0169 to the effect of exempting CDCC from the obligations prescribed in Title VI of the SA regarding the clearing by CDCC of repurchase transactions and cash buy or sell trades of bonds of a Crown corporation of the Government of Canada or of a territory of Canada and Chapter II of Title II of the AAMF regarding the clearing by CDCC of repurchase transactions and cash buy or sell trades of bonds of the Government of Canada or of a territory of Canada and bonds of a Crown corporation of the Government of Canada or of a territory of Canada (2010), Vol. 7, No. 40, B.A.M.F., 1837) (“Decision No. 2010-PDG-0169”);

Whereas on May 13, 2011, CDCC submitted to the Autorité an application for recognition as a clearing house under the DA and an application for exemption from recognition as a clearing house under the SA (the “CDCC Application”);

Whereas on May 13, 2011, the Autorité published in its Bulletin ((2011), Vol. 8, No. 19, B.A.M.F., 237) a notice of the CDCC Application and invited interested persons to submit their observations in writing, under section 14 of the DA;

Whereas Maple requested that the Autorité treat the CDCC Application in tandem with its own such that they may be addressed in a harmonious and cohesive fashion;

Whereas on October 7, 2011, the Autorité published a notice of the application in its Bulletin (2011), Vol. 8, No. 40, B.A.M.F., 237) and invited interested persons to submit their observations in writing, under section 14 of the *Derivatives Act*, R.S.Q., c. I-14.0 (the “DA”) and section 66 of the AAMF;

Whereas the Autorité, on November 24 and 25, 2011, held public hearings on the occasion of which the interested persons were able to present their observations;

Whereas on April 30, 2012, Maple submitted to the Autorité a letter of amendment of the application, acting on the comments formulated, in particular, regarding Maple’s governance, including the representation of directors Unrelated to Original Maple Shareholders and the filing with the Autorité of an annual certification by each of the Original Maple Shareholders that it is not acting jointly or in concert with another Original Maple Shareholder, as long as it holds any right to nominate a director to Maple’s board of directors or as long as a partner, officer, director or employee of this Original Maple Shareholder is a director on Maple’s board of directors, the creation of a Derivatives Committee, and the undertakings made to the Autorité (the “Letter of April 30, 2012”);

Whereas on May 2, 2012, the Autorité rendered Decision No. 2012-PDG-0075 (“Decision No. 2012-PDG-0075”) to the effect of authorizing Maple and the Original Maple Shareholders to act jointly or in concert as beneficial owners of, or persons exercising control or direction over, voting shares of TMX Group and of the Bourse and to the effect of authorizing the Original Maple Shareholders to act jointly or in concert as beneficial owners of, or persons exercising control or direction over, voting shares of Maple, pursuant to which the Original Maple Shareholders are subjected to obligations.

Whereas under section 12 of the DA, no regulated entity may carry on derivatives activities in Québec unless it is recognized by the Autorité as an exchange, a published market, a clearing house, an information processor or a self-regulatory organization; Whereas the Autorité, under section 15 of the DA, may recognize a regulated entity on the terms and conditions it determines;

Whereas under section 17 of the DA, the Autorité may, in addition, require a clearing house, in order to carry on its activities, to obtain recognition as a self-regulatory organization under Title III of the AAMF;

Whereas under section 263 of the SA, the Autorité may, on such conditions as it may determine, exempt a person or a group of persons from any or all of the requirements under Titles II to VI or the regulations where it considers the exemption not to be detrimental to the protection of investors;

Whereas the Autorité considers it expedient to grant Maple the recognition as a clearing house in Quebec, as projected parent holding company of TMX Group, subject to Maple’s compliance with certain conditions established by this decision and honouring the undertakings made to the Autorité on April 30, 2012 (“Maple’s Undertakings”);

Whereas Maple’s Undertakings with respect to CDCC are repeated as conditions of this decision;

Whereas the Autorité considers it expedient to grant TMX Group the recognition as a clearing house in Quebec, as parent holding company of the Bourse, subject to TMX Group’s compliance with certain conditions established by this decision;

Whereas the Autorité considers it expedient to grant the Bourse the recognition as a clearing house in Quebec, as parent holding company of CDCC, subject to the Bourse's compliance with certain conditions established by this decision;

Whereas the Autorité considers it expedient to grant CDCC the recognition as a clearing house in Quebec, subject to CDCC's compliance with certain conditions established by this decision.

Whereas dual regimes could apply to the adoption and amendment of the rules of operation of CDCC related to the clearing by CDCC of derivatives or securities, if an exemption from recognition as a clearing house under the SA were not granted to Maple, TMX Group, the Bourse and CDCC;

Whereas the Autorité considers it expedient to grant Maple the exemption from recognition as a clearing house, as projected parent holding company of TMX Group, to carry on its securities activities in Quebec, subject to Maple's compliance with certain conditions established by this decision and the Maple Undertakings;

Whereas the Autorité considers it expedient to grant TMX Group the exemption from recognition as a clearing house, as parent holding company of the Bourse, to carry on its securities activities in Quebec, subject to TMX Group's compliance with certain conditions established by this decision;

Whereas the Autorité considers it expedient to grant the Bourse the exemption from recognition as a clearing house, as parent holding company of CDCC, to carry on its securities activities in Quebec, subject to the Bourse's compliance with certain conditions established by this decision;

Whereas the Autorité considers it expedient to grant CDCC the exemption from recognition as a clearing house, to carry on its securities activities in Quebec, subject to CDCC's compliance with certain conditions established by this decision;

Whereas the Autorité does not consider it expedient to subject the carrying on of the clearing house activities of Maple, as the projected parent holding company of TMX Group, TMX Group, as the parent holding company of the Bourse, the Bourse, as the parent company of CDCC to obtaining their recognition as self-regulatory organizations under Title III of the AAMF;

Whereas the Autorité considers that the rendering of this decision is not contrary to the public interest;

Therefore:

The Autorité, under section 12 of the DA, recognizes as clearing houses in Quebec:

1. Maple Group Acquisition Corporation;
2. TMX Group Inc.;
3. Bourse de Montréal Inc.; and
4. Canadian Derivatives Clearing Corporation.

The Autorité, under section 263 of the SA, exempts from recognition as clearing houses in Quebec that may carry on securities activities in Quebec:

5. Maple Group Acquisition Corporation;
6. TMX Group Inc.;
7. Bourse de Montréal Inc.; and
8. Canadian Derivatives Clearing Corporation.

The Autorité revokes and replaces Decision No. 8601 and Decision No. 2010-PDG-0169 with this decision.

CONDITIONS

This decision is subject to the terms and conditions set out in Parts I to IV hereinafter.

INTERPRETATION

For the purposes of Parts I to III:

- (a) a person resident in Québec means an individual who is considered to be a resident of the Province of Québec under the *Taxation Act*, R.S.Q., c. I-3;
- (b) the expressions “control”, “beneficial ownership” and “acting jointly or in concert” have the meaning provided under sections 1.4, paragraph 1.8(5) and section 1.9 of *Regulation 62-104 respecting take-over bids and issuer bids*, R.R.Q., c. V-1.1, r. 35, as amended from time to time, *mutatis mutandis*, and, for greater certainty, including the persons deemed or presumed to be acting jointly or in concert within the meaning of that expression, and the exercise of control or direction over any class or series of voting shares of Maple, TMX Group or the Bourse shall be determined in accordance with section 90 of the SA;
- (c) a person is independent if this person fulfills the independence criteria set out in section 1.4 of *Regulation 52-110 respecting Audit Committees*, R.R.Q., c. V-1.1, r. 28, as amended from time to time, but is not independent if this person is:
 - (i) a partner, director, officer or employee of a “marketplace participant” of a “marketplace” owned or operated by Maple or its affiliates or an associate of a partner, director, officer or employee of a “marketplace participant” of a “marketplace” owned or operated by Maple or its affiliates (in each case, the terms “marketplace participant” and “marketplace” having the definitions as set out in *Regulation 21-101 respecting Marketplace Operation*); or
 - (ii) a partner, director, officer or employee of a “marketplace participant” of a “marketplace” owned or operated by Maple or its affiliates or an associate of a partner, director, officer or employee of a “marketplace participant” of a “marketplace” owned or operated by Maple (in each case, the terms “marketplace participant” and “marketplace” having the definitions as set out in *Regulation 21-101 respecting Marketplace Operation*) who is responsible for or is actively or significantly engaged in the day-to-day operations and activities of this marketplace participant.
- (d) a director is Unrelated to Original Maple Shareholders if this person:
 - (i) is not a partner, officer or an employee of an Original Maple Shareholder or any of its affiliates (or an associate of that partner, officer or employee) and for this purpose “officer” means (A) a chief executive officer, a chief operating officer, a chief financial officer, a president, a vice-president, a secretary, an assistant secretary, a treasurer, an assistant treasurer and a manager, (B) every individual who is designated as an officer under a by-law or similar authority, and (C) every individual who performs functions similar to those normally performed by an individual referred to in clause (A) or (B) ;
 - (ii) is not nominated under a Maple Nomination Agreement;
 - (iii) is not a director of an Original Maple Shareholder or any of its affiliates (or an associate of that director); and
 - (iv) does not have, and has not had, any relationship with an Original Maple Shareholder that could, in the opinion of Maple’s Governance Committee having regard to all relevant circumstances, be reasonably perceived to interfere with the exercise of his or her independent judgment as a director of Maple; and
- (e) the Maple Governance Committee may waive the restrictions set out in subparagraph (d)(iii) above provided that:
 - (i) the individual being considered does not have, and has not had, any relationship with an Original Maple Shareholder that could, in the view of Maple’s Governance Committee having regard to all relevant circumstances, be reasonably perceived to interfere with the exercise of his or her independent judgment as a director of Maple;
 - (ii) Maple publicly discloses use of the waiver with reasons of why the particular candidate was selected;
 - (iii) Maple provides advance notice to the Autorité, at least 15 business days before the public disclosure in subparagraph (e)(ii) is made; and

- (iv) the Autorité does not object within 15 business days of the notice received under subparagraph (e)(iii).

For the purposes of Section V of Part I, Section IV of Part II, Section IV of Part III and Section III of Part IV

- (a) all references to derivatives (whether exchange traded, over-the-counter or otherwise) and related products pertain to (i) equity, interest rate, currency, index and exchange traded fund derivatives, (ii) the clearing of fixed income transactions (fixed income transactions means “Repurchase Transactions” and “Cash Buy or Sell Trades” on securities that are eligible for Repurchase Transactions (i.e., on “Acceptable Securities”), with each of these capitalized terms having the meaning given thereto in the Canadian Derivatives Clearing Corporation (“CDCC”) Rules), and (iii) other types of derivatives and related products under the responsibility of the Bourse or CDCC, as the case may be, on the date hereof or which may reasonably be developed under the responsibility thereof, but excludes iv) the types of derivatives and related products under the responsibility of Natural Gas Exchange Inc., Shorcan Brokers Limited and Shorcan Energy Brokers Inc. on the date hereof or which may reasonably be developed under the responsibility thereof.

PART I – MAPLE

I. SHARE OWNERSHIP

- (a) No person or company and no combination of persons or companies acting jointly or in concert shall beneficially own or exercise control or direction over more than ten percent (10%) of any class or series of voting shares of Maple, without the prior approval of the Autorité.
- (b) Maple shall promptly inform the Autorité in writing, if it becomes aware that any person or company or any combination of persons or companies acting jointly or in concert beneficially own or exercises control or direction over more than ten percent (10%) of any class or series of voting shares of Maple without having obtained the prior approval of the Autorité, and Maple shall take the necessary steps to immediately remedy the situation, in compliance with Maple’s articles of incorporation.
- (c) Maple shall promptly inform the Autorité in writing of any agreement related to the exercise of voting rights attached to the common shares of Maple, of which it has been informed.

II. GOVERNANCE STRUCTURE

- (a) Arrangements made by Maple shall ensure fair, meaningful and diverse representation of the interested parties, given the nature and structure of Maple, TMX Group, the Bourse and CDCC, on Maple’s board of directors and any Maple board committees, and the maintenance of a reasonable number and proportion of directors unrelated to Maple, TMX Group, the Bourse and CDCC, and their participants, clearing members, users of services or clearing house facilities, or shareholders, for the purpose of ensuring the diversity of the board.
- (b) Maple’s board of directors shall be comprised of:
 - (i) such number of directors who are independent and represent at least 50% of the total number of directors nominated for election;
 - (ii) such number of directors who are resident of the Province of Québec and represent at least 25% of the total number of directors nominated for election;
 - (iii) such number of directors who have expertise in derivatives and represent at least 25% of the total number of directors nominated for election; and
 - (iv) one director drawn from the Canadian independent investment dealer community (for greater certainty, excluding investment dealers which are affiliates of Canadian Schedule I banks under the *Bank Act*, SC 1991, c 46 (the “Bank Act”)) and for so long as a Maple Nomination Agreement is in effect, that is Unrelated to Original Maple Shareholders.
- (c) Maple’s governance structure shall provide:
 - (i) for an independent director to be selected for the position of chair of the board of Maple;
 - (ii) that so long as a Maple Nomination Agreement entitling an Original Maple Shareholder to nominate a

candidate for election to a position on Maple's board of directors is in force between Maple and an Original Maple Shareholder, at least 50% of the directors, excluding the chief executive officer of Maple if he or she is also a director, will be Unrelated to Original Maple Shareholders; and

- (iii) for a revised code of conduct and ethics and a revised written policy concerning potential conflicts of interest of members of the board of directors and committees and the officers of Maple, which provides for disclosure of interests and the possibility for a person to withdraw from a file or a decision, to be filed with the Autorité within the year following the date of this decision.

Maple shall take reasonable steps to ensure that each director of Maple is a fit and proper person and that the past conduct of each director affords reasonable grounds for belief that the director will perform his or her duties with integrity.

Any amendment to Maple's code of conduct and ethics and written conflict of interest policy must be filed with the Autorité, forthwith upon its approval.

- (d) Unless it obtains the prior authorization of the Autorité to make changes, Maple will maintain identical boards of directors for Maple, TMX Group and the Bourse.
- (e) Maple shall establish and maintain a committee of Maple's board of directors called the Governance Committee that:
 - (i) will be made up of independent directors and, for so long as any Maple Nomination Agreement is in effect, a majority of members that are Unrelated to Original Maple Shareholders;
 - (ii) will confirm the status of nominees to the board of directors as independent and/or Unrelated to Original Maple Shareholders, as appropriate, before the individual is submitted to shareholders as a nominee for election to the Maple board;
 - (iii) will confirm on an annual basis that the status of the directors that are independent or Unrelated to Original Maple Shareholders, as appropriate, has not changed;
 - (iv) will assess and approve all nominees of management to the Maple board of directors, and any nominees pursuant to any Maple Nomination Agreement; and
 - (v) will establish that the quorum consists of a majority of independent directors, and, for so long as any Maple Nomination Agreement is in effect, a majority of directors that are Unrelated to Original Maple Shareholders.
- (f) Maple shall establish and maintain a committee of Maple's board of directors called the Derivatives Committee, in accordance with Maple's Undertakings.
- (g) Maple shall ensure that the Bourse maintains the Special Committee - Regulatory Division, at least 50% of the members of which will be comprised of individuals who have expertise in derivatives.
- (h) Maple shall ensure that it publishes the charter of the board of directors and the charters of the board committees, including the standards and criteria of a person's independence, on its Internet site. Maple shall obtain the Autorité's prior approval before proceeding with any change to the charter of its board of directors and the charters of the board committees.
- (i) Maple shall obtain the prior approval of the Autorité before entering into any nomination agreement with a person or company who or which is not a party to a Maple Nomination Agreement as at the date of this decision.
- (j) If, at a given time, Maple does not satisfy the requirements of this section regarding the governance structure, it shall remedy this situation promptly.

III. GOVERNANCE REVIEW

- (a) No later than three years after the effective date of this decision, or at any time required by the Autorité, Maple shall engage an independent consultant or consultants acceptable to the Autorité, to prepare a report assessing the governance structure of Maple, TMX Group, the Bourse and CDCC (the "Governance Review").

- (b) Maple shall deliver the report to its board of directors promptly after its completion and then to the Autorité within 30 days of its delivery to the board of directors.
- (c) The Governance Review shall include at least:
 - (i) a review of the composition of the board of directors and committees of Maple, TMX Group, the Bourse and CDCC, in particular whether the composition of such boards of directors and committees continues to fulfill the criteria of fair, meaningful and diverse representation;
 - (ii) a review of the impacts of all the compositional requirements of the board of directors with which Maple must comply and its ability to comply with them;
 - (iii) a review of appropriateness and effectiveness of identical boards of directors for Maple, TMX Group and the Bourse; and
 - (iv) a review of how the Maple Governance Committee fulfills its mandate and performs its role and its functions.

IV. CHANGE OF OWNERSHIP

- (a) Maple will not complete or authorize a transaction that would result in any person or company or any combination of persons or companies acting jointly or in concert, beneficially owning or exercising control or direction over more than ten percent (10%) of any class or series of voting shares of TMX Group, the Bourse or CDCC, without obtaining the prior authorization of the Autorité.
- (b) Maple must continue to own, directly or indirectly, all of the issued and outstanding voting shares of TMX Group, the Bourse and CDCC.
- (c) Maple will not complete or authorize a transaction that would result in more than 50% of any class or series of voting shares of TMX Group, the Bourse or CDCC ceasing to be controlled by Maple, directly or indirectly, without obtaining the prior authorization of the Autorité and complying with the terms and conditions that the Autorité might establish in the public interest.

V. CONTINUITY OF ACTIVITIES IN QUÉBEC

- (a) The head office and executive office of CDCC and any business unit established under paragraph 0 will be or will continue to be located in Montréal. The mind and management of CDCC and any business unit established under paragraph 0 responsible for overseeing the annual operating plans and budgets thereof will be or will continue to be located in Montréal.
- (b) The most senior officer of Maple (other than Maple's chief executive officer) with direct responsibility for CDCC and any business unit established under paragraph 0 shall be a resident of the Province of Québec at the time of his or her appointment, or as soon as reasonably practicable thereafter, and for the duration of his or her term of office and shall work in Montréal. The executives responsible for managing the development and execution of the policy and direction of CDCC and any business unit established under paragraph 0 will remain sufficient to permit such most senior officer to execute his or her responsibilities and will work in Montréal.
- (c) If Maple establishes a clearing house in Canada (or participates in a joint venture or a partnership) for clearing of derivatives that are presently over-the-counter derivatives, that clearing house (or the principal Maple business unit that manages Maple's interest in that joint venture or partnership) will comply with the foregoing paragraphs a and b.
- (d) Maple will not do anything to cause CDCC, directly or indirectly, to cease (a) to be a Canadian national clearing agency for the clearing of derivatives and related products, including being the sole clearing agency for trades in derivatives that are exchange traded on the Bourse, and (b) its development as a leading clearing agency for fixed income transactions, without obtaining the prior authorization of the Autorité and complying with any terms and conditions that the Autorité may set in the public interest in connection with any change to CDCC's operations.
- (e) Maple will maintain, and continue to develop, Montréal as a centre of excellence in derivatives and a hub of attraction for Maple's derivatives trading and related products operations, including over-the-counter derivatives.

- (f) Maple will use commercially reasonable efforts to continue to grow the business of clearing of derivatives and related products in Montréal.
- (g) If CDCC determines from time to time to export its expertise in clearing of derivatives and related products, such international activity will be directed from Montréal.
- (h) Maple will ensure that further enhancements to the SOLA application software will be developed in Montréal.
- (i) Maple will submit annually to the Autorité, within 30 days of its approval by the board of directors, its strategic plan for its activities, including derivatives and related products, equity securities and fixed income securities. The strategic plan will address the progress achieved during the past year in the fulfillment of the previous strategic plan for derivatives and related products.

VI. LANGUAGE OF SERVICES

- (a) Maple will ensure that it maintains:
 - (i) the broad range of CDCC's services in Québec required to be offered hereunder, in French and English, including with respect to membership, clearing and settlement services and supervision of CDCC;
 - (ii) simultaneous availability in French and English of any information documents of CDCC intended for the clearing members or for the public; and
 - (iii) French as the language used in all communications and correspondence with the Autorité.

VII. ALLOCATION OF COSTS

The costs or expenses borne by Maple, TMX Group, the Bourse and CDCC, and indirectly by the users of the services of Maple, TMX Group, the Bourse and CDCC, for each of the services offered by Maple, TMX Group, the Bourse and CDCC, shall not include the costs or expenses incurred by Maple, TMX Group, the Bourse or CDCC in connection with any activity carried on by Maple, TMX Group, the Bourse or CDCC that is unrelated to this service.

VIII. INTERNAL COST ALLOCATION MODEL AND TRANSFER PRICING

- (b) Maple must obtain prior Autorité approval before the implementation of any internal cost allocation model and any policies with respect to the allocation of costs or transfer of prices, and any amendments thereto, between Maple and its affiliates.
- (c) Maple must annually engage an independent auditor to conduct a review and prepare a written report in accordance with established audit standards regarding compliance by Maple and its affiliates with the internal cost allocation model and transfer pricing policies.
- (d) Maple must provide the written report of the independent auditor to its board of directors promptly after the report's completion and then to the Autorité within 30 days of providing it to its board of directors.

IX. FEES

- (a) Maple shall ensure that all fees imposed by Maple, TMX Group, the Bourse and CDCC are reasonable and equitably allocated, the process for setting fees is fair and appropriate, and the fee model is transparent.
- (b) Within three years of the effective date of this decision and every three years thereafter, or at any other time determined by the Autorité, Maple shall:
 - (i) conduct a review of the fees and fee models of Maple, TMX Group, the Bourse and CDCC that are related to the trading, clearing, settlement, depository, data transmission or other services specified by the Autorité that includes, among other things, a benchmarking or other comparison of the fees and fee models against the fees and fee models of similar services in other jurisdictions; and
 - (ii) file the report with its board of directors promptly after the report's completion and then to the Autorité, within 30 days following its filing with the board of directors.

X. RESOURCES

- (e) Subject to paragraph (b) and for so long as TMX Group, the Bourse and CDCC carry on clearing house activities, Maple shall ensure that TMX Group, the Bourse and CDCC have sufficient financial and other resources to ensure their financial viability and the proper performance of their functions.
- (f) Maple shall promptly notify the Autorité upon becoming aware that it is no longer or will no longer be able to allocate sufficient financial or other resources to TMX Group, the Bourse or CDCC to ensure their financial viability and the performance of their clearing house functions, in a manner that is consistent with the public interest and in accordance with the terms and conditions of this decision.

XI. MATERIAL INTEGRATION AND OPERATION

- (a) Maple shall obtain the Autorité's prior approval before implementing any material integration, combination, merger or restructuring of businesses, operations or corporate functions related to trading, clearing and settlement of the exchange and clearing house operations between Maple and its affiliates.
- (b) Maple shall promptly notify the Autorité of any other integration, combination or restructuring of businesses, operations or corporate functions related to trading, clearing and settlement of the exchange and clearing house operations between Maple and its affiliates.
- (c) Maple shall promptly notify the Autorité of any decision to implement any transaction likely to have material consequences for Maple, TMX Group, the Bourse or CDCC, including:
 - (i) any material alliance or merger, combination or acquisition transaction;
 - (ii) any shareholder agreement or reciprocal membership agreement involving Maple, TMX Group, the Bourse or CDCC;
 - (iii) any listing on the exchange of one of its subsidiaries, including the clearing houses, or any public offering by its subsidiaries.
- (d) Maple shall promptly notify the Autorité of any decision to engage, either directly or through an affiliate, in a new material business activity or to cease to carry on a material business activity operated at that time by Maple, TMX Group, the Bourse or CDCC.

XII. FINANCIAL REPORTS

- (a) Maple shall file with the Autorité its annual audited consolidated financial statements, its annual unaudited non-consolidated financial statements without notes, its quarterly unaudited consolidated financial statements without notes, and its quarterly unaudited non-consolidated financial statements without notes, in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.
- (b) Maple shall file with the Autorité its annual budget, accompanied by the underlying assumptions, approved by its board of directors in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.

XIII. RISK MANAGEMENT

- (a) Maple shall have adequate risk management measures related to its activities.
- (b) Maple shall provide notice to the Autorité before making any material change to its organizational structure or to that of TMX Group, the Bourse or CDCC or in the manner in which it and its subsidiaries exercise their functions, powers and activities, when such a measure is likely to have an impact on CDCC's internal controls.
- (c) Maple shall file its annual risk assessment, including the commercial risks and its plans to respond to these risks, at least once a year or at the Autorité's request, in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.
- (d) Maple shall file with the Autorité any other internal audit report or risk management report in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.

- (e) Maple shall file any document requested by the Autorité under a risk-based supervisory approach to be developed by the Autorité in accordance with Appendix A.

XIV. ACCESS TO INFORMATION

- (a) Maple shall make available and ensure that its subsidiaries make available to the Autorité, on request, all the data and information in their possession and which the Autorité needs to evaluate the performance by Maple, TMX Group, the Bourse and CDCC of their regulatory functions and the compliance of these entities with the conditions of the Autorité's decisions.
- (b) The disclosure or sharing of information by Maple or any affiliate pursuant to this decision is subject to any confidentiality provisions contained in agreements entered into with the Bank of Canada pertaining to information received from the Bank of Canada.

XV. COMPLIANCE

- (a) Maple shall carry on its clearing house activities, in accordance with the applicable requirements of the DA and the SA.
- (b) Maple will ensure that TMX Group, the Bourse and CDCC comply with the terms and conditions of this decision.

XVI. NON-COMPLIANCE

- (a) If Maple fails to comply with any of the terms and conditions set forth in this decision or in Maple's undertakings, the Autorité may amend, suspend or revoke this decision, in whole or in part.

XVII. APPLICABLE LAW

- (a) Maple shall comply with applicable law in Québec.

PART II – TMX GROUP

VII. SHARE OWNERSHIP

- (a) No person or company and no combination of persons or companies acting jointly or in concert shall beneficially own or exercise control or direction over more than ten percent (10%) of any class or series of voting shares of TMX Group, without the prior approval of the Autorité, except for Maple.
- (b) TMX Group shall promptly inform the Autorité in writing, if it becomes aware that any person or company, other than Maple, or any combination of persons or companies acting jointly or in concert beneficially owns or exercises control or direction over more than ten percent (10%) of any class or series of voting shares of TMX Group without having obtained the prior approval of the Autorité, and TMX Group shall take the necessary steps to immediately remedy the situation.
- (c) TMX Group shall promptly inform the Autorité in writing of any change in its share ownership.
- (d) TMX Group shall promptly inform the Autorité in writing of any agreement related to the exercise of voting rights attached to the common shares of TMX Group, of which it has been informed.

VIII. GOVERNANCE STRUCTURE

- (a) Arrangements made by TMX Group shall ensure fair, meaningful and diverse representation of the interested parties, given the nature and structure of TMX Group, the Bourse and CDCC, on TMX Group's board of directors and any TMX Group board committees, and the maintenance of a reasonable number and proportion of directors unrelated to TMX Group, the Bourse and CDCC, and their participants, clearing members, users of services or clearing house facilities, or shareholders, for the purpose of ensuring the diversity of the board.
- (b) TMX Group's board of directors shall be comprised of:
 - (i) such number of directors who are independent and represent at least 50% of the total number of directors nominated for election;

- (ii) such number of directors who are resident of the Province of Québec and represent at least 25% of the total number of directors nominated for election;
 - (iii) such number of directors who have expertise in derivatives and represent at least 25% of the total number of directors nominated for election; and
 - (iv) one director drawn from the Canadian independent investment dealer community (for greater certainty, excluding investment dealers which are affiliates of Canadian Schedule I banks under the Bank Act) and for so long as a Maple Nomination Agreement is in effect, is Unrelated to Original Maple Shareholders.
- (c) The TMX Group governance structure shall provide:
- (i) for an independent director to be selected for the position of chair of the board of TMX Group;
 - (ii) that so long as a Maple Nomination Agreement entitling an Original Maple Shareholder to nominate a candidate for election to a position on Maple's board of directors is in force between Maple and an Original Maple Shareholder, at least 50% of the directors of TMX Group, excluding the chief executive officer of Maple if he or she is also a director, will be Unrelated to Original Maple Shareholders; and
 - (iii) for a revised code of conduct and ethics and a revised written policy concerning potential conflicts of interest of members of the board of directors and committees and the officers of TMX Group, which provides for disclosure of interests and the possibility for a person to withdraw from a file and/or a decision, to be filed with the Autorité within the year following the date of this decision.

TMX Group shall take reasonable steps to ensure that each director of TMX Group is a fit and proper person and that the past conduct of each director affords reasonable grounds for belief that the director will perform his or her duties with integrity.

Any amendment to TMX Group's code of conduct and ethics and written conflict of interest policy must be submitted to the Autorité, forthwith upon its approval.

- (d) TMX Group shall ensure that it publishes the charter of the board of directors and the charters of any board committees, including the standards and criteria of a person's independence, on its Internet site. TMX Group shall obtain the Autorité's prior approval before proceeding with any change to the charter of its board of directors and the charters of any board committees.
- (e) If, at a given time, TMX Group does not satisfy the requirements of this section regarding the governance structure, it shall remedy this situation promptly

IX. CHANGE OF OWNERSHIP

- (a) TMX Group will not complete or authorize a transaction that would result in any person or company, or any combination of persons or companies acting jointly or in concert, beneficially owning or exercising control or direction over more than ten percent (10%) of any class or series of voting shares of the Bourse or CDCC, without obtaining the prior authorization of the Autorité.
- (b) TMX Group shall continue to be the owner, directly or indirectly, of all the issued and outstanding voting shares of the Bourse and of CDCC.
- (c) TMX Group will not complete or authorize any transaction that would result in more than 50% of any class or series of voting shares of the Bourse or CDCC ceasing to be controlled by TMX Group, directly or indirectly, without obtaining the prior authorization of the Autorité and complying with the terms and conditions that the Autorité might establish in the public interest.

X. CONTINUITY OF ACTIVITIES IN QUÉBEC

- (a) The head office and executive office of CDCC will remain in Montréal. The mind and management of CDCC responsible for overseeing the annual operating plans and budgets thereof will remain in Montréal.
- (b) The most senior officer of Maple (other than Maple's chief executive officer) with direct responsibility for CDCC shall be a resident of the Province of Québec at the time of his or her appointment, or as soon as reasonably

practicable thereafter, and for the duration of his or her term of office, and shall work in Montréal. The executives responsible for managing the development and execution of the policy and direction of CDCC will continue to be sufficient to permit such most senior officer to execute his or her responsibilities and will work in Montréal.

- (c) TMX Group will not do anything to cause CDCC, directly or indirectly, to cease (a) to be a Canadian national clearing agency for the clearing of derivatives and related products, including being the sole clearing agency for trades in derivatives that are exchange traded on the Bourse, and (b) its development as a leading clearing agency for fixed income transactions, without obtaining the prior authorization of the Autorité and complying with any terms and conditions that the Autorité may set in the public interest in connection with any change to CDCC's operations.
- (d) If CDCC determines from time to time to export its expertise in clearing of derivatives and related products, such international activity will be directed from Montréal.
- (e) TMX Group will submit annually to the Autorité, within 30 days of its approval by the board of directors, its strategic plan for its activities, including derivatives and related products, equity securities and fixed income securities. The strategic plan will address the progress achieved during the past year in the fulfillment of the previous strategic plan for derivatives and related products.

XI. LANGUAGE OF SERVICES

- (a) TMX Group shall ensure that it maintains:
 - (i) the broad range of CDCC's services in Québec required to be offered hereunder, in French and English, including with respect to membership, clearing and settlement services and supervision of CDCC;
 - (ii) simultaneous availability in French and English of any information documents of CDCC intended for the clearing members or for the public; and
 - (iii) French as the language used in all communications and correspondence with the Autorité.

XII. ALLOCATION OF COSTS

The costs or expenses borne by TMX Group, the Bourse and CDCC, and indirectly by the users of the services of TMX Group, the Bourse and CDCC, for each of the services offered by TMX Group, the Bourse and CDCC, shall not include the costs or expenses incurred by TMX Group, the Bourse and CDCC in connection with any activity carried on by TMX Group, the Bourse or CDCC that is unrelated to this service.

XIII. FEES

TMX Group will ensure that all the fees imposed by TMX Group, the Bourse and CDCC are reasonably and equitably allocated, the process for setting fees is fair and appropriate, and the fee model is transparent.

XIV. RESOURCES

- (a) Subject to paragraph (b) and for so long as the Bourse and CDCC carry on clearing house activities, TMX Group shall ensure that the Bourse and CDCC have sufficient financial and other resources to ensure their financial viability and the proper performance of their functions.
- (b) TMX Group shall promptly notify the Autorité upon becoming aware that it is no longer or will no longer be able to allocate sufficient financial or other resources to the Bourse or CDCC to ensure their financial viability and the performance of their clearing house functions, in a manner that is consistent with the public interest and in accordance with the terms and conditions of this decision.

XV. FINANCIAL REPORTS

- (a) TMX Group shall file with the Autorité its annual audited consolidated financial statements, its annual unaudited non-consolidated financial statements without notes, its quarterly unaudited consolidated financial statements without notes, and its quarterly unaudited non-consolidated financial statements without notes, in accordance with the time limit prescribed in the "Reports and Documents to be Submitted" table, found in Appendix A of this decision.

- (b) TMX Group shall file with to the Autorité its annual budget, accompanied by the underlying assumptions, approved by its board of directors in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.

XVI. RISK MANAGEMENT

- (a) TMX Group shall have adequate risk management measures related to its activities.
- (b) TMX Group provide notice to the Autorité before making any material change to its organizational structure or to that of the Bourse or CDCC or in the manner in which it and its subsidiaries exercise their functions, powers and activities, when such a measure is likely to have an impact on CDCC's internal controls.
- (c) TMX Group shall file its annual risk assessment, including the commercial risks and its plans to respond to these risks, at least once a year or at the Autorité's request, in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.
- (d) TMX Group shall file with the Autorité any other internal audit report or risk management report in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.
- (e) TMX Group shall file any document requested by the Autorité under a risk-based supervisory approach to be developed by the Autorité in accordance with Appendix A.

XVII. ACCESS TO INFORMATION

- (a) TMX Group shall make available and ensure that its subsidiaries make available to the Autorité, on request, all the data and information in their possession and which the Autorité needs to evaluate the performance by TMX Group, the Bourse and CDCC of their regulatory functions and the compliance of these entities with the conditions of the Autorité's decisions.
- (b) The disclosure or sharing of information by TMX Group or any affiliate pursuant to this decision is subject to any confidentiality provisions contained in agreements entered into with the Bank of Canada pertaining to information received from the Bank of Canada.

XVIII. COMPLIANCE

- (a) TMX Group shall carry on its clearing house activities, in accordance with the applicable requirements of the DA and the SA.
- (b) TMX Group will ensure that the Bourse and CDCC comply with the terms and conditions of this decision.

XIX. NON-COMPLIANCE

If TMX Group fails to comply with any of the terms and conditions set forth in this decision, the Autorité may amend, suspend or revoke this decision, in whole or in part.

XX. APPLICABLE LAW

- (a) TMX Group shall comply with applicable law in Québec.

PART III - BOURSE

XXI. SHARE OWNERSHIP

- (a) No person or company and no combination of persons or companies acting jointly or in concert shall beneficially own or exercise control or direction over more than ten percent (10%) of any class or series of voting shares of the Bourse without the prior approval of the Autorité, with the exception of Maple and TMX Group.
- (b) The Bourse shall promptly inform the Autorité in writing, if it becomes aware that any person or company or any combination of persons or companies acting jointly or in concert beneficially own or exercises control or direction over more than ten percent (10%) of any class or series of voting shares of the Bourse without having obtained the prior approval of the Autorité, and the Bourse shall take the necessary steps to immediately remedy the situation.
- (c) The Bourse shall promptly inform the Autorité in writing of any change in its share ownership.

- (d) The Bourse shall promptly inform the Autorité in writing of any agreements related to the exercise of voting rights attached to the common shares of the Bourse, of which it has been informed.

XXII. GOVERNANCE STRUCTURE

- (a) Arrangements made by the Bourse shall ensure fair, meaningful and diverse representation of the interested parties, given the nature and structure of the Bourse and CDCC, on the Bourse's board of directors and any Bourse board committees, and the maintenance of a reasonable number and proportion of directors unrelated to the Bourse and CDCC, and their participants, clearing members, users of services or clearing house facilities, or shareholders, for the purpose of ensuring the diversity of the board.
- (b) The Bourse's board of directors shall be comprised of:
 - (i) such number of directors who are independent and represent at least 50% of the total number of directors nominated for election;
 - (ii) such number of directors who are resident of the Province of Québec and represent at least 25% of the total number of directors nominated for election;
 - (iii) such number of directors who have expertise in derivatives and represent at least 25% of the total number of directors nominated for election; and
 - (iv) one director drawn from the Canadian independent investment dealer community (for greater certainty, excluding investment dealers which are affiliates of Canadian Schedule I banks under the Bank Act) and for so long as a Maple Nomination Agreement is in effect, that is Unrelated to Original Maple Shareholders;
- (c) The Bourse's governance structure shall provide:
 - (i) for an independent director to be selected for the position of chair of the board of the Bourse;
 - (ii) that as long as a Maple Nomination Agreement entitling an Original Maple Shareholder to nominate a candidate for election to a position on Maple's board of directors is in force between Maple and an Original Maple Shareholder, at least 50% of the directors of the Bourse, excluding the chief executive officer of Maple if he or she is also a director, will be Unrelated to Original Maple Shareholders;
 - (iii) for appropriate arrangements relating to qualifications and remuneration, limitation of liability and indemnification measures for directors, officers and employees generally;
 - (iv) for a revised code of conduct and ethics and a revised written policy concerning potential conflicts of interest of members of the board of directors and committees and the officers of the Bourse, including the Division and the Special Committee, which provides for disclosure of interests and the possibility for a person to withdraw from a file or a decision, to be filed with the Autorité within the year following the date of this decision.

The Bourse shall take reasonable steps to ensure that each director of the Bourse is a fit and proper person and that the past conduct of each director affords reasonable grounds for belief that the director will perform his or her duties with integrity.

Any amendment to the Bourse's code of conduct and ethics and written conflict of interest policy must be submitted to the Autorité, forthwith upon its approval.

- (d) The Bourse shall ensure that the quorum for meetings of the directors is not less than the majority of the directors holding office.
- (e) The Bourse shall ensure that it publishes the charter of the board of directors and the charters of any board committees, including the standards and criteria of a person's independence, on its Internet site. The Bourse shall obtain the Autorité's prior approval before proceeding with any change to the charter of its board of directors and the charters of any board committees.
- (f) If, at any time, the Bourse does not satisfy the requirements of this section regarding the governance structure, it shall remedy the situation promptly.

XXIII. CHANGE OF OWNERSHIP

- (a) The Bourse will not complete or authorize a transaction that would result in any person or company, or any combination of persons or companies acting jointly or in concert, beneficially owning or exercising control or direction over more than ten percent (10%) of any class or series of voting shares of CDCC, without obtaining the prior authorization of the Autorité.
- (b) The Bourse shall continue to be the owner, directly or indirectly, of all the issued and outstanding voting shares of CDCC.
- (c) The Bourse will not complete out or authorize any transaction that would result in more than 50% of any class or series of voting shares of CDCC ceasing to be controlled by the Bourse, directly or indirectly, without obtaining the prior authorization of the Autorité and complying with the terms and conditions that the Autorité might establish in the public interest.

XXIV. CONTINUITY OF ACTIVITIES IN QUÉBEC

- (a) The head office and executive office of CDCC will remain in Montréal. The mind and management of CDCC responsible for overseeing the annual operating plans and budgets thereof will remain in Montréal.
- (b) The most senior officer of Maple (other than Maple's chief executive officer) with direct responsibility for CDCC shall be a resident of the Province of Québec at the time of his or her appointment, or as soon as reasonably practicable thereafter, and for the duration of his or her term of office and shall work in Montréal. In addition, the executives responsible for managing the development and execution of the policy and direction of CDCC will continue to be sufficient to permit such most senior officer to execute his or her responsibilities, and will work in Montréal.
- (c) The Bourse will not do anything to cause CDCC, directly or indirectly, to cease (a) to be a Canadian national clearing agency for the clearing of derivatives and related products, including being the sole clearing agency for trades in derivatives that are exchange traded on the Bourse, and (b) its development as a leading clearing agency for fixed income transactions, without obtaining the prior authorization of the Autorité and having complied with any terms and conditions that the Autorité may impose in the public interest in connection with any change to CDCC's operations.
- (d) If CDCC determines from time to time to export its expertise in clearing of derivatives and related products, such international activity will be directed from Montréal.
- (e) The Bourse will submit annually to the Autorité, within 30 days of its approval by the board of directors, its strategic plan for its activity, including derivatives and related products, equity securities and fixed income securities. The strategic plan will address the progress achieved during the past year in the fulfillment of the previous strategic plan for derivatives and related products.

XXV. LANGUAGE OF SERVICES

- (a) The Bourse will ensure that it maintains:
 - (i) the broad range of CDCC's services in Québec required to be offered hereunder, in French and English, including with respect to membership, clearing and settlement services and supervision of CDCC;
 - (ii) simultaneous availability in French and English of any information documents of CDCC intended for clearing members or for the public; and
 - (iii) French as the language used in all communications and correspondence with the Autorité.

XXVI. ALLOCATION OF COSTS

The costs or expenses borne by the Bourse and CDCC, and indirectly by the users of the Bourse's and CDCC's services, for each of the services offered by the Bourse and CDCC, shall not include the costs or expenses incurred by the Bourse or CDCC in the connection with any activity carried on by the Bourse or CDCC that is unrelated to this service.

XXVII. FEES

The Bourse will ensure that all the fees imposed by the Bourse and CDCC are reasonably and equitably allocated, the process for setting fees is fair and appropriate, and the fee model is transparent.

XXVIII. RESOURCES

- (a) Subject to paragraph (b) and for so long as CDCC carries on its clearing house activities, the Bourse shall allocate to CDCC sufficient financial and other resources to ensure its financial viability and the proper performance of its functions.
- (b) The Bourse shall promptly notify the Autorité upon becoming aware that it is no longer or will no longer be able to allocate sufficient financial or other resources to CDCC to ensure CDCC's financial viability and the performance of its clearing house functions, in a manner that is consistent with the public interest and in accordance with the terms and conditions of this decision.

XXIX. FINANCIAL REPORTS

- (a) The Bourse shall file with the Autorité its annual audited consolidated financial statements, its annual unaudited non-consolidated financial statements without notes, its quarterly unaudited consolidated financial statements without notes, and its quarterly unaudited non-consolidated financial statements without notes, in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.
- (b) The Bourse shall file with the Autorité its annual budget, accompanied by the underlying assumptions, approved by its board of directors in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.

XXX. RISK MANAGEMENT

- (a) The Bourse shall have adequate risk management measures related to its activities.
- (b) The Bourse shall provide notice to the Autorité before making any material change to its organizational structure or to that of CDCC or in the manner in which it and its subsidiary exercise their functions, powers and activities, when such a measure is likely to have an impact on CDCC's internal controls.
- (c) The Bourse shall file its annual risk assessment, including the commercial risks and its plan to respond to these risks, at least once a year or at the Autorité's request, in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.
- (d) The Bourse shall file with the Autorité any other internal audit report or risk management report, in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.
- (e) The Bourse shall file any document requested by the Autorité under a risk-based supervisory approach to be developed by the Autorité in accordance with Appendix A.

XXXI. ACCESS TO INFORMATION

- (a) The Bourse shall make available and ensure that its subsidiaries make available to the Autorité, on request, all the data and information in their possession and which the Autorité needs to evaluate the performance by the Bourse and CDCC of their regulatory functions and the compliance of these entities with the conditions of the Autorité's rulings.
- (b) The disclosure or sharing of information by the Bourse or any of its affiliate pursuant to this decision is subject to any confidentiality provisions contained in agreements entered into with the Bank of Canada pertaining to information received from the Bank of Canada.

XXXII. COMPLIANCE

- (a) The Bourse shall carry on its clearing house activities, in accordance with the applicable requirements of the DA and of the SA.

- (b) The Bourse will ensure that CDCC complies with the terms and conditions of this decision.

XXXIII. NON-COMPLIANCE

If the Bourse fails to comply with any of the terms and conditions set forth in this decision, the Autorité may amend, suspend or revoke this decision, in whole or in part.

XXXIV. APPLICABLE LAW

The Bourse shall comply with applicable law in Québec.

PART IV - CDCC

INTERPRETATION

For purposes of this part,

- (a) a person resident in the Province of Québec means an individual who is considered to be a resident of the Province of Québec under the *Taxation Act*, R.S.Q., c. I-3;
- (b) an independent director means a person who is not:
- (i) an associate, partner, director, officer or employee of a Significant Maple Shareholder;
 - (ii) an associate, partner, director, officer or employee of a member of CDCC or such member's affiliates or an associate of such partner, director, officer or employee;
 - (iii) an associate, partner, director, officer or employee of a marketplace that clears through CDCC or such marketplace's affiliates or an associate of such partner, director, officer or employee; or
 - (iv) an officer or employee of CDCC or its affiliates or an associate of such officer or employee.
- (c) "Significant Maple Shareholder" means a shareholder of Maple who:
- (i) beneficially owns or exercises control or direction over more than 5% of the outstanding shares of Maple, provided, however, that the acquisition of additional Maple shares in connection with the following activities shall not be included for purposes of determining whether the 5% threshold has been exceeded:
 - (A) investment activities on behalf of a Significant Maple Shareholder or its affiliates where such investments are made (A) by a bona fide third party investment manager with discretionary authority (subject to such retained discretion in order for a Significant Maple Shareholder or its affiliates to fulfill its fiduciary duties); or (B) by an investment fund or other pooled investment vehicle in which the Significant Maple Shareholder or its affiliate has directly or indirectly invested and which is managed by a third party who has not been provided with confidential, undisclosed information about Maple;
 - (B) acting as a custodian for securities in the ordinary course;
 - (C) normal course trading (including proprietary client facilitation trading) and wealth management activities (including, for greater certainty, in connection with the management of any mutual funds, pooled funds, trust accounts, estate portfolios and other investor funds and portfolios), including electronic securities trading, conducted for or on behalf of any of its clients, provided that any fund manager with discretionary authority carrying out such activities on behalf of such clients, or such clients, have not been provided with confidential, undisclosed information about Maple;
 - (D) the acquisition of Maple shares in connection with the adjustment of index-related portfolios or other "basket" related trading, provided that the Significant Maple Shareholder does not intentionally vote or instruct the voting of those Maple shares except in accordance with its general corporate policies or the instructions of a client that beneficially owns the relevant Maple shares;

- (E) making a market in securities or providing liquidity for securities, in each case in the ordinary course (which, for greater certainty, shall include acquisitions or other derivative transactions undertaken in connection with hedging positions of, or in relation to, Maple shares, provided that the Significant Maple Shareholder does not intentionally vote or instruct the voting of those Maple shares except in accordance with its general corporate policies or the instructions of a client that beneficially owns the relevant Maple shares); or
 - (F) providing financial services to any person in the ordinary course of business of its and their banking, securities, wealth and insurance businesses, provided such person has not been provided with confidential, undisclosed information about Maple;
- (ii) is an Original Maple Shareholder that is a party to a Maple Nomination Agreement, for as long as its Maple Nomination Agreement is in effect; or
 - (iii) is an Original Maple Shareholder:
 - (A) whose obligations under the rendered Decision No. 2012-PDG-0077 issued May 2, 2012 have not terminated pursuant to Part III of such decision thereof; and
 - (B) that has a partner, officer, director or employee who is a director on the Maple board of directors other than pursuant to a Maple Nomination Agreement, for so long as such partner, officer, director or employee retains his or her seat on the Maple board of directors.

XXXV. SHARE OWNERSHIP

- (a) No person or company and no combination of persons or companies acting jointly or in concert shall beneficially own or exercise control or direction over more than ten percent (10%) of any class or series of voting shares of CDCC without the prior approval of the Autorité, with the exception of Maple, TMX Group and the Bourse.
- (b) CDCC shall promptly inform the Autorité in writing, if it becomes aware that any person or company or any combination of persons or companies, acting jointly or in concert, beneficially own or exercise control or direction over more than ten percent (10%) of any class or series of voting shares of CDCC without having obtained the prior approval of the Autorité, and CDCC shall take the necessary measures to immediately remedy the situation.
- (c) CDCC shall promptly inform the Autorité in writing of any change in its share ownership.
- (d) CDCC shall promptly inform the Autorité in writing of any agreement related to the exercise of voting rights attached to the common shares of CDCC, of which it has been informed.

XXXVI. GOVERNANCE STRUCTURE

- (a) Arrangements made by CDCC shall ensure fair, meaningful and diverse representation of the interested parties, given the nature and structure of CDCC, on CDCC's board of directors and any CDCC board committees, and the maintenance of a reasonable number and proportion of directors Unrelated to CDCC and its clearing members, users of services or clearing house facilities, or shareholders, for the purpose of ensuring the diversity of the board.
- (b) CDCC's governance structure shall provide for:
 - (i) such number of directors who are independent and represent at least 33% of the total number of directors nominated for election for that year;
 - (ii) such number of directors who (A) are an associate, partner, director, officer or employee of a clearing member of CDCC or such member's affiliates, (B) possess expertise in derivatives clearing, and (C) are financially literate within the meaning of National Instrument 52-110, and represent at least 33% of the total number of directors nominated for election for that year, and of these directors:
 - (A) one director will be the chief executive officer of the Bourse, or such other officer or employee of the Bourse as nominated by the Bourse; notwithstanding that such person is not an associate, partner, director, officer or employee of a clearing member of CDCC or such member's affiliates; and

- (B) two of these directors will not be, at the time of appointment or election, an associate, partner, director, officer or employee of a Significant Maple Shareholder and will be Unrelated to Original Maple Shareholders for so long as a Maple Nomination Agreement is in effect;
- (iii) the chief executive officer of CDCC;
- (iv) such number of directors who are resident of the Province of Québec and represent at least 25% of the total number of directors nominated for election;
- (v) such number of directors who have expertise in derivatives clearing and represent at least 50% of the total number of directors nominated for election;
- (vi) appropriate arrangements regarding qualifications and compensation, limitation of liability and indemnification measures for the directors, the officers and the employees in general; and
- (vii) a revised code of conduct and ethics and a revised written policy concerning potential conflicts of interest of members of the board of directors and committees and the officers of CDCC, which provides for disclosure of interests and the possibility for a person to withdraw from a file or a decision filed with the Autorité within the year following the date of this decision.

Any amendment to the CDCC code of conduct and ethics and written policy concerning conflicts of interest shall be submitted to the Autorité, upon its approval.

CDCC shall take reasonable steps to ensure that each director of CDCC is a fit and proper person and that the past conduct of each director affords reasonable grounds for belief that the director will perform his or her duties with integrity.

- (c) CDCC shall ensure that the quorum of the meetings of the directors is no less than the majority of the directors in office.
- (d) CDCC shall establish and maintain a committee of the board of directors of CDCC called the Governance Committee, at least a majority of whom will be independent directors and which will be chaired by an independent director.
- (e) An independent director will be selected as chair of the board of CDCC.
- (f) CDCC will provide annually to the Autorité the recommendations made by its market participant advisory committees and shall explain the underlying grounds for the rejection of a recommendation or the partial or amended implementation of a recommendation of these committees, in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.
- (g) CDCC shall ensure that it publishes the charter of the board of directors and the charters of the board committees, including the standards and criteria of a person's independence, on its Internet site. CDCC shall obtain the Autorité's prior approval before proceeding with any change to the charter of the board of directors and the charters of the board committees.
- (h) If at any time CDCC does not satisfy the requirements of this section regarding the governance structure, it shall remedy the situation promptly.

XXXVII. CONTINUITY OF ACTIVITIES IN QUÉBEC

- (a) The head office and executive office of CDCC will remain in Montréal. The mind and management of CDCC responsible for overseeing the annual operating plans and budgets thereof will remain in Montréal.
- (b) The most senior officer of Maple (with the exception of Maple's chief executive officer) with direct responsibility for CDCC shall be a resident of the Province of Québec at the time of his or her appointment, or as soon as reasonably practicable thereafter, and for the duration of his or her term of office, and shall work in Montréal. Furthermore, the executives responsible for managing the development and execution of the policy and direction of CDCC will be sufficient to permit such most senior officer to exercise his or her responsibilities and will work in Montréal.

- (c) If CDCC determines from time to time to export its expertise in clearing of derivatives and related products, such international activities will be directed from Montréal.
- (d) CDCC will not terminate its operations or suspend, abandon or liquidate all or a material portion of all of its activities nor will it transfer all or substantially all of its assets, unless:
 - (i) it has filed a written notice of its intent with the Authority at least six month prior to doing so; and
 - (ii) it has complied with any terms and conditions that the Autorité may impose in the public interest in order for the abandonment of its activities or the disposition of its assets to be carried out in an orderly fashion.
- (e) CDCC will submit annually to the Autorité, within 30 days of its approval by the board of directors, its strategic plan for its activities, including derivatives and related products, equity securities and fixed income securities. The strategic plan will address the progress achieved during the past year in the fulfillment of the previous strategic plan for derivatives and related products.

XXXVIII. LANGUAGE OF SERVICES

- (a) CDCC will ensure that it maintains:
 - (i) the broad range of CDCC's services in Québec required to be offered hereunder, in French and English, including with respect to membership, regulation and supervision of participants activities services, as well as clearing and settlement services of CDCC;
 - (ii) simultaneous availability in French and English, of all CDCC information documents intended for clearing members or the public, and
 - (iii) French as the language used in all communications and correspondence with the Autorité.

XXXIX. ALLOCATION OF COSTS

The costs or expenses borne by CDCC, and indirectly by the users of the services of CDCC, for each of the services offered by CDCC, shall not include the costs or expenses incurred by CDCC in connection with any activity carried on by CDCC that is unrelated to this service.

XL. ACCESS

- (a) CDCC shall permit any person who satisfies the applicable membership criteria to become a clearing member and to execute transactions.
- (b) Without limiting the generality of the foregoing, CDCC shall:
 - (i) set out in writing the criteria that a person must satisfy to become a clearing member and to execute transactions at CDCC;
 - (ii) not unreasonably prohibit or limit access by persons to services offered by it; and
 - (iii) keep records of:
 - (A) all granted membership requests, specifying the persons to whom access was granted in addition to the reasons for granting such access; and
 - (B) all denials of membership requests or access limitations, specifying the reasons for denying or limiting access to any applicant.

XLI. FEES

- (a) CDCC will ensure that all the fees it imposes are reasonably and equitably allocated, the process for setting fees is fair and appropriate, and the fee model is transparent.
- (b) Fees shall not have the effect of creating barriers to access; however, they must take into consideration that CDCC must have sufficient revenues to perform its functions.

- (c) CDCC's process for setting fees shall be fair, appropriate and transparent;
- (d) Any change to the list of fees charged by CDCC shall be filed with the Autorité, in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.
- (e) Within three years of the effective date of this ruling and every three years thereafter, or at any other time determined by the Autorité, CDCC:
 - (i) shall conduct a review of the fees and fee model of CDCC that are related to the clearing, settlement, depository, data transmission or other services specified by the Autorité that includes, among other things, a benchmarking or other comparison of the fees and fee models against the fees and fee models of similar services in other jurisdictions; and
 - (ii) file the report with its board of directors promptly after the report's completion and then with the Autorité, within 30 days following its filing with the board of directors.
- (f) CDCC will file concurrently with the Authority all the reports filed with other regulatory authorities regarding the review of the fees and fee model related to the clearing, settlement, depository, data transmission or other services of clearing houses owned or operated by CDCC or its affiliates.

XLII. RULES

- (a) CDCC shall establish such rules, regulations, policies, procedures, practices or other similar instruments (together the "Rules") as are necessary or appropriate to govern and regulate all aspects of its business and internal affairs and so as to:
 - (i) seek to ensure compliance with derivatives and securities legislation;
 - (ii) seek to promote just and equitable principles of trade; and
 - (iii) seek to foster cooperation and coordination with persons engaged in regulating, clearing, settling or facilitating transactions in derivatives or securities, or processing information concerning these transactions.
- (b) CDCC's Rules and their method of adoption shall be transparent.
- (c) The Rules shall not unreasonably discriminate among clearing members.
- (d) The Rules shall provide for appropriate sanctions in case of non-compliance by clearing members.
- (e) CDCC shall approve all the amendments to its Rules simultaneously in French and English.

XLIII. DUE PROCESS

- (a) CDCC shall ensure that its requirements relating to access to CDCC, the imposition of limitations or conditions on access and denial of access are fair and reasonable, including in respect of notices, an opportunity to be heard or make representations, the keeping of records, the giving of reasons for decisions and the possibility of appealing decisions.
- (b) The clearing members affected by decisions shall have the possibility of being heard and a means of appealing decisions.
- (c) CDCC shall keep records of the decisions it renders.

XLIV. RISK MANAGEMENT

- (a) CDCC shall have and maintain clearly defined risk management procedures.
- (b) CDCC shall follow sound internal management practices in order to ensure its efficient operation. For this purpose, it shall establish:
 - (i) an adequate derivatives and related products clearing risk management system, including prudent risk limits;

- (ii) reliable information systems and risk measurement procedures;
 - (iii) internal controls and detailed audit procedures;
 - (iv) a continuous surveillance mechanism, for which it accounts frequently to its senior executives; and
 - (v) an appropriate monitoring process by its directors.
- (c) CDCC's risk management procedures shall specify the respective responsibilities of CDCC and its clearing members.
- (d) CDCC shall provide notice to the Autorité before making any material change to its organizational structure or in the manner in which it exercises its functions, powers and activities, when such a measure is likely to have an impact on its internal controls.
- (e) CDCC shall file with the Autorité the internal audit reports and the risk management reports in accordance with the time limit stipulated in the Reports and Documents to be Submitted table, found in Appendix A of this decision.
- (f) CDCC shall file its annual risk assessment, including the commercial risks and its plans to respond to address these risks, at least once a year or at the Autorité's request, in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.
- (g) CDCC shall file any document requested by the Autorité, including a report from an independent third party, including an audit report issued according to the standards prescribed in the Canadian Institute of Chartered Accountants Handbook, under a risk-based supervisory approach to be developed by the Autorité, in accordance with Appendix A. For the purposes of a report to be completed by an independent third party, the Autorité may rule on the scope of the mandate.

XLV. FINANCIAL REPORTS AND FINANCIAL RATIOS

- (a) CDCC shall file with the Autorité its annual audited consolidated financial statements, its annual unaudited non-consolidated financial statements without notes, its quarterly unaudited consolidated financial statements without notes, and its quarterly unaudited non-consolidated financial statements without notes, in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.
- (b) CDCC shall file with the Autorité its annual budget, accompanied by the underlying assumptions, approved by its board of directors in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.
- (c) The annual and quarterly financial statements of CDCC, stipulated in paragraph (a), shall include a budget analysis of the results, as well as a comparative analysis of the results in relation to the corresponding period of the previous fiscal year.
- (d) CDCC shall comply with the financial ratios and the reports and notices filing requirements agreed upon with the Autorité.

XLVI. RESOURCES

- (a) CDCC shall have and maintain sufficient financial and other resources to ensure its financial viability and the proper performance of its functions and services.
- (b) CDCC shall promptly notify the Autorité upon becoming aware that it is no longer or will no longer be able to maintain sufficient financial or other resources it needs to ensure its financial viability and the performance of its clearing house functions, in a manner that is consistent with the public interest and in accordance with the terms and conditions of this decision.
- (c) CDCC will file with the Autorité, within 30 days of the effective date of this decision and annually thereafter, a report identifying the various service units of CDCC by location, the number of employees of each unit, the job title and description for each employee, the relationships between each unit and with the management of CDCC in accordance with the time limit prescribed in the Reports and Documents to be Submitted, found in Appendix A of this decision. This report will also provide an analysis to the effect that the human resources

are sufficient and adequate in terms of number, qualifications and experience and put forward corrective measures for any deficiency identified in that analysis.

XLVII. SERVICE DELIVERY

(a) CDCC shall:

- (i) adopt and maintain procedures and processes designed to oversee the delivery of precise and reliable services; and
- (ii) adopt the required means to offer equitable and secure clearing and settlement services.

XLVIII. ASSET PROTECTION

CDCC shall implement sufficient securities safekeeping and accounting measures to protect its members' assets.

XLIX. SYSTEMS CAPACITY, INTEGRITY AND SECURITY

(a) For the systems necessary for the purposes of its clearing and settlement services (the "Systems"), CDCC shall develop and maintain:

- (i) reasonable business continuity and disaster recovery plans;
- (ii) an adequate internal control system for these Systems; and
- (iii) adequate general controls in information technology, in particular concerning information systems operations, information security, change management, problem management, network support and system software support.

(b) In accordance with prudent business practices, CDCC shall take the following measures at a reasonable frequency and at least once a year:

- (i) make reasonable estimates of current and future capacity;
- (ii) subject the Systems to capacity stress tests to determine their ability to process transactions in an accurate, timely and efficient manner; and
- (iii) test its business continuity and disaster recovery plans.

(c) CDCC shall promptly notify the Autorité of any major outage or any major operating delay or failure affecting its Systems, including any communication failure with the CDSX system.

(d) Before implementing a significant change affecting its Systems, including any change in relation to the CDSX system, CDCC shall file a written description of the change at least 45 days in advance with the Autorité.

(e) For any change other than a change contemplated in d), CDCC shall file a description of the change with the Autorité, within a time limit of 30 days following the end of the calendar quarter during which the change occurred.

(f) CDCC will engage a competent party each year to conduct an independent review of the clearing and settlement systems to establish a report based on established audit standards so as to guarantee its compliance with paragraph (a) of this section. The Autorité may rule on the scope of this mandate. CDCC shall file this report with the Autorité within a time limit of 30 days after the presentation of the report to the board of directors or to the audit committee. CDCC shall file with the Autorité the follow-up reports on the recommendations of this report, as soon as they are available.

L. OUTSOURCING

(a) CDCC shall obtain the prior approval of the Autorité before entering into or implementing any outsourcing of its clearing or settlement functions or operations.

(b) In the event of any outsourcing of its clearing and settlement services to other parties, CDCC shall adhere to industry best practices.

- (c) CDCC shall obtain the prior approval of the Autorité before entering into or implementing any transaction designed to provide clearing or settlement regulatory functions or operations to other clearing houses or other persons.
- (d) Without limiting the generality of paragraph (b), during the outsourcing of any of its key services or systems to a service provider, including an affiliate or an associate, CDCC shall:
 - (i) establish and apply policies and procedures that are approved by its board of directors for the evaluation and approval of such outsourcing arrangements;
 - (ii) in entering into any such outsourcing arrangements, CDCC shall:
 - (1) assess the risks of such arrangement, the quality of the service to be provided and the degree of control it will maintain; and
 - (2) execute a contract with the service provider addressing all significant elements of such arrangement, including service levels and performance standards;
 - (iii) ensure that any contract implementing such outsourcing arrangement that is likely to impact on the CDCC's regulatory functions permits CDCC, its agents, and the Autorité to have access to all data and information maintained by the service provider that CDCC is required to share in accordance with section 115 of the DA or that is necessary for the assessment by the Autorité of the performance by the CDCC of its regulatory functions and the compliance of CDCC with the terms and conditions of this decision; and
 - (iv) monitor the performance of the service provided under any such outsourcing arrangement.

LI. INFORMATION REQUIREMENTS

- (a) In addition to the information requirements set out in the preceding paragraphs, CDCC shall also comply with the information requirements set out hereinafter:
 - (i) CDCC shall promptly notify the Autorité of any situation that could have a material impact on its operations or financial position and any situation brought to its attention that could have an impact on the operations or the financial position of a clearing member;
 - (ii) Without limiting the scope of the preceding paragraph, CDCC shall:
 - (A) promptly notify the Autorité of any non-compliance statement or the suspension of a clearing member. CDCC shall report to the Autorité, on a regular basis, on the status of the situation, including the impact on its financial resources, the parties concerned and the markets and the corrective actions it intends to apply to ensure its financial solvency;
 - (B) to the extent possible, inform the Autorité verbally of any force majeure event or emergency, as prescribed in the CDCC Rules, before making public any such force majeure event or emergency, and shall confirm in writing to the Autorité the reasons justifying the declaration of such force majeure event or emergency and the actions taken by CDCC or the actions that CDCC plans to take in response to such force majeure event or emergency;
 - (iii) CDCC shall provide the Autorité with prior notice of any amendment to an agreement made between CDCC and a clearing member, including the membership agreement, and any amendment to an agreement made by the clearing members and to which CDCC is not a party but to which reference is made in the Rules;
 - (iv) CDCC shall provide the Autorité with prior notice of any decision to enter into an agreement, a memorandum of understanding or any other similar arrangement with a government or regulatory agency, a self-regulatory organization, a clearing house, a bank with respect to clearing services, an exchange or a market, or any amendment to such agreement, memorandum of understanding or other similar arrangement;
 - (v) CDCC shall provide the Autorité with prior notice of any decision to engage, either directly or through an affiliate, in a new material business activity or to cease to carry on a material business activity operated by CDCC at that time.

- (b) CDCC shall provide the Autorité with immediate notification of:
 - (i) the appointment of any director or officer;
 - (ii) the actual or planned resignation of a director or an officer or of the auditors of CDCC, including a statement of the grounds for the actual or planned resignation;
 - (iii) an order, a direction or a similar action on the part of a government or regulatory body regarding CDCC;
 - (iv) the fact that CDCC is the subject of a penal or regulatory inquiry; and
 - (v) the fact that CDCC is or has learned that it will be the subject of a material lawsuit.
- (c) CDCC shall immediately file with the Autorité copies of the notices and of the general documents it generally sends to all its clearing members.
- (d) CDCC shall immediately file with the Autorité all the unanimous shareholder agreements to which it is a party.
- (e) CDCC shall provide annually to the Autorité:
 - (i) a list of the directors and officers of CDCC;
 - (ii) a list of the committees of CDCC's board of directors, specifying the members, the mandate and the responsibilities of each committee;
 - (iii) a list of any other committee of CDCC, specifying the members, the mandate and the responsibilities of each committee;
 - (iv) a list of all the clearing members, which will specify for each the type of transaction cleared by CDCC.

LII. COMPLIANCE WITH INTERNATIONAL STANDARDS

CDCC shall comply with the best practices and international standards applicable to its activities, including those dictated separately or jointly by the International Organization of Securities Commissions and the Committee on Payment and Settlement Systems of the Bank for International Settlements.

LIII. INFORMATION SHARING

CDCC shall share information with the securities and derivatives regulatory authorities, the other clearing houses, the exchanges and the self-regulatory organizations, subject to the applicable privacy protection laws or confidentiality provisions.

LIV. ACCESS TO INFORMATION

- (a) CDCC shall make available and ensure its subsidiary make available to the Autorité, on request, all the data and information in its possession and which the Autorité needs to evaluate its performance of its clearing activities and its compliance with the conditions of the Autorité's decisions.
- (b) The disclosure or sharing of information by CDCC or any affiliate pursuant to this decision is subject to any confidentiality provisions contained in agreements entered into with the Bank of Canada pertaining to information received from the Bank of Canada.

LV. NON-COMPLIANCE

If CDCC fails to comply with any of the terms and conditions set forth in this decision, the Autorité may amend, suspend or revoke this decision, in whole or in part.

LVI. APPLICABLE LAW

CDCC shall comply with applicable law in Québec.

COMING INTO EFFECT OF THE DECISION

This decision is subordinated to, and will take effect upon, take-up of TMX Group Common Shares under the offer made by Maple set out in the take-over bid circular dated June 10, 2011, as the same has been and may be amended, date that will be confirmed in a notice published by the Autorité in the Bulletin de l'Autorité des marchés financiers.

Made on May 2, 2012.

Mario Albert
President and Chief Executive Officer

APPENDIX A

Relevant article	Wording of relevant article in the recognition decision	Frequency	Time limit or deadline
PART I – Reports and Documents to be Submitted by Maple			
III(b)	Governance review report	Once	30 days following delivery to the board of directors
V(i)	File its strategic plan	Yearly	30 days following approval by the board of directors
VIII(c)	Report concerning the internal cost allocation model and the internal transfer pricing	Yearly	30 days following delivery to the board of directors
IX(b)(ii)	Fee model review report	Every three years	30 days following delivery to the board of directors
IX(b)(ii)	Fee model review report	As needed	30 days following delivery to the board of directors
XII(a)	File the annual audited consolidated financial statements and the annual unaudited non-consolidated financial statements without notes	Yearly	90 days following the fiscal year end
XII(a)	File the quarterly unaudited consolidated financial statements and the quarterly unaudited non-consolidated financial statements without notes	Quarterly	45 days following the quarter end
XII(b)	File the annual budget accompanied by the underlying assumptions	Yearly	30 days following the fiscal year end
XIII(c)	File the risk assessment	Yearly	30 days following approval by the board of directors
XIII(c)	File the risk assessment	As needed	30 days following approval by the board of directors
XIII(d)	File any other internal audit report or risk management report	As needed	30 days following approval by the board of directors
XIII(e)	File any document requested by the Autorité under a risk-based supervisory approach	As needed	As soon as the Autorité requests it

Relevant article	Wording of relevant article in the recognition decision	Frequency	Time limit or deadline
PART II – Reports and Documents to be Submitted by TMX Group			
IV(e)	File its strategic plan	Yearly	30 days following approval by the board of directors
IX(a)	File the annual audited consolidated financial statements and the annual unaudited non-consolidated financial statements without notes	Yearly	90 days following the fiscal year end
IX(a)	File the quarterly unaudited consolidated financial statements and the quarterly unaudited non-consolidated financial statements without notes	Quarterly	45 days following the quarter end
IX(b)	File the annual budget accompanied by the underlying assumptions	Yearly	30 days following the fiscal year end
X(c)	File the risk assessment	Yearly	30 days following approval by the board of directors
X(d)	File any other internal audit report or risk management report	As needed	30 days following approval by the board of directors
X(e)	File any document requested by the Autorité under a risk-based supervisory approach	As needed	As soon as the Autorité requests it
PART III – Reports and Documents to be Submitted by the Bourse			
IV(e)	File its strategic plan	Yearly	30 days following approval by the board of directors
IX(a)	File the annual audited consolidated financial statements and the annual unaudited non-consolidated financial statements without notes	Yearly	90 days following the fiscal year end
IX(a)	File the quarterly unaudited consolidated financial statements and the quarterly unaudited non-consolidated financial statements without notes	Quarterly	45 days following the quarter end
IX(b)	File the annual budget accompanied by the underlying assumptions	Yearly	30 days following the fiscal year end

Relevant article	Wording of relevant article in the recognition decision	Frequency	Time limit or deadline
X(c)	File the risk assessment	Yearly	30 days following approval by the board of directors
X(d)	File any other internal audit report or risk management report	As needed	30 days following approval by the board of directors
X(e)	File any document requested by the Autorité under a risk-based supervisory approach	As needed	As soon as the Autorité requests it
PART IV – Reports and Documents to be Submitted by CDCC			
II(f)	Recommendations of the market participant advisory committee	Yearly	30 days following receipt of the report
III(d)(i)	Prior notice of its intention to terminate a material part of its activities	As needed	At least 6 months in advance
III(e)	File its strategic plan	Yearly	30 days following approval by the board of directors
VII(d)	File any amendment to the fee list	As required	Upon approval
VII(e)(i)	Fee model review report	Every three years	30 days following delivery to the board of directors
VII(f)	Any fee report filed with other regulators	As needed	Concurrently with the filing with other regulators
X(e)	File the internal audit reports and the risk management reports	Quarterly	45 days following the quarter end
X(f)	File the risk assessment	Yearly	30 days following approval by the board of directors
X(g)	File any document requested by the Autorité under a risk-based supervisory approach	As needed	As soon as the Autorité requests it
XI(a)	File the annual audited consolidated financial statements and the annual unaudited non-consolidated financial statements without notes	Yearly	90 days following the fiscal year end
XI(a)	File the quarterly unaudited consolidated financial statements and the quarterly unaudited non-consolidated financial statements without	Quarterly	45 days following the quarter end

Relevant article	Wording of relevant article in the recognition decision	Frequency	Time limit or deadline
	notes		
XI(b)	File the annual budget accompanied by the underlying assumptions	Yearly	30 days following the fiscal year end
XI(d)	File reports and notices on financial ratios	To be determined by the Autorité	To be determined by the Autorité
XII(c)	Report concerning human resources	Once	30 days following the effective date of this decision
XII(c)	Report concerning human resources	Yealy	90 days following the fiscal year end
XV(c)	Notice of major system outage	As needed	Immediately
XV(d)	Description of a significant change to the systems	As needed	45 days in advance
XV(e)	Description of a change to the systems	Quarterly	30 days following the quarter end
XV(f)	Independent systems review report	Yearly	30 days after the submission of the report to the board of directors
XV(f)	Follow-up report on recommendations	As needed	Immediately
XVII(a)(i)	Notice of situation with a material impact	As needed	Immediately
XVII(a)(ii)(A)	Notice of non-compliance of a member	As needed	Immediately
XVII(a)(ii)(B)	Notice of force majeure	As needed	Immediately
XVII(a)(iii)	Prior notice of change to a membership agreement	As needed	45 days in advance
XVII(a)(iv)	Prior notice of the making of an agreement, memorandum or similar arrangement	As needed	Immediately
XVII(a)(v)	Prior notice of the decision to commence a new business activity	As needed	Immediately
XVII(b)	Notice regarding events	As needed	Immediately
XVII(c)	File notices and documents generally intended for members	As needed	Simultaneous with delivery to the members

SROs, Marketplaces and Clearing Agencies

Relevant article	Wording of relevant article in the recognition decision	Frequency	Time limit or deadline
XVII(d)	File unanimous shareholders' agreements	As needed	Immediately
XVII(e)	File various lists	Yearly	90 days following the fiscal year end