NOTICE TO MEMBERS

N°: 105-26

July 20, 2026

REQUEST FOR COMMENTS

AMENDMENTS TO THE RULES AND MANUALS OF THE CANADIAN DERIVATIVES CLEARING CORPORATION TO MODIFY KEY SPECIFICATIONS OF THE 30-YEAR GOVERNMENT OF CANADA BOND FUTURES (LGB)

On April 30, 2026, the Board of Directors of the Canadian Derivatives Clearing Corporation ("**CDCC**") approved certain amendments to modify key specifications of the 30-year Government of Canada Bond Futures (LGB).

Please find enclosed an analysis document as well as the proposed amendments.

Process for Changes to the Rules

CDCC is recognized as a clearing house under section 12 of the *Derivatives Act* (Québec) by the Autorité des marchés financiers ("AMF") and as a recognized clearing agency under section 21.2 of the *Securities Act* (Ontario) by the Ontario Securities Commission ("OSC").

The Board of Directors of CDCC has the power to approve the adoption or amendment of the Rules and the Manuals of CDCC. Amendments are submitted to the AMF in accordance with the self-certification process and to the OSC in accordance with the process provided in the Recognition Order.

Comments on the proposed amendments must be submitted before **August 20, 2026**. Please submit your comments to:

Dima Ghozaiel
Legal Counsel
Canadian Derivatives Clearing Corporation
1800-1190 av. des Canadiens-de-Montréal, P.O. Box 37
Montreal, Quebec H3B 0G7
Email: legal@tmx.com

A copy of these comments shall also be forwarded to the AMF and to the OSC to:

M^{e} Philippe Lebel
Corporate Secretary and
Executive Director, Legal Affairs
Autorité des marchés financiers
Place de la Cité, tour Cominar
2640 Laurier boulevard, suite 400
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E-mail:consultation-en-cours@lautorite.qc.ca

Manager, Market Regulation
Market Regulation Branch
Ontario Securities Commission
Suite 2200,
20 Queen Street West
Toronto, Ontario, M5H 3S8
Fax: 416-595-8940
Email: tradingandmarkets@osc.gov.on.ca

For any question or clarification, Clearing Members may contact Dima Ghozaiel, Legal Counsel, by email at dima.ghozaiel@tmx.com.

Karen McMeekin
President

TMX

AMENDMENTS TO THE RULES AND MANUALS OF THE CANADIAN DERIVATIVES CLEARING CORPORATION TO MODIFY KEY SPECIFICATIONS OF THE 30-YEAR GOVERNMENT OF CANADA BOND FUTURES (LGB)

I. DESCRIPTION

Montréal Exchange Inc. (the "Exchange") proposes to update its rules pertaining to the 30-Year Government of Canada ("GoC") bond futures ("LGB") contract to better reflect current market conditions and align with the design of its other successful GoC bond futures contracts (2-Year, 5-Year, and 10-Year). The Exchange believes these amendments will enhance market efficiency and increase the contract's utility as a trading and hedging instrument.

The Canadian Derivatives Clearing Corporation ("CDCC") hereby wishes to amend its rules and manuals (the "Rules") to align them with those of the Exchange.

Consequently, CDCC proposes to make amendments to its Rules to modify the specifications of the LGB contract including its delivery standards, notional coupon, delivery basket, and Tender Notice period.

Unless otherwise defined herein, any defined term used in this analysis will have the meaning described in the Rules.

II. PROPOSED AMENDMENTS

CDCC hereby proposes amendments to reflect the following changes:

1) Amendments to section C-18 of the Rules by replacing the current submission of tender notices requirements for the LGB;
2) Amendments to Articles C-1802 through C-1805 and addition of Article C-1806;
3) Housekeeping amendments to ensure consistency and alignment between the English and French versions of the Rules; and
4) Amendments to sections 1 and 6 of the Operations Manual.

Tender Notice period:
Currently, the Tender notice for the LGB must be submitted on the last day of trading. CDCC is suggesting to modify the Rules to indicate that the Tender Notice must be submitted between

the first Business Day preceding the first Business Day of the Delivery month, and the first Business Day preceding the last Business Day of the Delivery Month, inclusively.

Delivery period:
Currently, the delivery of LGB shall be completed no later than one business day following the submission of the Tender Notice, which, as mentioned above, happens on the last day of trading. While the delivery process is expected to remain the same, we suggest that the delivery be completed on the first Business Day following the submission of the Tender Notice by the Clearing member holding a Short Position, or on any other day as determined by CDCC. Delivery shall be completed no later than the last business day of the Delivery Month.

Assignment of Tender Notice and Assignment File:
Currently, all Tender Notices are assigned directly (without any First In, First out or FIFO) to Clearing Members with open Long Positions as of the close of trading on the last trading day. Under the proposed change, all Tender Notices accepted by CDCC (over the Tender Notice period) will be assigned in accordance with CDCC's procedures of assigning Tender Notices to the oldest open contract (FIFO). Furthermore, the Assignment File in CDCS will need to be updated to that effect.

Furthermore, the proposed amendments do not affect CDCC's default or risk manuals.

The proposed amendments are provided herein in Appendix "A".

III. ANALYSIS

a. Background

The Exchange relaunched the LGB contract in November 2021, but liquidity declined significantly following the first roll period. Market feedback indicated that the "wildcard option" and the single-day delivery period were detrimental to the contract's development.

Following participants' feedback and to address the concern, the Exchange and CDCC implemented a change to the delivery period of the LGB contract (Notice to Members No. 129-22), making delivery possible only following the last trading day of the contract (vs during a full month). Despite this change, limited trading activity persisted, resulting in prolonged periods of reduced market participation and fading interest.

Market feedback consistently indicates that the product remains viable and that an active long-bond contract would significantly benefit the Canadian bond market. Consequently, the Exchange and CDCC are renewing their efforts to enhance the product through updated specifications derived from a comprehensive market survey and direct engagement with key stakeholders.

b. Objectives

CDCC's Rules need to be aligned with the changes proposed by the Exchange. With the proposed amendments, the Exchange and CDCC aim to modernize the LGB contract and achieve the following:

- **Improve Market Optics:** Better align the contract with the underlying cash market regarding price, bid-ask spread, and risk metrics.
- **Increase Effectiveness:** Enhance the contract's utility for both hedgers and speculators.
- **Build Liquidity:** Reduce pricing uncertainty and increase hedging flexibility to attract more participants.
- **Standardization:** Align the LGB contract with the successful delivery standards of mid- and short-term GoC futures.

c. Comparative Analysis

The move to a full one-month delivery period aligns the LGB contract with the delivery standard used for MX's successful mid- and short-term GoC futures contracts (CGB, CGF, CGZ), promoting a unified and familiar trading environment.

The proposed reduction of the delivery basket to a single benchmark bond, while differentiating it from the basket approach used by global ultra-long futures products such as the CME's Ultra U.S. T-Bond or Eurex's Euro-Buxl® Futures, is specifically designed to function essentially as a bond forward contract. This single-bond structure eliminates switch risk, making the contract pricing more transparent and comparable to the underlying cash market, which is desired by key domestic participants.

The new 4% notional coupon will result in a higher conversion factor and introduce a small "wildcard option". This feature will increase the duration sensitivity and provide a degree of optionality to the contract, which is desirable for many sophisticated market participants.

Similar modifications have been successfully implemented on other contracts; for instance, the Exchange previously adjusted the CGF delivery standards to improve the contract's attractiveness.

Global 30-year bond futures are critical benchmarks for the "ultra" long end of the yield curve. While they share a common goal-hedging or speculating on long-term interest rates, their contract designs vary significantly across exchanges to match the specific characteristics of their underlying national debt markets.

The following table compares the flagship 30-year (or equivalent "Ultra" and "Buxl") bond futures as of 2026.

Feature	CME Group (CBOT)	Eurex	ICE Futures Europe	TMX (Montréal)
Contract Name	Ultra U.S. T-Bond	Euro-Buxl® Futures	Ultra Long Gilt Futures	30-Year Gov of Canada
Notional Coupon	6%	6%	4%	4%
Contract Size	$100,000	€100,000	£100,000	C$100,000
Delivery Period	Mar, Jun, Sep, Dec	Mar, Jun, Sep, Dec	Mar, Jun, Sep, Dec	Mar, Jun, Sep, Dec
Deliverable Basket	Bonds with at least 25 years remaining to maturity.	Bonds with remaining term of 24–35 years.	Bonds with remaining term of 28–37 years.	30Y GoC benchmark bond (generally a remaining term of 29-32 years)

d. Analysis of Impacts

i. Impacts on Market

Impacts on existing contracts:

In order to make the transition as smooth as possible, the Exchange suggests applying the delivery change only to contracts with no existing open interest. To ensure participants are well informed of these changes, the Exchange and CDCC expect to communicate these adjustments accordingly (e.g: notice and discussions with key users).

Impacts of changes in specifications:

Delivery Period (Full One-Month): The shift from single-day to a full one-month delivery period aligns the LGB contract with the standard for the Exchange's successful short- and mid-term GoC futures (CGZ, CGF, CGB). This structural standardization allows market participants more time to manage physical delivery obligations, thereby reducing the risk of a market squeeze that can occur with single-day delivery. Survey results indicate that 70% of respondents favored this realignment, viewing it as a key factor for liquidity improvement.

Single-Bond Delivery Basket (30-Year GoC Benchmark): Focusing the deliverable basket on a single benchmark bond is the most significant change, effectively positioning the contract as a bond forward equivalent. This structure eliminates the uncertainty related to the Cheapest-to-Deliver (CTD) bond and removes "switch risk" (the quality option), which had historically deterred buy-side participants. The elimination of this optionality significantly improves price transparency and ensures a better alignment between the LGB and the underlying cash market, which is highly desired by key domestic hedgers and end-users. The single-bond delivery is designed to maximize the time the benchmark bond is the cheapest-to-deliver. For each contract, the Exchange will determine the single eligible bond based on guidelines such as a remaining maturity between 29 and 32 years and an outstanding amount of at least $12 billion.

Notional Coupon (4% Notional Coupon) and Wildcard Option: The combination of the single-bond basket and the 4% notional coupon increases the conversion factor and minimizes the impact of the wildcard option, a feature previously deemed detrimental to the contract. By minimizing the wildcard option (which approaches zero when the Conversion Factor is near 1), the Exchange and CDCC are balancing the interests of end-users who prefer a bond forward with those who appreciate a minimal degree of optionality.

Impacts on CDCC risk requirements:
The proposed change in the delivery period does not impact the Base Initial Margin and the Additional Margin methodologies as described in the CDCC Risk Manual. No other impacts are expected on the methodologies used to size the Clearing Fund and Supplemental Liquidity Fund.

ii. Impacts on Technology

Technological impacts are expected to be minimal as the LGB product category already exists. Configuration and testing will be conducted to ensure smooth implementation in all relevant IT and back-office systems.

iii. Impacts on Trading Functions

The initiative was initially proposed by the Exchange and appropriate rule changes will be proposed in order to modify the contract specifications.

iv. Public Interest

CDCC and the Exchange consider these amendments to be in the public interest. A contract better tailored to participant needs, specifically domestic users seeking simplified hedging, will attract more activity to the centrally-cleared futures market, providing a healthier balance of interests for all participants

IV. PROCESS

The proposed amendments, including this analysis, must be approved by CDCC's board of directors and submitted to the Autorité des marchés financiers, in accordance with the regulatory self-certification process, and to the Ontario Securities Commission in accordance with the rules stated in Appendix "A" of Schedule "A" of CDCC Recognition Order dated November 11, 2024 (as amended from time to time). The proposed amendments and analysis will also be submitted to the Bank of Canada in accordance with the Oversight Agreement. Subject to applicable regulatory approval, the proposed amendments are expected to take effect during Q3-2026.

APPENDIX A: PROPOSED AMENDMENTS TO THE RULES
BLACKLINE VERSION

CANADIAN DERIVATIVES CLEARING CORPORATION RULES

XX, 2026

PART C - FUTURES

RULE C-18 - 30-YEAR CANADA BOND FUTURES (SYMBOL- LGB)

The Sections of this Rule C-18 are applicable only to Futures where the Underlying Interest is Government of Canada bonds as defined in Section C-1802, herein referred to as "**30-year Canada Bond Futures**". For further clarification, this Rule C-18 replaces Rule C-11 in so far as the Underlying Interest is a 30-year Canada Bond.

Section C-1802 - Delivery Standards

(1) For all 30-year Canada Bond Futures, shall be deliverable only those Government of Canada Nominal Bond issues which represent thirty-year Government of Canada benchmark bond for each contract Delivery Month, as determined by the Exchange based on Canadian bond market standards before each roll period. Delivery eligibility is restricted to the thirty-year Government of Canada Nominal Bond benchmark issues, as determined solely by the Exchange based on market standards, with the following indicative guidelines:

(a) The delivery unit for 30-Year Canada Bond Futures shall be Government of Canada Bonds which do not mature and are not callable for ~~a minimum of 28½ years from the first calendar day of the Delivery Month~~ at least 29 years and no more than 32 years as of the first day of the Delivery month, having a coupon rate of ~~6~~4%, an aggregate face value at maturity of $100,000, an outstanding face value, net of all potential purchases by the Government of Canada up until the end of the delivery period of the corresponding Delivery Month, of at least $~~3.5~~ 12 billion, are issued and delivered on or before the 15th calendar day preceding the first tender date corresponding to the Delivery Month of the contract, and which are originally issued at 30-year auctions.

All bonds in a delivery unit must be of the same issue.

(b) Substitution at the option of the Clearing Member holding the Short Position, bonds with coupon rates other than ~~6~~ 4% are deliverable, at a discount for bonds with coupons less than ~~6~~ 4%, and at a premium for bonds with coupons more than ~~6~~ 4%. The amount of premium or discount for each different deliverable issue shall be determined on the basis of yield equivalency with a ~~6~~ 4% bond selling at par. The price at which a bond having a particular maturity and coupon rate will yield ~~6~~ 4% shall be determined according to bond tables prepared by the Exchange on which the Future trades. The Settlement Amount of such delivery unit shall be $1,000 multiplied by the product of such price and the Settlement Price of that series of 30 year Canada Bond Futures. Interest accrued on the bonds shall be charged to the Clearing Member taking delivery.

(c) The Exchange on which the Future trades shall publish a list of deliverable issues prior to each Delivery Month. ~~The time to maturity of a given issue is calculated in complete three month increments (rounded down to the nearest quarter) from the first day of the Delivery Month.~~ New issues of Government of Canada bonds which satisfy the standards of this Section shall be added to the deliverable list as they are issued by the Government of Canada. ~~In the event that, at any regular issue or auction, the Government of Canada reopens an existing bond not issued at a 30-year auction that would otherwise meet the standards of this Rule, thus rendering the existing issue indistinguishable from the newly issued one, then the older issue is deemed to meet the standards of this Rule and would be deliverable if the reopening of such an existing issue has a total minimum face value amount of $3.5 billion during the last 12 month period preceding the contract month.~~ The Exchange shall have the right to determine which ~~exclude any new~~ issue is eligible ~~from~~ for deliverable status or to further limit outstanding issues from deliverable status, whether or not they otherwise satisfy the standards of this Section.

(d) In the event the Corporation determines that there exists a shortage of deliverable Government of Canada Bond issues it may designate as deliverable on a 30 year Canada Bond Futures such other Government of Canada issues as it deems suitable, and may specify any adjustments in the settlement amount that it considers appropriate and equitable.

Section C-1803 - Submission of Tender Notices

(1) A Clearing Member who holds a Short Position in the currently ~~deliv-erable~~ deliverable series and who wishes to make delivery must submit a Tender Notice to the Corporation no later than the time established by the Corporation ~~on the last day of trading of the Delivery Month indicating the maturity of the Government of Canada bonds being delivered~~ on a Business Day from one Business Day preceding the first Business Day of the Delivery Month up to and including the first last Business Day preceding the last Business Day of the Delivery Month indicating the maturity of the Government of Canada bonds being delivered.

(2) A Clearing Member who, at the time that trading has ceased, holds a Short Position of the currently deliverable series shall submit a Tender Notice to the Corporation indicating the maturity of the Government of Canada Bonds being delivered. Such Notice must be tendered no later than ~~the time established by the Corporation on the last day of trading of the Delivery Month~~ the first Business Day preceding the last Business Day of the Delivery Month.

This Section C-1803 supplements Section C-503.

Section C-1804 - Delivery Through the Central Securities Depository

(1) Day of Delivery - Delivery of Government of Canada bonds as required by this Rule shall be made by the Clearing Member on the first Business Day following submission of a Tender Notice, or on a day as otherwise determined by the Corporation. Delivery must be made no later than the last Business Day of the Delivery Month.

(2) Time of Delivery - Each Clearing Member who is to make delivery of Government of Canada bonds shall do so in accordance with Paragraph A-801(2)(d) and each Clearing Member who is to take delivery of Government of Canada bonds shall do so in accordance with Paragraph A-801(2)(c).

(3) If delivery of the Underlying Interest by the delivering Clearing Member, or payment therefore by the assigned Clearing Member, is not ~~effected~~ affected by the Time of Delivery, Section A-804 shall apply.

Section C-1805 - Assignment of Tender Notice

(1) Tender Notices accepted by the Corporation shall be assigned, at the end of ~~the last trading day~~ on each Business Day which the Contract Specifications permits Tender Notices to be tendered, to Clearing Members with open Long Positions as of the close of trading on the last trading day on which the Tender Notice is submitted. Tenders Notices will be assigned in accordance with the Corporations procedures of assigning Tender Notices to the oldest open contract (First In, First Out).

(2) A Tender Notice shall not be assigned to any Non-Conforming Member which has been suspended for default or insolvency. A Tender Notice assigned to a Clearing Member which is subsequently so suspended shall be withdrawn and thereupon assigned to another Clearing Member in accordance with this Section.

This Section C-1805 replaces Section C-505.

Section C-1806 - Assignment File Procedures

The following rule shall apply to the compilation of the Assignment File.

(1) On the sixth Business Day preceding the first Business Day of the Delivery Month each Clearing Member holding Long Positions in the relevant Series of Futures must enter into the Assignment File in CDCS all the Clearing Member's Long Positions in that Series of Futures in chronological order.

(2) Prior to the Close of Business on each subsequent Business Day up to and including the next to last Business Day on which Tender Notices may be submitted, each Clearing Member shall access the Assignment File and either make changes to reflect the current chronological order of all Long Positions in the relevant Series of Futures or confirm that the existing Assignment File records are correct.

(3) Every Clearing Member shall ensure that an Authorized Representative is available by telephone to the Corporation until the Close of Business on every day on which an amendment to the Assignment File can be made.

(4) It shall be the duty of each Clearing Member to review daily the relevant reports available on CDCS.

(5) Failure to access the Assignment File and maintain the current chronological order of all the Clearing Member's Long Positions in the relevant Series of Futures on a daily basis or to have an Authorized Representative available by telephone shall be deemed a violation of the Rules pursuant to Paragraph A-1A04(4)(a) and shall be subject to disciplinary action pursuant to Rule A-4 and Rule A-5.

APPENDIX B: PROPOSED AMENDMENTS TO THE RULES
CLEAN VERSION

CANADIAN DERIVATIVES CLEARING CORPORATION RULES

XX, 2026

RULE C-18 - 30-YEAR CANADA BOND FUTURES (SYMBOL- LGB)

The Sections of this Rule C-18 are applicable only to Futures where the Underlying Interest is Government of Canada bonds as defined in Section C-1802, herein referred to as "**30-year Canada Bond Futures**". For further clarification, this Rule C-18 replaces Rule C-11 in so far as the Underlying Interest is a 30-year Canada Bond.

Section C-1802 - Delivery Standards

(1) For all 30-year Canada Bond Futures, shall be deliverable only those Government of Canada Nominal Bond issues which represent thirty-year Government of Canada benchmark bond for each contract Delivery Month, as determined by the Exchange based on Canadian bond market standards before each roll period. Delivery eligibility is restricted to the thirty-year Government of Canada Nominal Bond benchmark issues, as determined solely by the Exchange based on market standards, with the following indicative guidelines:

(a) The delivery unit for 30-Year Canada Bond Futures shall be Government of Canada Bonds which do not mature and are not callable for at least 29 years and no more than 32 years as of the first day of the Delivery month, having a coupon rate of 4%, an aggregate face value at maturity of $100,000, an outstanding face value, net of all potential purchases by the Government of Canada up until the end of the delivery period of the corresponding Delivery Month, of at least $12 billion, are issued and delivered on or before the 15th calendar day preceding the first tender date corresponding to the Delivery Month of the contract, and which are originally issued at 30-year auctions.

All bonds in a delivery unit must be of the same issue.

(b) Substitution at the option of the Clearing Member holding the Short Position, bonds with coupon rates other than 4% are deliverable, at a discount for bonds with coupons less than 4%, and at a premium for bonds with coupons more than 4%. The amount of premium or discount for each different deliverable issue shall be determined on the basis of yield equivalency with a 4% bond selling at par. The price at which a bond having a particular maturity and coupon rate will yield 4% shall be determined according to bond tables prepared by the Exchange on which the Future trades. The Settlement Amount of such delivery unit shall be $1,000 multiplied by the product of such price and the Settlement Price of that series of 30 year Canada Bond Futures. Interest accrued on the bonds shall be charged to the Clearing Member taking delivery.

(c) The Exchange on which the Future trades shall publish a list of deliverable issues prior to each Delivery Month. New issues of Government of Canada bonds which satisfy the standards of this Section shall be added to the deliverable list as they are issued by the Government of Canada. The Exchange shall have the right to determine which issue is eligible for deliverable status or to further limit outstanding issues from deliverable status, whether or not they otherwise satisfy the standards of this Section.

(d) In the event the Corporation determines that there exists a shortage of deliverable Government of Canada Bond issues it may designate as deliverable on a 30 year Canada Bond Futures such other Government of Canada issues as it deems suitable, and may specify any adjustments in the settlement amount that it considers appropriate and equitable.

Section C-1803 - Submission of Tender Notices

(1) A Clearing Member who holds a Short Position in the currently deliverable series and who wishes to make delivery must submit a Tender Notice to the Corporation no later than the time established by the Corporation on a Business Day from one Business Day preceding the first Business Day of the Delivery Month up to and including the first last Business Day preceding the last Business Day of the Delivery Month indicating the maturity of the Government of Canada bonds being delivered.

(2) A Clearing Member who, at the time that trading has ceased, holds a Short Position of the currently deliverable series shall submit a Tender Notice to the Corporation indicating the maturity of the Government of Canada Bonds being delivered. Such Notice must be tendered no later than the first Business Day preceding the last Business Day of the Delivery Month.

This Section C-1803 supplements Section C-503.

Section C-1804 - Delivery Through the Central Securities Depository

(1) Day of Delivery - Delivery of Government of Canada bonds as required by this Rule shall be made by the Clearing Member on the first Business Day following submission of a Tender Notice, or on a day as otherwise determined by the Corporation. Delivery must be made no later than the last Business Day of the Delivery Month.

(2) Time of Delivery - Each Clearing Member who is to make delivery of Government of Canada bonds shall do so in accordance with Paragraph A-801(2)(d) and each Clearing Member who is to take delivery of Government of Canada bonds shall do so in accordance with Paragraph A-801(2)(c).

(3) If delivery of the Underlying Interest by the delivering Clearing Member, or payment therefore by the assigned Clearing Member, is not affected by the Time of Delivery, Section A-804 shall apply.

Section C-1805 - Assignment of Tender Notice

(1) Tender Notices accepted by the Corporation shall be assigned, at the end of on each Business Day which the Contract Specifications permits Tender Notices to be tendered, to Clearing Members with open Long Positions as of the close of trading on the last trading day on which the Tender Notice is submitted. Tenders Notices will be assigned in accordance with the Corporations procedures of assigning Tender Notices to the oldest open contract (First In, First Out).

(2) A Tender Notice shall not be assigned to any Non-Conforming Member which has been suspended for default or insolvency. A Tender Notice assigned to a Clearing Member which is subsequently so suspended shall be withdrawn and thereupon assigned to another Clearing Member in accordance with this Section.

This Section C-1805 replaces Section C-505.

Section C-1806 - Assignment File Procedures

The following rule shall apply to the compilation of the Assignment File.

(1) On the sixth Business Day preceding the first Business Day of the Delivery Month each Clearing Member holding Long Positions in the relevant Series of Futures must enter into the Assignment File in CDCS all the Clearing Member's Long Positions in that Series of Futures in chronological order.

(2) Prior to the Close of Business on each subsequent Business Day up to and including the next to last Business Day on which Tender Notices may be submitted, each Clearing Member shall access the Assignment File and either make changes to reflect the current chronological order of all Long Positions in the relevant Series of Futures or confirm that the existing Assignment File records are correct.

(3) Every Clearing Member shall ensure that an Authorized Representative is available by telephone to the Corporation until the Close of Business on every day on which an amendment to the Assignment File can be made.

(4) It shall be the duty of each Clearing Member to review daily the relevant reports available on CDCS.

(5) Failure to access the Assignment File and maintain the current chronological order of all the Clearing Member's Long Positions in the relevant Series of Futures on a daily basis or to have an Authorized Representative available by telephone shall be deemed a violation of the Rules pursuant to Paragraph A-1A04(4)(a) and shall be subject to disciplinary action pursuant to Rule A-4 and Rule A-5.

APPENDIX C: PROPOSED AMENDMENTS TO THE OPERATIONS MANUAL
BLACKLINE VERSION

CANADIAN DERIVATIVES CLEARING CORPORATION OPERATIONS MANUAL

XX, 2026

Section 1 PREAMBLE AND DEFINITIONS

DEFINITIONS

"FIFO Period" – the quarterly delivery period for Futures contracts on Government of Canada bonds ~~(with the exception of the LGB)~~, in accordance with Contract Specifications of the relevant Exchange.

Section 6 EXERCISES, TENDERS, ASSIGNMENTS AND DELIVERIES

FUTURES

Submission of Tender Notices

Tender Notices must be submitted before Close of Business during the relevant FIFO Period (which, subject to any contract adjustment by the Exchange, shall be as follows):

CGB, CGF~~, and~~ CGZ and LGB	one Business Day preceding the first Business Day of the Delivery Month up to and including the last Business Day preceding the last Business Day of the Delivery Month.
~~LGB~~	~~before Close of Business on the last trading day.~~

Assignment of Tender Notices

CDCC assigns all Tender Notices to open Long Positions on a random basis with the exception of the Government of Canada Bond Futures (CGB, CGF, ~~and~~ CGZ and LGB). Assignments for the CGB, CGF, ~~and~~ CGZ and LGB Futures are processed on a First-In-First-Out (FIFO) basis.

FIRST-IN-FIRST-OUT (FIFO) ASSIGNMENT PROCESS

Description of Procedures

The Delivery Months for the CGB, CGF, ~~and~~ CGZ and LGB Futures contracts are March, June, September and December as prescribed by the Exchange. When a Member submits a Tender

Notice with respect to a Short Position, a Long Position is assigned on a First-In-First-Out (FIFO) basis. CDCC publishes an Operational Notice prior to each relevant FIFO Period to remind Clearing Members of the procedures involved.

On the sixth Business Day prior to the first Business Day of the Delivery Month, each Clearing Member holding Long Positions in the relevant Series of Futures must declare on the CDCC Clearing Application its Long Positions in chronological order for each of its accounts. The entries must include the date the position was opened, the number of contracts and the account. When CDCC assigns a Tender Notice, the Long Position with the oldest date will be assigned first and the Long Position with the most recent date will be assigned last.

During the FIFO Period, Clearing Members must ensure that they update their declarations on a daily basis before Close of Business. It is the Clearing Members' responsibility to ensure that positions in each account maintained with CDCC are accurate. If any discrepancy between the Corporation and the Clearing Member's records is noted, the Clearing Member must rectify the discrepancy immediately, and inform CDCC if any discrepancy is not resolved and corrected by the following business day.

APPENDIX D: PROPOSED AMENDMENTS TO THE OPERATIONS MANUAL
CLEAN VERSION

CANADIAN DERIVATIVES CLEARING CORPORATION OPERATIONS MANUAL

XX, 2026

Section 1 PREAMBLE AND DEFINITIONS

DEFINITIONS

"FIFO Period" – the quarterly delivery period for Futures contracts on Government of Canada bonds, in accordance with Contract Specifications of the relevant Exchange.

Section 6 EXERCISES, TENDERS, ASSIGNMENTS AND DELIVERIES

FUTURES

Submission of Tender Notices

Tender Notices must be submitted before Close of Business during the relevant FIFO Period (which, subject to any contract adjustment by the Exchange, shall be as follows):

CGB, CGF,CGZ and LGB	one Business Day preceding the first Business Day of the Delivery Month up to and including the last Business Day preceding the last Business Day of the Delivery Month.

Assignment of Tender Notices

CDCC assigns all Tender Notices to open Long Positions on a random basis with the exception of the Government of Canada Bond Futures (CGB, CGF, CGZ and LGB). Assignments for the CGB, CGF, CGZ and LGB Futures are processed on a First-In-First-Out (FIFO) basis.

FIRST-IN-FIRST-OUT (FIFO) ASSIGNMENT PROCESS

Description of Procedures

The Delivery Months for the CGB, CGF, CGZ and LGB Futures contracts are March, June, September and December as prescribed by the Exchange. When a Member submits a Tender Notice with respect to a Short Position, a Long Position is assigned on a First-In-First-Out (FIFO) basis. CDCC publishes an Operational Notice prior to each relevant FIFO Period to remind Clearing Members of the procedures involved.

On the sixth Business Day prior to the first Business Day of the Delivery Month, each Clearing Member holding Long Positions in the relevant Series of Futures must declare on the CDCC Clearing Application its Long Positions in chronological order for each of its accounts. The entries must include the date the position was opened, the number of contracts and the account. When CDCC assigns a Tender Notice, the Long Position with the oldest date will be assigned first and the Long Position with the most recent date will be assigned last.

During the FIFO Period, Clearing Members must ensure that they update their declarations on a daily basis before Close of Business. It is the Clearing Members' responsibility to ensure that positions in each account maintained with CDCC are accurate. If any discrepancy between the Corporation and the Clearing Member's records is noted, the Clearing Member must rectify the discrepancy immediately, and inform CDCC if any discrepancy is not resolved and corrected by the following business day.