

**13.3.2 CDS – Material Amendments to CDS Rules and Procedures – Mitigation of Procyclical Effects on Calculations of Equity Haircuts and the CNS Participant Fund Collateral Requirements; Introduction of a CNS Participant Default Fund; Settlement Agent Category Credit Rings – Notice of Commission Approval**

**CDS CLEARING AND DEPOSITORY SERVICES INC.**

**MATERIAL AMENDMENTS TO CDS RULES AND PROCEDURES**

**MITIGATION OF PROCYCLICAL EFFECTS ON CALCULATIONS OF EQUITY HAIRCUTS  
AND THE CNS PARTICIPANT FUND COLLATERAL REQUIREMENTS**

**INTRODUCTION OF A CNS PARTICIPANT DEFAULT FUND**

**SETTLEMENT AGENT CATEGORY CREDIT RINGS**

**NOTICE OF COMMISSION APPROVAL**

In accordance with the Rule Protocol between the Ontario Securities Commission (Commission) and CDS Clearing and Depository Services Inc. (CDS), the Commission approved on December 30, 2014 the following amendments:

- Amendments to CDS Procedures: Mitigation of Procyclical Effects on Calculations of Equity Haircuts and the CNS Participant Fund Collateral Requirements;
- Amendments to CDS Rules and Procedures relating to the Introduction of a CNS Participant Default Fund; and
- Amendments to CDS Rules and Procedures relating to the Settlement Agent Category Credit Rings.

A copy of the CDS notice was published for comment on November 20, 2014 on the Commission's website at: <http://www.osc.gov.on.ca>. No comments were received.