

Date: August 30th, 2017

Industry Change T+2 Settlement Cycle

Pursuant to changes within the North American financial industry as well as [CDCC Notice to Members 112-17](#) and [Circular 116-17](#), effective September 5, 2017 the settlement cycle for equities and bonds will be shortened from "Trade Date plus 3 days" (T+3) to "Trade Date plus 2 days" (T+2).

This implies that a deliverable will be delivered two days after an Equity or ETF options exercise as opposed to three days.

For what concerns Government of Canada Bond Futures (CGF, CGB, and LGB) the deliverable will be delivered two days after the short counterparty advises CDCC of their intention to make delivery.

Additionally, the "Last Notice Day" for advising CDCC of the short Counterparties' intention to make delivery will also be pushed forward by one day to reflect the T+2 settlement cycle. The last notice day will be the second business day preceding the last business day of the delivery month rather than the third business day preceding the last business day of the delivery month. This change will apply to the **September 2017** contract and all subsequent expiries.

Finally, the "First Notice Day" for advising CDCC of the short Counterparties' intention to make delivery will also be pushed forward by one day to reflect the T+2 settlement cycle. The first notice day will be the second business day preceding the first business day of the delivery month rather than the third business day preceding the first business day of the delivery month. This change will apply to the **December 2017** contract and all subsequent expiries.

Impacted Product Type	Old Settlement Cycle	NEW Settlement Cycle
Equity options	"Trade Date plus 3 days" (T+3)	"Trade Date plus 2 days" (T+2)
ETF Options	"Trade Date plus 3 days" (T+3)	"Trade Date plus 2 days" (T+2)
Single Share Futures	"Trade Date plus 3 days" (T+3)	"Trade Date plus 2 days" (T+2)
Government of Canada Bond Futures (CGF, CGB, LGB) ¹	"Trade Date plus 3 days" (T+3)	"Trade Date plus 2 days" (T+2)

¹ Please note that the CGZ is already on a T+2 settlement cycle

Should you have any questions or concerns, please contact the Market Monitoring Department at the coordinates in the signature found below.

Regards,

Market Monitoring Department
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