

13.1.4 CDS Rule Amendment Notice – Technical Amendments to CDS Procedures – Spanish Maple Bonds

CDS CLEARING AND DEPOSITORY SERVICES INC. (CDS®)

TECHNICAL AMENDMENTS TO CDS PROCEDURES

SPANISH MAPLE BONDS

NOTICE OF EFFECTIVE DATE

A. DESCRIPTION OF THE AMENDMENTS

Background

Maple bonds are currently eligible for CDS if they meet eligibility requirements. CDS has been advised by a number of underwriters that one or more Spanish issuers are now considering issuing maple bonds.

Because Spanish tax law is unique in that it requires the participant holding a security to provide the issuer with a list of eligible beneficial owners if an exemption to the non-resident withholding tax on entitlement payments is claimed, the issuer of Spanish maple bonds will advise, in both the offering memorandum, and in individual issuer notices relating to interest payments, the procedures that are to be followed if claiming tax relief. Specifically, participants will need to provide their beneficial owner information to a third party as instructed by the issuer in the event they request tax relief at source.

CDS proposes to include in CDS's external procedures a reference to eligibility requirements and the related third party contact information. CDS participants will be advised that they are responsible for contacting and interacting directly with the third party as designated by the issuer.

The Procedures marked for the amendments may be accessed at the CDS website at:

<http://www.cds.ca/cdsclearinghome.nsf/Pages/-EN-blacklined?Open>

Description of Proposed Amendments

The following procedures will be impacted by this initiative:

CDSX Procedures and User Guide:

- Chapter 1 Introduction to CDSX, Section 1.4
- Chapter 3 Issue Activities, Section 3.2.6
- Chapter 8 Entitlement Activities, Section on Entitlement Activities

B. REASONS FOR TECHNICAL CLASSIFICATION

The amendments proposed pursuant to this Notice are considered technical amendments as they are matters of a technical nature in routine operating procedures and administrative practices relating to the settlement services.

C. EFFECTIVE DATE OF THE RULE

Pursuant to Appendix A ("Rule Protocol Regarding The Review And Approval Of CDS Rules By The OSC") of the Recognition and Designation Order, as amended on November 1, 2006, and Annexe A ("Protocole d'examen et d'approbation des Règles de Services de Dépot et de Compensation CDS Inc. par l'Autorité des marchés financiers") of AMF Decision 2006-PDG-0180, made effective on November 1, 2006, CDS has determined that these amendments will be effective on **September 15, 2008**.

These amendments were reviewed and approved by the CDS Strategic Development Review Committee ("SDRC") on **July 31, 2008**.

D. QUESTIONS

Questions regarding this notice may be directed to:

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