

CANADIAN PAYMENTS ASSOCIATION

LVTS RULE 9

END OF CYCLE

LVTS Rule 9, December 1998: as amended November 25, 2002, and September 25, 2003, and August 21, 2017.

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- PRE-SETTLEMENT** 9.1 During Pre-Settlement the Sending Participant shall not send any Payment Message to Receiving Participant the receipt of which has not been specifically agreed to by the Receiving Participant. It is the Sending Participant's responsibility to obtain the prior agreement required by this section and the onus of proving the existence of such agreement rests with the Sending Participant. A recorded telephone communication evidencing such prior agreement will satisfy such onus of proof.
- IMPROPER MT 205** 9.2 Notwithstanding the requirement for mutual agreement between the Sending Participant and the Receiving Participant prior to any MT205 being sent during Pre-Settlement, the Receiving Participant does not have the right to refuse acceptance of any such payment message sent in violation of such provision. The Receiving Participant may file a complaint pursuant to the provisions of the Association's Compliance By-law (By-law #6) in the case of any such breach of the Rules (improper MT 205).
- SETTLEMENT** 9.3 The Bank of Canada will effect settlement of each Participant's Multilateral Net Position in accordance with the provisions of the LVTS By-law and in accordance with the terms of the agreements between each Participant and the Bank of Canada which govern LVTS settlement activities. The Bank of Canada, with the collaboration of the Participants as required, shall use its best efforts to complete settlement by 19:30 hours in order that any post settlement collateral release activities may be completed by the normal 19:30 hours CDSX close.