
RTR Rule 15

Settlement-Only Direct Settlement Participant

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IMPLEMENTED

August 24, 2026

AMENDMENTS

[TBD]

INTRODUCTION - SCOPE

This Rule outlines requirements for participation by Direct Settlement Participants in a temporary “settlement only” limited capacity, allowing for a phased approach to meeting all obligations of a Direct Settlement Participant to enable Indirect Settlement Participants to onboard during wave 1 of the launch.

For clarity, the limited capacity permits an approved Settlement-Only Direct Settlement Participant to clear and Settle RTR Payment Obligations within RTR Clearing and Settlement on behalf of Indirect Settlement Participants only during the Defined Period of Time.

This Rule must be read in conjunction with RTR Rules 1, 2, 3, 4, 8, 9, 11 and 12.

Unless otherwise specified in this Rule, a Settlement-Only Direct Settlement Participant must adhere to all requirements in those RTR Rules that apply to Direct Settlement Participants or Settlement Agents.

1. Definitions

- a. **“Defined Period of Time”** means the period of time a Settlement-Only Direct Settlement Participant has been approved to act as a Settlement-Only Direct Settlement Participant, specifically:
 - i. the period equal to the full Rule duration as set out in section 2, below;
 - ii. the period specified in the Settlement-Only Direct Settlement Participant application if it is shorter than the period in a), above; or
 - iii. the period specified in the Settlement-Only Direct Settlement Participant’s request for an extension under section 7, below.
- b. **“Settlement-Only Direct Settlement Participant”** means a Settlement Agent whose application has been approved under this Rule and who is not required to receive RTR Payment Messages for the Defined Period of Time.

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2. Rule Duration

This rule is effective from the launch of wave 1 through the conclusion of wave 3 or such other date that the Association may determine. The Association will provide notice to Participants at least 45 calendar days in advance of the conclusion of wave 3 or such other date the Association may determine.

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3. Defined Period of Time

The timelines for wave 1 through wave 3 will be communicated to Participants once determined.

For clarity, a Settlement-Only Direct Settlement Participant must establish the ability to receive RTR Payment Messages by the end of the Defined Period of Time.

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APPLICATION

4. Qualification to Apply

Only a Member who is applying to become a Direct Settlement Participant and Settlement Agent, in accordance with Rule 4, may also apply to become a Settlement-Only Direct Settlement Participant by completing an application form (form to be provided by the Association), in accordance with this Rule, to the satisfaction of the President.

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5. Application for Participation

A Settlement-Only Direct Settlement Participant applicant must submit to the President a completed application including:

- a. confirmation from the Bank that it has established a Settlement Account and has entered into agreements with the Bank in respect of that Settlement Account;
- b. evidence to demonstrate that it has completed the training and testing applicable to becoming a Settlement-Only Direct Settlement Participant set out in this rule and the RTR Participant Onboarding Guide;
- c. the period for which it intends to act as a Settlement-Only Direct Settlement Participant;
- d. an attestation that all the obligations and requirements set out in Rule 4 will be met to become a Direct Settlement Participant by the end of the Defined Period of Time; and
- e. any other information or documentation as may be required by the Association.

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6. Approval and Non-Approval

- a. Where the President approves an application, they will notify the applicant and communicate the effective date of its participation. For clarity, an approved application creates a circumstance for the purpose of subsection 32(2) of the *RTR By-law*, which for the Defined Period of Time under section 1 above, the Direct Settlement Participant is not required to receive RTR Payment Messages.
- b. Where the President refuses to approve an application, they will notify the applicant in writing and include the reasons for refusal.

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7. Notification of New Settlement-Only Direct Settlement Participant

The President will notify all Participants of the approval of a new Settlement-Only Direct Settlement Participant and the effective date of its participation.

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8. Extension of Period

A Settlement-Only Direct Settlement Participant may request an extension to continue acting beyond the approved Defined Period of Time by submitting a written request to the President at least 30 calendar days prior to expiration of that period.

The request must:

- a. specify the timeframe and reason for the extension;
- b. provide evidence of extenuating circumstances; and
- c. justify the necessity for all relevant parties.

The Association may approve the extension if it determines that it will not negatively impact the safety, soundness, or efficient operations of the RTR System.

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9. Notification of Extension

Notification of approval and duration of the extension will be provided by the President to the following:

- a. the Settlement-Only Direct Settlement Participant;
- b. all Participants; and
- c. The Bank of Canada.

PARTICIPATION REQUIREMENTS

10. Requirements for Participation

Prior to approval as a Settlement-Only Direct Settlement Participant in the RTR System, each applicant must provide evidence satisfactory to the Association that it meets all of the applicable requirements in sections 11 to 13 below.

11. Operational Requirements

Each Settlement-Only Direct Settlement Participant applicant must demonstrate that it:

- a. has the capability to participate in RTR Clearing and Settlement on a 24/7/365 basis;
- b. supports and uses a browser(s) and version(s) as outlined in the RTR Service Level Description;
- c. meets all the technology, security and operational requirements, as applicable, to access RTR Clearing and Settlement using the API gateway(s) designated for RTR Clearing and Settlement by the Association as outlined in the RTR Service Level Description;
- d. supports the usage of encrypted web pages as defined by the Association and complies with the Association's encryption standards outlined in the RTR Service Level Description;
- e. meets the connectivity requirements for RTR Clearing and Settlement as outlined in the RTR Service Level Description;

- f. has provided up to date information related to its use of the RTR System in RTR Clearing and Settlement Registry; and
- g. meets the applicable requirements related to disaster recovery and business continuity planning described in sections 15-18, below.

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12. Testing and Other Requirements

Each Settlement-Only Direct Settlement Participant applicant must demonstrate, to the Association's satisfaction, that it:

- a. has completed all testing established by the Association as set out in the RTR Participant Onboarding Guide; and
- b. meets all other applicable technical, security and other requirements identified in the RTR Service Level Description.

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13. Training

Each Settlement-Only Direct Settlement Participant applicant must demonstrate, to the Association's satisfaction, that its personnel:

- a. have completed the RTR training program designed by the Association; and
- b. are qualified and available at all times to provide the appropriate support during the RTR Operating Cycle.

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14. RTR Clearing and Settlement Portal

- a. Each Settlement-Only Direct Settlement Participant must ensure its personnel are adequately trained on the use of the Participant's RTR Clearing and Settlement Portal.
- b. When using the RTR Clearing and Settlement Portal, a Settlement-Only Direct Settlement Participant must, in accordance with the RTR Service Level Description,
 - i. manage its RTR Authorized Personnel, security protocols and access privilege; and
 - ii. comply with the RTR Participant Security Requirements.

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15. Testing - Business Continuity

- a. Each Settlement-Only Direct Settlement Participant must develop and maintain its business continuity and contingency procedures and processes, which must include an alternate site.
- b. If a Participant has been a Settlement-Only Direct Settlement Participant for more than 12 months, it must conduct RTR business continuity testing (people and processes) at least once every 12-month period thereafter.
- c. The testing must consist of the Settlement-Only Direct Settlement Participant accessing the RTR Clearing and Settlement Portal from its alternate site.

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16. Testing - Disaster Recovery

- a. If a Participant has been a Settlement-Only Direct Settlement Participant for more than 12 months, it must test disaster recovery mechanisms to access the

RTR Clearing and Settlement Portal at least once every 12-month period thereafter.

- b. If a Participant has been a Settlement-Only Direct Settlement Participant for more than 12 months, it must test disaster recovery mechanisms to access the RTR Clearing and Settlement Portal at least once every 12-month period thereafter.

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17. Attestation - Business Continuity

Each Settlement-Only Direct Settlement Participant must:

- a. remain in compliance with the business continuity testing requirements set out in section 15 above;
- b. complete an attestation form provided by the Association confirming that it has conducted and successfully completed at least one business continuity test within the preceding 12-month period; and
- c. submit the completed attestation form to the Association, through the RTR Operational Committee representative, no later than one month after the end of the 12-month period.

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18. Attestation - Disaster Recovery

Each Settlement-Only Direct Settlement Participant must:

- a. remain in compliance with the disaster recovery testing requirements set out in section 16 above;
- b. complete an attestation form provided by the Association confirming that it has conducted and successfully completed at least one disaster recovery testing the preceding 12-month period; and

- c. submit the completed attestation form to the Association, through the RTR Operational Committee representative, no later than one month after the end of the 12-month period.

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19. Ongoing Obligation

Following approval to participate in RTR Clearing and Settlement in accordance with this Rule, each Settlement-Only Direct Settlement Participant must:

- a. continue to meet all of the requirements set out in this Rule and, upon reasonable request by the Association, provide evidence that it meets such requirements;
- b. notify the Association in a timely manner of any changes to the information provided to the Association; and
- c. ensure its personnel are adequately trained on all applicable Rules.

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20. Evidence of Compliance

- a. Prior to the approval of an applicant as a Settlement-Only Direct Settlement Participant, the applicant must provide the Association with evidence confirming the completion of any requested procedures or steps relating to RTR Clearing and Settlement. The confirmation must be submitted by the applicant's internal audit group, inspection group, or management representative, and executed by a duly authorized officer of the applicant. The acceptable forms of confirmation are:
 - i. a current audit report (i.e., completed within the previous 18 months);
 - ii. a pertinent extract of an audit report; or
 - iii. a management attestation statement.

- b. Where, after admission for participation in RTR Clearing and Settlement, the Association requests evidence that a Settlement-Only Direct Settlement Participant continues to meet the requirements of this Rule, such evidence must be provided as an audit report. This report must include the controls set out by the Association, be filed by the Settlement-Only Direct Settlement Participant's internal audit group, inspection group or management representative executed by a duly authorized officer of the Settlement-Only Direct Settlement Participant.

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POINTS OF CONTACT

21. Point of Contact Requirements

Each Settlement-Only Direct Settlement Participant must comply with applicable points of contact requirements in Rule 3.

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ATTESTATION - SERVICE LEVEL DESCRIPTION

22. Attestation

Each Settlement-Only Direct Settlement Participant:

- a. remain in compliance with the requirements set out in subsections 4.1, 4.3, and section 5 of the RTR Service Level Description;
- b. complete an attestation form provided by the Association, on an annual basis, or such other timeframe as specified by the Association; and
- c. submit a completed attestation form to the Association, along with internal audit sign-off, through the RTR Operational Committee representative, no later than March 1st of the following calendar year, or such other time as specified by the Association.

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DESIGNATION SETTLEMENT-ONLY DIRECT SETTLEMENT PARTICIPANT

23. Designation

An Indirect Settlement Participant must designate a Settlement Agent. An Indirect Settlement Participant may designate a Settlement-Only Direct Settlement Participant to clear and Settle RTR Payment Obligations on its behalf in RTR Clearing and Settlement in accordance with the Settlement Agent Designation procedures set out in Rule 4.

For greater clarity, an Indirect Settlement Participant who designates a Settlement-Only Direct Settlement Participant to clear and Settle RTR Payment Obligations on its behalf is solely responsible and liable for any RTR Payment Message it sends via the RTR Exchange.

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SETTLEMENT-ONLY DIRECT SETTLEMENT PARTICIPANT IN THE RTR EXCHANGE

24. Inactive Status

Following approval of a Settlement-Only Direct Settlement Participant, the Association will set the Participant's status in the RTR Exchange to "inactive" for the Defined Period of Time under section 1, above.

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25. Rejection

Subject to section 24 an RTR Payment Message sent to a Settlement-Only Direct Settlement Participant will be rejected by the RTR Exchange as an error.

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