PAYMENTS CANADA

LYNX RULE 2

GENERAL

2025 CANADIAN PAYMENTS ASSOCIATION

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IMPLEMENTED

August 29, 2021

AMENDMENTS

1. Amendment to add a new statutory holiday approved by the Board July 20, 2021, effective September 29, 2021.
2. Updates to accommodate the introduction of Payment Messages in the Lynx MX Format. Approved by the Board June 23, 2022, effective November 20, 2022.
3. Amendment to remove reference of first Lynx Business Day. Approved by the Board June 23, 2022, effective November 20, 2022.
4. Amendments throughout rule to accommodate the CPA Service Desk name change. Approved by the Board December 12, 2024, effective February 10, 2025.
5. Amendments to accommodate the decommission of the Lynx MT Format and the Lynx clean-up exercise. Approved by the Board September 18, 2025, effective November 24, 2025.

Business Days

1. a. Each day following the date selected by the President under subsection (b) is a Business Day, unless it is a Saturday, a Sunday, or one of the following Federal statutory holidays:

- New Year's Day
- Good Friday
- Victoria Day
- Canada Day
- Labour Day
- National Day for Truth and Reconciliation
- Thanksgiving Day
- Remembrance Day
- Christmas Day
- Boxing Day

Where a Federal statutory holiday falls on a Saturday or Sunday, the day substituted for the applicable Federal statutory holiday, if any, is not a Business Day. The Association will, each year, publish a listing of the exact dates of the above-noted holidays or substituted days for the ensuing year.

b. Despite subsection (a), a day that would otherwise be a Business Day is not a Business Day where the President has so directed, in accordance with section 49 of the *Lynx By-law*.

c. The Association must provide notice to each Participant as soon as feasible and, where possible, at least 6 hours prior to the start of

i. a day, or series of days, that would otherwise be Business Day(s) but for a directive by the President as described in subsection (b); and

ii. the Business Day immediately following a day or series of days directed not to be Business Day(s) by the President as described in subsection (b).

Lynx Operating Schedule

2. The Lynx Operating Schedule is as follows:

- Open Value Day: 19:00 hours on the day prior to the Business Day;
- Payments Processing Cycle: 00:30 hours - 19:00 hours. This includes the following windows and events:
  - Settlement Window 1: 00:30 hours - 18:00 hours;
  - Settlement Window 2 (only pacs.009 core and pacs.004 transfers): 18:00 hours

– 18:30 hours;
    - Finalization Window: 18:30 hours – 19:00 hours; and
- End Value Day Event: 19:00 hours.

The time during the Business Day for each of these windows and events is subject to variances where circumstances, emergency or otherwise, dictate. The SOC may request that the President establish revised times for the Operating Schedule for specific days in any calendar year. Any revised time schedules, with the exception of changes made to the current Operating Schedule in response to an emergency, must be communicated by the Association to all Members at least 1 month in advance if reasonably feasible.

Location

3. Subject to obtaining approval for cross border arrangements pursuant to Rule 15, a Participant's Lynx operations and Lynx Authorized Personnel with access to Lynx must be located within Canada at all times. A Participant must, upon reasonable request by the Association, provide the Association with the location(s) of its operations and Lynx Authorized Personnel used for the purposes of Lynx.

Responsibility for Payments

4. Each Participant is fully responsible for, and must fully indemnify and save harmless each other Participant, for any direct losses incurred by any other Participant, by reason of such first Participant's:

    a. delay or refusal to make the amount of a Payment Message available to the Payee as required in accordance with the terms of the *Lynx By-law* or rules; or

    b. refusal to return the amount of a Payment Message to the Sending Participant as required in accordance with the terms of the *Lynx By-law* or rules.

Problem Resolution

5. Where a Participant experiences problems related to Lynx, the first point of contact should be the Payment Operations Centre.

Access to Information

6. A Participant is entitled to access:

    a. current information concerning such Participant's own operations including information related to Settlement Instructions sent to Lynx and Lynx Payment Obligations Settled between it and other Participants;

b. historical data concerning such Participant's own operations and Lynx Payment Obligations Settled between it and other Participants. When operating out of the primary or secondary Data Centre, this data will be available to Participants within Lynx for 40 calendar days. Where Lynx is operating from the tertiary Data Centre, the data will be available to Participants within Lynx Third Site for a minimum of 14 calendar days and up to 40 calendar days;

c. information on general trends and statistics relating to Lynx as a whole or relating to its specific payment information (but not specific payment information of another Participant); and

d. information relating to the audit trail to support both specific research and general audits subject to controls imposed by the Association to protect information confidential to other Participants.

Note: The Association will retain information related to Lynx Authorized Personnel activity, as well as Settlement Instructions and Lynx Payment Obligations sent by and Settled in favour of a Participant, for at least 7 years.

The Bank's Access

7. In addition to the access to information the Bank has as a Participant, the Bank is entitled to access, for its own internal purposes, information on the Credit Limits, loan balances, Participant Settlement Instructions, Participant Minimum Liquidity Requirements and positions within each Settlement Mechanism of each Participant.

The Association Access

8. The Association is entitled to access summary information and details regarding Settlement Instructions, Settled Lynx Payment Obligations and all statistical information for its internal use including Participant assistance, general reporting, and transaction fee assessment purposes.