PAYMENTS CANADA

TSP-004

LYNX THROUGHPUT TARGET

2025 CANADIAN PAYMENTS ASSOCIATION

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IMPLEMENTED

August 29, 2021

AMENDMENTS

1. Amendment to clarify the monitoring process of Participants throughput against targets. Approved by the Board December 12, 2024, effective February 10, 2025.
2. Amendments to accommodate the Lynx clean-up exercise. Approved by the Board September 18, 2025, effective November 24, 2025.

Introduction

1. Lynx throughput targets are intended to incentivize Participants to Settle payments earlier in the Lynx cycle. The desired outcome of all Participants meeting their target throughput is a more efficient payment system from an Intraday Liquidity and delay perspective. Uneven Payment Message submission and Settlement of the associated Lynx Payment Obligations by Participants have the potential to create liquidity risks in Lynx and to its Participants.

   The throughput targets set out expectations in order to reduce these risks and promote coordination. The Association, as operator of Lynx, is required to have due regard and give due weight in accordance with the Bank's Risk-management Standards for Designated Financial Market Infrastructures numbers 4 and 7. These standards require the Association to manage overall systemic risks that may affect the financial stability of the payments system as a whole.

   Lynx throughput targets are not intended to have negative consequential impacts on the relationship between Participants and their customers; the monitoring framework provides for Participant business models, geographic location, and historical payment profiles to be taken into consideration.

Targets

2. Terms used in this document, but which are not defined, must have the meaning given to them in the *Lynx By-law* and Lynx rules.

   Since earlier submission of Payment Messages does not necessarily result in earlier Settlement of the associated Lynx Payment Obligations, the targets will be applied to the value and volume of settled Payment Messages.

   Each Participant, excluding the Bank, should avoid delaying payment submission, where possible, and endeavor to meet the following targets:

   a. 40% of its daily Payment Messages volume and 25% of its daily Payment Message dollar value before 10:00 hours ET;

   b. 60% of its daily Payment Message volume and 60% of its daily Payment Message dollar value before 13:00 hours ET; and

   c. 80% of its daily Payment Message volume and 80% of its daily Payment Message dollar value before 16:30 hours ET.

Monitoring

3. The Association monitors Participants' throughput against the targets, as well as throughput trends month over month. The monitoring of each Participant's throughput and their month over month trends provides Payments Canada with the information necessary to promote the intention and desired outcomes of the established throughput targets. Payments Canada provides reporting on the throughput to each Participant on a monthly basis and, where necessary will engage with Participants with respect to both the throughput and material deviations from the observed trends to understand underlying business models and their effect on liquidity flow.

   It is understood that certain Participants, due to the lack of international overnight traffic or geographic concentration outside of the Eastern Time zone, may have difficulty in meeting the earliest target (10:00 hours ET). The Association takes these factors into consideration when reviewing each Participant's performance against the throughput targets.