



2006 FAS ANNUAL CONFERENCE
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**REPORTS FROM KEY INDUSTRY INSTITUTIONS - CANADIAN DEPOSITORY FOR
SECURITIES (CDS)**

Keith Evans
Executive Director, Operations



CDS Update

FAS Conference - Scottsdale Arizona

September 2006

Keith Evans - Executive Director, Operations



Agenda

- Review of 2006
 - Financial results
 - Development
 - Operational
- Looking ahead to 2007



Review of 2006 - Financial

- Reduced fees for 2006 - as of November 2005
 - Cross-border fee reduced from \$11.00 to \$8.75
 - Exchange trade fee reduced from \$0.18 to \$0.15
- Exchange Trade discount
 - Effective February 2006
 - 33% discount - from \$.15 to \$.10
 - Community savings = \$7.5 million, so far...

3

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Review of 2006 - Financial

- Revenues as of July 2006
 - Clearing (after discount) - \$28 million
 - Depository - \$21 million
 - International - \$7 million
 - Other - \$7 million
- Excess Revenue over Costs
 - \$10 million

4

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Review of 2006 - Development

- SDRC Releases
 - Release 1 - February 2006
 - Reg SHO 'Threshold' security file
 - Extendible Commercial Paper
 - Proxy Record Date file for ADP - IC
 - Release 2 - May 2006
 - Entitlement reporting enhancements
 - Buy In window
 - Reg SHO 'Grandfather' calculations

5

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Review of 2006 - Development

- SDRC Releases
 - Release 3 - August/September 2006
 - Reg SHO reports and Close-out Rules
 - CNS MTM calculations - 30% reduction in CNS collateral requirements
 - Improved Data Expansion (end of September)
 - Release 4 - November 2006
 - Entitlement Strategy - Data Management

6

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Review of 2006 - Operational

- DRP exercise on November 11, 2005
- ACCESS exit
- BCP Project completion
- Higher Volumes
 - Trading activity reaching record highs
 - Highest entitlement volumes in history
 - Increased usage of LVTS

7

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Looking ahead to 2007

- CREST - DVP (and elsewhere)
- Securities Borrowing and Lending
- Entitlement Strategy
- Tax Reporting
- Reduced fees

8

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Questions?



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