

**CANADIAN PAYMENTS ASSOCIATION**  
**ASSOCIATION CANADIENNE DES PAIEMENTS**

**RULE J7**  
**FORCE MAJEURE SITUATIONS**

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## Rule J7 – Force Majeure Situations

### Implementation and Revisions

#### Implemented

April 26, 2004

#### Amendments

1. Amendments to clarify the Rule and to move Contingency Situation procedures to Rule B1. Approved by the Board June 15, 2006, effective August 14, 2006.
2. Amendment to replace references to “General Manager” with “President”, consequential to amendments to the *Canadian Payments Act* (Bill C-37) that came into effect on March 1, 2010.
3. Amendments to sections 3, 4 and 5 to replace operational committee names (‘National Clearings Committee’ to ‘Senior Operational Committee’) to reflect the restructuring of operational committees. Approved by the Board December 1, 2016, effective January 3, 2017.

## Force Majeure Situations

### Introduction

1. This Rule outlines the conditions under which procedures may be invoked to deal with a Force Majeure Situation. This rule also outlines the procedures to be followed for invoking and discontinuing a Force Majeure Situation.

For procedures dealing with a Contingency Situation, meaning an interruption of service which affects a Direct Clearer's ability to Exchange Items, refer to Rule B1.

### Definitions

2. In this Rule,
  - (a) "Force Majeure Situation" means any event beyond the control of an institution that could not be avoided by the exercise of such standard of care as is reasonable in the circumstances, including acts of God (earthquakes, natural floods, storms), fire, explosion, war, insurrection, riot, disaster, and civil disorder.

### Procedures for invoking Force Majeure

3. The following procedures shall apply in the event of a Force Majeure Situation:
  - (a) where an affected institution is an Indirect Clearer;
    - (i) the Indirect Clearer shall immediately notify its Clearing Agent of the potential Force Majeure Situation; and
    - (ii) upon receiving notice from the Indirect Clearer, the Clearing Agent shall immediately notify the CPA of the potential Force Majeure Situation by contacting the CPA Help Desk (see Appendix I).
  - (b) where an affected institution is a Direct Clearer or RCA, the Direct Clearer or RCA shall immediately notify the CPA Help Desk of the potential Force Majeure Situation;
  - (c) upon receiving notice from the Clearing Agent, Direct Clearer or RCA, the CPA shall convene an emergency conference call of the Senior Operational Committee and include such other persons or entities considered appropriate;
  - (d) the President, in consultation with the Senior Operational Committee, shall evaluate the nature and extent of the Force Majeure Situation, and if necessary invoke Force Majeure procedures; and
  - (e) the President shall notify each RCA and any other appropriate persons or entities accordingly.

## Force Majeure Situations

### Force Majeure Procedures and Procedures for discontinuing Force Majeure

4. Once a Force Majeure Situation is invoked, pursuant to section 3, the President in consultation with the Senior Operational Committee, shall determine which procedures are to be followed by the affected institutions, including whether an extension of the time frames for return is warranted.
5. The Force Majeure procedures shall be in effect until the following occurs:
  - (a) the President, in consultation with the Senior Operational Committee and such other persons or entities considered appropriate, determines that Force Majeure procedures may be discontinued; and
  - (b) the President notifies each RCA and other appropriate persons or entities accordingly.

**Force Majeure Situations**

**CPA HELP DESK CONTACT INFORMATION**

**Hours of Availability**

Twenty Four (24) hours per day, Seven (7) days per week

**Telephone Number \***

1-800-263-8863

**Fax Number**

1-613-688-1123

**\*The telephone number is automatically re-routed to the alternate help desk in the event of a problem at the primary help desk.**