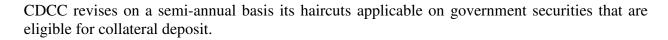


## NOTICE TO MEMBERS

No. 2016 - 007 January 18, 2016

## UPDATED HAIRCUTS ON GOVERNMENT SECURITIES DEPOSITED AS COLLATERAL



Following this review, the CDCC has decided to update the current haircuts values.

For any further information, please contact the Risk Management Department at (514) 871-3505.

Glenn Goucher President and Chief Clearing Officer



## Haircuts

		Employed				
Form of Margin	Eligible asset	Value	CAD	CAD Real Return	U.S.	U.S. Real Return
Government						
Securities	Canadian Treasury bills, Canadian bonds (including real return bonds and excluding Canada Savings Bonds), U.S. Treasury bills, U.S. Treasury bonds (including TIPS), and certain provincial bonds with a maturity of: 1					
	1 year or less	Market	1.00%	3.00%	2.00%	2.00%
	1 - 3 years	Market	2.00%	3.00%	2.50%	2.50%
	3 - 5 years	Market	2.50%	3.00%	3.50%	3.50%
	5 - 10 years	Market	3.00%	3.00%	5.00%	5.50%
	10 - 20 years	Market	3.50%	4.00%	7.50%	8.50%
	20 years and more	Market	5.50%	6.50%	7.50%	8.50%

		Employed	Province of	Province of	Province of	Province of
Form of Margin	Eligible asset	Value	Ontario	Quebec	British Columbia	Alberta
Government						
Securities	Canadian Treasury bills, Canadian bonds (including real					
	return bonds and excluding Canada Savings Bonds), U.S.					
	Treasury bills, U.S. Treasury bonds (including TIPS), and					
	certain provincial bonds with a maturity of: 1					
	1 year or less	Market	3.00%	2.50%	2.50%	2.50%
	1 - 3 years	Market	3.00%	2.50%	2.50%	2.50%
	3 - 5 years	Market	3.00%	2.50%	2.50%	2.50%
	5 - 10 years	Market	5.00%	4.50%	3.50%	3.50%
	10 - 20 years	Market	6.00%	5.00%	4.50%	4.50%
	20 years and more	Market	9.50%	5.50%	6.50%	5.50%

Form of Margin	Eligible asset	Employed Value	Province of Manitoba
Government			
Securities	Canadian Treasury bills, Canadian bonds (including real return bonds and excluding Canada Savings Bonds), U.S. Treasury bills, U.S. Treasury bonds (including TIPS), and certain provincial bonds with a maturity of: 1		
	1 year or less	Market	2.50%
	1 - 3 years	Market	2.50%
	3 - 5 years	Market	2.50%
	5 - 10 years	Market	4.00%
	10 - 20 years	Market	6.00%
	20 years and more	Market	9.50%