



NOTICE TO MEMBERS

No. 2003 - 063

November 14, 2003

ACCEPTABLE MARGIN DEPOSITS FOR SHORT CALL OPTIONS

Government of Canada Bond Options

Hereunder is a list of Government of Canada Bonds which are acceptable as deposit of underlying for offset against marginable short call positions.

Rule A-708 (1) (b) reads in part:

"Government of Canada Bonds which:

- (i) are the underlying bond; or
- (ii) have been deemed acceptable by the Corporation."

That is bonds which:

- (i) have higher coupon rates;
- (ii) have an aggregate face value at maturity of at least \$1,000,000,000;
- (iii) trade at premium of \$5 greater than the underlying bond; and
- (iv) mature no sooner than 2 years prior to the underlying bond.

| <u>Underlying Bond</u> | <u>Acceptable Margin</u> |
|--|--|
| OBA- Government of Canada 5.25% June1, 2012 | 10.50% March 15,2021 9.75% June 1, 2021 9.25% June 1, 2022 9% June 1, 2025 8% June 1, 2027 |

Lara Krivokucha
Director
Risk Management