



NOTICE TO MEMBERS

No. 2005 - 006

January 10, 2005

ACCEPTABLE MARGIN DEPOSITS FOR SHORT CALL OPTIONS

Government of Canada Bond Options

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

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

"Government of Canada Bonds that:

- (i) Are the underlying bonds; or
- (ii) Have been deemed acceptable by the Corporation (CDCC)."

These bonds:

- (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.

Underlying Bond		Acceptable Margin	
Government of Canada	5.25% June 1, 2012	10.5	March 15, 2021
		10.25	March 15, 2014
		9.5	June 1, 2010
		9	June 1, 2025
		8	June 1, 2027
		8	June 1, 2023
		5.75	June 1, 2033
		5.75	June 1, 2029

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Options on the Government of Canada Bond Futures (OGB)

Hereunder is a list of Government of Canada Bonds which are acceptable as deposit of underlying for offset marginable short call positions for Options on Futures (OGB).

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."

Deliverable 10-Year Government of Canada Bond Futures (CGB)

<u>Underlying contract</u>	<u>Acceptable Margin</u>	
	10.5	March 15, 2021
CGB March 2005	10.25	March 15, 2014
CGB June 2005	9.5	June 1, 2010
CGB September 2005	9	June 1, 2025
CGB December 2005	8	June 1, 2027
	8	June 1, 2023
	5.75	June 1, 2033
	5.75	June 1, 2029

Michel Favreau
Senior Vice-President and Chief Clearing Officer