

IIROC NOTICE

Rule Notice Guidance Note

Dealer Member Rules

Please distribute internally to:

Credit
Internal Audit
Legal and Compliance
Operations
Regulatory Accounting
Retail
Senior Management
Trading Desk

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08-0144
October 16, 2008

FX Margin Surcharge

In reference to Dealer Member Rule 100.2(d)(v)(B) and (C), there is in place a monitoring mechanism whereby the volatility of all foreign currencies in Groups 1, 2 and 3 are monitored by the Corporation on a daily basis. For any foreign currency in which its exchange rate volatility exceeds defined parameters, there is an automatic margin surcharge that shall apply for a minimum of 30 days.

Based on the volatility of the CDN dollar exchange rates, effective October 20, 2008, the following spot risk margin rate(s) apply until further notice:

- **Australian Dollar versus Canadian Dollar from 5.20% to 5.80%**
- **Japanese Yen versus Canadian Dollar from 4.90% to 5.30%**

Based on the volatility of the U.S. dollar exchange rates, effective October 20, 2008, the following spot risk margin rate(s) apply until further notice:



- **Australian Dollar versus U.S. Dollar from 6.80% to 7.40%**

Attached is the foreign exchange [Margin Violation Summary Report](#) prepared as at October 15, 2008 listing all currencies presently in Groups 1-3. The Corporation monitors the volatility of all Group 1, 2 and 3 foreign currencies and issues a notice when there is any change in status.

For reference purposes, the preceding foreign exchange margin surcharge notice to Members was IIROC Rules Notice 08-0142 dated October 15, 2008.