



INVESTMENT DEALERS
ASSOCIATION OF CANADA

bulletin



ASSOCIATION CANADIENNE DES
COURTIERS EN VALEURS MOBILIÈRES

Contact:
Jane Tan
Information Analyst, Regulatory Policy
416-943-6979

For distribution to relevant parties within your firm

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By-Laws and Regulations Amendments to Regulation 100.8 - Commodity Futures Contracts and Futures Contract Options

The Board of Directors of the Association has approved amendments to Regulation 100.8 – Commodity Futures Contracts and Futures Contract Options to repeal the redundant sections in Regulation 100.8. The amendments are effective immediately, a copy of which is enclosed as Attachment #1.

The amendments are housekeeping in nature as they mainly aim to delete the sections that detailed the capital and margin treatments of index and commodity derivative products that no longer exist. In addition, the amendments repeal the redundant sections that have been already addressed in the other sections of the IDA rulebook and retain the general capital and margin requirements for commodity futures and futures contract options.

Kenneth A. Nason
Association Secretary

TORONTO Suite 1600, 121 King Street West, Toronto, Ontario M5H 3T9 Telephone: (416) 364-6133 Fax: (416) 364-0753
CALGARY Suite 2300, 355 Fourth Avenue S.W., Calgary, Alberta T2P 0J1 Telephone: (403) 262-6393 Fax: (403) 265-4603
HALIFAX Suite 1620, 1791 Barrington Street, Halifax, Nova Scotia B3J 3K9 Telephone: (902) 423-8800 Fax: (902) 423-0629
MONTRÉAL Suite 2802, 1 Place Ville Marie, Montréal, Québec, H3B 4R4 Téléphone: (514) 878-2854 Télécopieur: (514) 878-3860
VANCOUVER Suite 1325, P.O. Box 11614, 650 West Georgia Street, Vancouver, B.C. V6B 4N9 Telephone: (604) 683-6222 Fax: (604) 683-3491

**INVESTMENT DEALERS ASSOCIATION OF CANADA
REGULATION 100.8 - COMMODITY FUTURES CONTRACTS AND FUTURES CONTRACT OPTIONS**

THE BOARD OF DIRECTORS of the Investment Dealers Association of Canada hereby makes the following amendments to the By-laws, Regulations, Forms and Policies of the Association:

1. Regulation section 100.8 is amended by repealing paragraphs 100.8(e) and 100.8(g) to (m).
2. Regulation paragraph 100.8(f) is amended by:
 - a. Renumbering the paragraph 100.8(e); and
 - b. Deleting the following text at the beginning of the paragraph

“An amount shall be deducted equal to the greater of the margin required on either the long side or the short side only with respect to the following inter-commodity spreads held by the Member firm in firm accounts (A) Treasury Bill futures contracts traded on The Toronto Futures Exchange and 90 day U.S. Treasury Bill futures contracts; or (B) long Canada contracts traded on The Toronto Futures Exchange and U.S. Treasury Bill futures contracts.”

And replacing it with the following text:

“Where a Member’s account holds inter-commodity spreads in Government of Canada bond futures contracts and U.S. treasury bond futures contracts traded on recognized exchanges, the margin requirement shall be greater of the margin required on either the long side or the short side only.”

3. Regulation paragraph 100.8(n) is amended by replacing the words “Board of Directors” after the word “Regulations” with “Association” and by renumbering the paragraph 100.8(f).

PASSED AND ENACTED BY THE Board of Directors this 13th day of April 2005, to be effective on a date to be determined by Association staff.