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For distribution to relevant parties within your firm

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IDA Establishes Strip Bond Sub-Committee to Respond to Bank of Canada Proposal on Reconstitution of Strip Bonds

The IDA has established a Strip Bond Sub-Committee to develop a response to the attached Bank of Canada's Working Paper on Reconstitution of Strip Bonds. The sub-committee reports to the IDA Capital Markets Committee and is comprised of IDA members and other industry representatives.

The policy issue is whether there should be full fungibility between reconstituted bonds that match original issue bonds in all respects, and the original issue bonds themselves. The sub-committee will determine whether the benefits, in terms of enhanced liquidity of the strip bond market and Government of Canada bonds market, exceed the costs of implementing such a program.

Individuals at member firms with opinions on the proposal are encouraged to provide their comments to Ian Russell (865-3036) or Chris Woolcock (865-3037). A committee membership list is attached.

Lyn M. Gilchrist
Association Secretary

IDA STRIP BOND COMMITTEE

Name		Company	Phone	Fax
Robert	Short	RBC Dominion Securities Inc	842-6383	842-6363
Rodney	Foss	Nesbitt Burns Inc	359-4100	359-9517
Edward	Koncewicz	ScotiaMcLeod Inc	863-7608	863-7462
Philip	McKay	Morgan Stanley Canada Ltd	943-8330	943-8383
Donald	Paterson	Lévesque Beaubien Geoffrion Inc	865-7409	865-7608
JF	Boucher	Casgrain & Company Ltd	514-871-3809	514-871- 1943
Dean	Yacula	TD Securities Inc	982-6112	944-4190
Jeffrey	Lum	CIBC Wood Gundy Securities Inc	594-8506	594-7738
Paul	Gauthier	Demers Conseil Inc	514-879-1702	514-879- 5977
Bruno	de Battista	BLC Valeurs Mobilieres Inc	514-350-2904	514-284- 6224
Keith	Campbell	The Canadian Depository for Securities	365-8723	365-0842