



INVESTMENT DEALERS
ASSOCIATION OF CANADA

bulletin



ASSOCIATION CANADIENNE DES
COURTIERS EN VALEURS MOBILIÈRES

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BULLETIN #3363

December 17, 2004

By-laws and Regulations Amendments to the Definition of “Floating Margin Rate” Set out in Regulation 100.9(a)(x)

The Board of Directors of the Association has approved amendments to the definition of the term “floating margin rate” set out in Regulation 100.9(a)(x). The amendments, a copy of which is enclosed as Attachment #1, are effective January 1, 2005.

The previous mechanics used in determining the “floating margin rate” for a particular security included a 0.50% cushion to the calculated rate as a measure of conservatism, to lessen the need for frequent margin rate changes. It has been determined that this measure of conservatism is no longer necessary.

In addition, the amendments correct a minor drafting error to ensure that both upward and downward margin rate changes are made on a regular basis under the “floating margin rate” calculation methodology.

Kenneth A. Nason

Association Secretary

INVESTMENT DEALERS ASSOCIATION OF CANADA
AMENDMENTS TO THE DEFINITION OF “FLOATING MARGIN RATE”
SET OUT IN REGULATION 100.9(a)(x)

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 100.9(a)(x) is amended by deleting the following words at the end of subparagraph 100.9(a)(x)(A):

“, where a reset results in a lower margin rate”

2. Regulation 100.9(a)(x) is amended by deleting the following words that relate to the term regulatory margin interval:

“the sum of: (C):”

and

“and (D) 0.50% (representing a cushion);”

and by renumbering the remaining subparagraphs.

PASSED AND ENACTED BY THE Board of Directors this 14th day of April 2004, to be effective on a date to be determined by Association staff.