



## STANDARD TERMS FOR REPURCHASE OPERATIONS OF GOVERNMENT OF CANADA MARKETABLE BONDS

1. The Minister of Finance hereby gives notice that all offers submitted by authorized government securities distributors ("government securities distributors") on or after the date set out below, to sell to the Government of Canada marketable Government of Canada bonds issued pursuant to the Financial Administration Act shall be subject to these *Standard Terms for Repurchase Operations of Government of Canada Marketable Bonds*.
2. Each offer shall be unconditional and shall be received by the Bank of Canada, acting on behalf of the Department of Finance Canada, **not later than the time**, and on the auction day, specified in the *Repurchase Operation Call For Tenders* to which the offer is a response.
3. Government securities distributors may submit competitive offers only. For each bond included in the *Repurchase Operation Call for Tenders*, government securities distributors may submit up to three offers. For each bond, the total amount of bonds offered by a government securities distributor may not exceed the maximum total repurchase amount specified in the *Repurchase Operation Call for Tenders*. Each offer must be stated in multiples of \$1,000 subject to the condition that each individual offer be for a minimum par value of \$1,000,000. Each offer shall state the yield to maturity to three decimal places. Government securities distributors shall not make an offer directly or indirectly on behalf of, or in concert with, any other government securities distributor.
4. The purchase price and payment required for each accepted offer will be determined on the basis of the accepted offer yields submitted. The calculation of the price for accepted offers will be carried to three decimal places on the basis of price per hundred, plus accrued interest if applicable.
5. Offers shall be submitted to the Bank of Canada, acting on behalf of the Department of Finance Canada, via telephone to the Bank of Canada's Financial Markets Department (Ottawa) and immediately confirmed by facsimile on the *Competitive Tender for Repurchase Operations of Government of Canada Marketable Bonds* form. All information must be received prior to the bidding deadline specified in the *Repurchase Operation Call for Tenders*. Neither the Minister of Finance nor the Bank of Canada shall bear any liability whatsoever for any errors in offers received or for delays in the transmission of offers.
6. The Minister of Finance reserves the right to accept or reject any or all offers, in whole or in part, including without limitation, the right to accept less than the maximum amount specified in the *Repurchase Operation Call for Tenders*.
7. All bonds delivered pursuant to offers from government securities distributors must be submitted free and clear of all liens, charges, claims, encumbrances, interest or other restrictions of any kind.
8. A summary of the auction results will be made available on the *Communications, Auction and Reporting System* on the day of the auction. Government securities distributors whose offers have been accepted will be notified by the Bank of Canada's Financial Markets Department to confirm the acceptance, in whole or in part, of the submitted offers.
9. The Bank of Canada is eligible without restriction to participate in each repurchase operation.
10. No fees or commissions will be paid by the Government of Canada in connection with these purchases of Government of Canada marketable bonds.
11. In purchasing bonds from government securities distributors, the Bank of Canada will, until further notice, utilize the Debt Clearing Service (DCS) provided by The Canadian Depository for Securities Limited (CDS). The purchase from each successful government securities distributor shall be effected through the settlement of a purchase in the DCS, involving the book entry transfer of bonds to the Bank of Canada's DCS securities account, in exchange for a DCS funds transfer of the amount owing in connection with this purchase by the Government of Canada. Government securities distributors shall observe all applicable CDS Rules, Procedures and User Guides for the Debt Clearing Service. Government securities distributors are responsible for the delivery, on the date required, of any Government of Canada marketable bond which it has successfully offered to the Government of Canada.
12. The Minister of Finance may, at his option, cancel any Government of Canada marketable bond purchased.