

THE CANADIAN FOREIGN EXCHANGE COMMITTEE LE COMITÉ CANADIEN DU MARCHÉ DES CHANGES

150 King Street West
Suite 2000
Toronto, Ontario
M5H 1J9

February 13, 2008

Dear Foreign Exchange Market Participant,

Re: Canadian Dollar Settlements and the New Ontario Holiday “Family Day” February 18th

The Provincial Government of Ontario recently declared a new holiday – Family Day – that will take place for the first time on February 18, 2008. Many of the banks in Canada have trading rooms and head office locations in Ontario and as such there have been many inquiries as to whether February 18th is a valid Canadian dollar settlement date for FX and Money Market transactions.

This new holiday is a Provincial holiday, not a Federal holiday. The Bank of Canada and payment systems in Canada will be open. However, the chartered banks’ branch networks in Ontario, Manitoba, Saskatchewan and Alberta will be closed. Therefore, payments to branch bank accounts in these provinces will be for next day value (i.e. February 19).

February 18th is President’s Day in the United States and as such it is not a standard settlement date for USD/CAD trades. However, Currency versus CAD trades can be settled as long as the payment systems in both countries are open.

While most banks participating in the Canadian dollar FX and Money Markets confirmed they are able to make payments as usual on February 18th, we recommend that market participants confirm with counterparties if they are able to settle on February 18th for any new or existing trades.

Sincerely,

George Pickering
Chair, Canadian Foreign Exchange Committee

Andy Sittambalam
Chair, Operations Managers Working Group

Sharon Grewal
Chair, Canadian Committee for Professionalism

Evan Steed
President, Financial Markets Association of Canada