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15 October Term PRA Auction

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Appendix - 15 October Term PRA Auction

October 14, 2008

The details of the 15 October auction announced as part of the **3 October** schedule are as follows:

Amount	Auction Date	Settlement Date	Maturity Date
\$10 billion	15 October 2008	17 October 2008	13 November 2008

The list of eligible securities for these transactions, and associated margins and concentration ratios will be the same as announced on 6 October for the 91 Day Term PRA transaction.

These term PRAs will be transacted with Primary Dealers (PDs). Each PD will have a bidding limit of 25 per cent of the auctioned amount and will be subject to a maximum aggregate of all outstanding Term PRAs. For PDs rated A or higher, the maximum aggregate limit will be 25 per cent of the total outstanding; for PDs rated either BBB or lower or those without a rating, the limit will be 12.5 per cent. No substitution of collateral will be permitted in this transaction.

The auction will be held on 15 October at 9:00 (ET), and the results of these operations will be announced on the Bank's website at 10:00 (ET). The total amount of assets acquired through these term PRA operations will be announced on the Bank's website on the settlement day by 16:45 (ET).

Term PRA Facility for Private Sector Money Market Instruments

Eligible Bidders:

- Direct: Primary Dealers;
- Indirect: Other money market participants.

Eligible Securities:

- Bankers' acceptances and promissory notes, including those of foreign issuers, (maximum term, 364 days) with a minimum issuer credit rating of R1 (low) by the Dominion Bond Rating Service (DBRS), or A-1 (mid) by Standard and Poor's (S&P), or P1 by Moody's Investors Service (Moody's);
- Commercial paper, including that of foreign issuers, (maximum term, 364 days) with a minimum issuer credit rating of R1 (low) by DBRS, or A-1 (mid) by S&P,

or P1 by Moody's;

- Asset-backed commercial paper of eligible programs, with a minimum of two credit ratings, at least two ratings that are either R1 (high) by DBRS, A-1 (high) by S&P, P1 by Moody's, or F1+ by Fitch Ratings.

A minimum bid rate will apply. Further details will be announced on Friday, 17 October following consultations with market participants with respect to the term to maturity.

Acceptance of non-mortgage loan portfolio as eligible collateral

The margin (haircut) applied to the non-mortgage loan portfolio will be 40 per cent. Further details will be announced on Friday 17 October.