

**TERMS AND CONDITIONS GOVERNING THE MORNING AUCTION
OF RECEIVER GENERAL CASH BALANCES
(28 January 2016)**

The following section was updated:

1. Overview

Excess Receiver General cash balances are invested with select counterparties through an auction process administered by the Bank of Canada, on behalf of Her Majesty the Queen in right of Canada as represented by the Minister of Finance (“Canada”). Tenders may be held on any day when clearing exchanges occur. Typically, there will be two auctions per day: a “morning auction” and an “afternoon auction”. This document sets forth the Terms and Conditions for participation in the morning auction of Receiver General cash balances.

Each winning participant in the morning auction (each, a “Participant”) will provide security for the amounts awarded to such Participant by way of a purchase – reverse repurchase (“repo”) transaction whereby the Participant will sell eligible securities to Canada in exchange for the amount to be invested and repurchase such securities at ~~a higher~~ the agreed upon repurchase price at the maturity of the investment. Each such repo transaction (a “Receiver General Repo Transaction”) will be documented pursuant to a repurchase agreement between Canada and the Participant using the SIFMA/ICMA Global Master Repurchase Agreement (2011 Version), as amended by the supplemental terms and conditions set out in Annex I to that form that accompanies these terms and conditions (the “GMRA”).