

	finance their operations at a cost slightly above half of the prime rate. The instruments are income debentures, term preferred shares, Small Business Development Bonds (SBDBs) and Small Business Bonds (SBBs). Today, only the SBBs are still in effect.
MARGINAL TAX RATE	The rate of taxation applicable to the last dollar of earnings. In Canada, the marginal tax rate on personal income rises progressively as income rises.
MONETARY POLICY	A policy of the Federal Government implemented by the Bank of Canada through operations of chartered banks for controlling credit, money supply and the level of interest rates in a manner consistent with the government's major economic policy objectives.
MONEY MARKET	There is not a single specific definition of money market. It usually refers to that part of the capital market where short term (under 3 years) financial instruments are traded. These generally include Treasury Bills, commercial paper, bankers' acceptances, bonds maturing in three years or less and guaranteed investment certificates.
MONEY MARKET FUND	Investment funds financed by the issuance of shares whose yield matches closely those offered by money market instruments such as Treasury Bills, commercial paper, and bankers' acceptances.
MORTGAGE	A loan contract whereby a property is pledged as security for the loan.
NET INTEREST REVENUE	Total interest received on loans and investments less total interest cost of deposits.
NET SPREAD ON LOANS	The difference between the average yield on all loans and the average cost of deposits used to fund those loans.
NET YIELD-COST SPREAD	The difference between the yield on all earning assets and the cost of deposits.
NON-CURRENT LOAN	A loan whereby, in the judgment of the bank, full interest or principal may not be recoverable.
NON-PRODUCTIVE LOAN	A loan on which no interest has been paid for a period of 90 days or more.
PREFERRED STOCK	A class of share capital which entitles the shareholders to certain preferences over common shareholders, such as