

TO: Clearing Member Firms
Chief Financial Officers
Back Office Managers

FROM: CME Clearing

ADVISORY #: 21-411

SUBJECT: Modifications to the Schedule of Acceptable Performance Bond

DATE: November 12, 2021

Effective November 24, 2021, and pending all relevant CFTC regulatory review periods, CME Clearing will implement the following changes to its schedule of acceptable performance bond collateral for Base and IRS performance bond requirements:

- CME Clearing currently limits the aggregate amount of money market mutual funds, COMEX gold warrants, London gold bullion, stocks, exchange-traded funds, corporate bonds, supranational debt, foreign sovereign debt, Canadian provincials, U.S. government agencies, agency MBS, U.S. Treasury Strips, and U.S. Treasury Inflation-Protected Securities (TIPS) to meet performance bond requirements up to \$7 billion USDE per clearing member and affiliates. Going forward, TIPS deposited as performance bond will no longer be included in the \$7 billion USDE aggregate limit. TIPS will continue to be subject to the current \$1 billion TIPS collateral limit, per clearing member and affiliates.
- CME Clearing currently accepts non-USD cash to meet performance bond requirements denominated in a different currency up to \$250 million USDE per clearing member and affiliates (\$200 million for Offshore Chinese Renminbi), subject to cross-currency haircuts. Going forward, CME Clearing will permit clearing members to deposit additional CAD, EUR, GBP, and JPY up to a limit of \$500 million USDE per clearing member and affiliates. The limit increase will be enabled in the Clearing 21 system only upon a request from a clearing member and based on commercial bank capacity. To request a limit increase for the aforementioned currencies, please contact CME Financial Operations at ClearingHouseFinancial@cmegroup.com.

For collateral acceptance criteria as well as information regarding limits and haircuts, please see the [Standard Acceptable Collateral and Resources website](#).

For information related to non-cash collateral fees, please see the [Cash Interest Rates and Non-Cash Collateral Fees website](#).

For further information related to collateral, please contact CME Credit Risk at CreditRisk@cmegroup.com.