

COMEX Gold Warrants

COMEX GOLD WARRANTS MAY BE PLEDGED AS COLLATERAL

Acceptable Collateral:

CME Clearing accepts gold warrants registered with the Exchange issued by COMEX-approved depositories ("COMEX gold warrants"). Clearing members may pledge up to \$750 million in gold collateral (COMEX gold warrants & London gold bullion, collectively) as initial margin collateral to meet Base and IRS performance bond requirements.

COMEX Gold Warrant details:

- Electronic document of title under the Uniform Commercial Code (UCC)
- Size: 100-troy ounces¹ and 400-troy ounces²
- Minimum purity: 99.5% fineness
- Each warrant issued by a COMEX depository references the brand and serial number.³

Program Parameters:

- 15% haircut
- Accepted for USD-denominated performance bond requirements
- \$750 million post-haircut limit, inclusive of both COMEX gold warrants & London gold bullion

CME Systems Updates:

- Clearing members enter deposit and withdrawal transactions in Clearing 21, CME's Banking and Collateral Management system.
- For Customer Segregated and Customer OTC deposits, an account number must be provided in Deliveries Plus.
- Once the warrant transfer is reflected in Deliveries Plus, the deposit is finalized in Clearing 21.

COMEX Gold Depositories:⁴

- Brink's, Inc.
- Delaware Depository
- HSBC Bank, USA
- International Depository Services of Delaware
- JP Morgan Chase Bank NA
- Loomis International (US) Inc.
- Malca-Amit USA, LLC
- Manfra, Tordella & Brookes, Inc.

Stock Report:

The Gold Stock Report includes a separate line item for "Pledged_PB" inventory warehoused at each COMEX gold depository.

Contacts:

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

For further information related to processing and testing in Deliveries Plus, please contact Deliveries at clearinghousedelivteam@cmegroup.com

For further information related to processing and testing in Clearing 21, please contact Financial Operations at clearinghousefinancial@cmegroup.com

For further information related to the Gold Stock Reporting, please contact the Office of the Registrar at registrar@cmegroup.com

1. Weight tolerance of 5% higher or lower per 100-troy ounce warrant.

2. Weight tolerance of 7.5% higher or 12.5% lower per 400-troy ounce warrant.

3. Elemental (ELEM) and Al Ethiad (ALET) brands are not accepted as performance bond.

4. The list of Exchange approved COMEX gold depositories can be found in Chapter 7 of the NYMEX Rulebook. <https://www.cmegroup.com/content/dam/cmegroup/rulebook/NYMEX/1/7.pdf>

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