

Acceptable Collateral for Clearing Fund, Margin and Interoperability Fund requirements

Asset Class	Description	Eligibility						Notes
		Clearing Fund	Margin collateral	EuroCCP collateral	EuroCCP Liquidity -SPR-	EuroCCP Liquidity -SEA-	Interoperability Fund	
Cash	British pound (GBP)							
	Euro (EUR)							
	Danish krone (DKK)							Not eligible
	Norwegian krone (NOK)							Not eligible
	Swedish krona (SEK)							Not eligible
	Swiss franc (CHF)							Not eligible
United States dollar (USD)							Not eligible	
Asset Class	Issuer group	Haircut category						Notes
Bonds	IG1 - Central Bank	I	I	I	I	I	I	Restriction: only acceptable if issued by Austria, Belgium, Denmark, Finland, France, Germany, Sweden, Switzerland, United Kingdom, The Netherlands or the United States of America. Restriction for Interoperability Fund: only acceptable if issued by Austria, Belgium, Finland, France, Germany, The Netherlands.
	IG2 - Central government	I	I	I	I	I	I	
	IG5- Regional/Local Government	Not eligible	II	II	II	II	II	
	IG6 - Supranational	Not eligible	II	II	II	II	II	
	IG7 - Agency - Non Credit Institution	Not eligible	II	II	II	II	II	

Notes to the table

Issuer criteria:

- Both bank guarantees and securities guaranteed by a credit institution are not acceptable
- Asset type Multi- cédulas is not acceptable
- Both gold and equities are not acceptable

Minimum rating criteria

	Long term	or short term
Fitchratings	A-	F1
Moody's	A3	P-1
Standard & Poor's	A-	A-1

If available, the 5-year Credit Default Swap (CDS) rate must be lower than 200 basis points.
If the 5-year Credit Default Swap (CDS) rate >200 basis points: EuroCCP might revoke eligibility

Liquidity

Euro denomination

Liquidity classes L1A (Haircut Category I), L1B (Haircut Category II) or L1C (Haircut Category III) of the ESCB

Non-Euro denomination

- Trading on regulated markets
- Sizeable bid quotes of at least 5 different buyers
- Daily historical volume of at least the highest of
 - (1) requested nominal quantity and
 - (2) total combined collateral quantity (calculated over the last 125 days).

Haircut schedule

Haircut schedule bonds

Residual maturity (years)	Category I	Category I	Category II	Category II
	Fixed cpn	Zero cpn	Fixed cpn	Zero cpn
0-1	0.5	0.5	1.0	1.0
1-3	1.0	2.0	1.5	2.5
3-5	1.5	2.5	2.5	3.5
5-7	2.0	3.0	3.5	4.5
7-10	3.0	4.0	4.5	6.5
>10	5.0	7.0	8.0	10.5

The minimum collateral haircut will be floored at the maximum of the observed **historical volatility** and **bottom volatility**:
Applicable haircut will be set at: maximum(Haircut above table, Historical volatility, Bottom Volatility)

Historical volatility

The price volatility specific haircut is determined by the EWMA volatility over the last 250 trading days, with a minimum haircut of 3%

Bottom volatility

The bottom volatility is set at the combined stress levels in the maturity buckets and credit rating buckets listed below.

As an example the haircut for an A rated bond with a residual maturity of 11 years will be at least 9.5% (rating) + 6% (maturity) = 15.5%.

Residual maturity (years)	Haircut
0-3	1.0
3-5	2.0
5-7	2.5
7-10	3.5
>10	6.0

Rating	Haircut
AAA	2.5
AA	3.5
A	9.5

Haircut schedule currency mismatch

Collateral (cash and non-cash) deposited in currencies other than the reporting currency are subject to an additional haircut (with the exception for liquidity requirements, which will not be subject to an additional haircut).
This additional haircut is equal to the stressed fx return.

Below table shows the applicable haircuts against the euro.

Currency	Haircut
GBP	7.0
DKK	9.0
NOK	7.0
SEK	10.0
CHF	19.5
USD	8.5

Notes to the table

The haircut applied to collateral instruments is the result of the combination of the haircuts of each specific risk
Haircut refers to the percentage discount applied to the market value of collateral valuation
Interoperability Fund: a minimum haircut of 10% applies for non-cash Deposits

EuroCCP Concentration limits

Concentration limits– individual clearing members			
Combined collateral to cover both margin requirements and Clearing Fund			
Issuer Type	Type of asset - Definition	Limit	Notes
	Cash	≤ 100%	Clearing Participants may cover up to 75% of Margin requirements (Non-liquidity requirements) with United States treasury securities. Clearing Participants may cover up to 100% of margin calls resulting from liquidity margin requirements with United States treasury securities.
IG1	Non-cash - Central Bank	≤ 100%	
IG2	Non-cash - Central Government	≤ 100%	
IG3	Non-cash - Corporate and Other Issuer	0% - Not accepted	
IG4	Non-cash - Credit Institution (excluding Agencies)	0% - Not accepted	
IG5	Non-cash - Regional/Local Government	≤ 75%	
IG6	Non-cash - Supranational Issuer	≤ 75%	
IG7	Non-cash - Agency – Non Credit Institution	≤ 75%	
IG8	Non-cash - Agency – Credit Institution	0% - Not accepted	
IG9	Non-cash - Financial Corporations Other Than Credit Institutions	0% - Not accepted	
Individual issuers - geographic region			
<ul style="list-style-type: none"> Government bonds per instrument (ISIN) excluding France or Germany: < 200 million equivalent EURO market value including accrued interest and ≤ 100% of combined requirements Government bonds per instrument (ISIN) for countries being France or Germany: < 400 million equivalent EURO market value including accrued interest and ≤ 100% of combined requirements 			
Clearing Fund:			
Issuer Type	Type of asset - Definition	Limit	Notes
	Cash	≤ 100%	
IG1	Non-cash - Central Bank	≤ 100%	
IG2	Non-cash - Central Government	≤ 100%	
IG3	Non-cash - Corporate and Other Issuer	0% - Not accepted	
IG4	Non-cash - Credit Institution (excluding Agencies)	0% - Not accepted	
IG5	Non-cash - Regional/Local Government	0% - Not accepted	
IG6	Non-cash - Supranational Issuer	0% - Not accepted	
IG7	Non-cash - Agency – Non Credit Institution	0% - Not accepted	
IG8	Non-cash - Agency – Credit Institution	0% - Not accepted	
IG9	Non-cash - Financial Corporations Other Than Credit Institutions	0% - Not accepted	
Individual issuers - geographic region			
<ul style="list-style-type: none"> Government bonds per instrument (ISIN) excluding France or Germany: < 50 million equivalent EURO market value including accrued interest and ≤ 100% Government bonds per instrument (ISIN) for countries being France or Germany: < 100 million equivalent EURO market value including accrued interest and ≤ 100% 			
Concentration limits– all clearing members			
Issuer Type	Type of asset - Definition	Limit	Notes
	Cash	≤ 100%	
IG1	Non-cash - Central Bank	≤ 100%	
IG2	Non-cash - Central Government	≤ 100%	
IG3	Non-cash - Corporate and Other Issuer	0% - Not accepted	
IG4	Non-cash - Credit Institution (excluding Agencies)	0% - Not accepted	
IG5	Non-cash - Regional/Local Government	≤ 75%	
IG6	Non-cash - Supranational Issuer	≤ 75%	
IG7	Non-cash - Agency – Non Credit Institution	≤ 75%	
IG8	Non-cash - Agency – Credit Institution	0% - Not accepted	
IG9	Non-cash - Financial Corporations Other Than Credit Institutions	0% - Not accepted	
Individual issuers			
<ul style="list-style-type: none"> Government bonds per instrument (ISIN) country excluding France or Germany: < 1,000 million equivalent EURO market value including accrued interest and ≤ 100% Government bonds per instrument (ISIN) for countries being France or Germany: < 2,000 million equivalent EURO market value including accrued interest and ≤ 100% 			