



**THE FOUNDATION  
FOR SECURE  
MARKETS**

**#47226**

**DATE: JUNE 30, 2020**

**SUBJECT: HOLIDAY PROCESSING - JULY 2<sup>nd</sup> and 3<sup>RD</sup>**

The Chicago Mercantile Exchange (“CME”) will be open for trading for certain products on Friday, July 3, 2020. All trades will be processed with a trade date of July 6, 2020. Since July 3, 2020 is an OCC holiday, OCC will process a 10% holiday margin increase on accounts holding XCME positions on Thursday, July 2, 2020. This holiday margin call will result in a collateral requirement in segregated futures accounts equal to the larger of (a) Daily Net Margins plus the 10% holiday margin call or (b) Customer Gross Margins. Proprietary account treatment will not change. Please note that this increase is not reflected on the Account Summary By CMO Report or the Cash Settlement Breakdown Report. Firms drafted as a result of the holiday margin increase will be notified Thursday morning. Clearing Members are responsible for requesting cash back via ENCORE after depositing alternative forms of collateral.

In addition, CME and OCC settlement banks are open for business on Friday July 3, 2020. The options exchanges, along with OCC observe this holiday (as noted above) and will be closed for business. Please note that OCC will be conducting limited settlement activities to support the processing of Variations generated by the CME. Below is information regarding OCC/CME cross margin settlements on Friday, July 3, 2020, and weekly expiration processing on Thursday, July 2, 2020.

### **Cross Margin Settlements**

On Friday, July 3, 2020, OCC will process the CME End-of-Day (EOD) Variation received the night of July 2, 2020. OCC will process debit settlement instructions for Variation amounts owed by a Clearing Member, and credit settlement instructions for Variation amounts due to a Clearing Member, but only to the extent that the credit exceeds the amount of any net settlement pay owed to OCC/CME for settlement Monday, July 6, 2020 as will be reflected on the Account Summary by CMO report. Any portion of the credit that was withheld for deficits will be deposited to the Clearing Member’s cash account in ENCORE. **No Collateral**

**transactions or cash withdrawal requests will be accepted or processed on Friday, July 3, 2020.**

CME will not be generating a Mid-Day Variation on Friday, July 3, 2020.

If applicable, OCC will process the CME EOD Variation received Friday night July 3, 2020 on Monday, July 6, 2020.

The CME EOD Variations mentioned above will not be reflected on the Account Summary by CMO report or Start of Day Cash Settlement Breakdown report. OCC will contact all impacted OCC/CME cross margin Clearing Members to provide debit and credit amounts processed from the Variations.

### **Expiration Processing**

Normal weekly expiration timeframes will apply on Thursday, July 2, 2020.

EED / DNED	6:00 pm CT
Ex by Ex Window Close	7:00 pm CT

All cash settled indices will be settled on Monday, July 6, 2020 and all equity settlements will be settled on Tuesday, July 7, 2020.

If you have any questions regarding this memo, please contact Member Services Help Desk at the following numbers: 800-544-6091 or 800-621-6072. Within Canada, please call 800-424-7320. Clearing Members may also e-mail us at [memberservices@theooc.com](mailto:memberservices@theooc.com).