



**THE FOUNDATION
FOR SECURE
MARKETS**

47697

TO: ALL CLEARING MEMBERS

DATE: OCTOBER 9, 2020

SUBJECT: ENCORE BANK HOLIDAY PROCESSING

Bank Holiday 10% Margin Call

Monday, October 12, 2020 is a U.S. and Canadian bank holiday. On Friday, October 9, 2020, a margin call was applied during Start of Day processing equal to 10% of the Risk Charges for each margin tier account.

This bank holiday margin call resulted in a collateral requirement in segregated futures accounts equal to the larger of (a) Daily Net Margins plus the 10% bank holiday margin call or (b) Customer Gross Margins. Treatment for all other accounts will not change.

Please note that the margin call increase is reflected in the Total Requirement number on the Account Summary By CMO Report for activity date 10/9/20. The margin increase will not be reflected on Margin Reports since the call for additional margin is determined after margins are calculated but before collateral excess/deficit and cash settlements are processed.

Pay/Collect & Settlement Processing

The following information should be used by Clearing Members in their balancing activities for Trade Date Activity of 10/9/20 and 10/12/20.

Pay/Collect Activity

Pay/Collect activity from Friday, 10/9/20 that would normally settle on 10/12/20, will instead be tagged with a settlement date of 10/13/20 due to the bank holiday on Monday, 10/12/20.

Account Summary Report/Rolling Pay/Collect By CMO Report

For Activity Date 10/12/20, the Account Summary by CMO report will display collateral balances, account deficits, and zero pay/collect amounts. No deficit drafts will be created. For Activity Date 10/13/20, this report will display collateral balances, account deficits and netted pay/collect amounts from Friday, 10/9/20 and Monday, 10/12/20 processing. The Rolling Pay/Collect By CMO Report provides an activity date breakdown of the pay/collect amounts by settlement date.

Settlements

On 10/12/20 (Bank holiday), no U.S. Dollar settlements will be generated or sent to the banks. On 10/13/20, U.S. Dollar settlements will be generated based upon all pay/collect records with a settlement date of 10/13/20, along with any deficit drafts from Monday's start of day processing.

If you have any questions, please contact your Clearing Member representative or the Member Services Help Desk at the following numbers: 800-621-6072 or 800-544-6091. Within Canada, please call 800-424-7320. Clearing Members may also e-mail us at memberservices@theocc.com.