



**DATE: October 29, 2024**

**SUBJECT: COLLATERAL HAIRCUT SCHEDULE UPDATE**

OCC will be modifying the government security collateral haircut schedule effective following close of business on Friday, November 1, 2024 for settlement processing the morning of Monday, November 4, 2024. This update will impact both margin and clearing fund treasury collateral deposits in the impacted haircut tranches.

Also note that deposits in OCC/CME cross margin accounts are subject to the more conservative haircut of each respective organization.

**Current Collateral Haircut Schedule**

Asset Type	Time to Maturity				
	≤ 1 Year	> 1 & ≤ 5 Years	> 5 & ≤ 10 Years	> 10 & ≤ 15 Years	> 15 Years
U.S. Government Securities (Bills, Bonds, Notes)	0.5%	2.5%	3.5%	5%	8%
U.S. Government Securities (STRIPS, TIPS)	1%	2.5%	5%	8%	11%
U.S. Government Sponsored Debt (Bills, Bonds, Notes)	1%	3%	5%	N/A	N/A
Canadian Government Securities (Bills, Bonds, Notes)	0.5%	2%	3.5%	Not Eligible	Not Eligible

**New Collateral Haircut Schedule (Effective close-of-business 11/1/2024)**

Asset Type	Time to Maturity				
	≤ 1 Year	> 1 & ≤ 5 Years	> 5 & ≤ 10 Years	> 10 & ≤ 15 Years	> 15 Years
U.S. Government Securities (Bills, Bonds, Notes)	<b>1%</b>	2.5%	<b>5%</b>	<b>6.5%</b>	8%
U.S. Government Securities (TIPS)	1%	2.5%	5%	8%	11%
U.S. Government Securities (STRIPS)	<b>5%</b>	<b>5%</b>	<b>18%</b>	<b>18%</b>	<b>18%</b>
U.S. Government Sponsored Debt (Bills, Bonds, Notes)	<b>5%</b>	<b>5%</b>	<b>8%</b>	N/A	N/A
Canadian Government Securities (Bills, Bonds, Notes)	<b>3%</b>	<b>4%</b>	<b>5%</b>	Not Eligible	Not Eligible

<https://www.theocc.com/clearance-and-settlement/acceptable-collateral-haircuts>

For questions regarding this memo, please contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, and email [memberservices@theocc.com](mailto:memberservices@theocc.com) or [pricingandmargins@theocc.com](mailto:pricingandmargins@theocc.com).