

CIRCULAR



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**To: Back Office Accounting Suppliers
Clearing Members**

No: 52/98

SFECH Collateral For Initial Margins

Further to Circular No 39/98 Clearing Members are reminded that from **Monday 6 July 1998** SFECH will allow a number of alternative forms of collateral to be provided against SFE and NZFOE initial margin obligations. Specifically:-

1. SFECH will now accept United States Dollars USD as collateral for SFE and NZFOE initial margin obligations.
2. SFECH will accept AUD to cover NZFOE initial margin obligations and NZD to cover SFE initial margin obligations. Members should also note that any SFE House account excess currency can be used to cover initial margin obligations for the NZFOE House and client positions, and vice versa. This capability may be used at Member discretion to reduce cashflows and transaction costs.
3. SFECH will accept Australian Commonwealth Government Securities as collateral for SFE initial margins.

If you have any queries with regard to these additional forms of collateral or how your organisation can utilise these improved facilities please contact the undersigned or Ben Hatcher on 9256 0553.

Peter Dalton
Assistant Risk Manager

02/07/98

SYDNEY FUTURES EXCHANGE CLEARING HOUSE PTY LIMITED
ACN 050 615 864

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