

Eligible Collateral Schedule Templates

As part of ISDA's ongoing effort to facilitate market participants with efficient implementation of the Uncleared Margin Rules, ISDA has worked with member firms to develop template eligible collateral schedules for certain sovereign and supranational debt obligations for use in complying with initial margin requirements. These schedules are intended to ease the burden of document negotiation by providing counterparties with pre-selected lists of debt instruments that are eligible collateral types and corresponding minimum regulatory haircuts (depending on the applicable credit quality), which can be used as a convenient starting point for negotiations. It should be noted that these schedules are intended to form a base level, which individual firms can amend by adding or removing assets, or agreeing alternative haircuts, when setting the eligible collateral for a specific initial margin arrangement.

Disclaimer: ISDA does not endorse any specific collateral types or ratings for use by counterparties. Each party is responsible for determining the collateral it is willing to collect and post and for determining the applicable haircuts based on its individual commercial preference and applicable regulations. The template schedules are not and do not contain legal, tax, regulatory, accounting or any other advice.

Ten template schedules have been developed, accommodating four groupings of debt instruments issued by governments and supranationals, two minimum credit qualities (A-/A3 and above and BBB-/Baa3 and above), and differences between regulatory requirements for haircuts in the US, EU and Japan.

A description of the content of each of the template schedules appears in the Annex to this note. The forms in which these template schedules can be implemented depends on whether parties are using a third party custodial platform or a triparty custodial platform. For a third party custodial platform, the parties typically agree their eligible collateral in a bilateral document that forms part of their bilateral credit support document (for example a Credit Support Annex). For a triparty custodial platform, the parties agree eligible collateral with the triparty custodian, using the custodian's documentation.

Third Party Custodial Platform Schedules

To facilitate use of the template eligible collateral schedules with third party custodial platforms, ISDA has published forms of the template eligible collateral schedules that can be included in a bilateral ISDA credit support document. These template eligible collateral schedules are available here

[ISDA Bookstore](#) using the keyword filter 'Collateral Schedule'.

Triparty Custodial Platform Schedules

ISDA has assisted four triparty custodians (BNY Mellon, Clearstream, Euroclear and JP Morgan) to produce their own template triparty eligible collateral schedules to implement the ten template schedules developed by ISDA.

Please note that these template triparty eligible collateral schedules remain the property (intellectual or otherwise) of the relevant triparty custodian. ISDA accepts no liability for their content and makes no representation as to their accuracy. All further queries on these triparty eligible collateral schedules should be directed to the relevant custodian per the instructions below.

BNY Mellon

Please contact your BNYM Relationship Manager for further details.

Clearstream

Please contact:

- Crispin Searle (Crispin.Searle@deutsche-boerse.com) - Primary contact)
- James Cherry (james.cherry@clearstream.com) - Secondary contact)

Euroclear

Please log in to MyEuroclear at:

https://my.euroclear.com/eb/en/reference/services/collateral-management/otc-derivatives-margin-service/non-cleared_otc_derivative_margining_service.html

JPM

Please contact the eligibility team:

scm.eligibility@jpmorgan.com

Annex
Description of the template collateral eligibility schedules

Each template eligible collateral schedule for debt obligations for use with third party custodial platforms contains debt obligations issued by sovereign or supranational entities listed in one of three buckets. The ten schedules reflect a choice of bucket based on the debt groupings set out below, a minimum credit quality and the non-cleared margin regulations assumed to apply (for purposes of determining the minimum required haircut). The ten schedules are listed below and the definition of the three buckets follows.

- Schedule 1 - Bucket 1; minimum rating A-/A3; EU, Japanese or US rules apply to either party
- Schedule 2 - Bucket 1; minimum rating BBB-/Baa3; EU, Japanese or US rules apply to either party
- Schedule 3 - Bucket 2; minimum rating A-/A3; US rules apply to at least one party, EU or Japanese rules may also apply to either party
- Schedule 4 - Bucket 2; minimum rating BBB-/Baa3; US rules apply to at least one party, EU or Japanese rules may also apply to either party
- Schedule 5 - Bucket 3; minimum rating A-/A3; US rules apply to at least one party, EU or Japanese rules may also apply to either party
- Schedule 6 - Bucket 3; minimum rating BBB-/Baa3; US rules apply to at least one party, EU or Japanese rules may also apply to either party
- Schedule 7 - Bucket 2; minimum rating A-/A3; EU or Japanese rules apply to either party and US Rules do not apply to either party
- Schedule 8 - Bucket 2; minimum rating BBB-/Baa3; EU or Japanese rules apply to either party and US Rules do not apply to either party
- Schedule 9 - Bucket 3; minimum rating A-/A3; EU or Japanese rules apply to either party and US Rules do not apply to either party
- Schedule 10 - Bucket 3; minimum rating BBB-/Baa3; EU or Japanese rules apply to either party and US Rules do not apply to either party

| Bucket 1 | Bucket 2 | Bucket 3 |
|----------|----------------|----------------|
| G6 | Sovereigns 1 | Sovereigns 1 |
| | Supranationals | Supranationals |
| | | Sovereigns 2 |

| G6 | Sovereigns 1 | Sovereigns 2 | Supranational |
|---------|--------------|----------------|------------------------------------|
| Canada | Belgium | Australia | African Development Bank |
| France | Canada | Austria | Asian Development Bank |
| Germany | Denmark | Chile | Bank for International settlements |
| Japan | France | Czech Republic | Council of Europe Development Bank |

| | | | |
|--------------------------|--------------------------|-----------------|---|
| United Kingdom | Finland | Estonia | European Financial stability Facility |
| United States of America | Germany | Hungary | European Bank for Reconstruction and Development |
| | Japan | Iceland | European Central Bank |
| | Netherlands | Ireland | European Investment Bank |
| | United Kingdom | Israel | European Stability Mechanism |
| | United States of America | Italy | European Union |
| | Sweden | Luxembourg | International Bank for Reconstruction and Development |
| | Switzerland | New Zealand | International Finance Corporation |
| | | Norway | International Monetary fund |
| | | Poland | The Inter-American Development Bank |
| | | Portugal | The Nordic Investment Bank |
| | | Slovak Republic | The Caribbean Development Bank |
| | | Slovenia | The European Investment Fund |
| | | Spain | The Multilateral Investment Guarantee Agency |
| | | | The Islamic Development Bank |