

# Clearing model: Optimise margin methodologies and asset mobilisation

**Strategic direction:** Enhance efficiency of clearing by optimising margin methodology and providing best-in-class tools for the efficient mobilisation of assets

Initial margin  
(IM)

**Intended actions:**

- User choice through optional gross client omnibus account to reduce IM levels
- Transition to VaR to reduce IM levels

Variation margin (VM)

**Intended action:**

- Retain Discounted Contingent Variation Margin (DCVM) for the present to support current member booking model

Asset mobilisation

**Intended actions:**

- Enhance warrants-as-collateral service
- Investigate other collateral transformation tools

Client clearing

**Intended action:**

- Broader range of clearable client contracts

Delivery of IM reduction and asset mobilisation will protect market in the event of needing to move to Realised Variation Margin (RVM)