

To: All LME Clear Members and other interested parties

Date: 15 June 2026

Ref: 26-024

Classification: Collateral/Liquidity

Subject: **Enhancements to LME Clear's Member Margin Collateral Service**

Summary

1. This circular advises LME Clear members of enhancements to its Member margin Collateral service.

Defined Terms

2. Terms not otherwise defined in this Notice shall have the meaning ascribed to them in the LME Clear Rules.

CNH Cash Collateral

3. LME Clear is further enhancing its offshore renminbi ("**CNH**") Member margin Cash Collateral service by:
 - a) Increasing limits per Member from CNH 90m to CNH 135m.
 - b) Reducing the notice period required in order to lodge and withdraw CNH from T-2 to T-1.
4. In addition, the current interest payable calculation for CNH of CDIR minus zero basis points is confirmed as remaining in effect until the end of 2026.
5. The LME Clear Rules will be updated to reflect the proposed changes to CNH lodgement and withdrawal times. The minor administrative changes are set out in the extracts attached at Appendix 1. These changes will come into effect on 22 June 2026. This Notice is a Rule Change Notice for the purposes of Rule 2.2 of the LME Clear Rules. Limit changes will take effect on the same date.

Warrants as Collateral

6. Following a period of review, LME Clear has refreshed its capabilities related to its Warrants as Collateral service offering and can confirm that:
 - a) Hong Kong has been approved as an eligible warehouse jurisdiction, allowing LME warranted metal held in this location to be utilised for Warrants as Collateral.
 - b) An updated security deed, required to be entered into in order to pledge Warrants as Collateral, is available for Members to review and execute with immediate effect.



7. Members who are interested in using this service and/or would like a copy of the security deed should contact the Relationship Management team. Further details are available on the [LME website](#) and in addition a Member briefing will be held during June, which will cover the key aspects of the service. The Relationship Management team will advise the date for this once scheduled.

Queries

8. For further information or questions regarding this circular please contact the Relationship Management Team (lmerm@lme.com).

Barry Gethin
Head of Collateral and Liquidity Services

Appendix 1
Extract of LME Clear Rules changes (redline – see attached)

Clearing Procedure Part D

comprise both Securities Collateral and Cash Collateral.)	For next day instructions: By the following times: - Euroclear Bank: 17:00 on the Business Day preceding the value date (c) For forward-dated instructions: As under (b) above	Distribution Process, notwithstanding that a Member's obligation to provide Collateral to LME Clear is not discharged until the point at which LME Clear has received such Collateral, in relation to Triparty Custody Arrangement Collateral, the Cover Distribution Process shall use the following cut-off points to apply an assumed value to such Collateral in accordance with Clearing Procedure D5.14(b): (b) During the Cover Distribution process at End of Day on the Business Day preceding the value date (c) As under (b) above
---	---	---

A Member must notify LME Clear in advance of its intention to deposit Cash Collateral in the form of Yen or renminbi not later than the following deadlines:

- (a) for Cash Collateral in the form of Yen, 12:00 hours London time on the Business Day prior to the day on which the Cash Collateral is to be lodged;
- (b) for Cash Collateral in the form of renminbi, ~~089:00~~ 089:00 hours London time on the US Business Day that falls not less than ~~one two~~ (12) US Business Days prior to the day (which must be a US Business Day) on which the Cash Collateral is to be lodged,

and such notification shall specify the amount of Yen or renminbi (as applicable) that the Member will deposit with LME Clear. Such notification shall be made in writing and delivered through such means as detailed in the Operations GUI User Guide, as amended from time to time.

4.16 The following Table specifies the timescales within which LME Clear will endeavour to release to a Member Collateral that the Member has requested (where LME Clear has agreed to release such Collateral in accordance with these Clearing Procedures and including circumstances in which Collateral is to be released on LME Clear's behalf by a Triparty Collateral Custodian). These timescales are indicative only and are not contractually binding on LME Clear, and are subject to the Collateral Limits specified in Annex 2 (*Eligible Currencies, Collateral and Haircuts*) (see Collateral Management / Acceptable Collateral / Documents). The withdrawal timelines also assume that sufficient

Collateral is in place with LME Clear to meet the Member's Margin Requirement prior to release of the requested Collateral, and will remain sufficient following the release of the requested Collateral:

Withdrawal		
Collateral Type	Notice by	Assets released to Member on
Cash (EUR and GBP) - o/n	09:00	Day of the request
Cash (USO)	14:30	Day of the request
Cash (EUR and GBP) - substitution, post 09:00	20:00	One (1) Business Day after the request (exclusive of the day of the request)
CNH Cash -	08:30	The US Business Day which is two-one (21) US Business Days after the request (exclusive of the day of the request)
Financial Instruments	Central Securities Depository cut-off time: <ul style="list-style-type: none"> - Euroclear Bank: 17:00 - Euroclear UK & Ireland: 17:00 - Federal Reserve: 17:00 	Upon settlement
Gold	10:00	Upon settlement
LME Warrants	LMEsword: 09:00	Day of receipt of notice
Triparty Custody Arrangement Collateral (Note that, in accordance with Rule 8.1A, Triparty Custody Arrangement Collateral may comprise both Securities Collateral and Cash Collateral.)	(a) For same day withdrawal: 17:00 (b) For next day withdrawal: By the following times: - Euroclear Bank: 17:00 on the Business Day preceding the value date	Upon settlement