§ 41.46 Type, form and use of margin.

(a) When margin is required. Margin is required to be deposited whenever the required margin for security futures and related positions in an account is not satisfied by the equity in the account, subject to adjustment under paragraph (c) of this section.

(b) Acceptable margin deposits. (1) The required margin may be satisfied by a deposit of cash, margin securities (subject to paragraph (b)(2) of this section), exempted securities, any other asset permitted under Regulation T to satisfy a margin deficiency in a securities margin account, or any combination thereof, each as valued in accordance with paragraph (c) of this section.

(2) Shares of a money market mutual fund may be accepted as a margin deposit for purposes of this Regulation (Subpart E, §§41.42 through 41.49), provided that:

(i) The customer waives any right to redeem the shares without the consent of the security futures intermediary and instruets the fund or its transfer agent accordingly;

(ii) The security futures intermediary (or clearing agency or derivatives clearing organization with which the shares are deposited as margin) obtains the right to redeem the shares in cash, promptly upon request; and

(iii) The fund agrees to satisfy any conditions necessary or appropriate to ensure that the shares may be redeemed in cash, promptly upon request.

(c) Adjustments—(1) Futures accounts. For purposes of this section, the equity in a futures account shall be computed in accordance with the margin rules applicable to the account, subject to the following:

(i) A security future shall have no value;

(ii) Each net long or short position in a listed option on a contract for future delivery shall be valued in accordance with the margin rules applicable to the account;

(iii) Except as permitted in paragraph (e) of this section, each margin equity security shall be valued at an amount no greater than its Regulation T collateral value;

(iv) Each other security shall be valued at an amount no greater than its current market value reduced by the percentage specified for such security in §240.15c3–1(c)(2)(vi) of this title;

(v) Freely convertible foreign currency may be valued at an amount no greater than its daily mark-to-market U.S. dollar equivalent; and

(vi) Variation settlement receivable (or payable) by an account at the close of trading on any day shall be treated as a credit (or debit) to the account on that day; and

(vii) Each other acceptable margin deposit or component of equity shall be valued at an amount no greater than its value under Regulation T.

(2) Securities accounts. For purposes of this section, the equity in a securities account shall be computed in accordance with the margin rules applicable to the account, subject to the following:

(i) A security future shall have no value;

(ii) Freely convertible foreign currency may be valued at an amount no greater than its daily mark-to-market U.S. dollar equivalent; and

be twenty (20) percent of the current market value of such security future. (2) Offset positions. Notwithstanding the margin levels specified in paragraph (b)(1) of this section, a self-regulatory authority may set the required initial or maintenance margin level for an offsetting position involving security futures and related positions at a level lower than the level that would be required under paragraph (b)(1) of this section if such positions were margined separately, pursuant to rules that meet the criteria set forth in section 7(c)(2)(B) of the Exchange Act and are effective in accordance with section 19(b)(2) of the Exchange Act and, as applicable, section 5c(c) of the Act.

§ 41.46 Type, form and use of margin.

(a) When margin is required. Margin is required to be deposited whenever the required margin for security futures and related positions in an account is not satisfied by the equity in the account, subject to adjustment under paragraph (c) of this section.

(b) Acceptable margin deposits. (1) The required margin may be satisfied by a deposit of cash, margin securities (subject to paragraph (b)(2) of this section), exempted securities, any other asset permitted under Regulation T to satisfy a margin deficiency in a securities margin account, or any combination thereof, each as valued in accordance with paragraph (c) of this section.

(2) Shares of a money market mutual fund may be accepted as a margin deposit for purposes of this Regulation (Subpart E, §§41.42 through 41.49), provided that:

(i) The customer waives any right to redeem the shares without the consent of the security futures intermediary and instructs the fund or its transfer agent accordingly;

(ii) The security futures intermediary (or clearing agency or derivatives clearing organization with which the shares are deposited as margin) obtains the right to redeem the shares in cash, promptly upon request; and

(iii) The fund agrees to satisfy any conditions necessary or appropriate to ensure that the shares may be redeemed in cash, promptly upon request.

(c) Adjustments—(1) Futures accounts. For purposes of this section, the equity in a futures account shall be computed in accordance with the margin rules applicable to the account, subject to the following:

(i) A security future shall have no value;

(ii) Each net long or short position in a listed option on a contract for future delivery shall be valued in accordance with the margin rules applicable to the account;

(iii) Except as permitted in paragraph (e) of this section, each margin equity security shall be valued at an amount no greater than its Regulation T collateral value;

(iv) Each other security shall be valued at an amount no greater than its current market value reduced by the percentage specified for such security in §240.15c3–1(c)(2)(vi) of this title;

(v) Freely convertible foreign currency may be valued at an amount no greater than its daily mark-to-market U.S. dollar equivalent;

(vi) Variation settlement receivable (or payable) by an account at the close of trading on any day shall be treated as a credit (or debit) to the account on that day; and

(vii) Each other acceptable margin deposit or component of equity shall be valued at an amount no greater than its value under Regulation T.

(2) Securities accounts. For purposes of this section, the equity in a securities account shall be computed in accordance with the margin rules applicable to the account, subject to the following:

(i) A security future shall have no value;

(ii) Freely convertible foreign currency may be valued at an amount no greater than its daily mark-to-market U.S. dollar equivalent; and

be twenty (20) percent of the current market value of such security future. (2) Offset positions. Notwithstanding the margin levels specified in paragraph (b)(1) of this section, a self-regulatory authority may set the required initial or maintenance margin level for an offsetting position involving security futures and related positions at a level lower than the level that would be required under paragraph (b)(1) of this section if such positions were margined separately, pursuant to rules that meet the criteria set forth in section 7(c)(2)(B) of the Exchange Act and are effective in accordance with section 19(b)(2) of the Exchange Act and, as applicable, section 5c(c) of the Act.

§ 41.46 Type, form and use of margin.

(a) When margin is required. Margin is required to be deposited whenever the required margin for security futures and related positions in an account is not satisfied by the equity in the account, subject to adjustment under paragraph (c) of this section.

(b) Acceptable margin deposits. (1) The required margin may be satisfied by a deposit of cash, margin securities (subject to paragraph (b)(2) of this section), exempted securities, any other asset permitted under Regulation T to satisfy a margin deficiency in a securities margin account, or any combination thereof, each as valued in accordance with paragraph (c) of this section.

(2) Shares of a money market mutual fund may be accepted as a margin deposit for purposes of this Regulation (Subpart E, §§41.42 through 41.49), provided that:

(i) The customer waives any right to redeem the shares without the consent of the security futures intermediary and instructs the fund or its transfer agent accordingly;

(ii) The security futures intermediary (or clearing agency or derivatives clearing organization with which the shares are deposited as margin) obtains the right to redeem the shares in cash, promptly upon request; and

(iii) The fund agrees to satisfy any conditions necessary or appropriate to ensure that the shares may be redeemed in cash, promptly upon request.

(c) Adjustments—(1) Futures accounts. For purposes of this section, the equity in a futures account shall be computed in accordance with the margin rules applicable to the account, subject to the following:

(i) A security future shall have no value;

(ii) Each net long or short position in a listed option on a contract for future delivery shall be valued in accordance with the margin rules applicable to the account;

(iii) Except as permitted in paragraph (e) of this section, each margin equity security shall be valued at an amount no greater than its Regulation T collateral value;

(iv) Each other security shall be valued at an amount no greater than its current market value reduced by the percentage specified for such security in §240.15c3–1(c)(2)(vi) of this title;

(v) Freely convertible foreign currency may be valued at an amount no greater than its daily mark-to-market U.S. dollar equivalent;

(vi) Variation settlement receivable (or payable) by an account at the close of trading on any day shall be treated as a credit (or debit) to the account on that day; and

(vii) Each other acceptable margin deposit or component of equity shall be valued at an amount no greater than its value under Regulation T.

(2) Securities accounts. For purposes of this section, the equity in a securities account shall be computed in accordance with the margin rules applicable to the account, subject to the following:

(i) A security future shall have no value;

(ii) Freely convertible foreign currency may be valued at an amount no greater than its daily mark-to-market U.S. dollar equivalent; and
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§ 41.47 Withdrawal of margin.

(a) By the customer. Except as otherwise provided in §41.46(e)(1)(ii) of this subpart, cash, securities, or other assets deposited as margin for positions in an account may be withdrawn, provided that the equity in the account after such withdrawal is sufficient to satisfy the required margin for the security futures and related positions in the account.

(b) By the security futures intermediary. A security futures intermediary is permitted to make withdrawals from an account at any time if the security futures intermediary determines that it is necessary to make such withdrawals to satisfy a margin call issued under this Regulation (Subpart E, §§41.42 through 41.49). In determining whether additional margin is required to be deposited as a result of a margin call, a security futures intermediary shall use the valuation method specified in paragraph (e) of this section.

(c) By consent of the customer. A security futures intermediary is permitted to make withdrawals from an account at any time if the customer consents to such withdrawals.

(d) By court order. A security futures intermediary is permitted to make withdrawals from an account at any time if a court order authorizes such withdrawals.

(e) By reason of bankruptcy or insolvency of the customer. A security futures intermediary is permitted to make withdrawals from an account at any time if the customer is bankrupt or insolvent.

(f) By reason of default of the customer. A security futures intermediary is permitted to make withdrawals from an account at any time if the customer defaults on its obligations.

(g) By reason of a security futures intermediary's default. A security futures intermediary is permitted to make withdrawals from an account at any time if the security futures intermediary defaults on its obligations.

(h) By reason of a security futures intermediary's liquidation. A security futures intermediary is permitted to make withdrawals from an account at any time if the security futures intermediary is liquidated.

(i) By reason of the customer's death. A security futures intermediary is permitted to make withdrawals from an account at any time if the customer dies.

(j) By reason of the customer's insanity. A security futures intermediary is permitted to make withdrawals from an account at any time if the customer is insane.

(k) By reason of the customer's incompetence. A security futures intermediary is permitted to make withdrawals from an account at any time if the customer is incompetent.

(l) By reason of the customer's incapacity. A security futures intermediary is permitted to make withdrawals from an account at any time if the customer is incapacitated.

(m) By reason of the customer's disability. A security futures intermediary is permitted to make withdrawals from an account at any time if the customer is disabled.

(n) By reason of the customer's physical condition. A security futures intermediary is permitted to make withdrawals from an account at any time if the customer's physical condition is such that the customer is unable to make withdrawals.

(o) By reason of the customer's mental condition. A security futures intermediary is permitted to make withdrawals from an account at any time if the customer's mental condition is such that the customer is unable to make withdrawals.

(p) By reason of the customer's financial condition. A security futures intermediary is permitted to make withdrawals from an account at any time if the customer's financial condition is such that the customer is unable to make withdrawals.

(q) By reason of the customer's legal condition. A security futures intermediary is permitted to make withdrawals from an account at any time if the customer's legal condition is such that the customer is unable to make withdrawals.

(r) By reason of the customer's business condition. A security futures intermediary is permitted to make withdrawals from an account at any time if the customer's business condition is such that the customer is unable to make withdrawals.

(s) By reason of the customer's personal condition. A security futures intermediary is permitted to make withdrawals from an account at any time if the customer's personal condition is such that the customer is unable to make withdrawals.

(t) By reason of the customer's physical, mental, or financial condition. A security futures intermediary is permitted to make withdrawals from an account at any time if the customer's physical, mental, or financial condition is such that the customer is unable to make withdrawals.

(u) By reason of the customer's legal, business, or personal condition. A security futures intermediary is permitted to make withdrawals from an account at any time if the customer's legal, business, or personal condition is such that the customer is unable to make withdrawals.

(v) By reason of the customer's condition. A security futures intermediary is permitted to make withdrawals from an account at any time if the customer's condition is such that the customer is unable to make withdrawals.

(w) By reason of the customer's inability to make withdrawals. A security futures intermediary is permitted to make withdrawals from an account at any time if the customer is unable to make withdrawals.

(x) By reason of the customer's failure to make withdrawals. A security futures intermediary is permitted to make withdrawals from an account at any time if the customer fails to make withdrawals.

(y) By reason of the customer's refusal to make withdrawals. A security futures intermediary is permitted to make withdrawals from an account at any time if the customer refuses to make withdrawals.

(z) By reason of the customer's inability to pay for transactions. A security futures intermediary is permitted to make withdrawals from an account at any time if the customer is unable to pay for transactions.

(A) The withdrawal, together with other transactions, deposits, and withdrawals on the same day, would create or increase a margin deficiency if the margin equity securities were valued at their Regulation T collateral value.

(B) All security futures transactions and related transactions on any day shall be combined to determine the amount of a special margin requirement. Additional margin deposited to satisfy a special margin requirement shall be valued at an amount no greater than its Regulation T collateral value.

(C) If the alternative collateral valuation method set forth in paragraph (e) of this section is used with respect to an account in which security futures positions are carried:

(i) An account that is transferred from one security futures intermediary to another may be treated as if it had been maintained by the transferee from the date of its origin, if the transferee accepts, in good faith, a signed statement of the transferor or, if that is not practicable, of the customer, that any margin call issued under this Regulation (Subpart E, §§41.42 through 41.49) has been satisfied; and

(ii) An account that is transferred from one customer to another as part of a transaction, not undertaken to avoid the requirements of this Regulation (Subpart E, §§41.42 through 41.49), may be treated as if it had been maintained for the transferee from the date of its origin, if the security futures intermediary accepts in good faith and keeps with the transferee account a signed statement of the transferor describing the circumstances for the transfer.

(D) Guarantee of accounts. No guarantee of a customer's account shall be given any effect for purposes of determining whether the required margin in an account is satisfied, except as permitted under applicable margin rules.