

Effects of Proposed Increases in Minimum Capital Requirements

Mark Million
Lead Credit Analyst
Credit Risk & Surveillance
January 20, 2013
FRMSTF

- For FTR Participants
 - Increase Tangible Net Worth (TNW) minimum requirement from \$1 million to \$10 million
 - Increase Tangible Asset (TA) minimum requirement from \$10 million to \$20 million
- For Non-FTR Participants
 - Increase Tangible Net Worth (TNW) minimum requirement from \$500 thousand to \$1 million
 - Increase Tangible Asset (TA) minimum requirement from \$5 million to \$10 million

- 30 FTR participants would not meet the increased requirements and would have their collateral reduced
- 1 virtual participant would not meet the increased requirements and would have its collateral reduced
- 1 non-FTR/non-virtual participant would not meet the increased requirements and would have its collateral reduced



Impact of Proposed Tariff Changes

	Current Requirements			Proposed Requirements			Change in Total Participants	Change %
	Total Participants Meeting Requirement	\$1M TNW	\$10M TA	Total Participants Meeting Requirement	\$10M TNW	\$20M TA		
FTR	201	190	173	171	159	162	(30)	(14.93%)

	Current Requirements			Proposed Requirements			Change in Total Participants	Change %
	Total Participants Meeting Requirement	\$500K TNW	\$5M TA	Total Participants Meeting Requirement	\$1M TNW	\$10M TA		
Virtual	98	95	82	97	94	70	(1)	(1.02%)

	Current Requirements			Proposed Requirements			Change in Total Participants	Change %
	Total Participants Meeting Requirement	\$500K TNW	\$5M TA	Total Participants Meeting Requirement	\$1M TNW	\$10M TA		
Other	112	98	104	111	97	97	(1)	(0.89%)