To: Clearing Member Firms; Brokers; Back Office Managers; Customers

From: CME Clearing Europe Limited (the Clearing House)

Advisory No.: 15-09

Notice Date: 29th January 2015

Asset Classes: CME Europe futures, OTC Commodities

**CNSEG to CSEG migration – Monday 9th Feb**

CME Clearing Europe advises of a change to the naming convention for certain omnibus accounts designated as CNSEG. Effective Monday 9th February, the CNSEG designation will be retired and replaced with CSEG.

**What is a CNSEG account?**
Client Non-Segregated accounts are utilised by clearing members who wish to represent the positions or margin of multiple clients on an omnibus basis.

**Will omnibus position keeping still be available after the migration?**
Yes, this is a change of name only. CME Clearing Europe will convert CNSEG (Client Non-Segregated) accounts to CSEG (Client Segregated) accounts. A **CSEG OMNIN** (Omnibus Net) designation will be applied to the migrated accounts. This will indicate that the position keeping behavior currently provided by CNSEG is active for that account.

**Am I affected by the migration?**
If the client account in RAV Manager is associated with a clearing member that incorporates CNSEG into the clearing member name, then that omnibus client account will be part of the migration. However, the migration itself will not change the way that positions are kept.

**How can I identify which CSEG accounts hold positions on an Omnibus Net basis?**
CME Clearing Europe will provide a list of affected accounts to each Clearing Member. Following the migration, the primary end of day reports listed below will identify migrated accounts as **CSEG OMNIN** instead of CNSEG.

<table>
<thead>
<tr>
<th>CST610</th>
<th>Initial Margin reporting</th>
</tr>
</thead>
<tbody>
<tr>
<td>CST620</td>
<td>Variation Margin reporting</td>
</tr>
<tr>
<td>CAI500</td>
<td>Collateral Inventory reporting</td>
</tr>
</tbody>
</table>
How will the migrated clearing member name appear in RAV Manager?
Clearing members currently setup as Sample Firm CNSEG will appear as Sample Firm CSEG OMNIN following the migration.

What asset classes does this apply to?
Client Non-Segregated (CNSEG) accounts are currently employed at CME Clearing Europe for FX futures, Commodity futures and OTC Commodity swaps.

Is my submission of PCS and CGM affected?
PCS are Position Change Sheets used to communicate end of day positions to the Clearing House. CGM files are Customer Gross Margining files used to communicate positions per client to the Clearing House for margining purposes. These processes are not affected by the migration. If you submit PCS and/or CGM today then you can continue to submit the same file(s) following the migration.

What steps do I need to take to complete the migration?
No action is required by Clearing Members. All updates will be made internally at CME Clearing Europe.

For further information please contact Clearing Support on +44 (0)20 3379 3131 or email: ClearingSupport_London@cmegroup.com