

Cash Interest Pass-Through Program - FAQ

1. What balances are subject to receiving an interest pass-through credit?

USD cash balances posted as performance bond (excluding CME/OCC cross-margin accounts) and for guaranty fund and foreign currency cash balances denominated in AUD, CAD, EUR, GBP, or MXN posted as performance bond may be eligible for an interest credit. The balances that will receive an interest credit are taken from the clearing member's daily trial balance, including any cash on deposit in excess of requirements. The interest credit for this program does not include any clearing member-directed IEF2 investments – those balances will continue to earn interest associated with the IEF2 program and will be paid separately.

2. How is the interest pass-through rate determined, and how is the interest credit calculated?

The interest pass-through rate is determined by CME Clearing and will be adjusted periodically based on market conditions. The interest credit is calculated on a daily basis using balances from the clearing member's daily trial balance and will be paid on a monthly basis. Current interest pass-through rates can be found at the below URL:

www.cmegroup.com/clearing/financial-and-collateral-management/cash-interest-rates-and-non-cash-collateral-fees.html

3. How does the clearing member receive information on eligible balances?

Clearing members will receive a daily csv file via SFTP denoting the eligible cash balances, applicable pass-through interest rate, and estimated daily accrued interest to be paid. The following reports are available via SFTP with the following naming convention:

Daily: CME_InterestPayment_Daily_Firm#_Currency_yyyymmdd.csv

This report details daily interest accruals and is available the following business day.

Monthly Preview: CME_InterestPayment_MonthlyPreview_Firm#_Currency_yyyymmdd.csv

This report details interest accruals for an entire month and is available the first business day of the following month. Clearing members will have until the third business day of the following month to raise any questions as to the contents of the file and request adjustments, if necessary.

Monthly Final: CME_InterestPayment_MonthlyFinalStatement_Firm#_Currency_yyyymmdd.csv

This report details final interest accruals for the month and is available once interest payments have been processed.

4. When is interest paid?

Interest payments for each month will be processed the following month. USD payments will be received with same-day value, while foreign currency payments will be either T+1 (CAD, EUR, GBP, and MXN) or T+2 (AUD) value. Interest is paid into the account classification from which it is accrued – for example, interest accrued from customer segregated funds on deposit will be paid to the Clearing Member's customer segregated account. For USD, CME does not pay out interest in any amount less than ten dollars. As such, for any account with monthly interest accrued in an amount of less than ten dollars, that accrued interest is forfeited. There is no such threshold for AUD, CAD, EUR, GBP, or MXN interest – all amounts are paid.

5. Questions regarding the program can be directed to the Clearing House Financial team at (312) 207-2594 or e-mailed to ClearingHouseFinancial@cmegroup.com.