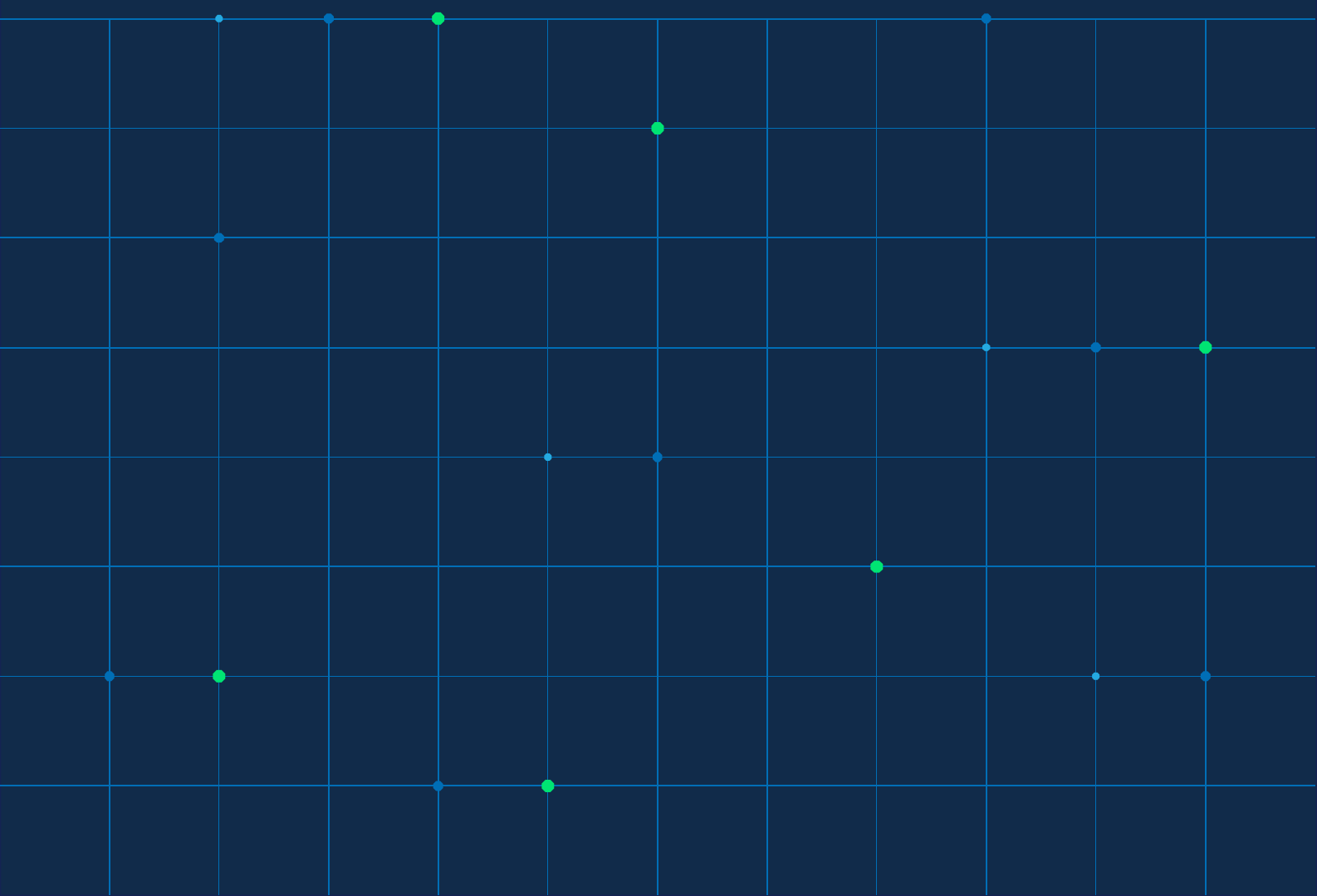


CME Term SOFR

Amendment to Terms of Use

April 25th, 2023



CME Term SOFR Rates Amendment To The Terms Of Use

To align, with the ARRC's recently updated **Term SOFR Scope of Use Best Practice Recommendations** ([link to publication](#)), changes will be made to the Category 1 and 2, CME Term SOFR licenses issued under the Information License Agreement. This notice will also be published on the [CME Group Benchmark Administration Announcement Page](#).

Notice of Update to Appendix A, Schedule 7 of the Information License Agreement:

- The terms of Appendix A to Schedule 7, of the Information License Agreement will be updated with such changes taking effect from 25th of July, 2023 (the "Effective Date"). The updated terms of Appendix A to Schedule 7 of the Information License Agreement, can be found here ([link to Appendix A to Schedule 7](#)) with a summary of the changes set out below.
- These updates will automatically take effect and apply to your Appendix A to Schedule 7 of the Information License Agreement, as of the Effective Date.
- As these updates will automatically take effect, no action is required. However, should your firm wish to update their Appendix A to Schedule 7 ahead of the Effective Date, please contact marketdata@cmegroup.com to request re-execution of your Appendix A to Schedule 7. Upon re-execution, the updated terms of Appendix A to Schedule 7, of the Information License Agreement will take immediate effect, including the allowance of Term SOFR-SOFR basis swaps.
- If you choose not to adopt the revised terms, you can either (a) terminate your Information License Agreement in full (if for example, the only market data licensed under that contract is CME Term SOFR), or (b) terminate just the Appendix A to Schedule 7 (if for example, other market data is licensed under your Information License Agreement).

Summary of Changes

CME Term SOFR Category 1 Use – Cash Market Financial Products

- Update to the definition of what constitutes a Cash Market Financial Product, the updated definition includes business loans, securitizations that hold underlying Term SOFR assets and legacy LIBOR cash products.

CME Term SOFR Category 2 Use – OTC Derivative Products

- Update to the use of Term SOFR in OTC Derivative Products to include Term SOFR – SOFR basis swaps. Use of basis swaps unlike regular Term SOFR Swaps will not be limited to the hedging of end-user exposure to cash products that reference Term SOFR.

For licensing questions, please contact marketdata@cmegroup.com

For more information on CME Term SOFR Reference Rates, please visit cmegroup.com/termsufr.



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