

DATE: January 9, 2017

TO: Clearing Member Firms
Chief Financial Officers
Back Office Managers
Margin Managers

FROM: CME Clearing

NOTICE #: 17-016

SUBJECT: Change in Interest Rate on Customer Segregated, Customer Cleared Swaps, and Guaranty Fund US Dollar (USD) Cash Balances

Effective January 9, 2017, CME Clearing will increase the interest rate paid on US Dollar cash balances on deposit by clearing members to meet customer segregated initial margin requirements, customer cleared swaps initial margin requirements, and guaranty fund requirements from the current rate of 18 basis points to 37 basis points per annum.

The rate paid will be available daily on the following link and is subject to change, based on market conditions:

<http://www.cmegroup.com/clearing/financial-and-collateral-management/acceptable-collateral-for-cash.html>

The monthly USD interest payment will continue to occur during the first week of the following month.

CME will continue to pay an interest rate of 60 basis points per annum on clearing member house (proprietary) cash balances. The majority of these balances are held at the Federal Reserve Bank of Chicago.

For more information, please contact CME Clearing at 312-207-2594.