

DATE: September 26, 2018

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

FROM: CME Clearing

NOTICE #: 18-386

SUBJECT: Change in Interest Rate on Customer Segregated, House (Base) and Guaranty Fund USD Cash Balances

Effective September 27th, 2018, CME Clearing will increase the interest rate paid on USD cash balances on deposit by clearing members accordingly:

- The interest rate paid on USD cash balances on deposit by clearing members to meet customer and house (proprietary) performance bond requirements associated with products in the Base waterfall will be increased from the current rate of 164 basis points to 189 basis points.
- The interest rate paid on USD cash balances on deposit by clearing members to meet guaranty fund requirements associated with products in the Base waterfall and in the Cleared Swaps IRS waterfall will be increased from the current rate of 153 basis points to 178 basis points.

The interest rate paid on USD cash balances on deposit by clearing members to meet customer and house (proprietary) performance bond requirements associated with products in the Cleared Swaps IRS waterfall will continue to be based on the benchmark formula of the Fed Funds Effective Rate minus 10 basis points.

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.

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