



12-033

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

FROM: CME Clearing

SUBJECT: New Cash with Interest Program (IEF®5) Provider

DATE: January 23, 2012

CME Clearing (CME) is pleased to announce the latest addition to its Cash with Interest Program (IEF5). Deutsche Bank AG will be a provider of this service to CME Clearing beginning January 23, 2012.

Clearing member firm cash that has been designated as IEF5 will reside in CME's account at Deutsche Bank AG, New York Branch, with the 'benefit' accruing to IEF5 participants. Deutsche Bank AG, New York Branch deposits are not FDIC insured.

CME will provide compensation on cash balances in the Deutsche Bank AG IEF5 program at the rate of 9 basis points. This rate is subject to change on occasion. Clearing firms will be notified in advance of any change in the rate.

In addition, a program limit will be in place for a single clearing members firm's total investment in the Deutsche Bank AG IEF5 program. This limit will be set at \$500 million per clearing member firm.

Some facts regarding Cash with Interest Program:

- Cash account maintained on the banks' trust ledger.
- Funds may be commingled with other funds derived from trust activities and made available to the treasury of the bank for general funding purposes.
- Does not have a regulatory capital charge or Clearing House performance bond haircut.
- Funds are 100% liquid.
- Is not a money market mutual fund or an investment.
- Is not guaranteed by CME or the banks.
- The CME Clearing has set clearing member firm limits for all participants in the Cash with Interest (IEF5) program as following:
 - 50% of Core requirement
 - 100% Reserve requirement
 - 100% Concentration requirement

For any questions regarding this notification, please contact Michael Auriemma at 312-634-8399 or Michael.Auriemma@cme.com.