

13-492

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

FROM: CME Clearing

SUBJECT: New IEF5 Provider – Wells Fargo Bank, N.A.

DATE: October 18, 2013

CME Clearing (CME) is pleased to announce the latest addition to its Cash with Interest Program (IEF5). Wells Fargo Bank, N.A. will be a provider of this service to CME Clearing beginning October 21, 2013.

Clearing member firm cash that has been designated as IEF5 will reside in CME's account at Wells Fargo Bank, N.A., with the 'benefit' accruing to IEF5 participants.

CME will provide compensation on cash balances in the Wells Fargo Bank, N.A. IEF5 program at the rate of 6 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 Wells Fargo Bank, N.A. IEF5 program. This limit will be set at \$750 million per clearing member firm.

**General facts regarding Cash with Interest Program (IEF5):**

- Cash is maintained in an interest bearing demand deposit account or trust account.
- Funds may be commingled with other funds 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 participating banks.
- IEF5 is a Category 2 asset type, and is capped at 40% of core margin requirement.

For any questions regarding this notification, please contact Michael Auriemma at 312-634-8399 or [Michael.Auriemma@cmegroup.com](mailto:Michael.Auriemma@cmegroup.com).