

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

FROM: CME Clearing

ADVISORY #: 15-349

SUBJECT: **Collateral Fee Changes**

DATE: Monday, October 19, 2015

### **EEE CHANGES**

On January 4, 2016, the CME Inc. Clearing House ("CME Clearing") will make the following change to its collateral fee for the below asset types when posting collateral to meet client and house performance bond requirements.

CME will increase the current fee of 4 basis points (annualized) to 6 basis points (annualized) on the below asset types used to meet client and house performance bond requirements. For clearing members that are eligible\* to participate in CME Clearing's committed credit facility (directly or through an affiliate) and do so, CME will continue to charge a reduced fee of 1 basis point (annualized). For clearing members that are not eligible, and do not have any affiliates that are eligible to participate in CME Clearing's committed credit facility, CME will continue to charge a reduced fee of 1 basis point (annualized).

Example: A 6 basis point fee on \$100 of collateral on deposit would equal 6 cents per annum in fees and a 1 basis point fee on \$100 in collateral on deposit would equal 1 cent per annum in fees.

These fees apply to collateral posted to meet performance bond requirements for both client and house accounts. No fees will be imposed on collateral in excess of performance bond requirements.

#### **Asset Types Subject to New Fee Schedule:**

- Canadian Provincials
- Exchange Traded Funds
- Foreign Sovereign Debt
- Mortgage Backed Securities
- Stocks
- Treasury Inflation Protection Securities
- U.S. Treasury Securities
- U.S. Government Agency Securities
- U.S. Treasury STRIPS
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Fees are calculated on daily balances and charged monthly.

Please note, CME Clearing currently charges fees for the below asset types used to meet performance bond requirements and is not changing those fees.

**Asset Types Subject to Existing Fee Schedule:**

- Corporate Bonds (IEF4)
- Gold
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For questions regarding the fee schedule or committed credit facility, please contact Suzanne Sprague (312-930-3260; [suzanne.sprague@cmegroup.com](mailto:suzanne.sprague@cmegroup.com)) or Bryan McBlaine (312-338-2469; [bryan.mcblaine@cmegroup.com](mailto:bryan.mcblaine@cmegroup.com)).

\*Eligible clearing members will receive invitations to participate in the committed credit facility during the annual renewal process during the second half of each calendar year.