

Via CFTC Portal

20 December 2022

Mr Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street NW
Washington, DC 20581

Re: Updated LCH SA CDSClear Fee Grid for 2023

Dear Mr. Kirkpatrick,

Pursuant to CFTC regulation §40.6(a), LCH SA (“**LCH SA**”), a derivatives clearing organization (“**DCO**”) registered with the Commodity Futures Trading Commission (the “**CFTC**”), is submitting for self-certification the updated CDSClear fee grid to be applicable in 2023 (the “**Proposed Rule Change**”).

The new fee grid applicable to CDSClear service is expected to be effective as of January 5th, 2023 however, in no event, will either be implemented earlier than 10 business days after the proposed changes are filed with the CFTC.

The text of the Proposed Rule Change is attached hereto as Appendix.

Part I: Explanation and Analysis

The purpose of the proposed fee changes is for LCH SA CDSClear to take into account the evolution of the CDSClear business and new clearing services offered.

The proposed fee changes reflect the ongoing development and new product scope of the CDSClear service with the objective to meet clearing members and clients’ expectations

In this context, LCH SA needs to update its current CDSClear existing fee grid.

Part II: Description of Rule Changes

As specified in Appendix A, LCH SA is proposing to amend the CDSClear fee grid for 2023 as follows.

1) Clearing fees for Sovereign Index and Single Name CDS activity

LCH SA CDSClear currently offers an Unlimited Tarif for General Members that covers all self-clearing Corporate and Financials CDS Index and Single Names activity for a Financial Group of a Clearing Member for an annual fixed fee of €1,350,000 (no variable fees).

As the scope of products covered by the Unlimited Tarif for General Members does not include Sovereign Single Names CDS, the proposed change introduces a distinct fixed fee of €180,000 per annum (one twelfth being charge every month) for General Members to cover all self-clearing Sovereign Single Names CDS activity for a Financial Group of a Clearing Member. General Members can opt-in for this tariff or pay variable fees to clear Sovereign Single Name CDS as per the current fee grid.

It is reminded that as per the existing fee grid, CDSClear offers a full discount of Sovereign Single Names variable fees for 1 calendar year from the launch date of this initiative (i.e, from 14-Dec-2022 to 14-Dec-2023 included).

LCH SA proposes to authorise General Members to switch between the annual fixed fee tariff and the variable fees for Sovereign Single Name CDS no more than once per year, such change to be effective from the start of the next month following a 15 business days' notice period.

2) General Members' Introductory Tariff

General Members under the Introductory Tariff pay an annual Membership and clearing fixed fee to cover all self-clearing Corporate, Financials and Sovereign Index and Single Names activity of:

- EUR 200,000 if the total annual gross notional cleared is under €10bn.
- EUR 400,000 if the total annual gross notional cleared is over €10bn.

Besides, currently:

- Where the total annual gross notional cleared by a General Member under the Introductory Tariff reaches €10bn in any calendar year, then no further fixed fees are payable that year and the General Member will automatically be invoiced at the higher tariff of EUR 400,000 for the following year.
- Where the total annual gross notional cleared by a General Member under the Introductory Tariff on the higher tariff of EUR 400,000 falls below €10bn in any calendar year, the General Member will automatically be invoiced at the lower tariff of EUR 200,000 for the following year.

One twelfth of this fee is charged each month

Going forward, General Members under the Introductory Tariff will be charged an annual Membership and clearing fee of EUR 400,000 for any given calendar year (one twelfth being charged each month) but those having cleared less than €10bn in that year would get a rebate in their last bill for the year such that their annual Membership and clearing fee amount to EUR 200,000.

3) Select Members' Tariff

Select Members currently pay an annual Membership and clearing fixed fee to cover all self-clearing Corporate, Financials and Sovereign Index and Single Names activity of:

- EUR 250,000 if the total annual gross notional cleared is under €20bn.

- EUR 450,000 if the total annual gross notional cleared is over €20bn.

With the proposed change, Select Members would pay an annual Membership and clearing fixed fee to cover all self-clearing Corporate, Financials and Sovereign Index and Single Names activity of:

- EUR 250,000 if the total annual gross notional cleared is under €10bn (instead of €20bn).
- EUR 450,000 if the total annual gross notional cleared is over €10bn (instead of €20bn).

Besides, currently:

- Where the total annual gross notional cleared by a Select Member reaches €20bn in any calendar year, then no further fixed fees are payable that year and the Select Member will automatically be invoiced at the higher tariff of EUR 450,000 for the following year.
- Where the total annual gross notional cleared by a Select Member on the higher tariff of EUR 450,000 falls below €20bn in any calendar year, the Select Member will automatically be invoiced at the lower tariff of EUR 250,000 for the following year.

One twelfth of this fee is charged each month

Going forward, Select Members will be charged an annual membership and clearing fee of EUR 450,000 for any given calendar year (one twelfth being charged each month) but those having cleared less than €10bn in that year would get a rebate in their last bill for the year such that their annual Membership and clearing fee amount to EUR 250,000.

4) **CCP Switch Programme**

The updated CDSClear fee grid is now referring to the incentive fee programme offered to existing and new potential clearing members (**CCP Switch Programme**) recently rule certified with the CFTC¹

5) **High Turnover Fee Plan**

The proposed CDSClear fee grid also includes the introduction of a High Turnover Fee Plan (HTFP) for Clients and Select Members.

Currently, CDSClear Clearing Members are charged a fee on their client clearing flows per EUR/USD million of gross notional cleared defined as follows:

Variable fee
Client Clearing Per million gross notional cleared

¹ [LCH SA CDSClear CCP Switch Full CFTC SelfCert 9 Sept 2022.pdf](#)

EUR indices	EUR single names	Credit Index Options – EUR Indices	US indices	US single names	Credit Index Option – US Indices
€4	€12	€4	\$5	\$17	\$4

Similarly, Select Members are charged a variable fee on their House flows per EUR/USD million of gross notional cleared defined as follows:

Variable fee					
Select Members self-clearing Per million gross notional cleared					
EUR indices	EUR single names	Credit Index Options – EUR Indices	US indices	US single names	Credit Index Option – US Indices
€4	€10	€10	\$5	\$13	\$10

The proposed incentive scheme defines a variable fee grid based on notional in order to make it more attractive for new Select Members as well as new buy-side clients to select CDS Clear as their CCP and/or CDS Clear existing Select Members and clients to clear more by decreasing the marginal variable fee past predefined notional thresholds as detailed below in Appendix A.

The buckets apply to the actual notional cleared in a given calendar year distinctly for EUR denominated Indices, USD denominated Indices, EUR denominated Single Names and USD denominated Single Names only.

Finally, the HTFP will exclude from the determination of the total cleared notional:

- the notional cleared for which a CCP Switch credit note was used to zero out the clearing fees
- the notional cleared part of a CCP Switch that thus didn't attract any clearing fees.

6) LSOC account structure fees

LCH SA CDS Clear proposes to not charge any account structure fees for Legally Segregated, Operationally Commingled (LSOC) account structures.

7) Extension of the fee holiday period for Options cleared by Clients

LCH SA is proposing to renew the fee holiday for Client cleared Options in 2023.

Part III: Core Principle Compliance

LCH SA reviewed the introduction of the Proposed Rule Change against the requirements of the Commission's regulations and DCO Core Principles and has concluded that its compliance with all the requirements and standards therein and in particular with the following principle and Commission's regulations including, but not limited to § 39.21 would not be adversely affected by this proposed fee change.

DCO Core Principle L – Public Information. LCH SA has determined that the Proposed Rule Changes are consistent with the DCOs requirements of CFTC Regulation 39.21 to make available publicly each clearing and other fee charged to Clearing Members. As usual, the proposed fee change will be publicly available on LCH website and the DCO will ensure that sufficient information is provided to market participants so that they can identify and evaluate accurately the fees associated with using the relevant clearing services. The webpage on CDS Clear fees will be updated with the proposed changes set out in Appendix A once they become effective. As a result, LCH SA believes that this proposed change is consistent with the requirements of Core Principle L and Commission Rule 39.21(c).

Part IV: Public Information

LCH SA has posted a notice of pending certifications with the CFTC and a copy of the submission on LCH's website at: <https://www.lch.com/resources/rulebooks/proposed-rule-changes>

Part V: Opposing Views

There were no opposing views expressed to LCH SA by governing board or committee members, members of LCH SA that were not incorporated into the rule.

Certification

LCH SA hereby certifies to the CFTC, pursuant to the procedures set forth in the Commission regulation § 40.6, that attached changes submission complies with the Commodity Exchange Act, as amended, and the regulations promulgated there under.

Should you have any questions please contact me.



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APPENDIX A

Current LCH SA CDSClear Fee Grid

Self-Clearing Tariff for Corporates, Financials and Sovereign Index and Single Name CDS

Membership	Annual Fixed Fee	Self-Clearing / Variable Fees				
		EUR Indices	EUR Single Names	USD Indices	USD Single Names	
General Member – Unlimited Tariff	€ 1,350,000	No Variable Fee				Covers all self-clearing: - Corporate and Financials Index and Single Name activity - Sovereign Index activity for a Financial Group of a Clearing Member
	No Fixed Fee	NA	€10 Per million gross notional cleared	NA	\$13 Per million gross notional cleared	Applies to all self-clearing Sovereign Single Names activity
	Full discount of Sovereign Single Names variable fees for 1 calendar year from go-live					
General Member – Introductory Tariff	€200,000 if the total annual gross notional cleared is under €10billion	€3.5 Per million gross notional cleared	€10 Per million gross notional cleared	\$4.5 Per million gross notional cleared	\$13 Per million gross notional cleared	Covers all self-clearing Financial and Sovereign Index and Single Names activity
	€400,000 if the total annual gross notional cleared is over €10billion	€3.5 Per million gross notional cleared	€10 Per million gross notional cleared	\$4.5 Per million gross notional cleared	\$13 Per million gross notional cleared	
	Full discount of Sovereign Single Names variable fees for 1 calendar year from go-live					

Select Member	€250,000 if the total annual gross notional cleared is under €20billion	€4	€10	\$5	\$13	Covers all self-clearing Corporate, Financials and Sovereign Index and Single Names activity
	€450,000 if the total annual gross notional cleared is over €20billion	Per million gross notional cleared	Per million gross notional cleared	Per million gross notional cleared	Per million gross notional cleared	

Client Clearing Tariff for Corporate, Financials and Sovereign Index and Single Names CDS

Client Clearing		Self-Clearing / Variable Fees				
		EUR Indices	EUR Single Names	USD Indices	USD Single Names	
	Variable Fees	€4	€12	\$5	\$17	Covers all self-clearing Corporate, Financials and Sovereign* Index and Single Names activity
		Per million gross notional cleared	Per million gross notional cleared	Per million gross notional cleared	Per million gross notional cleared	

Annual Account Fees

A yearly fee is charged for each ISA or OSA account as indicated in the table below.

	ISA	OSA Net	OSA Gross
Fee	€3,500	€3,500	€3,500*

*Gross OSA account charges:

- Main value segregated collateral account operated by the Clearing Member, only one per Clearing Member. The main Gross OSA* is charged at €0/€0.
- Each additional Gross OSA will be charged at €1,750 for each 6-month period (comparison annual cost €3,500)

Options Tariff

	Introductory Tariff	Can cover either one or multiple legal entities under conditions below (no Affiliate coverage)
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General Member		In-year switches are not permitted <i>No EEP usage fees in 2022</i>		
	Clearing Fees	\$8	per million of option notional on US Indices	
		€8	per million of option notional on European Indices	
	<i>Floor on clearing fees</i>	€115k	<i>Per calendar year (no pro-rating) for 1 entity</i>	
		€150k	<i>Per calendar year (no pro-rating) for 2 entities of the same Financial Group of a Clearing Member</i>	
		€190k	<i>Per calendar year (no pro-rating) for 3 or more entities of the same Financial Group of a Clearing Member</i>	
	Unlimited Tariff	Cover all Affiliates of a given Financial Group of a Clearing Member Cover all clearing fees for Credit Option House activity for both iTraxx and CDX.NA underlying index families In-year switches are not permitted <i>No EEP usage fees in 2022</i>		
	<i>Fixed fee (annual)</i>	€375k <i>Per calendar year (no pro-rating)</i>		
	<i>Discounted Rates</i>	€115k <i>if notionals cleared strictly above €15bn</i>		
	New Market Participant Tariff	Can apply to either one or multiple legal entities under conditions below (no affiliate coverage) Available for new joiners only (i.e. no entity of the same Financial Group of a Clearing Member registered to the Option clearing service under the Introductory or the Unlimited tariff in the last 3 calendar years), for 1 calendar year, renewable once only In-year switches are not permitted No EEP usage fees in 2022		
		€10	Per million notional on European Indices	
		\$10	Per million notional on US Indices	
	Onboarding Fees <i>(both Introductory & unlimited)</i>	€30k	One-off fee per Legal Entity under the Introductory tariff or per Financial Group of a Clearing Member under the Unlimited tariff.	

Select Member	Introductory Tariff	Cover only one legal entity (no affiliate coverage) In-year switches are not permitted <i>No EEP usage fees in 2022</i>	
	Clearing Fees	\$10	per million of option notional on US Indices
		€10	per million of option notional on European Indices
	Unlimited Tariff	Cover all Affiliates of a given Financial Group of a Clearing Member Cover all clearing fees for Credit Option House activity for both iTraxx and CDX.NA underlying index families In-year switches are not permitted <i>No EEP usage fees in 2022</i>	
	<i>Fixed fee (annual)</i>	€400k	<i>Per calendar year (no pro-rating)</i>
	<i>Discounted Rates</i>	€115k if notionals cleared strictly above €15bn	
	Onboarding Fees (both <i>Introductory & unlimited</i>)	€30k	One-off fee per Legal Entity under the Introductory tariff or per Financial Group of a Clearing Member under the Unlimited tariff
Client	Options Clearing Fees	\$4	per million of option notional on US Indices
		€4	per million of option notional on European Indices
		2022: Full discount of client variable fees	

Affiliates clearing as Client (all products)

Affiliates clearing as Clients	<p>Full rebate on variable clearing fees for the Affiliate of a Clearing Member onboarded as client of such Clearing Member under the following conditions:</p> <ul style="list-style-type: none"> • The Clearing Member is a General Member under the Unlimited Tariff; • The Affiliate is a legal entity part of the same Financial Group as the Clearing Member; • The rebate applies to 1 trade account per affiliate and for all clearing services for which the Clearing Member is under the Unlimited Tariff (i.e. Index & Single Names and/or Options); • The rebate cannot apply to any account opened for CCM Indirect Clients; and A fixed annual account fee of €100,000 is charged per affiliate of a Clearing Member onboarded as a client and benefiting from the full rebate on variable fees.
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Proposed CDS Clear Fee Grid effective from January 5th, 2023*

Self-Clearing Tariff for Corporates, Financials and Sovereign Index and Single Name CDS

Membership	Annual Fixed Fee	Self-Clearing / Variable Fees				
		EUR Indices	EUR Single Names	USD Indices	USD Single Names	
General Member – Unlimited Tariff	€ 1,350,000	No Variable Fee				Covers all self-clearing: - Corporate and Financials Index and Single Name activity - Sovereign Index activity for a Financial Group of a Clearing Member
	Fixed Fee: €180,000	No Variable Fees				Applies to all self-clearing Sovereign* Single Names
	No Fixed Variable Fees	NA	€10 Per € million gross notional cleared	NA	\$13 -Per \$ million gross notional cleared	General Members – Unlimited can choose between the Fixed Fee Tariff and the Variable Fees for their Sovereign Single Name CDS clearing activity. In-year switches permitted once per year between the Fixed Fee Tariff and the Variable Fees one. The Fixed Fee Tariff covers all self-clearing Sovereign Single Name activity for a Financial Group of a Clearing Member
General Member – Introductory Tariff	€200,000 if the total annual gross notional cleared is under €10billion	€3.5 Per million gross	€10 Per million gross	\$4.5 Per million gross	\$13 Per million gross	Covers all self-clearing Corporate , Financial and Sovereign Index and Single Names activity

		notional cleared	notional cleared	notional cleared	notional cleared	The fixed fee is charged assuming more than €10bn notional will be cleared. Any amount overdue (for GMs having cleared less than €10bn will be returned to the Member in the last bill of the year)
	€400,000 if the total annual gross notional cleared is over €10billion	€3.5 Per million gross notional cleared	€10 Per million gross notional cleared	\$4.5 Per million gross notional cleared	\$13 Per million gross notional cleared	
Full discount of variable fees for Sovereign Single Names from 14-Dec-2022 to 14-Dec-2023 included Full discount of Sovereign Single Names variable fees for 1 calendar year from go-live						
Select Member	€250,000 if the total annual gross notional cleared is under €20billion €10billion	€4 Per million gross notional cleared	€10 Per million gross notional cleared	\$5 Per million gross notional cleared	\$13 Per million gross notional cleared	Covers all self-clearing Corporate, Financials and Sovereign Index and Single Names activity The fixed fee is charged assuming more than €10bn notional will be cleared. Any amount overdue (for SMs having cleared less than €10bn will be returned to the Member in the last bill of the year)
	€450,000 if the total annual gross notional cleared is <u>strictly</u> over €20billion €10billion					

Client Clearing Tariff for Corporate, Financials and Sovereign Index and Single Names CDS

Client Clearing	Self-Clearing / Variable Fees				
	EUR Indices	EUR Single Names	USD Indices	USD Single Names	
Variable Fees	€4 Per million gross notional cleared	€12 Per million gross notional cleared	\$5 Per million gross notional cleared	\$17 Per million gross notional cleared	Covers all self-clearing Corporate, Financials and Sovereign Index and Single Names activity

Annual Account Fees

A yearly fee is charged for each ISA or OSA account as indicated in the table below.

	ISA	OSA Net	OSA Gross	LSOC
Fee	€3,500	€3,500	€3,500* ¹	\$0

*¹Gross OSA account charges:

- Main value segregated collateral account operated by the Clearing Member, only one per Clearing Member. The main Gross OSA*¹ is charged at €0/€0.
- Each additional Gross OSA will be charged at €1,750 for each 6-month period (comparison annual cost €3,500)

Options Tariff

General Member	Introductory Tariff	Can cover either one or multiple legal entities under conditions below (no Affiliate coverage) In-year switches are not permitted <i>No EEP usage fees in 20232</i>	
	Clearing Fees	\$8	per million of option notional on US Indices
		€8	per million of option notional on European Indices
	Floor on clearing fees	€115k	Per calendar year (no pro-rating) for 1 entity
		€150k	Per calendar year (no pro-rating) for 2 entities of the same Financial Group of a Clearing Member
		€190k	Per calendar year (no pro-rating) for 3 or more entities of the same Financial Group of a Clearing Member
	Unlimited Tariff	Cover all Affiliates of a given Financial Group of a Clearing Member Cover all clearing fees for Credit Option House activity for both iTraxx [®] and CDX [™] .NA underlying index families In-year switches are not permitted <i>No EEP usage fees in 20232</i>	
	Fixed fee (annual)	€375k Per calendar year (no pro-rating)	
	Discounted Rates	€115k if notionals cleared strictly above €15bn	

	New Market Participant Tariff	<p>Can apply to either one or multiple legal entities under conditions below (no affiliate coverage)</p> <p>Available for new joiners only (i.e. no entity of the same Financial Group of a Clearing Member registered to the Option clearing service under the Introductory or the Unlimited tariff in the last 3 calendar years), for 1 calendar year, renewable once only</p> <p>In-year switches are not permitted</p> <p>No EEP usage fees in 2023²</p>	
		€10	Per million notional on European Indices
		\$10	Per million notional on US Indices
	Onboarding Fees <i>(both Introductory & unlimited)</i>	€30k	One-off fee per Legal Entity under the Introductory tariff or per Financial Group of a Clearing Member under the Unlimited tariff.
Select Member	Introductory Tariff	<p>Cover only one legal entity (no affiliate coverage)</p> <p>In-year switches are not permitted</p> <p>No EEP usage fees in 2023²</p>	
	Clearing Fees	\$10	per million of option notional on US Indices
		€10	per million of option notional on European Indices
	Unlimited Tariff	<p>Cover all Affiliates of a given Financial Group of a Clearing Member</p> <p>Cover all clearing fees for Credit Option House activity for both iTraxx[®] and CDX[™].NA underlying index families</p> <p>In-year switches are not permitted</p> <p>No EEP usage fees in 2023²</p>	
	<i>Fixed fee (annual)</i>	€400k	<i>Per calendar year (no pro-rating)</i>
	<i>Discounted Rates</i>	€115k if notionals cleared strictly above €15bn	
	Onboarding Fees <i>(both Introductory & unlimited)</i>	€30k	One-off fee per Legal Entity under the Introductory tariff or per Financial Group of a Clearing Member under the Unlimited tariff
Client	Options Clearing Fees	\$4	per million of option notional on US Indices

	€4	per million of option notional on European Indices
	202 23 : Full discount of client variable fees	

CCP switch Incentive Programme	No fees will be charged by CDSClear for new transactions cleared at CDSClear under the CCP Switch Incentive Programme A credit equal to the fees associated with closing out the positions at a market participant's current CDS CCP will be applied to the market participant's account. The credit will be applicable towards fees related to future transactions cleared at CDSClear. The amount of credit applied will be calculated using the published fees at the market participant's current CDS CCP	
<u>High Turnover Fee plan</u>	<p><u>The HTFP applies on the notional cleared in a calendar year but excludes from the determination of the total cleared notional:</u></p> <ul style="list-style-type: none"> - <u>the notional cleared for which a CCP Switch credit note was used to zero out the clearing fees</u> - <u>the notional cleared part of a CCP Switch that thus didn't attract any clearing fees</u> <p><u>Options are excluded from the High Turnover Fee plan</u></p> <p><u>The High Turnover Fee plan does not apply to General Members</u></p>	
	<u>Bucket 1</u>	<p><u>€4 per million of EUR Indices gross notional cleared if the total annual gross notional cleared of EUR Indices is strictly below €60billion</u></p> <p><u>€12 per million of EUR Single Names gross notional cleared if the total annual gross notional cleared of EUR Single Names is strictly below €5billion</u></p> <p><u>\$5 per million of USD Indices gross notional cleared if the total annual gross notional cleared of USD Indices is strictly below \$60billion</u></p> <p><u>\$17 per million of USD Single Names gross notional cleared if the total annual gross notional cleared of USD Single Names is strictly below \$5billion</u></p>
	<u>Bucket 2</u>	<p><u>€3 per million of EUR Indices gross notional cleared if the total annual gross notional cleared of EUR Indices is above €60billion and strictly below €120billion</u></p> <p><u>€9 per million of EUR Single Names gross notional cleared if the total annual gross notional cleared of EUR Single Names is above €5billion and strictly below €10billion</u></p>

		<p><u>\$4 per million of USD Indices gross notional cleared if the total annual gross notional cleared of USD Indices is above \$60billion and strictly below \$120billion</u></p> <p><u>\$12 per million of USD Single Names gross notional cleared if the total annual gross notional cleared of USD Single Names is above \$5billion strictly below \$10billion</u></p>
	<u>Bucket 3</u>	<p><u>€2 per million of EUR Indices gross notional cleared if the total annual gross notional cleared of EUR Indices is above €120billion and strictly below €240billion</u></p> <p><u>€6 per million of EUR Single Names gross notional cleared if the total annual gross notional cleared of EUR Single Names is above €10billion and strictly below €20billion</u></p> <p><u>\$3 per million of USD Indices gross notional cleared if the total annual gross notional cleared of USD Indices is above \$120billion and strictly below \$240billion</u></p> <p><u>\$7 per million of USD Single Names gross notional cleared if the total annual gross notional cleared of USD Single Names is above \$10billion strictly below \$20billion</u></p>
	<u>Bucket 4</u>	<p><u>€1 per million of EUR Indices gross notional cleared if the total annual gross notional cleared of EUR Indices is above €240billion and strictly below €480billion</u></p> <p><u>€3 per million of EUR Single Names gross notional cleared if the total annual gross notional cleared of EUR Single Names is above €20billion and strictly below €40billion</u></p> <p><u>\$2 per million of USD Indices gross notional cleared if the total annual gross notional cleared of USD Indices is above \$240billion and strictly below \$480billion</u></p> <p><u>\$2 per million of USD Single Names gross notional cleared if the total annual gross notional cleared of USD Single Names is above \$20billion strictly below \$40billion</u></p>
	<u>Bucket 5</u>	<p><u>Free of charge if the total annual EUR Indices gross notional cleared of EUR Indices is above €480billion</u></p> <p><u>Free of charge if the total annual EUR Single Names gross notional cleared of EUR Single Names is above €40billion</u></p> <p><u>Free of charge if the total annual USD Indices gross notional cleared of USD Indices is above \$480billion</u></p> <p><u>Free of charge if the total annual USD Single Names gross notional cleared of USD Single Names is above \$40billion</u></p>

Affiliates clearing as Client (all products)

<p>Affiliates clearing as Clients</p>	<p>Full rebate on variable clearing fees for the Affiliate of a Clearing Member onboarded as client of such Clearing Member under the following conditions:</p> <ul style="list-style-type: none"> • The Clearing Member is a General Member under the Unlimited Tariff; • The Affiliate is a legal entity part of the same Financial Group as the Clearing Member; • The rebate applies to 1 trade account per affiliate and for all clearing services for which the Clearing Member is under the Unlimited Tariff (i.e. Index & Single Names and/or Options); • The rebate cannot apply to any account opened for CCM Indirect Clients; and <p>A fixed annual account fee of €100,000 is charged per affiliate of a Clearing Member onboarded as a client and benefiting from the full rebate on variable fees.</p>
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** Subject to any appropriate regulatory review and/or approval process duly completed*