



## NOTICE TO MEMBERS

No. 2015 - 071

June 15, 2015

### **NEW CDCC LIST OF FEES (EFFECTIVE AS OF JULY 1, 2015)**

Please find attached the new List of Fees for the Canadian Derivatives Clearing Corporation (CDCC). The new fees will become effective on July 1, 2015.

The amendments to the current List of Fees are as follows:

**1- Abrogation of the note referring to the EMF clearing fee rebate**

The fee waiver program on the FTSE Emerging Markets Index Futures (EMF) contract which is in effect until June 30, 2015 is not being extended. We are removing from the list of fee the reference to that rebate.

**2- Reduction of the ETF option fee cap for Clearing Member and for client**

The Montréal Exchange (MX) announced a reduction in the fee cap on all ETF options from 10,000 to 5,000 contracts for both clients and Approved Participants starting July 1, 2015. CDCC is following suit on this initiative and is capping clearing fees on all ETF options to 5,000 contracts for both clients and Clearing Members.

If you have any questions or concerns, please contact CDCC's Corporate Operations department or direct your e-mail inquiries to [cdcc-ops@cdcc.ca](mailto:cdcc-ops@cdcc.ca).

Glenn Goucher  
President and Chief Clearing Officer

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## **List of Fees**

**Effective as of  
July 1<sup>st</sup>, 2015**

# CANADIAN DERIVATIVES CLEARING CORPORATION FEES

## 1. Clearing fees per contract, per side - Options and Futures (See note 1)

1.1	Client
1.2	Clearing Member
1.3	Market maker - options only
1.4	Liquidity provider program participant
1.5	Minimum clearing fee - per month

## Fees

\$	0.20
\$	0.10
\$	0.10
\$	0.10
\$	500

## 2. Fee cap on Clearing Member fees

Fee cap program is applicable on cross transactions and pre-arranged transactions in zero-second exceeding the thresholds specified below, per leg, per Clearing Member.

Contract				Size per trade	Clearing fees
Equity / Options	Index / Options (Except SXO)	Currency / Options	ETF / Options (Except XIU)	10,000 + contracts	\$ 0.10 cap at \$ 1,000 / leg
S&P/TSX 60 Index options (SXO)				1,000 + contracts	\$ 0.10 cap at \$ 100 / leg
ETF / Options S&P/TSX 60-Index-ETF options (XIU)				5,000 + contracts	\$ 0.10 cap at \$ 500 / leg

Fee cap is applicable on an individual transaction basis, not on aggregate basis.

## 3. Fee cap on Client fees

Fee cap program is applicable on cross transactions and pre-arranged transactions in zero-second exceeding the thresholds specified below, per leg, per Client.

Contract				Size per trade	Clearing fees
Equity / Options	Index / Options (Except SXO)	Currency / Options	ETF / Options (Except XIU)	10,000 + contracts	\$ 0.20 cap at \$ 2,000 / leg
S&P/TSX 60 Index options (SXO)				1,000 + contracts	\$ 0.20 cap at \$ 200 / leg
ETF / Options S&P/TSX 60-Index-ETF options (XIU)				5,000 + contracts	\$ 0.20 cap at \$ 1 000 / leg

Fee cap is applicable on an individual transaction basis, not on aggregate basis.

## 4. Rebate program applicable on Clearing Members' clients transactions below 100 contracts.

Contract				Tiers (in million of contracts annually)	Rebate	Resulting clearing fees
Equity / Options	Index / Options	Currency / Options	ETF / Options	From 0 to 1.5	0%	\$ 0.20
				From 1.5 + to 3.0	30%	\$ 0.14
				Above 3.0	40%	\$ 0.12

## CANADIAN DERIVATIVES CLEARING CORPORATION FEES

### 5. Clearing fees, per day - Fixed Income Transactions (Tenor of Original Trade Submitted)

5.1	1-3 days - Repurchase Transactions
5.2	4-7 days - Repurchase Transactions
5.3	8 days or greater - Repurchase Transactions
5.4	Minimum clearing fee - per month per membership

Clearing member

Client

0.007% (or 0.7 bps)	0.00175% (or 0.175 bps)
0.004% (or 0.4 bps)	0.001% (or 0.1 bps)
0.003% (or 0.3 bps)	0.00075% (or 0.075 bps)
\$ 5,000	

### 6. Fixed Income Transactions Processing Fees

CDCC will be charging the following processing fees for every record received from CDS and for every fixed income position created from a future's tender process into a physical bond delivery/receive. Physical deliveries/receives stemming from a tendered future will be considered as cash transaction(s) for the purpose of the processing fees.

Repurchase Transactions

Cash Transactions

\$2.50	\$1.25
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### 7. Revenue sharing arrangement

6.1	Band 1: Less than \$5M in Fixed Income revenues*
6.2	Band 2: Between \$5M and \$6,999,999 in Fixed Income revenues*
6.3	Band 3: Between \$7M and \$12,499,999 in Fixed Income revenues*
6.4	Band 4: Greater than \$12.5M in Fixed Income revenues*

Share of revenue returned to  
Clearing Members

0%
20%
30%
50%

\* For the purposes of the revenue sharing arrangement, Fixed Income revenues includes: Fixed income clearing fees, fixed income transaction processing fees, less CDS settlement costs, less costs associated with its Daylight Credit Arrangements (DCA)

### 8. Clearing fees per contract, per side - Off Exchange ("Converge")

7.1	Client
7.2	Clearing Member

\$ 0.70
\$ 0.30

### 9. Fee cap on Off Exchange ("Converge")

	Size per trade
8.1	Client
8.2	Clearing Member

Clearing fees
\$ 0.70 cap at \$ 7,000 / leg
\$ 0.30 cap at \$ 3,000 / leg

Fee cap is applicable on an individual transaction basis, not on aggregate basis

### 10. Fee cap on share futures

	Size per trade
9.1	Client
9.2	Clearing Member

Clearing fees
\$ 0.20 cap at \$ 1,000 / leg
\$ 0.10 cap at \$ 500 / leg

Fee cap is applicable on an individual transaction basis, not on aggregate basis

### 11. Exercise fees per contract, - Options

10.1	Client
10.2	Clearing Member
10.3	Market maker
10.4	Liquidity provider program participant

\$ 0.37
\$ 0.37
\$ 0.37
\$ 0.37

### 12. Fee cap on exercise fees - Options (Except SXO)

	Size per trade
11.1	Client
11.2	Clearing Member
11.3	Market maker
11.4	Liquidity provider program participant

Exercise fees
\$ 0.37 cap at \$ 3,700
\$ 0.37 cap at \$ 3,700
\$ 0.37 cap at \$ 3,700
\$ 0.37 cap at \$ 3,700

Fee cap is applicable on an individual transaction basis, not on aggregate basis

## CANADIAN DERIVATIVES CLEARING CORPORATION FEES

### 13. Fee cap on exercise fees - S&P/TSX 60 Index options (SXO)

		Size per trade	Exercise fees
12.1	Client	1,000 + contracts	\$ 0.37 cap at \$ 370
12.2	Clearing Member	1,000 + contracts	\$ 0.37 cap at \$ 370
12.3	Market maker	1,000 + contracts	\$ 0.37 cap at \$ 370
12.4	Liquidity provider program participant	1,000 + contracts	\$ 0.37 cap at \$ 370

Fee cap is applicable on an individual transaction basis, not on aggregate basis

### 14. Tender fees per contract - Futures

13.1	Client	\$ 0.37
13.2	Clearing Member	\$ 0.37
13.3	Liquidity provider program participant	\$ 0.37

### 15. Position transfer fees per contract, per side

14.1	Client	\$ 0.05
14.2	Clearing Member	\$ 0.05
14.3	Market maker	\$ 0.05
14.4	Liquidity provider program participant	\$ 0.05

### 16. Data service \*\*\*

15.1	Trade Reconciliation file - per month	\$ 500
15.2	Series Information file - Clearing Member - per month	\$ 500
15.3	Series Information file - Non-Clearing Member - per month	\$ 900
15.4	VPN access - per encryption connection	\$ 29.95
15.5	VPN access - direct access	\$ 29.95
15.6	Online Sub Account Inquiry terminal of a member	
	15.6.1 Per month - 9 users and less	\$ 129
	15.6.2 Per month - 10 users and more	\$ 99

\*\*\* Volume discounts are available to Clearing Members only depending on the number of files delivered each month. Monthly fees are as follows: first file - \$500/month, second file - \$450/month and third file - \$400/month, no fee for other files.

### 17. Authorization Stamps

\$ 60
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### 18. Miscellaneous Fees related to Physical Settlement of Securities

CDCC will be recovering from Clearing Members, active in the physical settlement of Fixed Income Transactions and Fixed Income Futures contracts, the costs associated with its Commercial Bank Overnight Liquidity Arrangements (CBOLA). These costs will be payable quarterly, in arrears and will be due on the first business day of the calendar month. The amount payable by each Clearing Member will be based on the pro rata share of CDCC's quarterly CBOLA costs and will be pro rated across all Clearing Members that had net purchasing positions in Fixed Income securities through the CDCC CCP facilities.

The costs of this facility is subject to change as CDCC's credit providers may adjust the cost of this facility from time to time.

### Notes

1. CDCC has decided to extend the full rebate on clearing fees on the FTSE Emerging Markets Index Futures (EMF) contracts until June 30, 2015.

### TERMS AND CONDITIONS

1. Any billing document (invoice, transaction report, etc.) must be verified without delay. The CDCC must be advised in writing of any error or omission within thirty (30) days following the document date.
2. All taxes, whether local, provincial, state or federal, business, property excise tax, or other governmental taxes will be added, if the case arises, to the above-mentioned fees according to the service offered.