



## NOTICE TO MEMBERS

No. 2015 - 154

December 18, 2015

### **NEW CDCC LIST OF FEES (EFFECTIVE AS OF JANUARY 1, 2016)**

Please find attached the new List of Fees for the Canadian Derivatives Clearing Corporation (CDCC). The new fees will become effective on January 1, 2016.

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

#### **1- Reduction of fee cap on exercise fees (Option and Converge)**

CDCC is reducing the fee cap on exercise fees (Options and Converge) from 10,000 to 1,000 contracts starting January 1, 2016.

You will find attached hereto the amendments set to come into force and to be incorporated into the CDCC list of fees that will be made available on the CDCC website at [www.cdcc.ca](http://www.cdcc.ca) as of January 1, 2016.

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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#### **Canadian Derivatives Clearing Corporation**

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## **List of Fees**

**Effective as of  
January 1<sup>st</sup>, 2016**

# CANADIAN DERIVATIVES CLEARING CORPORATION FEES

## 1. Clearing fees per contract, per side - Options and Futures

		Fees
1.1	Client	\$ 0.20
1.2	Clearing Member	\$ 0.10
1.3	Market maker - options only	\$ 0.10
1.4	Liquidity provider program participant	\$ 0.10
1.5	Minimum clearing fee - per month	\$ 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	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			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	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			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 10,000 + contracts
8.2	Clearing Member 10,000 + contracts

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 5,000 + contracts
9.2	Clearing Member 5,000 + contracts

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, - "Converge" & 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 - "Converge" & Options (Except SXO)

	Size per trade
11.1	Client 1,000 <del>40,000</del> + contracts
11.2	Clearing Member 1,000 <del>40,000</del> + contracts
11.3	Market maker 1,000 <del>40,000</del> + contracts
11.4	Liquidity provider program participant 1,000 <del>40,000</del> + contracts

Exercise fees
\$ 0.37 cap at <del>\$ 3,700</del> \$370
\$ 0.37 cap at <del>\$ 3,700</del> \$370
\$ 0.37 cap at <del>\$ 3,700</del> \$370
\$ 0.37 cap at <del>\$ 3,700</del> \$370

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

### 13. 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

### 14. 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

### 15. 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.

### 16. 17. Authorization Stamps

\$ 60
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### 17. 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.

## 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.