



## NOTICE TO MEMBERS

No. 2013 – 107

April 17, 2013

### ERRATUM

#### **2013 LIST OF FEES OF CANADIAN DERIVATIVES CLEARING CORPORATION**

You will find attached the 2013 List of Fees of Canadian Derivatives Clearing Corporation (CDCC), which will become effective on May 1, 2013.

Please note that this publication modifies the clearing fees schedule and revenue sharing arrangements for Fixed Income Transaction (Sections 5 & 6).

For any questions or concerns, please contact CDCC's Member Services department or direct your email inquiries to [cdccops@cdcc.ca](mailto:cdccops@cdcc.ca).

Glenn Goucher  
President and Chief Clearing Officer

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## **2013 List of Fees**

**Effective as of  
May 1<sup>st</sup>, 2013**

# CANADIAN DERIVATIVES CLEARING CORPORATION FEES

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

### 2013 Fees

1.1	Client (see note 1)
1.2	Clearing Member (see note 1)
1.3	Market maker - options only (see note 1)
1.4	Liquidity provider program participant (see note 1)
1.5	Minimum clearing fee - per month

\$	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.

Contract				Size per trade	Clearing fees
Equity / Options	Index / Options	Currency / Options	ETF / Options	10,000 + contracts	\$ 0.10 cap at \$ 1,000 / leg

Fee cap is applicable on cross transactions and pre-arranged transactions in zero-second of 10,000 contracts or more per leg per Clearing Member.

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.

Contract				Size per trade	Clearing fees
Equity / Options	Index / Options	Currency / Options	ETF / Options	10,000 + contracts	\$ 0.20 cap at \$ 2,000 / leg

Fee cap is applicable on cross transactions and pre-arranged transactions in zero-second of 10,000 contracts or more per leg per client.

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	

\* In addition to clearing fees, CDCC will be recovering from Clearing Members any and all settlement costs incurred in the course of settlement activities at CDS. This cost recovery will occur quarterly on a pro-rata volume basis among Fixed income Clearing Members.

## 6. Revenue sharing arrangement based on annual cleared volumes of Repurchase Transactions - Cleared volumes (in millions of dollars of total traded value in Repurchase Transactions) \*\*

Share of revenue returned to Clearing Members

6.1	Band 1: Less than 5,000,000	0%
6.2	Band 2: Between 5,000,000 and 7,499,999	30%
6.3	Band 3: Between 7,500,000 and 9,999,999	40%
6.4	Band 4: Greater than 9,999,999	50%

\*\* The revenue sharing arrangement will be based on total annual cleared volumes at CDCC. The share of revenue returned to Clearing Members will be calculated by applying the applicable percentage to revenues of CDCC generated by clearing fees of Fixed Income Transactions, allocated among Clearing Members based on prorated volumes cleared by each Fixed Income Clearing Member and paid at the start of the subsequent calendar year (in arrears).

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

7.1	Client
7.2	Clearing Member

\$ 0.70
\$ 0.30

## 8. 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

## 9. 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

## 10. 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

## 11. Fee cap on exercise fees, - Options

	Size per trade
11.1	Client 10,000 + contracts
11.2	Clearing Member 10,000 + contracts
11.3	Market maker 10,000 + contracts
11.4	Liquidity provider program participant 10,000 + contracts

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

### 12. Tender fees per contract, - Futures

12.1	Client	\$	0.37
12.2	Clearing Member	\$	0.37
12.3	Liquidity provider program participant	\$	0.37

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

13.1	Client	\$	0.05
13.2	Clearing Member	\$	0.05
13.3	Market maker	\$	0.05
13.4	Liquidity provider program participant	\$	0.05

### 14. Data service \*\*\*

14.1	Trade Reconciliation file - per month	\$	500
14.2	Series Information file - Clearing Member - per month	\$	500
14.3	Series Information file - Non-Clearing Member - per month	\$	900
14.4	VPN access - per encryption connection	\$	29.95
14.5	VPN access - direct access	\$	29.95
14.6	Online Sub Account Inquiry terminal of a member		
	14.6.1 Per month - 9 users and less	\$	129
	14.6.2 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.

### 15. Authorization Stamps

\$	60
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### 16. 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.

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 Daylight Credit Arrangements (DCA). 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 monthly DCA costs and will be pro rated across all selling Clearing Members and which settled Fixed Income securities through the CDCC CCP facilities.

The costs of both of these facilities are subject to change as CDCC's credit providers in either the CBOLA or the DCA may adjust the cost of these facilities from time to time.

#### Note:

1. CDCC has decided to implement a full rebate on clearing fees on SXO from June 25, 2012 to June 30, 2013.

### 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.