

**PRICING GUIDELINES FOR DERIVATIVES CLEARING BUSINESS** September 2016**Introduction**

EMIR<sup>1</sup> entered into force on 16 August 2012 and requires that each existing clearing house established in the European Union (“CCP”) applies for reauthorisation pursuant to the terms of this legislation.

As a clearing member who is subject to EMIR, Citigroup Global Markets Limited (hereinafter referred to as “we”, “us”, “our” or “CGML”) is required to:

- (1) publically disclose the prices and fees associated with the clearing services we provide (EMIR Article 38(1));
- (2) offer our clients a choice between omnibus client segregation (“Omnibus Account”) and individual client segregation (“Individual Account”) account types (EMIR Article 39(5)); and
- (3) publically disclose levels of protection we offer to clients, in respect of account types, the corresponding degrees of segregation and the associated costs (EMIR Article 39(7)).

These Pricing Guidelines set out, for the purposes of EMIR Article 38(1) and 39(7), our indicative pricing and costs for providing clearing services on such CCPs in relation to exchange traded (“ETD”) and Over-The-Counter (“OTC”) cleared derivative products. CGML’s charges may vary from CCP to CCP depending on account structures, levels of risk associated with such account structures, and the products and services offered.

For further information regarding the levels of protection associated with the different levels of segregation please see our EMIR Disclosure Document which can be found at:

[http://icg.citi.com/icg/global\\_markets/products\\_solutions/citi\\_futures.jsp](http://icg.citi.com/icg/global_markets/products_solutions/citi_futures.jsp)

**Pricing Considerations**

CGML’s charges for each CCP service are set out in the relevant Annex (each a “CCP Annex”). The charges are based on currently available information from CCPs and are indicative of the maximum charge that could be applied to the stand alone provision of clearing services for the products listed in the table in the relevant CCP Annex.

**The charges set out in a CCP Annex are, in relation to ETD or OTC cleared derivative products, not inclusive of any additional EMIR segregation fee which is set forth separately. In addition, such charges are not inclusive of any fees or charges applied by any applicable exchange and/or clearing house and/or other third parties (including, without limitation, banking charges, commissions, fees, mark-ups and mark-downs and other charges such as transactions-related taxes or duties) (“Third Party Fees”) for the provision of clearing services, and will vary depending on whether a client has opted for omnibus client segregation or individual client segregation arrangements. Such Third Party Fees will be passed through to the client.**

These prices do not include any applicable discounts or rebates. It should be noted that we do not, unless specifically stated in the applicable fee schedule, enter into rebate arrangements with clients in relation to our own fees or Third Party Fees or any other fees that may be payable by the client to CGML. Discounts can be highly contextual for each client and typically factor in a number of variables including, without limitation, (1) a client’s relationship with Citigroup as a whole; (2) revenue opportunity; (3) credit rating; and (4) the client’s particular trading strategy, portfolio composition and level of activity. Conversely, a high degree of complexity in providing clearing services with respect to a particular CCP, product or client, or an increase in our capital or other costs, may limit such discounts<sup>2</sup>.

Other services which we may offer may attract additional charges, for example, without limitation the provision of services relating to: single currency margining; collateral transformation services; or complex reporting or allocation solutions.

<sup>1</sup>Regulation (EU) No 648/2012 on derivatives, central counterparties and trade repositories (known as the European Markets Infrastructure Regulation)

<sup>2</sup>CGML may offer a discount or cap on otherwise applicable pricing for each client based on various factors as described above.

**Individually Segregated Accounts**

For any particular CCP service, clients may choose between an Omnibus Account or Individual Account offered by CGML. As reflected above, different account structures at different CCPs may result in varying costs due to increased complexity (particularly from an operational and funding perspective).

Opting for Individual Accounts for all or some of a client's business may involve additional charges or other additive costs which will be supplemental to any charges that would otherwise apply for Omnibus Accounts. In particular, the selection of an Individual Account may expose clients to additional or heightened Third Party Fees, including without limitation, banking and payment transfer fees. Such charges will be passed onto clients.

The overall costs and operational implications of the different Individual Accounts are still being developed in the industry and so may be subject to change in the near future. We will disclose any such changes in accordance with our obligations under EMIR.

**BME CLEARING (BME) PRICING ANNEX**

CGML charges for provision of clearing services on BME are set out below. **These charges do not include any Third Party Fees (as defined above).**

***A. Exchange Traded Derivatives Fee (MEFF Financial Derivatives) Guideline***

CGML will charge a maximum of US\$6 per lot for Clearing and US\$10 per lot for Execution on BME contracts<sup>3</sup>.

***B. MEFF Power (Electricity Derivatives) Fee Guideline***

CGML will charge a maximum of US\$50 per lot for Clearing and US\$50 per lot for Execution on BME contracts<sup>3</sup>.

***E. OTC Derivatives Fee Guideline***

We do not currently offer clearing services on BME in relation to OTC cleared derivative products. We will publish any further disclosure of our fees for our clearing services for OTC cleared derivative products on BME prior to the offering of those services.

***F. Individual Accounts Fee Guideline***

CGML will charge a maximum of US\$5,000 per Individual Account per month.

<sup>3</sup>Maximum interest rate provisions: USD - Opening FedFunds - 75 bps (Credits) / Opening FedFunds + 75 bps (Debits). Non-USD - Overnight Libor or comparable - 75 bps (Credits) / Overnight Libor or comparable + 75 bps (Debits). Credit interest is paid on positive Total Equity balances. Debit interest will be applied to any negative Total Equity balances or uncovered initial margin in all currencies.

**CASSA DI COMPENSAZIONE E GARANZIA SPA (CC&G) PRICING ANNEX**

CGML charges for provision of clearing services on CC&G are set out below. **These charges do not include any Third Party Fees (as defined above).**

***A. Exchange Traded Derivatives Fee Guideline***

CGML will charge a maximum of US\$6 per lot for Clearing and US\$10 per lot for Execution on CC&G contracts<sup>4</sup>.

***B. OTC Derivatives Fee Guideline***

We do not currently offer clearing services on CC&G in relation to OTC cleared derivative products. We will publish any further disclosure of our fees for our clearing services for OTC cleared derivative products on CC&G should we start to offer such services..

***C. Individual Accounts Fee Guideline***

CGML will charge a maximum of US\$5,000 per Individual Account per month.

<sup>4</sup>Maximum interest rate provisions: USD - Opening FedFunds - 75 bps (Credits) / Opening FedFunds + 75 bps (Debits). Non-USD - Overnight Libor or comparable - 75 bps (Credits) / Overnight Libor or comparable + 75 bps (Debits). Credit interest is paid on positive Total Equity balances. Debit interest will be applied to any negative Total Equity balances or uncovered initial margin in all currencies.

**PRICING GUIDELINES FOR DERIVATIVES CLEARING BUSINESS** September 2016**CME CLEARING EUROPE (CME) PRICING ANNEX**

CGML charges for provision of clearing services on CME are set out below. **These charges do not include any Third Party Fees (as defined above).**

***A. Exchange Traded Derivatives Fee Guideline***

CGML will charge a maximum of US\$6 per lot for Clearing and US\$10 per lot for Execution on CME contracts<sup>5</sup>.

***B. OTC Commodity Derivatives Fee Guideline***

We do not currently offer clearing services on CME in relation to OTC cleared commodities derivative products. We will publish any further disclosure of our fees for our clearing services for OTC cleared commodities derivative products on CME prior to the offering of those services.

***C. OTC Financial Derivatives Fee Guideline***

We do not currently offer clearing services on CME in relation to OTC cleared derivative products. We will publish any further disclosure of our fees for our clearing services for OTC cleared derivative products on CME should we start to offer such services..

***D. Individual Accounts Fee Guideline***

CGML will charge a maximum of US\$5,000 per Individual Account per month.

<sup>5</sup>Maximum interest rate provisions: USD - Opening FedFunds - 75 bps (Credits) / Opening FedFunds + 75 bps (Debits). Non-USD - Overnight Libor or comparable - 75 bps (Credits) / Overnight Libor or comparable + 75 bps (Debits). Credit interest is paid on positive Total Equity balances. Debit interest will be applied to any negative Total Equity balances or uncovered initial margin in all currencies.

For exchange traded derivatives, maximum fees apply to standard lot sizes of 100mt, 1000bb, 42,000 gal and any larger contract sizes should apply a multiple thereof.

**PRICING GUIDELINES FOR DERIVATIVES CLEARING BUSINESS** September 2016**EUROPEAN COMMODITY CLEARING AG (ECC) PRICING ANNEX**

CGML charges for provision of clearing services on ECC are set out below. **These charges do not include any Third Party Fees (as defined above).**

***A. Exchange Traded Derivatives Fee Guideline***

CGML will charge a maximum of US\$50 per lot for Clearing and US\$50 per lot for Execution on ECC contracts<sup>6</sup>

***B. OTC Derivatives Fee Guideline***

We do not currently offer clearing services on ECC in relation to OTC cleared derivative products. We will publish any further disclosure of our fees for our clearing services for OTC cleared derivative products on ECC should we start to offer such services. .

***C. Individual Accounts Fee Guideline***

CGML will charge a maximum of US\$5,000 per Individual Account per month.

<sup>6</sup>Maximum interest rate provisions: USD - Opening FedFunds - 75 bps (Credits) / Opening FedFunds + 75 bps (Debits). Non-USD - Overnight Libor or comparable - 75 bps (Credits) / Overnight Libor or comparable + 75 bps (Debits). Credit interest is paid on positive Total Equity balances. Debit interest will be applied to any negative Total Equity balances or uncovered initial margin in all currencies.

**EUREX CLEARING AG PRICING ANNEX**

CGML charges for provision of clearing services on Eurex Clearing AG are set out below. **These charges do not include any Third Party Fees (as defined above).**

***A. Exchange Traded Derivatives Fee Guideline***

CGML will charge a maximum of US\$6 per lot for Clearing and US\$10 per lot for Execution on Eurex contracts<sup>7</sup>.

***B. OTC Derivatives Fee Guideline***

CGML will charge a maximum clearing ticket fee of US\$750 per trade<sup>8</sup>.

The maximum portfolio capital utilisation/maintenance fee will be 50 bps on Initial Margin.

Alternatively, consistent with minimum revenue thresholds, CGML may charge a MINIMUM monthly fee for certain low volume clients of US\$10,000 or more.

***C. Individual Accounts Fee Guideline***

CGML will charge a maximum of US\$5,000 per Individual Account per month.

<sup>7</sup>Maximum interest rate provisions: USD - Opening FedFunds - 75 bps (Credits) / Opening FedFunds + 75 bps (Debits). Non-USD - Overnight Libor or comparable - 75 bps (Credits) / Overnight Libor or comparable + 75 bps (Debits). Credit interest is paid on positive Total Equity balances. Debit interest will be applied to any negative Total Equity balances or uncovered initial margin in all currencies.

<sup>8</sup> Maximum interest on collateral: Eurex return on relevant currency – 75bps (credits), cost of funding at overnight interest rate +75 bps (debits). Credit Spreads are applied on cash balances held at the CCP, and in relation to initial margin only. Debit spreads are applied to the overnight funding facility required to fund client margin on trade date, for settlement on trade date +1.

**ICE CLEAR EUROPE LIMITED PRICING ANNEX**

CGML charges for provision of clearing services on ICE Clear Europe Limited ("ICE") are set out below. **These charges do not include any Third Party Fees (as defined above).**

***A. Exchange Traded Derivatives Fee Guideline***

CGML will charge a maximum of US\$6 per lot for Clearing and US\$10 per lot for Execution on ICE contracts<sup>9</sup>.

***B. OTC Derivatives Fee Guideline***

CGML will charge a maximum clearing ticket fee of US\$750 per trade<sup>10</sup>.

The maximum portfolio capital utilisation/maintenance fee will be 50 bps on Initial Margin.

Alternatively, consistent with minimum revenue thresholds, CGML may charge a MINIMUM monthly fee for certain low volume clients of US\$10,000 or more.

***C. Individual Accounts Fee Guideline***

CGML will charge a maximum of US\$5,000 per Individual Account per month.

<sup>9</sup>Maximum interest rate provisions: USD - Opening FedFunds - 75 bps (Credits) / Opening FedFunds + 75 bps (Debits). Non-USD - Overnight Libor or comparable - 75 bps (Credits) / Overnight Libor or comparable + 75 bps (Debits). Credit interest is paid on positive Total Equity balances. Debit interest will be applied to any negative Total Equity balances or uncovered initial margin in all currencies.

<sup>10</sup>Maximum interest on collateral: Eurex return on relevant currency – 75bps (credits), cost of funding at overnight interest rate +75 bps (debits). Credit Spreads are applied on cash balances held at the CCP, and in relation to initial margin only. Debit spreads are applied to the overnight funding facility required to fund client margin on trade date, for settlement on trade date +1.



**PRICING GUIDELINES FOR DERIVATIVES CLEARING BUSINESS** September 2016**LCH.CLEARNET LIMITED PRICING ANNEX**

CGML charges for provision of clearing services on LCH.Clearnet Limited are set out below. **These charges do not include any Third Party Fees (as defined above).**

***A. Exchange Traded Derivatives Fee Guideline***

CGML will charge a maximum of US\$6 per lot for Clearing and US\$10 per lot for Execution on Financial Contracts cleared on LCH.Clearnet<sup>11</sup>.

CGML will charge a maximum of US\$50 per lot for both Clearing and Execution on Commodity Contracts (e.g. LME) cleared on LCH.Clearnet.

***B. OTC Commodities and Freight ( LCH Enclear OTC)***

CGML will charge a maximum of US\$50 per lot for both Clearing and Execution on OTC Commodity Contracts cleared on LCH.Clearnet.

***C. OTC Derivatives Fee Guideline (LCH SwapClear)***

CGML will charge a maximum clearing ticket fee of US\$750 per trade<sup>12</sup>.

The maximum portfolio capital utilisation/maintenance fee will be 50 bps on Initial Margin.

Alternatively, consistent with minimum revenue thresholds, CGML may charge a MINIMUM monthly fee for certain low volume clients of US \$10,000 or more.

***D. Individual Accounts Fee Guideline***

CGML will charge a maximum of US\$5,000 per Individual Account per month.

<sup>11</sup>Maximum interest rate provisions: USD - Opening FedFunds - 75 bps (Credits) / Opening FedFunds + 75 bps (Debits). Non-USD - Overnight Libor or comparable - 75 bps (Credits) / Overnight Libor or comparable + 75 bps (Debits). Credit interest is paid on positive Total Equity balances. Debit interest will be applied to any negative Total Equity balances or uncovered initial margin in all currencies.

<sup>12</sup>Maximum interest on collateral: LCH SwapClear return on relevant currency – 75bps (credits), cost of funding at overnight interest rate +75 bps (debits). Credit Spreads are applied on cash balances held at the CCP, and in relation to initial margin only. Debit spreads are applied to the overnight funding facility required to fund client margin on trade date, for settlement on trade date +1.

**LCH.CLEARNET SA PRICING ANNEX**

CGML charges for provision of clearing services on LCH.Clearnet S.A. are set out below. **These charges do not include any Third Party Fees (as defined above).**

***A. Exchange Traded Derivatives Fee Guideline***

CGML will charge a maximum of US\$6 per lot for Clearing and US\$10 per lot for Execution on LCH.Clearnet S.A. contracts<sup>13</sup>.

***B. OTC Derivatives Fee Guideline***

We do not currently offer clearing services on LCH.Clearnet SA in relation to OTC cleared derivative products. We will publish any further disclosure of our fees for our clearing services for OTC cleared derivative products on LCH.Clearnet SA should we start to offer such services.

***C. Individual Accounts Fee Guideline***

CGML will charge a maximum of US\$5,000 per Individual Account per month.

<sup>13</sup>. Maximum interest rate provisions: USD - Opening FedFunds - 75 bps (Credits) / Opening FedFunds + 75 bps (Debits). Non-USD - Overnight Libor or comparable - 75 bps (Credits) / Overnight Libor or comparable + 75 bps (Debits). Credit interest is paid on positive Total Equity balances. Debit interest will be applied to any negative Total Equity balances or uncovered initial margin in all currencies.

**PRICING GUIDELINES FOR DERIVATIVES CLEARING BUSINESS** September 2016**LME CLEAR LTD (LME Clear) PRICING ANNEX**

CGML charges for provision of clearing services on LME Clear are set out below. **These charges do not include any Third Party Fees (as defined above).**

***A. Exchange Traded Derivatives Fee Guideline***

CGML will charge a maximum of US\$6 per lot for Clearing and US\$10 per lot for Execution on LME Clear contracts<sup>14</sup>.

***B. OTC Derivatives Fee Guideline***

We do not currently offer clearing services on LME Clear in relation to OTC cleared derivative products. We will publish any further disclosure of our fees for our clearing services for OTC cleared derivative products on LME Clear should we start to offer such services..

***D. Individual Accounts Fee Guideline***

CGML will charge a maximum of US\$5,000 per Individual Account per month.

<sup>14</sup>Maximum interest rate provisions: USD - Opening FedFunds - 75 bps (Credits) / Opening FedFunds + 75 bps (Debits). Non-USD - Overnight Libor or comparable - 75 bps (Credits) / Overnight Libor or comparable + 75 bps (Debits). Credit interest is paid on positive Total Equity balances. Debit interest will be applied to any negative Total Equity balances or uncovered initial margin in all currencies.

**PRICING GUIDELINES FOR DERIVATIVES CLEARING BUSINESS** September 2016**NASDAQ OMX PRICING ANNEX**

CGML charges for provision of clearing services on Nasdaq OMX are set out below. **These charges do not include any Third Party Fees (as defined above).**

***A. Exchange Traded Derivatives Fee Guideline***

CGML will charge a maximum of US\$6 per lot for Clearing and US\$10 per lot for Execution on NASDAQ OMX contracts<sup>13</sup>.

***B. Nasdaq OMX Commodities Fee Guideline***

CGML will charge a maximum of US\$50 per lot for Clearing and US\$50 per lot for Execution on NASDAQ OMX Commodities contracts<sup>15</sup>

***C. OTC Derivatives Fee Guideline***

We do not currently offer clearing services on NASDAQ OMX in relation to OTC cleared derivative products. We will publish any further disclosure of our fees for our clearing services for OTC cleared derivative products on NASDAQ OMX should we start to offer such services..

***D. Individual Accounts Fee Guideline***

CGML will charge a maximum of US\$5,000 per Individual Account per month.

<sup>15</sup>Maximum interest rate provisions: USD - Opening FedFunds - 75 bps (Credits) / Opening FedFunds + 75 bps (Debits). Non-USD - Overnight Libor or comparable - 75 bps (Credits) / Overnight Libor or comparable + 75 bps (Debits). Credit interest is paid on positive Total Equity balances. Debit interest will be applied to any negative Total Equity balances or uncovered initial margin in all currencies.