

## CME Group's IEF®5 Program

Satisfy initial margin requirements through a collaborative collateral management offering from J.P. Morgan and CME Group (formerly the Chicago Mercantile Exchange)

J.P. Morgan and CME Group offer a collateral management program that allows clearing member firms to receive compensation on cash used to satisfy initial margin requirements. Cash collateral funds are held in one or more accounts on the trust ledger of JPMorgan Chase Bank, N.A. The IEF5 program provides clearing member firms with flexibility to enhance returns and preserve liquidity while providing full compliance with regulatory requirements, with deposits securely held in one of the world's most capable and trusted financial institutions.

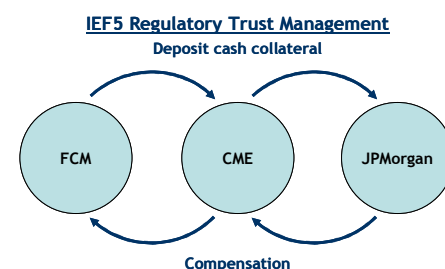
### FEATURES AND BENEFITS

Features	Benefits
Increase Efficiency	<ul style="list-style-type: none"> <li>An IEF5 program is established by the clearing member firm, who completes an Operations and Disclosure Agreement with the CME</li> <li>Once the clearing member firm designates that required funds be administered under IEF5, their deposits to accounts set up at the CME are automatically routed to JPMorgan Chase Bank and held in omnibus trust ledger accounts established in CME's name</li> <li>CME Group manages deposits and withdrawals and distributes monthly compensation</li> <li>Online account information and transaction processing is provided through CME's web portal</li> </ul>
Mitigate Risk	<ul style="list-style-type: none"> <li>Designed to meet regulatory requirements, J.P. Morgan's solution provides safety with no capital haircuts on regulatory collateral values</li> <li>Cash deposited to meet initial margin requirements is fully liquid and available for withdrawal through CME at all times</li> <li>Cash deposits are guaranteed by the Federal Deposit Insurance Corporation up to applicable limits</li> </ul>
Enhance Returns	<ul style="list-style-type: none"> <li>Compensation is accrued daily and paid monthly, allowing clearing member firms to receive a competitive rate of return from CME</li> </ul>

### Highlights

#### How it works:

- Designated regulatory cash is placed in accounts in CME's name, which are administered by JPMorgan as cash collateral agent
- Though not structured for use as transaction accounts, cash deposited is available for withdrawal at all times. Deposits and withdrawals are effected through the CME
- Funds are FDIC insured up to applicable limits
- Balances earn competitive returns, accrued daily and disbursed monthly by CME



### Leadership and Innovation

Billions of dollars of collateral managed daily for the world's leading broker-dealers and financial institution

- Ongoing investment and innovation, including a multi-year, multi-million dollar capital spending program
- Services delivered by the market leader in innovative collateral management solutions
- Introduced ground-breaking, specialized cash collateral management structures

#### J.P. Morgan also supports:

- CME Group's IEF®3 and IEF®4 programs
- SEC Rule 15c3-3 Special Reserve Bank Account Service
- CFTC Rule 1.20 and 30.7 programs
- Mortgage Servicing Bank Account Program
- Pioneered international equity tri-party in 1992
- Created the industry's first full-service OTC derivatives collateral management solution

Contact J.P. Morgan: For more information, visit [jpmorgan.com/ccm](http://jpmorgan.com/ccm)

Contact CME Group: To establish an IEF5 account, visit CME Group at [cmegroup.org](http://cmegroup.org) or call 312 634 8399