

Mitigate settlement risk for your FX trades while benefiting from operational efficiencies, in addition to best-in-class netting and liquidity management. Our world-class payment-versus-payment settlement service delivers huge efficiencies and savings for our clients.

# CLSSettlement

## Membership

Our FX settlement service is available both directly, to settlement members, and indirectly, to third-party participants. Over 70 of the world's most important financial institutions chose to be settlement members – and over 35,000 more use our service, including banks, funds, non-bank financial institutions and multinational corporations. We offer a number of membership categories to meet the diverse needs of banks active in the FX market.

### The benefits

- Risk mitigation and management
- Business growth opportunities
- Capital and liquidity efficiencies
- Operational and IT efficiencies
- Direct participation in a financial market infrastructure at the center of the FX market

### Reduce risk, improve efficiency and increase liquidity

We protect our members and their clients from the most significant risk in the FX market – settlement risk. We do this by simultaneously settling payment instructions relating to FX trades using our unique payment-versus-payment (PvP) system.

We deliver huge efficiencies and savings for our clients, maximizing the advantages of straight-through processing to deliver operational efficiencies and minimize associated costs. In addition, our approach to multilateral netting shrinks funding requirements by over 96% on average, so our clients can put their capital and resources to better use.

### Eligibility

Given the interconnected nature of CLSSettlement, it is critical that prospective members meet our eligibility criteria. These have been established to mitigate liquidity, market, credit and certain operational risks to the settlement service, our participants and broader financial markets.

Potential members that meet the eligibility criteria have the option of becoming a **shareholder settlement member** or **non-shareholder settlement member**. The membership benefits for each type are identical. However, shareholder settlement members invest in shares of CLS Group Holdings and receive the associated shareholder rights. Non-shareholder settlement members have a different commercial construct in lieu of shareholding and no shareholder rights.

<sup>1</sup> Australian dollar, Canadian dollar, Danish krone, euro, Hong Kong dollar, Hungarian forint, Israeli shekel, Japanese yen, Korean won, Mexican peso, New Zealand dollar, Norwegian krone, Singapore dollar, South African rand, Swedish krona, Swiss franc, UK pound sterling and US dollar.

70+

settlement members

35,000+

participants around the world use our services indirectly through our settlement members

6.5+  
USD trillion

average settled each day

18

of the most actively traded currencies globally<sup>1</sup>

Systemically important financial market infrastructure critical to the orderly functioning of the global FX market

Awards: ☆

Best Settlement Initiative 2023

FX Markets e-FX 2023

Best FX Settlement & Risk Mitigation Solution

FX Markets Asia

2022 / 2021 / 2020

Best Trading

Infrastructure Provider

American Financial Technology 2021



Settlement



Processing



Data

## Settlement membership criteria

### CLSSettlement-eligible financial institution:

A bank, trust company, broker-dealer, investment firm or an entity subject to prudential supervision by an acceptable authority.

### Satisfactory demonstration of operation and technical capabilities:

- Ability to submit, amend and rescind payment instructions to CLSSettlement
- Ability to deliver funds in each eligible currency within specified times
- Adequate contingency plans for maintaining operational capabilities.

### Minimum financial requirements:

- Ability to maintain capital equal to or in excess of the minimum capital and capital ratio requirements imposed by the institution's primary regulator
- Minimum long term credit rating of at least BB- as determined by CLS.

### Head or home office jurisdiction

Located within a jurisdiction for which CLS has received a satisfactory legal opinion addressing, among other things, settlement finality and netting.

### Anti-money laundering requirements

Have procedures in place designed to detect illegal money laundering activities of its customers or other illegal activities.

## Settlement membership associated financial costs

Shareholder settlement member costs	Non-shareholder settlement member costs
Initial account opening fee	Initial account opening fee
Account maintenance fees	Account maintenance fees
Liquidity usage fees	Liquidity usage fees
Tariff table <sup>2</sup> applicable to all settlement members	Monthly minimum fees in lieu of shareholding. Monthly fees are based on the monthly minimum or the transactions submitted, (based on the tariff table <sup>2</sup> applicable to all members), whichever is larger
Costs relating to connectivity to CLS (including SWIFT interface costs)	Costs relating to connectivity to CLS (including SWIFT interface costs)

<sup>2</sup> More information about CLSSettlement pricing methodology can be found at [cls-group.com](https://cls-group.com)

For more information please email [enquiries@cls-group.com](mailto:enquiries@cls-group.com)

### FX Global Code

Using CLS products and services plays an integral part in helping you comply with the FX Global Code. Find out more at [cls-group.com](https://cls-group.com)

Trusted by thousands of counterparties within the global FX ecosystem, CLS makes FX safer, smoother and more cost effective. Trillions of dollars' worth of currency flows through our systems each day.

London  
Hong Kong  
Tokyo

New York  
New Jersey

[info@cls-group.com](mailto:info@cls-group.com)  
[cls-group.com](https://cls-group.com)