Swapstream Limited

Registered No. 4201383

Report and Financial Statements

For the year ended 31 December 2017

Corporate Information

Legal Form
Private company limited by shares

Country of Incorporation and Domicile
United Kingdom

Directors
K Cronin
R J Bodnum

Secretary
K Cronin

Auditors
Ernst & Young LLP
Bedford House
16 Bedford Street
Belfast, BT2 7DT

Bankers
Barclays Bank plc
128 Moorgate
London, EC2M 6SX

Registered Office
One New Change
London, EC4M 9AF

Solicitors
Norton Rose Fulbright LLP
3 More London Riverside
London, SE1 2AQ

Directors' report

The directors present their report for the period ended 31 December 2017

Results and dividends
The loss for the year after taxation amounted to £36,041 (2016: 13,528). The directors do not recommend payment of a dividend for the year (2016: £nil).

Principal activities and review of the business
During the year activities continued to be limited, as they have been in recent years. As such, the Directors have decided there is little prospect for the Company to carry on any commercial activity in the future and intend to place the Company into Members Voluntary Liquidation ("MVL").

Future developments
The directors intend that the Company will be placed in MVL within the next 12 months, once any remaining liabilities for the Company have been settled.

Directors
The following directors have held office during the year:

K Cronin
R J Bodnum

None of the directors had any beneficial interest in the share capital of the Company or any other CME UK Group company at any time during the year.

Directors' liabilities
The Company has indemnified one or more directors of the Company in the event of liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision was in force during the year.

Disclosure of information to the auditors
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors
The auditor in office will be deemed to have been re-appointed pursuant to section 487(2) of the Companies Act 2006 unless the members or directors resolve otherwise.

Small company exemptions
This report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006. A Strategic Report has not been prepared as allowed by the small companies' regime within Part 15 of the Companies Act 2006.

Financial instruments
Details of financial risk management objectives, policies and exposure to risk are set out in Note 2 of these financial statements.

Directors' report (continued)

Going concern

The directors intend that the Company will be placed in MVL within the next 12 months. CME Group Inc., the Company's ultimate parent, has agreed to support the Company throughout this period to ensure that all creditors are paid. In these circumstances, it is not appropriate to prepare the financial statements on a going concern basis. As the Company has ceased its commercial operations and plans to realise its assets in an orderly fashion, the directors have determined that other than providing for future costs to be incurred in ceasing the Company's operations, the accounting policies applied to individual items should be consistent with those adopted in the prior year. Given the nature of the Company's operations there are no non-current assets and all current assets are realisable at their originally recognised amounts such that no impairments or write downs were required. However, adjustments have been made to provide for an estimate of any further liabilities expected to arise until the Company is placed in MVL. These estimates are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances and are continually re-evaluated.

On behalf of the Board

K Cronin
Director

5/7/13

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards), including FRS 101 'Reduced Disclosure Framework' ('FRS 101') and applicable law. The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; for the reasons stated in the Director's Report and Note 1.2, the financial statements have not been prepared on a going concern basis.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditors' report

To the members of Swapstream Ltd

Opinion

We have audited the financial statements of Swapstream Limited for the year ended 31 December 2017 which comprise Profit and loss account, Balance Sheet, Statement of Changes in Equity and the related notes 1 to 14, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice). These financial statements have been prepared on a basis other than a going concern as disclosed in Note 1.2.

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditors' report (continued)

To the members of Swapstream Ltd

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made;
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditors' report (continued)

To the members of Swapstream Ltd

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

Michael Christie (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Belfast
6 July 2018

Profit and loss account
For the year ended 31 December 2017

	Note	2017 £	2016 £
Administrative expenses	4	(12,055)	(13,662)
Provision for future costs	5	(24,000)	-
Operating loss		(36,055)	(13,662)
Interest receivable and similar income	8	14	134
Loss before taxation		(36,041)	(13,528)
Tax on loss	9	-	-
Loss for the financial year		(36,041)	(13,528)

The results are derived from discontinued operations.

There are no items of other comprehensive income and accordingly a statement of other comprehensive income has not been presented.

The notes on pages 11 to 20 form an integral part of these financial statements.

Balance Sheet

As at 31 December 2017

	Note	2017 £	2016 £
Current Assets			
Debtors	10	**111**	170
Cash at bank and in hand		**65,877**	71,571
		65,988	71,741
Creditors:			
Amounts falling due within one year	11	**(14,863)**	(8,575)
Provision for liabilities	5	**(24,000)**	-
Net current assets		**27,125**	63,166
Capital and reserves			
Called up equity share capital	12	**2,810,205**	2,810,205
Share Premium account	13	**18,591,932**	18,591,932
Other reserves	13	**5,960,320**	5,960,320
Accumulated losses	13	**(27,335,332)**	(27,299,291)
Shareholders' funds		**27,125**	63,166

The notes on pages 11 to 20 form part of these financial statements.

The financial statements were approved and authorised by the Board of Directors on 5|7| 2018 and were signed on its behalf by:

Kathleen Cronin

K Cronin
Director

Statement of changes in Equity

For the year ended 31 December 2017

	Called up equity share capital	Share Premium account	Other reserves	Accumulated losses	Total shareholders' funds
	£	£	£	£	£
At 1 Jan 2016	2,810,205	18,591,932	5,960,320	(27,285,763)	76,694
Loss for the year	–	–	–	(13,528)	(13,528)
At 31 Dec 2016	2,810,205	18,591,932	5,960,320	(27,299,291)	63,166
At 1 Jan 2017	**2,810,205**	**18,591,932**	**5,960,320**	**(27,299,291)**	**63,166**
Loss for the year	**–**	**–**	**–**	**(36,041)**	**(36,041)**
At 31 Dec 2017	**2,810,205**	**18,591,932**	**5,960,320**	**(27,335,332)**	**27,125**

Notes to the financial statements

For the year ended 31 December 2017

1. Accounting policies

The principal accounting policies adopted by the Company are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

1.1 Basis of preparation

The financial statements were prepared in accordance with Financial Reporting Standard 100 *Application of Financial Reporting Requirements* ("FRS 100"), Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101") and in accordance with Companies Act 2006.

The financial statements are prepared on a historical cost basis. The financial statements are presented in Sterling and all values are rounded to the nearest pound (£) except when otherwise indicated.

Disclosure exemptions adopted

In preparing these financial statements the Company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore, these financial statements do not include:

- certain disclosures regarding the Company's capital;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with other wholly owned members of the group headed by CME Group Inc.

1.2 Going Concem

The directors intend that the Company will be placed in MVL within the next 12 months. CME Group Inc., the Company's ultimate parent, has agreed to support the Company throughout this period to ensure that all external creditors are paid. In these circumstances it is not appropriate to prepare the financial statements on a going concern basis. As the Company has ceased its operations and plans to realise its assets in an orderly fashion, the directors have determined that other than providing for future costs to be incurred in ceasing the Company's operations (see note 5), the accounting policies applied to individual items should be consistent with those adopted in the prior year. Given the nature of the Company's operations there are no non-current assets and all current assets are realisable at their originally recognised amounts such that no impairments or write downs were required. However, adjustments have been made to provide for an estimate of any further liabilities expected to arise until the Company is placed in MVL. These estimates are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances and are continually re-evaluated.

Notes to the financial statements

For the year ended 31 December 2017

1.3 Judgements and key sources of estimation uncertainty

The preparation of the Company's financial information under FRS 101 requires the Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. In the course of preparing the Company's financial statements no judgements have been made in the process of applying the Company's accounting policies, other than in respect of those involving estimates as set out below.

The Directors consider that the following estimates and judgements are likely to have the most significant effect on the amounts recognised in the financial statements:

Provisions

As noted above the Company's financial statements are prepared on a basis other than as a going concern, including recognising provision for those costs estimated to be incurred since 31 December 2017 until the Company has been placed in MVL as indicated in note 5. The estimated costs are based upon management's assessment of the timing and costs of actions to be undertaken in order to place the Company in MVL. The key uncertainty in estimating these costs relates to the timescale in which all liabilities, including those with HMRC, will be settled.

1.4 Significant accounting policies

Foreign currency translation

The Company's financial statements are presented in sterling, which is also the Company's functional currency. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Financial assets

All of the Company's financial assets are classified as loans and receivables. These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised costs using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. Impairment provisions are recognised through the profit and loss.

The Company's loan and receivables comprise mainly of cash and cash equivalents.

Cash and cash equivalents comprise cash at banks and in hand and short term deposits with an original maturity of three months or less.

Due to the short term nature of the financial assets, their fair value approximates the carrying value.

Notes to the financial statements

For the year ended 31 December 2017

1.4 Significant accounting policies (continued)

Financial liabilities

The Company's financial liabilities comprise amounts due to group undertakings and accruals, which are initially recognised at fair value and are subsequently carried at amortised cost using the effective interest method. Interest is charged to the profit and loss account.

Due to the short term nature of the financial liabilities, their fair value approximates the carrying value.

Income taxes

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legal enforcement right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the Company to make a single net payment.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the profit and loss account.

Notes to the financial statements

For the year ended 31 December 2017

2. Financial risk management

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated within Note 2 to the financial statements.

Credit Risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with minimum rating "A" are accepted.

All cash at bank is held with institutions with the following credit ratings. Ratings used for both 2017 and 2016 are Fitch.

	2017 Rating	**2017 £**	2016 Rating	2016 £
Cash at bank				
	A	**65,877**	A	71,571
	Total	**65,877**	Total	71,571

Market risk

Market risk arises from adverse movements in foreign exchange rates, interest rates and securities prices. Those risks are managed by the Company on the basis of agreed limits which are kept under continuous review. Compliance is monitored through internal management reporting and internal audit process.

Foreign currency risk

The Company is exposed to foreign currency risk on a transactional basis, where receipts and payments occur in currencies other than sterling, and on a translation basis, where assets and liabilities are denominated in currencies other than Sterling. The Company does not have a policy of hedging its foreign currency risk exposure and the exposure is considered minimal.

The following table demonstrates the sensitivity to a reasonably possible change in Sterling against the exchange rates of foreign currencies with all other variables held constant. The analysis shows the impact on profit and loss of a strengthening (-%) or weakening (+%) of the currency against Sterling:

	Sensitivity %	**2017 £**	Sensitivity %	2016 £
United States Dollar	**11%**	**868**	8%	543
	-5%	**(470)**	-7%	(511)

Notes to the financial statements

For the year ended 31 December 2017

2. Financial risk management (continued)

Liquidity risk

The Company's policy is to manage liquidity risk by maintaining sufficient bank balances to manage short-term liquidity requirements. The Company also relies on immediate parent company support to meet the liquidity needs.

Liquidity risk is the risk that the Company is unable to fully or promptly meet payment obligations and potential payment obligations as and when they fall due. This is particularly relevant in the cases where the Company cannot meet obligations to pay margin or physical settlement monies due to clearing members.

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

At 31 Dec 2017	**Within 3 months**	**Within 3 to 6 months**	**With 6 to 12 months**	**Total**
	£	**£**	**£**	**£**
Accruals	**-**	**13,861**	**-**	**13,861**
Amounts due to group undertaking	**1,002**	**-**	**-**	**1,002**
Total	**1,002**	**13,861**	**-**	**14,863**

At 31 Dec 2016	Within 3 months	Within 3 to 6 months	With 6 to 12 months	Total
	£	£	£	£
Accruals	-	8,310	-	8,310
Amounts due to group undertaking	265	-	-	265
Total	265	8,310	-	8,575

Operational risk

Operational risk is the risk of losses due to inadequate or failed internal processes, or due to external events, whether deliberate, accidental, or natural occurrences. Internal processes include human resource systems, risk management and internal controls (including fraud prevention). Internal processes are subject to risks associated with human error, breaches of safety and failure of error prevention and detection systems. Operational risks also include possible failures of information technology systems. Operational risk is managed through the implementation of systems controls and policies, in which employees receive regular training, and the establishment of a business continuity plan, which is reviewed and tested on a regular basis under various scenarios.

Notes to the financial statements

For the year ended 31 December 2017

3. Fair Values

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;
Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly; and
Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

During the years ended 31 December 2016 and 31 December 2017, all disclosed financial instruments fair values were valued using Level 2 techniques, and there were no transfers into or out of Level 2 fair value measurements.

The carrying value of all of the Company's financial assets and liabilities approximate their fair value.

4. Expenses by nature

	2017	2016
	£	£
Professional fees	**12,759**	12,274
Foreign exchange (gains)/losses	**(735)**	1,357
Other costs	**31**	31
Total administrative expenses	**12,055**	13,662

5. Provisions

	2017	2016
	£	£
At 1 January	**-**	-
Arising during the year	**24,000**	-
At 31 December	**24,000**	-

The provision represents administrative costs expected to be incurred by the Company post 31 December 2017 until the Company is placed in MVL, which is expected to be in October 2018.

Notes to the financial statements

For the year ended 31 December 2017

6. Auditors remuneration

The Company paid the following amounts to its auditors in respect of the audit of the financial statements and for other services provided to the company.

	2017	2016
	£	£
Audit of the financial statements	**5,351**	1,888
Taxation compliance services	**-**	7,361
	5,351	9,249

7. Directors' remuneration

The Company employs no employees (2016: nil) other than its directors. The Directors were employed and remunerated as directors or executives of CME Group Inc. and its subsidiaries ("the Group") in respect of their services to the Group as a whole and it is therefore considered that their remuneration is negligible within Swapstream Limited.

8. Interest receivable and similar income

	2017	2016
	£	£
Interest receivable on bank deposits	**14**	134
	14	134

Notes to the financial statements

For the year ended 31 December 2017

9. Taxation

	2017	2016
(a) **Tax charge in the income statement**	**£**	£
Current Income Tax		
UK Corporation tax	-	-
Total current income tax	-	-
Tax expense in the income statement	-	-

(b) **Reconciliation of the total tax charge**

The tax expense in the income statement for the year is lower than the standard rate of corporation tax in the UK of 19.25% (2016: 20%). The differences are reconciled below:

	2017	2016
	£	£
Loss before income taxes	**(36,041)**	(13,528)
Tax calculated at UK corporation tax rate of 19.25% (2016: 20%)	**(6,938)**	(2,706)
Deferred tax not recognised on temporary differences	**(1,498)**	(1,897)
Tax losses surrendered for nil consideration	**8,436**	4,603
Total tax expense reported in the income statement	-	-

(c) **Change in corporation tax rate**

The Finance Act (No. 2) 2015, substantively enacted on 26 October 2015 and enacted on 18 November 2015, included a decrease in corporation tax rates to 19% from 1 April 2017. Additionally, the Finance Act 2016, enacted on 15 September 2016, included a decrease in corporation tax rates to 17% from 1 April 2020.

(d) **Unrecognised deferred tax**

	2017	2016
Deferred tax asset:	**£**	£
Losses	**3,746,873**	3,746,895
Other temporary differences	**6,831**	7,777
	3,753,253	3,754,672

The Company's temporary differences in respect of losses and other temporary differences are unrecognised for deferred tax purposes as the asset would not be recoverable in future periods since the Company will be placed in MVL.

Notes to the financial statements

For the year ended 31 December 2017

10. Debtors

	2017	2016
	£	£
VAT recoverable	**111**	170
	111	170

11. Creditors: amounts falling due within one year

	2017	2016
	£	£
Accruals	**13,861**	8,310
Amounts due to group undertaking	**1,002**	265
	14,863	8,575

12. Share capital

		2017	2016
		£	£
Allotted, called up and fully paid			
1,789,119,000	Ordinary A shares of £0.001 each	**1,789,119**	1,789,119
321,313,927	Deferred A shares of £0.001 each	**321,314**	321,314
350,205	Ordinary C shares of £0.001 each	**350**	350
699,422,307	Deferred shares of £0.001 each	**699,422**	699,422
		2,810,205	2,810,205

During the year, no shares were subscribed for.

There are no options outstanding on any type of shares in the capital of the Company.

Terms and Conditions of share capital
Ordinary A shares have full voting and distribution rights (pari passu with Ordinary C shares). Deferred A shares and Deferred shares have no voting rights and distribution rights are capped at par value per share. Ordinary C shares have full voting and distribution rights (pari passu with Ordinary A shares) as they are fully vested.

Notes to the financial statements

For the year ended 31 December 2017

13. Reserves

The following describes the nature and purpose of each reserve within equity:

Reserve	**Nature and Purpose**
Called up equity share capital	Nominal value of share capital subscribed for.
Share premium	Amount subscribed for share capital in excess of nominal value.
Other reserves	Other reserves.
Accumulated losses	All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

For the movement in reserves during the year, refer to 'Statement of Changes in Equity' page 10.

14. Ultimate group undertaking

The Company's immediate parent undertaking is CME Swaps Marketplace Limited, which is a subsidiary of CME Group Inc.

CME Group Inc. is the Company's ultimate parent undertaking and controlling party, whose principal address of business is 20 South Wacker Drive, Chicago, Illinois 60606, USA. It is a company incorporated in the United States of America and listed on NASDAQ.

CME Group Inc. is the smallest and largest group at which the results of the Company are consolidated. The consolidated financial statements of CME Group Inc. are available to the public and may be obtained from the offices of CME Group Inc. or http://investor.cmegroup.com.