

Chicago Clearing Corporation Presents:

Driving Revenue Through Global Class Actions

Dear SIFMA Member,

Thank you for taking the time to see how CCC can help your operations department drive more revenue for your firm. This presentation is very quick (there are only 9 slides). We champion your clients and add bottom line profit to your balance sheet through effective management of your class actions.

Best Regards,

Jim Tharin (CEO)

CHICAGO CLEARING CORPORATION

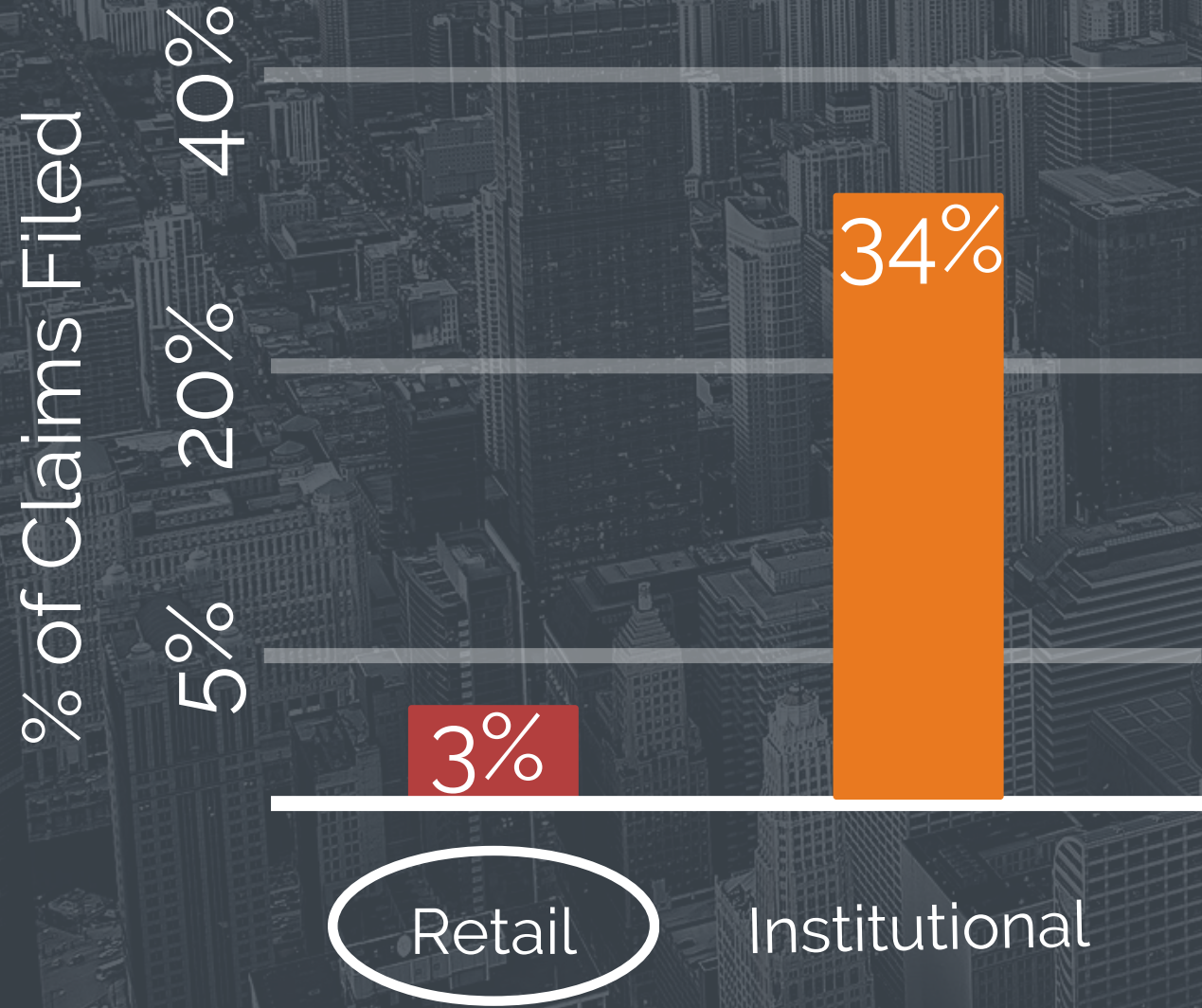
- Established in 1993 by James Tharin (former CBOE Broker/Dealer)
- Recovered over **\$1 Billion** for class members since '93
- Successfully filed over **10 million** individual claims
- Over **300 years** of collective class action staff experience on hand
- James is the Founder/Chairman of SIFMA's class action working group

CCC Size vs. Financial Institutions

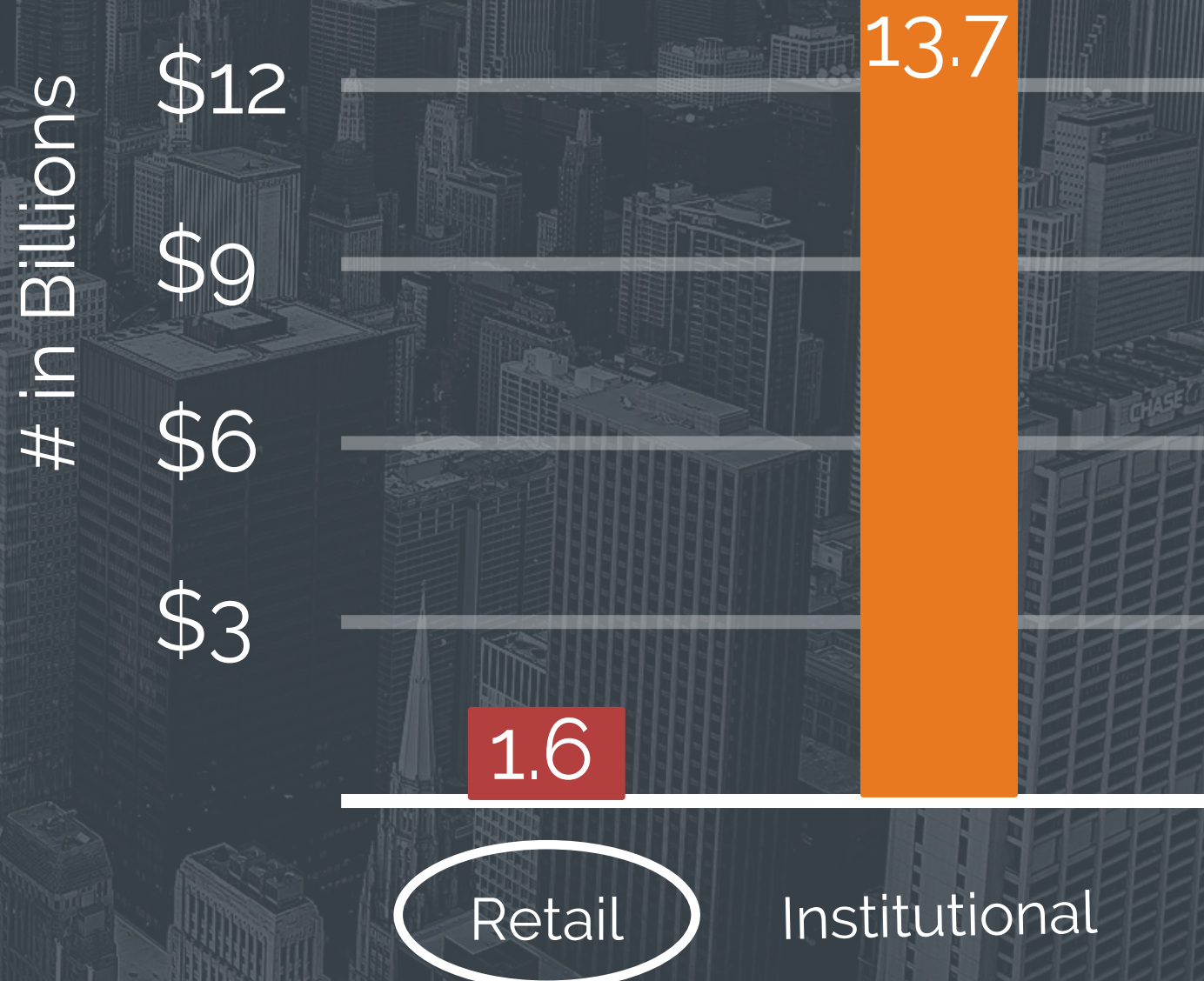


RETAIL INVESTORS ARE FORGOING FUNDS

Class Action Filing Rates



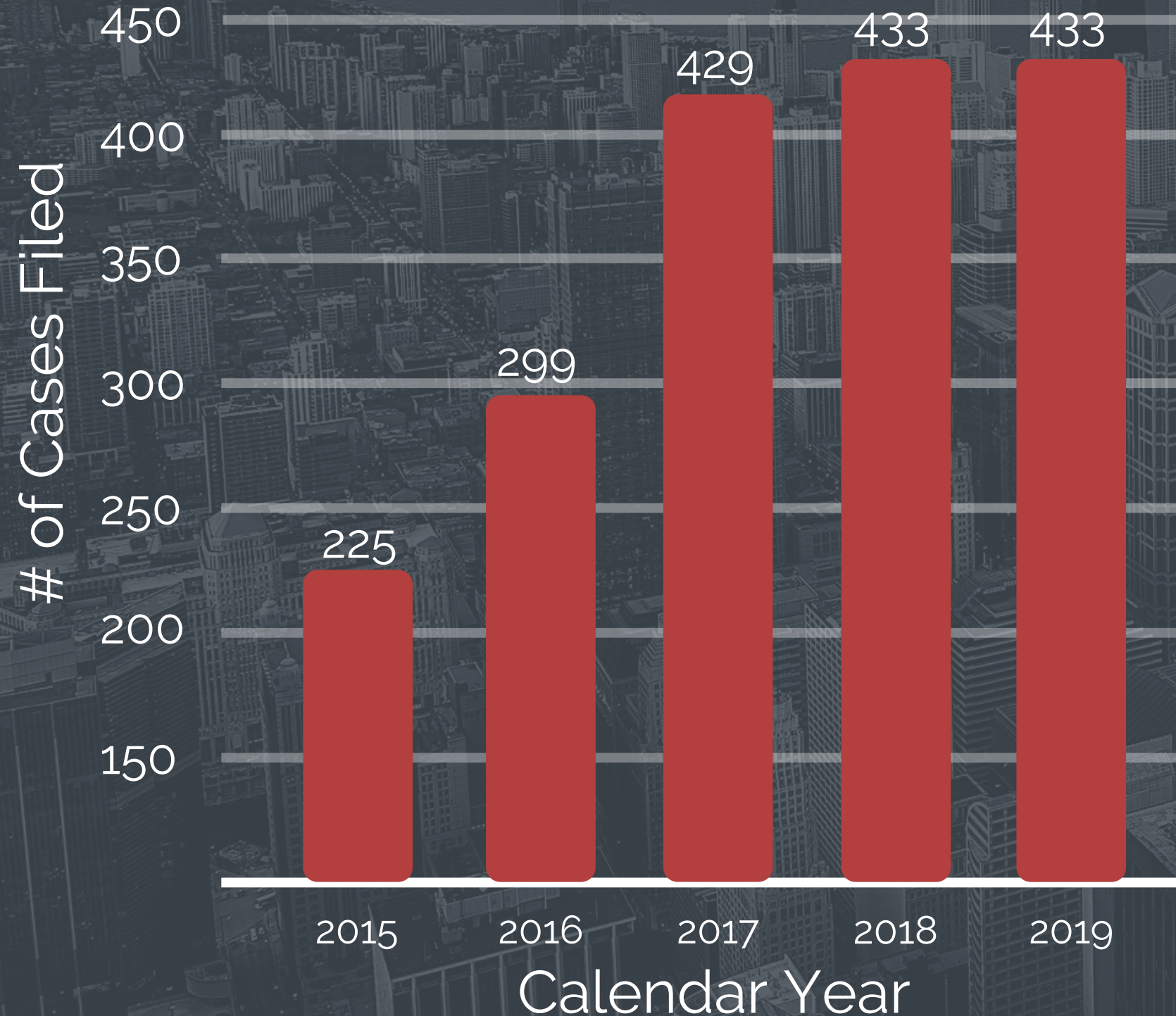
Expected Return on \$15.3B



Chicago Clearing Corporation. 2020.

CLASS ACTION LITIGATION FILINGS

Trends in Class Action Cases Filed



(Data from NERA Economic Consulting)

- There are over **750** pending securities class action cases in the court system right now
- Last two years had the most litigations ever, which will lead to a significant number of settlements
- Securities class action settlements remarkably consistent over the last 10 years
- Anti-trust cases have added **\$Billions** in available claims: CDS, FX, Last Look, Isdafix, Euro-yen, Euribor, LIBOR...
- No end in sight, regardless of market fluctuations, regulations or court cases

MONEY AVAILABLE

Historical Class Action Settlements

Cases Settled Annually (Avg. over the Last 5 Years)

111

Settlement fund per case (Avg. over the Last 5 Years)

\$53.6M

Snapshot of 2020

Total Cases Settled in 2020

102

Settlement Funds added in 2020

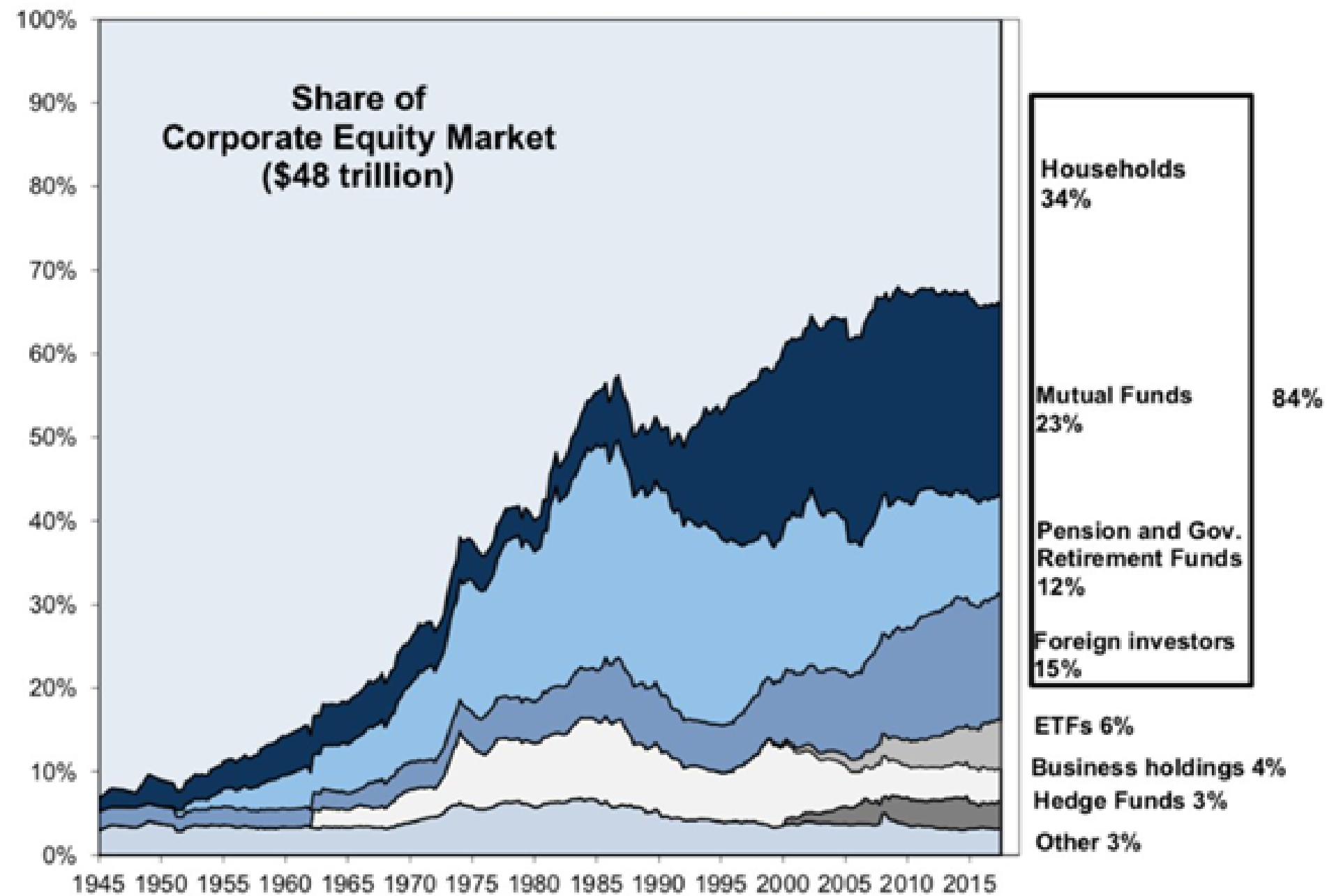
\$5.3B

Total Amount in Escrow for Class Members

\$15.3B

WHAT SHOULD RETAIL INVESTORS RECEIVE?

84% of the US equity market is owned by Households, Mutual Funds, Pension Funds, and Foreign investors



Money Left on Table

- \$15.3 billion dollars in escrow available to be claimed
- Retail investors own ~34% of the US Equity Market...
- Yet, if current filing rates continue, households will receive 10% of the \$15.3B
- Retail investors are forgoing roughly \$3.5 billion dollars every year

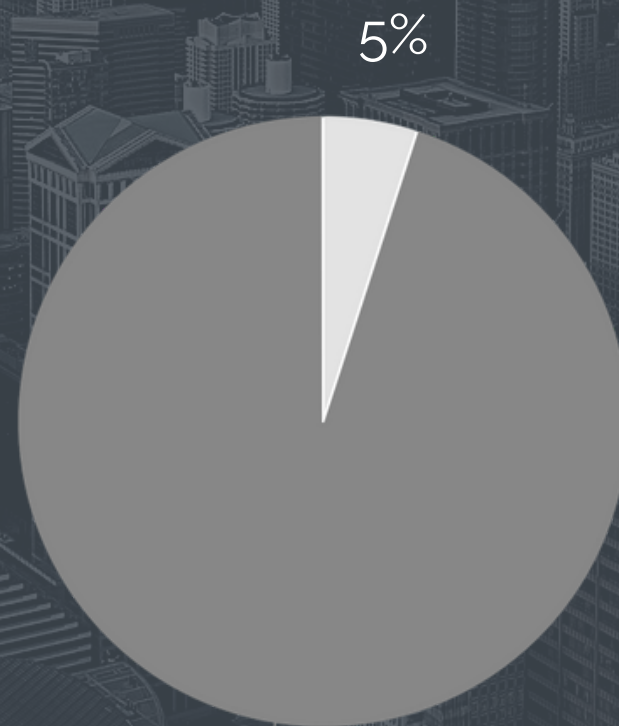
BROKER CUSTODIANS CAN BENEFIT TREMENDOUSLY

Our research shows the average brokers' return on clients' assets is roughly **2%**...



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If a brokerage firm has a **5%** share of the total brokerage market...



Total Brokerage Market

=

Then **5%** of the **\$15 Billion** currently in escrow as of 2020



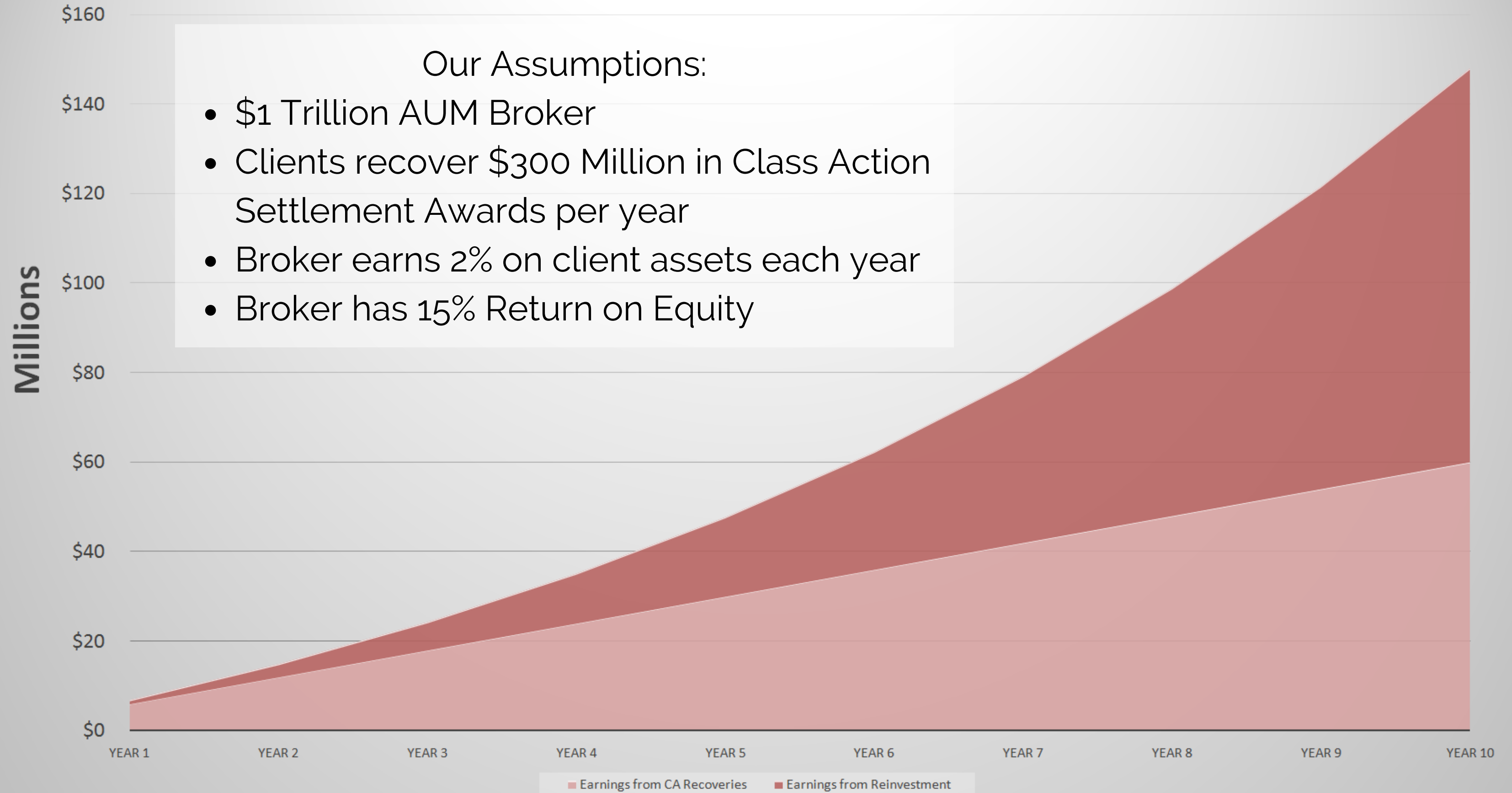
Result in **\$750 Million** accruing into client brokerage accounts



Dropping \$15 million to the firm's bottom line

BROKERS ARE FORGOING SIGNIFICANT NET PROFIT

Cumulative Earnings from Class Action Recoveries + Reinvestment



BROKER CUSTODIANS CAN BENEFIT

The Result of Firmwide Filing of Securities Claim Forms for Clients:

- Broker saves money, retains clients and accrues millions of dollars every year on client assets
- Client asset return drops profit directly to your bottom line
- CCC can seamlessly retrieve all class action money owed to your clients
- CCC electronically files, leaving you a clear audit trail
- CCC will indemnify brokers
- CCC would also serve as an ongoing data warehouse to store and seamlessly retrieve data for settlements with ancient class periods

IMAGINE OPERATIONS AS A PROFIT CENTER

Final Takeaway:

Your operations department can become a profit center for your brokerage



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CONTACT CHICAGO CLEARING CORP.

Supporting your teams and driving revenue for your firm are our top priorities. To learn more about how we **champion your clients** and continue to revolutionize the class action industry, contact:

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THANK YOU!