CME Group | Advisory Notice

TO: Clearing Member Firms; Back Office Managers; Margin Managers; CME
CORE   Users; PC SPAN Users; Bookkeeping Software Providers

FROM: CME Clearing

ADVISORY #:   24-208

DATE: 7/22/2024

SUBJECT: SPAN 2 Framework Agriculture Product Removal from Cross Model Offset ("CMO")

As per normal review, CME Clearing's Risk Management staff approved the removal of the following product from the SPAN 2 framework's cross model offset ("CMO") against products that are margined in the SPAN 2 framework's crude pod.[1] For avoidance of doubt, products that are added or removed to or from CMO continue to be margined under the SPAN methodology, however they may receive margin offsets against products that are margined under the SPAN 2 methodology. The rollout schedule for asset classes to be margined under the SPAN 2 methodology is available here and the list of current products margined under SPAN 2 methodology is available here.

Clearing	GLOBEX	ClearPort	Product Name	Exch	Asset Class	Product Group
C	ZC	C	Corn Futures	CBOT	Agriculture	Grains

The removal and associated margin impacts will be effective after the close of business on

Tuesday, July 23, 2024.

Additional details around the launch of the SPAN 2 framework can be found here:

https://www.cmegroup.com/clearing/risk-management/span-overview/span-2-methodology.html?redirect=/span2

Please contact our Clearing Post Trade Services Team with any questions.
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[1] Note, a pod is a group of associated products under the SPAN or SPAN 2 methodology and the cross model offset is the applied margin offset between the SPAN and SPAN 2 methodology. The products included in the SPAN 2 methodology's pods are available here: https://www.cmegroup.com/clearing/files/phase-1-energy-products-07-05-2024.xlsx and products included in the CMO are available here: https://www.cmegroup.com/clearing/files/list-of-cross-model-offset-products.xlsx .