

## Advisory Notice

Clearing House

08-196

TO: Clearing Member Firms  
Chief Financial Officers  
Back Office Managers  
Margin Managers

FROM: CME Clearing

SUBJECT: Performance Bond Requirement Changes: **Outright (SCAN) Tiers Structures Change for the Existing Natural Gas Index Swap Contracts.**

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As per the normal review of market volatility to ensure adequate collateral coverage, the Chicago Mercantile Exchange Inc., Clearing House Risk Management staff approved the performance bond requirements for the following products listed below. The rates are effective at the close of business from Tuesday, August 26, 2008 (*close of business*) to Monday, September 8, 2008 (*close of business*).

**Futures Contracts:** Demarcation Index Swap (DI), SoCal Index Swap (IF), Dominion Index Swap (IH), CenterPoint Index Swap (II), San Juan Index Swap (IJ), PG&E City Gate Index Swap (IK), El Paso/Permian Index Swap (IL), Henry Hub Index Swap (IN), Dawn Index Swap (IO), Houston Ship Channel Index Swap (IP), ANR OK Index Swap (IQ), Rockies Index Swap (IR), Chicago Index Swap (IS), Transco Zone 6 Index Swap (IT), Sumas Index Swap (IU), Panhandle Index Swap (IV), NGPL Mid-Continent Index Swap (IW), TETCO M-3 Index Swap (IX), Waha Index Swap (IY), NGPL Tex/OK Index Swap (OI) and Ventura Index Swap (VI).

**Contract Months:** All Months

**Note:** The revised margin Tiers are in **bold**.

### **NYMEX Outright (Scan) Margin and Intra-Commodity Spread Tiers For Existing Natural Gas Index Swaps**

<b>Tiers</b>	<b>New</b>	<b>Old*</b>
<b>1</b>	<b>1<sup>st</sup> - 2nd Nearby</b>	1st Nearby
<b>2</b>	<b>3rd Nearby</b>	2nd Nearby
<b>3</b>	<b>4<sup>th</sup> And Greater</b>	3rd And Greater

\* After September 8, 2008, Original Tiers apply.

Should you have any questions regarding these margin rates, please contact William Doherty at (212) 299-2925.