

## Advisory Notice

Clearing House

08-308

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirement Changes.

DATE: Friday, October 31<sup>st</sup>, 2008.

***To receive advanced notification of Performance Bond (margin) changes, through our free automated mailing list, go to:***  
***<http://www.cmegroup.com/newsletter/web2lead/web2sf-old.html> and subscribe to the Performance Bond Rates Advisory Notices listserver.***

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 on **Monday, November 3<sup>rd</sup>, 2008.**

### **MARGIN RATE AND TIER CHANGES FOR HEATING OIL (HO), NEW YORK HARBOR HEATING OIL CALENDAR SWAP (MP), HEATING OIL – FINANCIAL CONTRACT (BH) AND NYMEX miNY™ HEATING OIL (QH)**

Note: The revised margins are in **bold**.

**HO/MP/BH/QH Intra-Commodity Spread and Scan Tiers**

| <b>Tiers</b> | <b>New</b>                          | <b>Old</b>                   |
|--------------|-------------------------------------|------------------------------|
| 1            | 1st Nearby                          | 1st Nearby                   |
| 2            | <b>2nd - 4th Nearby</b>             | 2nd - 5th Nearby             |
| 3            | <b>5th - 11th Nearby</b>            | 6th - 12th Nearby            |
| 4            | <b>Greater than the 11th Nearby</b> | Greater than the 12th Nearby |

**Performance Bond Requirement Changes**

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**NYMEX Division Outright (Scan) Margins on Heating Oil (HO) New York Heating Oil Calendar Swap (MP) and Heating Oil - Financial Contract (BH)**

| Tiers | Clearing Member / Maintenance Margin |          | Member Customer Initial Margin |          | Non-Member Customer Initial Margin |          |
|-------|--------------------------------------|----------|--------------------------------|----------|------------------------------------|----------|
|       | New                                  | Old      | New                            | Old      | New                                | Old      |
| 1     | <b>\$9,250</b>                       | \$10,500 | <b>\$10,175</b>                | \$11,550 | <b>\$12,488</b>                    | \$14,175 |
| 2     | <b>\$9,000</b>                       | \$10,250 | <b>\$9,900</b>                 | \$11,275 | <b>\$12,150</b>                    | \$13,838 |
| 3     | <b>\$8,750</b>                       | \$10,000 | <b>\$9,625</b>                 | \$11,000 | <b>\$11,813</b>                    | \$13,500 |
| 4     | <b>\$8,500</b>                       | \$8,750  | <b>\$9,350</b>                 | \$9,625  | <b>\$11,475</b>                    | \$11,813 |

**NYMEX Division Outright (Scan) Margins on NYMEX miNY™ Heating Oil (QH)**

| Tiers | Clearing Member / Maintenance Margin |         | Member Customer Initial Margin |         | Non-Member Customer Initial Margin |         |
|-------|--------------------------------------|---------|--------------------------------|---------|------------------------------------|---------|
|       | New                                  | Old     | New                            | Old     | New                                | Old     |
| 1     | <b>\$4,625</b>                       | \$5,250 | <b>\$5,088</b>                 | \$5,775 | <b>\$6,244</b>                     | \$7,088 |
| 2     | <b>\$4,500</b>                       | \$5,125 | <b>\$4,950</b>                 | \$5,638 | <b>\$6,075</b>                     | \$6,919 |
| 3     | <b>\$4,375</b>                       | \$5,000 | <b>\$4,813</b>                 | \$5,500 | <b>\$5,906</b>                     | \$6,750 |
| 4     | <b>\$4,250</b>                       | \$4,375 | <b>\$4,675</b>                 | \$4,813 | <b>\$5,738</b>                     | \$5,906 |