

## Advisory Notice

Clearing House

07-259

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: October 26, 2007

**To receive advanced notification of Performance Bond (margin) changes, through our free automated mailing list, go to: <https://www.cme-ch.com/listserve/addlistserve.asp> 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., Performance Bond staff approved the performance bond requirements for following new products listed below. These margins will become effective with the launch of these products on **Monday, October 29, 2007.**

### SPAN<sup>®</sup> MINIMUM PERFORMANCE BOND REQUIREMENTS

#### Real Estate Index Outright Rates

##### Apartments Real Estate Index (CEA)

Rate Type	Change	New Initial	New Maintenance	Volatility Scan Range	Short Option Minimum
Spec	Increase	\$675	\$500	1.0%	1.5%
Hedge/Member	Increase	\$500	\$500		

##### Desert Mountain West Real Estate Index (CED)

Rate Type	Change	New Initial	New Maintenance	Volatility Scan Range	Short Option Minimum
Spec	Increase	\$675	\$500	1.0%	1.5%
Hedge/Member	Increase	\$500	\$500		

##### Midwest Real Estate Index (CEM)

Rate Type	Change	New Initial	New Maintenance	Volatility Scan Range	Short Option Minimum
Spec	Increase	\$675	\$500	1.0%	1.5%
Hedge/Member	Increase	\$500	\$500		

National Composite (CEC)

Rate Type	Change	New Initial	New Maintenance	Volatility Scan Range	Short Option Minimum
Spec	Increase	\$675	\$500	1.0%	1.5%
Hedge/Member	Increase	\$500	\$500		

Northeast Real Estate Index (CEN)

Rate Type	Change	New Initial	New Maintenance	Volatility Scan Range	Short Option Minimum
Spec	Increase	\$675	\$500	1.0%	1.5%
Hedge/Member	Increase	\$500	\$500		

Office Real Estate Index (CEO)

Rate Type	Change	New Initial	New Maintenance	Volatility Scan Range	Short Option Minimum
Spec	Increase	\$675	\$500	1.0%	1.5%
Hedge/Member	Increase	\$500	\$500		

Pacific West Real Estate Index (CEW)

Rate Type	Change	New Initial	New Maintenance	Volatility Scan Range	Short Option Minimum
Spec	Increase	\$675	\$500	1.0%	1.5%
Hedge/Member	Increase	\$500	\$500		

Retail Real Estate Index (CEL)

Rate Type	Change	New Initial	New Maintenance	Volatility Scan Range	Short Option Minimum
Spec	Increase	\$675	\$500	1.0%	1.5%
Hedge/Member	Increase	\$500	\$500		

Warehouse Real Estate Index (CEE)

Rate Type	Change	New Initial	New Maintenance	Volatility Scan Range	Short Option Minimum
Spec	Increase	\$675	\$500	1.0%	1.5%
Hedge/Member	Increase	\$500	\$500		

OneChicago Products Launching Monday, October 29, 2007

CME Security Futures Outright Rates

Hudson City Bancorp Inc (HCB)

Rate Type	Initial	Maintenance
Clearing/Member Rate	6.00%	6.00%
Customer Rate	20.00%	20.00%

Microchip Technology Inc. (MCH)

Rate Type	Initial	Maintenance
Clearing/Member Rate	12.00%	12.00%
Customer Rate	20.00%	20.00%

**CME Security Futures Intra-Commodity Spread Rates**

Hudson City Bancorp Inc (HCB) - All Months

<b>Rate Type</b>	<b>Change</b>	<b>Initial</b>	<b>Maintenance</b>
Clearing/Member Rate	N/A	3.00%	3.00%
Customer Rate	N/A	5.00%	5.00%

Microchip Technology Inc. (MCH) - All Months

<b>Rate Type</b>	<b>Change</b>	<b>Initial</b>	<b>Maintenance</b>
Clearing/Member Rate	N/A	3.00%	3.00%
Customer Rate	N/A	5.00%	5.00%

Please contact the Risk Management Department at 312-648-3888, if you have any questions regarding these Performance Bond Changes.