

Advisory Notice

Clearing House

07-245

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: October 12, 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 the following new products listed below. These margins will become effective with the launch of these products on **Monday, October 15, 2007.**

SPAN[®] MINIMUM PERFORMANCE BOND REQUIREMENTS

CBOT Agricultural Futures Outright Rates

CBOT OTC Cash Settled Ethanol Options (76)

Rate Type	Change	Initial	Maintenance
Spec	N/A	\$3,375	\$2,500
Hedge/Member	N/A	\$2,500	\$2,500

CBOT OTC Ethanol Gulf Coast Basis Swap (75)

Rate Type	Change	Initial	Maintenance
Spec	N/A	\$4,050	\$3,000
Hedge/Member	N/A	\$3,000	\$3,000

CBOT OTC Ethanol Los Angeles Basis Swap (74)

Rate Type	Change	Initial	Maintenance
Spec	N/A	\$4,050	\$3,000
Hedge/Member	N/A	\$3,000	\$3,000

CBOT OTC Ethanol New York Harbor Basis Swap (73)

Rate Type	Change	Initial	Maintenance
Spec	N/A	\$4,050	\$3,000
Hedge/Member	N/A	\$3,000	\$3,000

CBOT Agricultural Futures Intra-Commodity Spread Rates

CBOT OTC Cash Settled Ethanol Options (76) - All Months

Rate Type	Change	Initial	Maintenance
Spec	N/A	\$1,350	\$1,000
Hedge/Member	N/A	\$1,000	\$1,000

CBOT OTC Ethanol Gulf Coast Basis Swap (75) - All Months

Rate Type	Change	Initial	Maintenance
Spec	N/A	\$675	\$500
Hedge/Member	N/A	\$500	\$500

CBOT OTC Ethanol Los Angeles Basis Swap (74) - All Months

Rate Type	Change	Initial	Maintenance
Spec	N/A	\$675	\$500
Hedge/Member	N/A	\$500	\$500

CBOT OTC Ethanol New York Harbor Basis Swap (73) - All Months

Rate Type	Change	Initial	Maintenance
Spec	N/A	\$675	\$500
Hedge/Member	N/A	\$500	\$500

CBOT OTC Ethanol Forward Month Swap (71) - All Months	Volatility Scan Range	Short Option Minimum
	2.0%	1.0%

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