

Advisory Notice

Clearing House

08-326

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.**

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 Friday, November 7, 2008 (*close of business*).

Futures Contracts:

TCO Natural Gas Index Swap(Q1), TETCO STX Natural Gas Index Swap(Q2), Tennessee Zone 0 Natural Gas Index Swap(Q4), Transco Zone 3 Natural Gas Index Swap(Y6), Tennessee 500 Leg Natural Gas Index Swap(Y7), Michcon Natural Gas Index Swap(Y8), CIG Rockies Natural Gas Index Swap(Z8).

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

Tiers	New	Old*
1	1st Nearby	1st - 2nd Nearby
2	2nd Nearby	3rd Nearby
3	3rd And Greater	4th And Greater

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