

Advisory Notice

Clearing House

07-240

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: October 4, 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 products. These margins will become effective at the close of business on **Friday, October 5, 2007**.

SPAN[®] MINIMUM PERFORMANCE BOND REQUIREMENTS

CBOT Agricultural Futures Intra-Commodity Spread Rates

Wheat (CBOT) (W) - Old Crop Year vs. New Crop Year (July through May)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$1,620	\$1,200	\$2,025	\$1,500
Hedge/Member	Increase	\$1,200	\$1,200	\$1,500	\$1,500

Mini-Wheat (CBOT) (YW) - Old Crop Year vs. New Crop Year (July through May)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$324	\$240	\$405	\$300
Hedge/Member	Increase	\$240	\$240	\$300	\$300

Effective October 8, 2007

CBOT Ethanol Futures (EH) Volatility Scan Range 2% Short Option Minimum 1%

Please note the ratio changes to the following CBOT Interest Rate Futures Inter-Commodity Spreads effective Friday, October 5, 2007.

US Long Bond (17) vs. 10 Yr Treasury Note (21) vs. 5 Yr Treasury Note vs. 2 Yr Treasury Note (26) Scan Based Spread Ratio (3:5:7:8)

5 Yr Treasury Note (25) vs. 2 Yr Treasury Note (26) Ratio (7:8)

10 Yr Treasury Note (21) vs. 5 Yr Treasury Note (25) Ratio (5:7)

10 Yr Treasury Note (21) vs. 2 Yr Treasury Note (26) Ratio (5:8)

US Long Bond (17) vs. 10 Year Treasury Note (21) Ratio (3:5)

US Long Bond (17) vs. 5 Yr Treasury Note (25) Ratio (3:7)

US Long Bond (17) vs. 2 Yr Treasury Note (26) Ratio (3:8)

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