

Advisory Notice

Clearing House

07-304

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: December 6, 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, December 10, 2007.**

SPAN[®] MINIMUM PERFORMANCE BOND REQUIREMENTS

**Please note Ratio Change to the following CME Index Futures Inter-Commodity Spread:
Effective 12/10/07**

Yen-based Nikkei (N1) vs. NIKKEI 225 Stock Index (NK) **(11:10)**

Cash Currency Offsets- Effective December 10, 2007

For customer accounts, CME currency futures can be spread against offsetting cash positions in the future's underlying currency pair. A spread credit of 98% will be allowed for these spreads. These spreads will not be published in SPAN parameter files. They must be manually calculated for each customer account.

Australian Dollar Cash vs Australian Dollar Future (AD)

Rate Type	Change	Initial	Maintenance
Clearing/Member Rate	N/A	98%	98%
Customer Rate	N/A	98%	98%

British Pounds Cash vs British Pound Future (BP)

Rate Type	Change	Initial	Maintenance
Clearing/Member Rate	N/A	98%	98%
Customer Rate	N/A	98%	98%

Canadian Dollar Cash vs Canadian Dollar Future (CD)

Rate Type	Change	Initial	Maintenance
Clearing/Member Rate	N/A	98%	98%
Customer Rate	N/A	98%	98%

Euro FX Cash vs Euro FX Future (EC)

Rate Type	Change	Initial	Maintenance
Clearing/Member Rate	N/A	98%	98%
Customer Rate	N/A	98%	98%

Swiss Franc Cash vs Swiss Franc Future (SF)

Rate Type	Change	Initial	Maintenance
Clearing/Member Rate	N/A	98%	98%
Customer Rate	N/A	98%	98%

Japanese Yen Cash vs Japanese Yen Future (JY)

Rate Type	Change	Initial	Maintenance
Clearing/Member Rate	N/A	98%	98%
Customer Rate	N/A	98%	98%

CME Currency Futures Outright Rates

British Pound (BP)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$2,025	\$1,500	\$2,700	\$2,000
Hedge/Member	Increase	\$1,500	\$1,500	\$2,000	\$2,000

Cross Rate Australian Dollar/Japanese Yen (AJ)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	¥742,500	¥550,000	¥945,000	¥700,000
Hedge/Member	Increase	¥550,000	¥550,000	¥700,000	¥700,000

Cross Rate British Pound/Swiss Franc (BF)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	CHF4,050	CHF3,000	CHF4,725	CHF3,500
Hedge/Member	Increase	CHF3,000	CHF3,000	CHF3,500	CHF3,500

Cross Rate Canadian Dollar/Japanese Yen (CY)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	¥742,500	¥550,000	¥945,000	¥700,000
Hedge/Member	Increase	¥550,000	¥550,000	¥700,000	¥700,000

Cross Rate Euro FX/Canadian Dollar (CC)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	CAD4,050	CAD3,000	CAD4,860	CAD3,600
Hedge/Member	Increase	CAD3,000	CAD3,000	CAD3,600	CAD3,600

Cross Rate Euro FX/Norwegian Krone (CN)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	NKr15,525	NKr11,500	NKr17,550	NKr13,000
Hedge/Member	Increase	NKr11,500	NKr11,500	NKr13,000	NKr13,000

Cross Rate EuroFX/British Pound (RP)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	£945	£700	£1,215	£900
Hedge/Member	Increase	£700	£700	£900	£900

Crossrate Euro FX/Czech Koruna (K)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	EUR1,620	EUR1,200	EUR2,025	EUR1,500
Hedge/Member	Increase	EUR1,200	EUR1,200	EUR1,500	EUR1,500

Euro FX (EC)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$2,025	\$1,500	\$2,565	\$1,900
Hedge/Member	Increase	\$1,500	\$1,500	\$1,900	\$1,900

E-Mini Euro FX (E7)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	N/A	\$1,013	\$750	\$1,283	\$950
Hedge/Member	N/A	\$750	\$750	\$950	\$950

Norwegian Krone (UN)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$6,750	\$5,000	\$9,450	\$7,000
Hedge/Member	Increase	\$5,000	\$5,000	\$7,000	\$7,000

Polish Zloty (PZ)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$2,700	\$2,000	\$3,375	\$2,500
Hedge/Member	Increase	\$2,000	\$2,000	\$2,500	\$2,500

FXMS Currency Spot Outright Rates

British Pound Spot (GBPUS)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$2,025	\$1,500	\$2,700	\$2,000
Hedge/Member	Increase	\$1,500	\$1,500	\$2,000	\$2,000

Cross Rate Euro FX/British Pound Spot (EURGB)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	£945	£700	£1,215	£900
Hedge/Member	Increase	£700	£700	£900	£900

Euro FX Spot (EURUS)

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Spec	Increase	\$2,025	\$1,500	\$2,565	\$1,900
Hedge/Member	Increase	\$1,500	\$1,500	\$1,900	\$1,900

CME Security Futures Outright Rates

ONE iShares Russell 2000 Index Fund (IW9)

Rate Type	Change	Initial	Maintenance
Clearing/Member Rate	N/A	4.40%	4.40%
Customer Rate	N/A	20.00%	20.00%

ONE Power Shares QQQ (QQ9)

Rate Type	Change	Initial	Maintenance
Clearing/Member Rate	N/A	5.00%	5.00%
Customer Rate	N/A	20.00%	20.00%

CME Security Futures Intra-Commodity Spread Rates

ONE iShares Russell 2000 Index Fund (IW9) - All Months

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

ONE Power Shares QQQ (QQ9) - All Months

Rate Type	Change	Initial	Maintenance
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.