

## Advisory Notice

Clearing House

08-444

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirement Changes.

DATE: Wednesday, August 27<sup>th</sup>, 2008.

**To receive advanced notification of Performance Bond (margin) changes, through our free automated mailing list, go to:**  
<http://www.cmegroup.com/newsletter/web2lead/web2sf-old.html> **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., 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 on **Thursday, August 28<sup>th</sup>, 2008.**

**MARGIN RATE AND TIER CHANGES FOR NATURAL GAS FUTURES (NG), HENRY HUB SWAP FUTURES (NN), NATURAL GAS PENULTIMATE (HP), NATURAL GAS LAST DAY (HH), GLOBEX NATURAL GAS miNY<sup>TM</sup> FUTURES (QG), HENRY HUB SWING SWAP FUTURES (SN), AND HENRY HUB PENULTIMATE SWAP (NP) CONTRACTS**

Note: The revised margins are in **bold**

**NG/NN/NP/HH/HP/QG Intra-Commodity Spread and Scan Tiers**

| Tiers | New                             | Old                      |
|-------|---------------------------------|--------------------------|
| 1     | 1 <sup>st</sup> Nearby          | 1st Nearby               |
| 2     | <b>2nd - 3rd Nearby</b>         | 2nd Nearby               |
| 3     | <b>4th - 6th Nearby</b>         | 3rd - 7th Nearby         |
| 4     | <b>7th- 13th Nearby</b>         | 8th- 14th Nearby         |
| 5     | <b>14th- 18th Nearby</b>        | 15th- 19th Nearby        |
| 6     | <b>19th- 30th Nearby</b>        | 20th- 31st Nearby        |
| 7     | <b>31st- 42nd Nearby</b>        | 32nd-43rd Nearby         |
| 8     | <b>43rd- 54th Nearby</b>        | 44th- 55th Nearby        |
| 9     | <b>Greater than 54th Nearby</b> | Greater than 55th Nearby |

**Performance Bond Requirement Changes**

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**NYMEX Division Outright (Scan) Margins on Natural Gas Futures (NG), Natural Gas Penultimate (HP) and Natural Gas Last Day (HH)**

| Tiers | Clearing Member / Maintenance Margin |         | Member Customer Initial Margin |         | Non-Member Customer Initial Margin |          |
|-------|--------------------------------------|---------|--------------------------------|---------|------------------------------------|----------|
|       | New                                  | Old     | New                            | Old     | New                                | Old      |
| 1     | <b>\$9,500</b>                       | \$8,250 | <b>\$10,450</b>                | \$9,075 | <b>\$12,825</b>                    | \$11,138 |
| 2     | <b>\$9,000</b>                       | \$8,250 | <b>\$9,900</b>                 | \$9,075 | <b>\$12,150</b>                    | \$11,138 |
| 3     | \$8,750                              | \$8,750 | \$9,625                        | \$9,625 | \$11,813                           | \$11,813 |
| 4     | \$5,500                              | \$5,500 | \$6,050                        | \$6,050 | \$7,425                            | \$7,425  |
| 5     | \$5,750                              | \$5,750 | \$6,325                        | \$6,325 | \$7,763                            | \$7,763  |
| 6     | \$4,250                              | \$4,250 | \$4,675                        | \$4,675 | \$5,738                            | \$5,738  |
| 7     | \$4,000                              | \$4,000 | \$4,400                        | \$4,400 | \$5,400                            | \$5,400  |
| 8     | \$3,750                              | \$3,750 | \$4,125                        | \$4,125 | \$5,063                            | \$5,063  |
| 9     | \$3,500                              | \$3,500 | \$3,850                        | \$3,850 | \$4,725                            | \$4,725  |

**NYMEX Division Outright (Scan) Margins on Henry Hub Swap Futures (NN) Henry Hub Penultimate Swap (NP) and GLOBEX miNY Natural Gas (QG)**

| Tiers | Clearing Member / Maintenance Margin |         | Member Customer Initial Margin |         | Non-Member Customer Initial Margin |         |
|-------|--------------------------------------|---------|--------------------------------|---------|------------------------------------|---------|
|       | New                                  | Old     | New                            | Old     | New                                | Old     |
| 1     | <b>\$2,375</b>                       | \$2,063 | <b>\$2,613</b>                 | \$2,269 | <b>\$3,206</b>                     | \$2,784 |
| 2     | <b>\$2,250</b>                       | \$2,063 | <b>\$2,475</b>                 | \$2,269 | <b>\$3,038</b>                     | \$2,784 |
| 3     | \$2,188                              | \$2,188 | \$2,406                        | \$2,406 | \$2,953                            | \$2,953 |
| 4     | \$1,375                              | \$1,375 | \$1,513                        | \$1,513 | \$1,856                            | \$1,856 |
| 5     | \$1,438                              | \$1,438 | \$1,581                        | \$1,581 | \$1,941                            | \$1,941 |
| 6     | \$1,063                              | \$1,063 | \$1,169                        | \$1,169 | \$1,434                            | \$1,434 |
| 7     | \$1,000                              | \$1,000 | \$1,100                        | \$1,100 | \$1,350                            | \$1,350 |
| 8     | \$938                                | \$938   | \$1,031                        | \$1,031 | \$1,266                            | \$1,266 |
| 9     | \$875                                | \$875   | \$963                          | \$963   | \$1,181                            | \$1,181 |

**NYMEX Division Outright (Scan) Margin on Henry Hub SwingSwap Futures (SN)**

| Tiers | Clearing Member / Maintenance Margin |         | Member Customer Initial Margin |         | Non-Member Customer Initial Margin |         |
|-------|--------------------------------------|---------|--------------------------------|---------|------------------------------------|---------|
|       | New                                  | Old     | New                            | Old     | New                                | Old     |
| 1     | <b>\$2,375</b>                       | \$2,063 | <b>\$2,613</b>                 | \$2,269 | <b>\$3,206</b>                     | \$2,784 |