



Advisory Notice

Clearing House

10-261

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

FROM: CME Clearing

SUBJECT: Performance Bond Requirements:

DATE: Tuesday, June 22, 2010

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 Notice 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 will be effective after the close of business on **Wednesday, June 23, 2010.**

Current rates as of:

Tuesday, June 22, 2010.

In this current advisory there are changes to the Short Option Minimum and/or the Volatility Scan Range. Below are descriptions of what each change affects:

The Short Option Minimum (SOM) is a charge that is applied only to portfolios concentrated in short options that do not generate a minimum margin requirement level when margins are calculated using the normal 16 SPAN scenarios. The SOM charge per short calls or short puts is a percentage of the outright margin on one underlying futures contract.

The volatility scan range is the change in implied volatility that is used in each of SPAN's 16 scenarios.

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Short Option Minimum (SOM) Rate					
ENVIRONMENTAL PRODUCTS - Short Option Minimum (SOM) Rate					
CERTIFIED EMISSION REDUCTION (CER) FUTURES (NY-VA) - SOM					
Clearing Member Rate	Increase	22.00	20.00	66.00	60.00
NYMEX CRUDE PRODUCTS - Short Option Minimum (SOM) Rate					
BRENT CRUDE OIL 1 MONTH CSO (NY-2A) - SOM					
Clearing Member Rate	Increase	22.00	20.00	110.00	100.00
WEST TEXAS INTERMEDIATE 1 MONTH CALENDAR COMBO (NY-CA) - SOM					
Clearing Member Rate	Increase	66.00	60.00	110.00	100.00
WEST TEXAS INTERMEDIATE 6 MONTH CALENDAR COMBO (NY-CV) - SOM					
Clearing Member Rate	Increase	66.00	60.00	110.00	100.00
WEST TEXAS INTERMEDIATE 12 MONTH CALENDAR COMBO (NY-CX) - SOM					
Clearing Member Rate	Increase	66.00	60.00	110.00	100.00
NYMEX NATURAL GAS PRODUCTS - Short Option Minimum (SOM) Rate					
HENRY HUB NATURAL GAS FUTURES (NY-NG) - SOM					
Clearing Member Rate	Increase	94.50	70.00	114.75	85.00
HENRY HUB NATURAL GAS PENULTIMATE FINANCIAL FUTURES (NY-HP) - SOM					
Clearing Member Rate	Increase	94.50	70.00	114.75	85.00
HOUSTON SHIP CHANNEL BASIS SWAP (PLATTS IFERC) FUTURES (NY-NH) - SOM					
Clearing Member Rate	Increase	33.00	30.00	110.00	100.00
NAT GAS 1 MONTH CALENDAR COMBO (NY-DG) - SOM					
Clearing Member Rate	Increase	77.00	70.00	93.50	85.00
NAT GAS 3 MONTH CALENDAR COMBO (NY-DS) - SOM					
Clearing Member Rate	Increase	77.00	70.00	93.50	85.00
NATURAL GAS 1 MONTH CSO (NY-G8) - SOM					
Clearing Member Rate	Increase	49.50	45.00	93.50	85.00
NATURAL GAS 3 MONTH CSO (NY-H9) - SOM					
Clearing Member Rate	Increase	49.50	45.00	93.50	85.00
NORTHERN ROCKIES PIPE SWAP (NY-XR) - SOM					
Clearing Member Rate	Increase	44.00	40.00	110.00	100.00
PANHANDLE BASIS SWAP (PLATTS IFERC) FUTURES (NY-PH) - SOM					
Clearing Member Rate	Increase	33.00	30.00	110.00	100.00
PANHANDLE PIPE SWAP (NY-XH) - SOM					
Clearing Member Rate	Increase	44.00	40.00	110.00	100.00

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Short Option Minimum (SOM) Rate					
ROCKIES BASIS SWAP (PLATTS IFERC) FUTURES (NY-NR) - SOM					
Clearing Member Rate	Increase	33.00	30.00	110.00	100.00
SAN JUAN PIPE SWAP (NY-XX) - SOM					
Clearing Member Rate	Increase	44.00	40.00	110.00	100.00
SOCAL BASIS SWAP (PLATTS IFERC) FUTURES (NY-NS) - SOM					
Clearing Member Rate	Increase	33.00	30.00	110.00	100.00
SOCAL PIPE SWAP (NY-XN) - SOM					
Clearing Member Rate	Increase	44.00	40.00	110.00	100.00
NYMEX PETROLEUM PRODUCTS - Short Option Minimum (SOM) Rate					
EUROPEAN 3.5% FUEL OIL (PLATTS) BARGES FOB RDAM CALENDAR SWAP FUTURES (NY-UV) - SOM					
Clearing Member Rate	Increase	231.00	210.00	440.00	400.00
EUROPEAN GASOIL (ICE) SWAP FUTURES (NY-GX) - SOM					
Clearing Member Rate	Increase	270.00	200.00	540.00	400.00
EUROPEAN JET KEROSENE (PLATTS) CARGOES CIF NWE CALENDAR SWAP FUTURES (NY-UJ) - SOM					
Clearing Member Rate	Increase	11.00	10.00	440.00	400.00
HEATING OIL 1 MONTH CALENDAR COMBO (NY-GH) - SOM					
Clearing Member Rate	Increase	66.00	60.00	110.00	100.00
HEATING OIL FINANCIAL FUTURES (NY-BH) - SOM					
Clearing Member Rate	Increase	40.50	30.00	81.00	60.00
RBOB 1 MONTH CALENDAR COMBO (NY-ZI) - SOM					
Clearing Member Rate	Increase	66.00	60.00	110.00	100.00
RBOB GASOLINE FINANCIAL FUTURES (NY-RT) - SOM					
Clearing Member Rate	Increase	40.50	30.00	81.00	60.00
SINGAPORE FUEL OIL 180 CST (PLATTS) CALENDAR SWAP FUTURES (NY-UA) - SOM					
Clearing Member Rate	Increase	110.00	100.00	440.00	400.00
NYMEX POWER PRODUCTS - Short Option Minimum (SOM) Rate					
ISO NEW ENGLAND INTERNAL HUB PEAK LMP SWAP FUTURES (NY-NI) - SOM					
Clearing Member Rate	Increase	44.00	40.00	66.00	60.00
MIDWEST ISO CINERGY HUB PEAK CALENDAR-MONTH LMP SWAP FUTURES (NY-EM) - SOM					
Clearing Member Rate	Increase	66.00	60.00	99.00	90.00
NYISO ZONE A PEAK LBMP SWAP FUTURES (NY-KA) - SOM					
Clearing Member Rate	Increase	33.00	30.00	66.00	60.00
NYISO ZONE J PEAK LBMP SWAP FUTURES (NY-KJ) - SOM					
Clearing Member Rate	Increase	33.00	30.00	66.00	60.00
PJM NORTHERN ILLINOIS HUB PEAK CALENDAR-MONTH LMP SWAP FUTURES (NY-UM) - SOM					
Clearing Member Rate	Increase	44.00	40.00	110.00	100.00
PJM PEAK CALENDAR-MONTH LMP SWAP FUTURES (NY-JM) - SOM					
Clearing Member Rate	Increase	44.00	40.00	66.00	60.00

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Volatility Scan (volScan) Rate					
NYMEX CRUDE PRODUCTS - Volatility Scan (volScan) Rate					
BRENT (ICE) CALENDAR SWAP FUTURES (NY-CY) - volScan					
Clearing Member Rate	Increase		0.08		0.11
BRENT CRUDE OIL 1 MONTH CSO (NY-2A) - volScan					
Clearing Member Rate	Increase		0.03		0.11
BRENT CRUDE OIL LAST DAY FINANCIAL FUTURES (NY-BZ) - volScan					
Clearing Member Rate	Increase		0.08		0.11
BRENT CRUDE OIL PENULTIMATE FINANCIAL FUTURES (NY-BB) - volScan					
Clearing Member Rate	Increase		0.08		0.11
LIGHT SWEET CRUDE OIL FUTURES (NY-CL) - volScan					
Clearing Member Rate	Increase		0.08		0.11
Clearing Member Rate	Decrease		0.05		0.04
Clearing Member Rate	Decrease		0.05		0.03
Clearing Member Rate	Decrease		0.05		0.03
Clearing Member Rate	Decrease		0.04		0.03
WTI CALENDAR SWAP FUTURES (NY-CS) - volScan					
Clearing Member Rate	Increase		0.08		0.11
Clearing Member Rate	Decrease		0.05		0.04
Clearing Member Rate	Decrease		0.05		0.03
Clearing Member Rate	Decrease		0.04		0.03
Clearing Member Rate	Decrease		0.04		0.03

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Volatility Scan (volScan) Rate					
NYMEX NATURAL GAS PRODUCTS - Volatility Scan (volScan) Rate					
HENRY HUB NATURAL GAS FUTURES (NY-NG) - volScan					
Clearing Member Rate	Increase		0.08		0.11
Clearing Member Rate	Decrease		0.04		0.03
Clearing Member Rate	Decrease		0.04		0.03
Clearing Member Rate	Decrease		0.04		0.03
Clearing Member Rate	Decrease		0.04		0.03
Clearing Member Rate	Decrease		0.04		0.03
HENRY HUB NATURAL GAS PENULTIMATE FINANCIAL FUTURES (NY-HP) - volScan					
Clearing Member Rate	Increase		0.08		0.11
Clearing Member Rate	Decrease		0.05		0.03
Clearing Member Rate	Decrease		0.05		0.03
Clearing Member Rate	Decrease		0.05		0.03
Clearing Member Rate	Decrease		0.05		0.03
Clearing Member Rate	Decrease		0.05		0.03
NAT GAS 1 MONTH CALENDAR COMBO (NY-DG) - volScan					
Clearing Member Rate	Increase		0.08		0.11
NAT GAS 3 MONTH CALENDAR COMBO (NY-DS) - volScan					
Clearing Member Rate	Increase		0.07		0.11
NATURAL GAS 1 MONTH CSO (NY-G8) - volScan					
Clearing Member Rate	Increase		0.08		0.11
NATURAL GAS 3 MONTH CSO (NY-H9) - volScan					
Clearing Member Rate	Increase		0.08		0.11

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Volatility Scan (volScan) Rate					
NYMEX PETROLEUM PRODUCTS - Volatility Scan (volScan) Rate					
EUROPEAN JET KEROSENE (PLATTS) CARGOES CIF NWE CALENDAR SWAP FUTURES (NY-UJ) - volScan					
Clearing Member Rate	Increase		0.03		0.08
HEATING OIL 1 MONTH CALENDAR COMBO (NY-GH) - volScan					
Clearing Member Rate	Increase		0.08		0.11
HEATING OIL CALENDAR SWAP FUTURES (NY-MP) - volScan					
Clearing Member Rate	Increase		0.08		0.11
Clearing Member Rate	Decrease		0.05		0.03
HEATING OIL FINANCIAL FUTURES (NY-BH) - volScan					
Clearing Member Rate	Increase		0.07		0.11
Clearing Member Rate	Decrease		0.07		0.03
HEATING OIL LAST DAY FINANCIAL FUTURES (NY-23) - volScan					
Clearing Member Rate	Increase		0.07		0.11
Clearing Member Rate	Decrease		0.07		0.03
NEW YORK HARBOR NO. 2 HEATING OIL FUTURES (NY-HO) - volScan					
Clearing Member Rate	Increase		0.08		0.11
Clearing Member Rate	Decrease		0.05		0.03
RBOB 1 MONTH CALENDAR COMBO (NY-ZI) - volScan					
Clearing Member Rate	Increase		0.08		0.11
RBOB GASOLINE CALENDAR SWAP FUTURES (NY-RL) - volScan					
Clearing Member Rate	Increase		0.08		0.11
Clearing Member Rate	Decrease		0.05		0.03
RBOB GASOLINE FINANCIAL FUTURES (NY-RT) - volScan					
Clearing Member Rate	Increase		0.07		0.11
Clearing Member Rate	Decrease		0.07		0.03
RBOB GASOLINE FUTURES (NY-RB) - volScan					
Clearing Member Rate	Increase		0.08		0.11
Clearing Member Rate	Decrease		0.05		0.03

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

Rate Type	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Volatility Scan (volScan) Rate					
NYMEX POWER PRODUCTS - Volatility Scan (volScan) Rate					
ISO NEW ENGLAND INTERNAL HUB PEAK LMP SWAP FUTURES (NY-NI) - volScan					
Clearing Member Rate	Increase		0.08		0.12
MIDWEST ISO CINERGY HUB PEAK CALENDAR-MONTH LMP SWAP FUTURES (NY-EM) - volScan					
Clearing Member Rate	Increase		0.08		0.12
NYISO ZONE A PEAK LBMP SWAP FUTURES (NY-KA) - volScan					
Clearing Member Rate	Increase		0.04		0.12
Clearing Member Rate	Increase		0.04		0.08
NYISO ZONE G PEAK LBMP SWAP FUTURES (NY-KG) - volScan					
Clearing Member Rate	Increase		0.08		0.12
NYISO ZONE J PEAK LBMP SWAP FUTURES (NY-KJ) - volScan					
Clearing Member Rate	Increase		0.04		0.12
Clearing Member Rate	Increase		0.04		0.08
Clearing Member Rate	Increase		0.04		0.06
Clearing Member Rate	Increase		0.04		0.06
PJM PEAK CALENDAR-MONTH LMP SWAP FUTURES (NY-JM) - volScan					
Clearing Member Rate	Increase		0.08		0.12
Clearing Member Rate	Decrease		0.06		0.04