

12-093

TO: Clearing Member Firms; Back Office Managers; Service Providers
FROM: CME Clearing
DATE: March 7, 2012
SUBJECT: **Updated Forwards Processing Specification**

Please note that an updated specification for clearing and bookkeeping processing for cleared forwards, is now available at:

<http://www.cmegroup.com/clearing/files/Clearing-Forwards.pdf>

The section on the calculation of Price Alignment Interest for forwards with cash mark-to-market, has been updated at the request of clearing firms. It now reflects that PAI for forwards is calculated **trade by trade**. The PAI amount for each position is then determined as the sum of the PAI amounts for the individual open trades.

The trade-level PAI amount has been added to the FIXML and CSV format trade register files, for each individual open trade.

For further information please contact CME Clearing at 312-930-3170.