

12-158

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

FROM: CME Clearing

SUBJECT: CDS Margin Parameter Change in NR

DATE: April 10, 2012

Please be advised that CME Clearing is updating CDS margin related parameters in the New Release Environment. The following parameter changes will be effective April 11, 2012:

- CDX HY Liquidity Margin Exponent will change from 1.20 to 1
- CDX IG Liquidity Margin Exponent will change from 1.25 to 1
- CDX HY Curve will change from 0.4% to 1%
- CDX IG Curve will change from 0.2% to 0.5%

Contact the CME Client Services Group at onboarding@cmegroup.com if you have questions.

Regards,

CME Clearing