

 **CME Group** | Advisory Notice

TO: Clearing Member Firms; Back Office Managers
FROM: CME Clearing
DATE: May 16th, 2012
ADVISORY #: 12-207
SUBJECT: **CDS New Release and CME CORE – Removal of 100k Notional Rounding for Margin Calculation of our CDS Products in New Release**

Please be advised CME will be removing the 100,000 notional rounding for margin calculation of our CDS products in New Release. These changes will be taking place today with an effective date of Wednesday, May 16th 2012. CME CORE will also be modified and will have the 100k notional rounding removed for CDS products in New Release today. These changes will allow for true notional margin calculation in our NR environment as well as CME CORE.

Effective Wednesday, May 16th, firms utilizing the CME ASP margin calculation service for New Release will now have to express positions in true notional quantities as opposed to units of 100,000. Similarly, for anyone currently using PC-SPAN to calculate New Release margin requirements, the position quantities used will need to switch to true notional as well.

The production launch of this enhancement will be June 4th, 2012.

Please contact onboarding@cmegroup.com or 1.312.338.7112 if you have further questions.

Regards,
CME Clearing