



Advisory Notice

Clearing House

12-227

DATE: May 30, 2012

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

FROM: CME Clearing

SUBJECT: IMPORTANT: CDS Margin Parameter Change – Effective May 31, 2012

Please be advised that CME Clearing is updating CDS margin related parameters in the New Release Environment. Effective May 31, 2012, the Duration Series Tenor (DST) parameter used to calculate the liquidity margin will be set to 7 for Consumer Goods Single Names and 5 for Consumer Services Single Names in the New Release Environment. Only portfolios that contain Consumer Goods or Consumer Services Single Names will be impacted by the DST change. Additionally, the Curve parameter for all Single Names will change to 1.5.

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