

12- 486

DATE: November 09, 2012  
TO: Clearing Member Firms  
FROM: CME Clearing  
SUBJECT: **IMPORTANT: LSOC and Client Contact Information**

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CME has submitted rule changes to the CFTC designed to implement the CFTC Part 22 regulations regarding the protection of cleared swaps customer contracts and collateral. The text of these changes can be found at <http://www.cftc.gov/stellent/groups/public/@rulesandproducts/documents/ifdocs/rul101912cmecbotandnymex001.pdf> and are expected to become effective on November 14, 2012 pending regulatory approval.

In order to minimize disruptions and potential losses to its cleared swaps customers, the Rules require clearing members to cause their cleared swaps customers to establish arrangements to directly make all required performance bond and settlement variation payments directly to CME Clearing. See *Rules 802.G.2, 8G802.I.1 and 8H802.I.1*. In order to satisfy this requirement, each clearing member shall instruct their cleared swaps customers to provide CME Clearing with the following information:

- Legal Entity
- Mailing Address
- Name of Primary Contact(s)
- telephone number(s) for Primary Contact(s)
- Email address(es) for Primary Contacts(s).

Much of this information has already been provided by the cleared swaps customer when it registered with CME Clearing. CME Clearing will provide copies of the information on file to Clearing Members, and Clearing Members should request that their customers review their registration information and provide updates as necessary, noting that contact information should be for the individual(s) responsible for payments in the event of a clearing member default. Clearing members will also be required to notify CME of any updates to the contact information when the clearing member is notified of any changes by its cleared swaps customer(s).

In order to facilitate expeditious cleared swaps customer porting, the Rules also require clearing members to cause their cleared swaps customers to keep current and on file with the Clearing House any direction to transfer its open positions and collateral to another clearing member. See *Rules 802.G.2, 8G802.I.1 and 8H802.I.1*. Clearing Members can comply with this part of the Rules by informing their cleared swaps customer to provide the Clearing House (either through its clearing member or directly to the Clearing House) any transfer instructions to the extent it has such arrangements.