



Advisory Notice

Clearing House

13-114

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

FROM: CME Clearing

SUBJECT: OTC IRS Liquidity Add-On Update for AUD, CAD, CHF, EUR, GBP, JPY, USD

DATE: March 8, 2013

Please be advised that CME Clearing is updating IRS Liquidity Add-Ons for AUD, CAD, CHF, GBP, EUR, JPY, and USD. For multi-currency portfolios, new Liquidity Add-Ons will apply based on the naked margin requirement for the aforementioned currencies within a Clearing Member's House Account and each individual Customer Account in New Release and Production beginning Monday, March 11, 2013. Each charge is based on a multiplier covering a set range of notional values (see table on the next page).

The table outlines swap parameters per currency for the concentration charge ("liquidity add-on"). These parameters are subject to periodic review and recalibration depending on market conditions.

For further details on calculation methodology, please contact the CME Risk Hotline: **312-648-3888**

Regards,

CME Clearing

(See next page for Liquidity Add-On Table)

OTC IRS Liquidity Margin Add-On Table by Currency (values reflect the designated currency)

USD

LOWER BOUND	UPPER BOUND	MULTIPLIER
\$0	\$300,000,000	0.00
\$300,000,000	\$500,000,000	0.36
\$500,000,000	\$1,000,000,000	0.45
\$1,000,000,000	\$2,000,000,000	0.59
\$2,000,000,000	\$3,000,000,000	0.72
\$3,000,000,000	\$10,000,000,000	1.02

EUR

LOWER BOUND	UPPER BOUND	MULTIPLIER
€0	€230,000,000	0.00
€230,000,000	€400,000,000	0.55
€400,000,000	€800,000,000	0.70
€800,000,000	€1,500,000,000	0.90
€1,500,000,000	€2,300,000,000	1.09
€2,300,000,000	€4,000,000,000	1.31

GBP

LOWER BOUND	UPPER BOUND	MULTIPLIER
£0	£180,000,000	0.00
£180,000,000	£320,000,000	0.59
£320,000,000	£600,000,000	0.70
£600,000,000	£1,250,000,000	0.85
£1,250,000,000	£1,800,000,000	0.98
£1,800,000,000	£3,200,000,000	1.12

JPY

LOWER BOUND	UPPER BOUND	MULTIPLIER
¥0	¥23,000,000,000	0.00
¥23,000,000,000	¥40,000,000,000	0.53
¥40,000,000,000	¥80,000,000,000	0.61
¥80,000,000,000	¥150,000,000,000	0.69
¥150,000,000,000	¥230,000,000,000	0.77
¥230,000,000,000	¥1,500,000,000,000	1.03

CAD

LOWER BOUND	UPPER BOUND	MULTIPLIER
C\$0	C\$30,000,000	0.00
C\$30,000,000	C\$50,000,000	0.52
C\$50,000,000	C\$100,000,000	0.63
C\$100,000,000	C\$200,000,000	0.78
C\$200,000,000	C\$300,000,000	0.91
C\$300,000,000	C\$1,000,000,000	1.20

CHF

LOWER BOUND	UPPER BOUND	MULTIPLIER
0	10,000,000	0.00
10,000,000	20,000,000	1.29
20,000,000	40,000,000	1.61
40,000,000	60,000,000	1.90
60,000,000	100,000,000	2.21
100,000,000	400,000,000	3.15

AUD

LOWER BOUND	UPPER BOUND	MULTIPLIER
A\$0	A\$30,000,000	0.00
A\$30,000,000	A\$50,000,000	0.50
A\$50,000,000	A\$100,000,000	0.59
A\$100,000,000	A\$200,000,000	0.70
A\$200,000,000	A\$300,000,000	0.80
A\$300,000,000	A\$1,000,000,000	1.02