



Advisory Notice

Clearing House

ADVISORY #: 13-135 (REVISION TO 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 19, 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. Please note there continues to be no upper bound on the liquidity charge.

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	∞	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	∞	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	∞	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	∞	1.03

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	∞	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	∞	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	∞	1.02