

13-431

September 23, 2013

IMPORTANT MEMORANDUM

TO: Clearing Member Firms; Back Office Managers

FROM: CME Group Clearing

SUBJECT: **CME SPAN File Update: Discontinuation of the “No Mod” version of the SPAN file**

For a printer friendly version, click here:

<http://www.cmegroup.com/tools-information/lookups/advisories/clearing/files/Chadv13-431.pdf>

Please be advised of the following changes regarding publishing of the CME SPAN files.

For approximately one year, CME has published two versions of its daily SPAN risk parameter files. The main version supports the calculation of margin requirements for certain option products using the **modified split allocation** feature of SPAN. The alternate version, referred to as the “no mod” file, omits the parameters that drive the modified split allocation calculation.

Effective **Monday, October 28th, 2013**, CME Clearing will discontinue publishing the “no mod” file – the version that does **not** support the modified split allocation margining feature. The “no mod” files are located at: <ftp://cmegroup.com/pub/span/data/cme/nomod>

Any customers that are currently utilizing the SPAN file **located in the nomod directory will need to migrate to the SPAN file published in the primary directory, <ftp://cmegroup.com/span/data/cme>**, by **Monday, October 28th**.

For more information about the modified-split allocation feature of SPAN and the margin efficiencies it provides, please see Clearing Advisory 12-259, published June 22, 2012, at: <http://www.cmegroup.com/tools-information/lookups/advisories/clearing/Chadv12-259.html>

For any questions or concerns, please contact CME Clearing at 312-648-3888.