

TO: Clearing Member Firms; Back Office Managers
FROM: CME Clearing
DATE: Monday, September 15th, 2014
ADVISORY: 14-359
SUBJECT: **CDS Margin Model Change in New Release**

Please be advised that a new margin model for CDX Index Credit Default Swap contracts will become effective in New Release on Monday, September 15th, 2014.

The change will not be supported by PC-Credit. Additionally, the New Release CDS risk parameter file (cds.nr.risk.yyyymmdd.s.xml) will be decommissioned effective Monday, September 15th, 2014. Support of the new model in CME CORE will be announced at a later date.

The new CDS margin model will be implemented in Production at a later date, pending regulatory approval.

For questions about the new model or how to calculate margins with the new model, contact cme.core@cmegroup.com.

Regards,

CME Clearing