

 **CME Group** | Advisory Notice

TO: Clearing Member Firms; Back Office Managers  
FROM: CME Clearing  
ADVISORY #: 14-465  
DATE: Tuesday, December 2, 2014  
SUBJECT: **CDS Production Advisory – New CME CDS Margin Model Release into Production**

Please be advised that the new CME CDS Margin Model will become effective in Production on Monday, December 8, 2014.

The new CME CDS Margin Model is more efficient in modeling portfolio risk, creates more accurate margin calculations, and has the ability to margin a broader range of credit instruments.

For more information about the new margin model, please see the following presentation:

<http://www.cmegroup.com/trading/cds/files/introduction-to-the-new-cds-model.pdf>

To align with the new margin model implementation, CME CORE will also begin supporting the new margin model on December 8, 2014.

Please note the new margin model will not be supported by PC-Credit. Additionally, the Production CDS Risk Parameter file (cds.risk.yyyymmdd.s.xml) will be decommissioned effective Monday, December 8, 2014.

If you have questions, please contact the CME Client Services Team at [onboarding@cmegroup.com](mailto:onboarding@cmegroup.com).

Regards,

CME Clearing