Margin

Initial and Maintenance Margin for Daily Expiry^{TM} US Dollar 3-Month BBA LIBOR^{TM} Futures Contracts

---

Suggested Routing:

Suggested Routing function is meant to aid the reader of this document. Each PBOT member should consider the most appropriate distribution in the context of its own organizational structure.

- Operations
- Finance & Accounting
- Legal & Compliance

Key Topics:

- PBOT Rule E11
- Margin Requirements
- JAC Margin Handbook

Executive Summary

Through this *Notice to Members* and pursuant to the Philadelphia Board of Trade ("PBOT") Rule E11(b), PBOT has established the minimum initial and maintenance margin that members and member organizations must collect from customers and maintain for firm and market maker trading.

Margin Levels

Pursuant to PBOT Rule E11(b), through this *Notice,* PBOT has established the initial and maintenance margin levels for customer accounts as well as for firm and market maker accounts for each Daily Expiry^{TM} US Dollar 3-Month BBA LIBOR^{TM} Futures Contract as:

Speculative:

- Initial: $425
- Maintenance: $315

Hedge:

- Initial: $315
- Maintenance: $315

Calendar Spread: $100

These margin requirements are effective as of October 6, 2006, and remain in effect until further notice from the exchange.

In addition to Rule E11, members and member organizations are urged to consult the Margin Handbook published by the Joint Audit Committee if they have any questions regarding margin generally.

Please direct any questions concerning this *Notice* to Walt Smith, Vice President and General Manager, at (215) 496-5532, Dan Carrigan, Vice President-Business Development at (215)-496-5017 or Dennis Boylan, Director-Market Operations, 215-496-5370