



U.S. COMMODITY FUTURES TRADING COMMISSION

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OFFICE OF THE SECRETARY

DIVISION OF
ECONOMIC ANALYSIS

October 27, 2000

Ms. Jill S. Fassler
Vice President and Associate General Counsel
New York Board of Trade
Four World Trade Center
New York, New York 10048

Re: Proposed amendments to coffee "C" Rules 8.14 and 8.17 and Coffee "C" Resolution No. 2(IV)(2) clarifying who is responsible for torn bags when such bags are delivered in satisfaction of futures contracts. (Exchange Reference 00-62)

Dear Ms. Fassler:

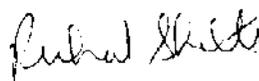
In correspondence dated September 14, 2000 the New York Board of Trade (Exchange) submitted the captioned amendments to its coffee "C" futures contract pursuant to Section 5a(a)(12) of the Commodity Exchange Act and Commission Regulation 1.41(b) for *fast track* review.

The proposed amendments to Rule 8.14 will specify which party is responsible for the repair of torn bags when the warehouse has met its obligations as provided in Coffee "C" Resolution No. 2(IV)(2). In order for the warehouse to demonstrate that it is conducting the weekly inspections of the coffee as required in Coffee "C" Resolution No. 2(IV)(2), the proposed amendments provide that the warehouse is required to keep a log of the weekly inspections containing specific information. The proposed amendments to Rule 8.14 also will provide that, the matter may be heard in an expedited arbitration if there is a dispute regarding liability for a torn bag during the delivery period. Proposed amendments to Rule 8.17 provide for expedited arbitration before the Warehouse and License Committee if the dispute is between any member and a warehouse, and that the Warehouse and License Committee may also consider whether or not the particular warehouse is in compliance with the warehouse standards set by the Exchange. Under the proposed amendments, the filing fee established in Rule 8.17 for an expedited arbitration will be changed from a single fee of \$375 to a fee of \$375 for each lot that is subject to arbitration.

The Exchange indicated that it intends to implement the proposed amendments with respect to all existing and newly listed contracts upon receipt of Commission approval.

The proposed amendments and implementation plan are hereby deemed to be approved pursuant to Commission Regulation 1.41(b).

Sincerely,


Richard Shilts
Acting Director

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