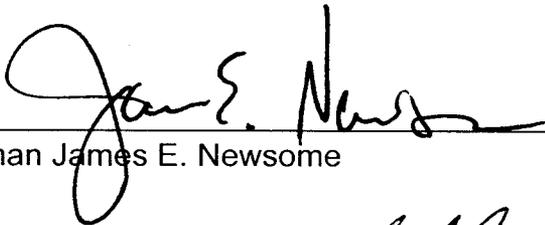


SERIATIM CONCURRENCE

SUBJECT: Merger of CSCE and NYCE into NYBOT

RECOMMENDATION: That the Commission transfer to NYBOT the existing contract market designations of CSCE and NYCE; approve the proposed NYBOT bylaws; and confirm the retention of the prior approval status of all CSCE and NYCE rules, including contracts



Chairman James E. Newsome

6/9/04
Date



Commissioner Walter L. Lukken

6-9-04
Date



Commissioner Sharon Brown-Hruska

6/8/2004
Date



U.S. COMMODITY FUTURES TRADING COMMISSION

Three Lafayette Centre
1155 21st Street, NW, Washington, DC 20581
Telephone: (202) 418-5000
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June 9, 2004

Audrey R. Hirschfeld
Senior Vice President & General Counsel
New York Board of Trade
One North End Avenue
New York, N.Y. 10282

Re: Request for approval of proposed new Bylaws, Chapter 1, Chapter 2 and Rule 6.41; request to transfer the existing CSCE and NYCE contract market designations to NYBOT; request to approve the transfer to NYBOT all contracts currently listed for trading on CSCE and NYCE, all associated existing open interest, and all prior rule and contract approvals; and request for confirmation of the retention of prior approval status of CSCE and NYCE contracts and rules, in order to implement the merger of CSCE and NYCE into NYBOT.

Dear Ms. Hirschfeld:

By letters dated April 27 through May 27, 2004, the Coffee, Sugar & Cocoa Exchange, Inc. ("CSCE") and the New York Cotton Exchange ("NYCE") (as well as the Board of Trade of the City of New York, Inc. ("NYBOT")) (collectively "Exchanges") submitted to the Commission, pursuant to Section 5c(c) of the Commodity Exchange Act ("Act") and Commission Regulations 40.5 and 40.6, certain proposed Bylaws, new Rules and reorganized Rulebooks to implement their plan of merger (collectively "CSCE-NYCE Merger").

The Commission has reviewed the materials submitted by CSCE, NYCE and NYBOT. Please be advised that on this date the Commission has determined to approve, pursuant to Section 5c(c) of the Act, and Commission Regulation 40.5, (1) proposed new Bylaws 101-110, 201-211, 301-314, 401-411, 501-509, 601-608 and Bylaw Resolutions 1 and 2; (2) proposed new Chapters 1 and 2; and (3) proposed new Rule 6.41; in order to implement the CSCE-NYCE Merger. The Commission confirms that the approved or certification status of each rule of the proposed new Rulebook, under the Act and the Commission's regulations, is not affected by the consummation of the CSCE-NYCE Merger except for any specific rule approval herein. The Commission understands that NYBOT will adopt the new Rulebook, as amended herein.

The Commission has further determined to approve the transfer by CSCE and NYCE to NYBOT of all contracts listed for trading by exchange certification. The Commission bases its approval upon the representation by NYBOT that it would assume responsibility for maintaining the certification conditions. The Commission also understands that NYBOT will, immediately upon

completion of the merger, recertify all rules and rule amendments previously submitted to the Commission by CSCE or NYCE self-certification.

The Commission also has concurrently issued an Order transferring to NYBOT the existing contract market designations of CSCE and NYCE, and approving the transfer to NYBOT of: (i) all contracts currently listed for trading on CSCE and NYCE, whether by approval or certification; (ii) all associated existing open interest; and (iii) all rule and contract approvals. NYBOT has stated that all existing open interest in all CSCE and NYCE existing non-dormant contracts would be converted to represent open interest in NYBOT contracts upon consummation of the merger.

The Commission's approval of the transfer of the CSCE and NYCE existing contract market designations, the transfer of all contracts currently listed for trading on CSCE and NYCE and the transfer of all associated existing open interest, is based upon the representations of CSCE, NYCE and NYBOT that none of the rule changes under the CSCE-NYCE Merger will affect the rights and obligations of any participant with open positions transferred from either CSCE or NYCE to NYBOT. The Commission further relies on the representation of CSCE, NYCE and NYBOT that the rule changes do not modify the manner in which such contracts are cleared. The Commission understands that market participants have been notified of changes to the Exchange Rulebooks, the concurrent transfer of the contract market designations from CSCE and NYCE to NYBOT and related transfer of all contracts currently listed for trading on CSCE and NYCE and all associated existing open interest, upon consummation of the merger of CSCE and NYCE into NYBOT.

The Commission's approval of the proposed new Bylaws, proposed new rules and the transfer to NYBOT of the CSCE and NYCE contract market designations, to implement the CSCE-NYCE Merger, is based upon the written submissions and the explanations provided by CSCE, NYCE and NYBOT describing the CSCE-NYCE Merger. The Commission's approval also is based upon representations of CSCE, NYCE and NYBOT that NYBOT will, upon the merger, be the legal successor-in-interest to CSCE and NYCE, will meet all the requirements for contract market designation, will assume all the assets and liabilities of CSCE and NYCE and will comply with all self-regulatory requirements applicable to designated contract markets under the Act and the Commission's regulations including, but not limited to, its responsibility to be in compliance with contract market designation criteria and core principles. CSCE, NYCE and NYBOT have also represented that NYBOT will assume responsibility for maintaining the certification conditions for all contracts listed for trading by exchange certification.

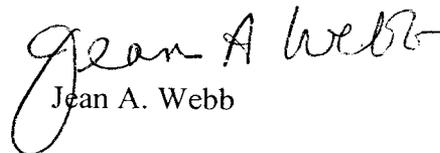
The Commission reminds CSCE, NYCE and NYBOT that any subsequent rule changes associated with the CSCE-NYCE Merger must be submitted for Commission review. In addition, the Commission reminds NYBOT that, as NYBOT acknowledged in its representations, it will remain subject to all self-regulatory responsibilities applicable to a board of trade under the Act and the Commission's regulations. The Commission also notes that the transfer of the contract market designation of both CSCE and NYCE to NYBOT results in the granting of one contract market designation to NYBOT.

The Commission's approval of the above-referenced Bylaws and rules implementing the CSCE-NYCE Merger is subject to the following conditions: (1) the existence of NYBOT as a

Ms. Audrey Hirschfeld
CSCE, NYCE and NYBOT
Page 3

corporation duly authorized and validly organized under the New York Not-for-Profit Corporation Law; (2) the consummation of the merger of CSCE and NYCE each into NYBOT, simultaneous with the foregoing transfers of all contracts currently listed for trading on CSCE and NYCE and all associated existing open interest; (3) the adoption of the new Rulebook, as amended and reorganized, by NYBOT; (4) and the continuing compliance of NYBOT with all applicable provisions of the Act and the Commission's regulations thereunder.

Sincerely,

A handwritten signature in cursive script that reads "Jean A. Webb". The signature is written in black ink and is positioned above the printed name.

Jean A. Webb

Secretary of the Commission

UNITED STATES OF AMERICA

Before the

COMMODITY FUTURES TRADING COMMISSION

**In the Matter of the Request for Transfer of All
Existing Coffee, Sugar, Cotton Exchange and
New York Cotton Exchange
Contract Market Designations
to the Board of Trade of the City of New York, Inc.**

ORDER OF TRANSFER OF DESIGNATIONS

Coffee, Sugar & Cocoa Exchange, Inc. ("CSCE"), New York Cotton Exchange ("NYCE"), and the Board of Trade of the City of New York, Inc. ("NYBOT") having submitted, pursuant to Section 6 of the Commodity Exchange Act ("Act"), 7 U.S.C. § 8, requests for the transfer of the existing contract market designations of CSCE and NYCE to NYBOT, including requests that the Commission approve the transfer of all contracts currently listed for trading on CSCE and NYCE, as listed in Appendix A, the transfer of all associated existing open interest, and the transfer of all prior contract approvals, to NYBOT, into which CSCE and NYCE each will merge, and the Commodity Futures Trading Commission ("Commission") having reviewed the request, the complete record in this matter, the accompanying representations of CSCE,

NYCE and NYBOT and for the reasons set forth in the Memorandum submitted to the Commission by the Division of Market Oversight recommending transfer of these contract market designations, approval of the transfer of all contracts currently listed for trading on CSCE and NYCE, the transfer of all associated existing open interest and the transfer of all prior rule and contract approvals, to NYBOT, the Commission finds that for purposes of this request NYBOT has demonstrated its ability, upon completion of the merger, to comply with the requirements under the Act and the Commission's regulations thereunder applicable to it.

THEREFORE,

WHEREAS, CSCE, NYCE and NYBOT represent that NYBOT will, upon the merger, be the legal successor-in-interest to CSCE and NYCE, will meet all the requirements for contract market designation, will assume all the assets and liabilities of CSCE and NYCE and will continue to comply with all self-regulatory requirements applicable to designated contract markets under the Act and the Commission's regulations including, but not limited to, its responsibility to be in compliance with contract market designation criteria and core principles;

AND WHEREAS, CSCE and NYCE have notified the Commission that they will each transfer to NYBOT all contracts listed for trading by Commission approval pursuant to the procedures of Section 5c(c)(2) and Commission Regulation 40.5 or by exchange certification pursuant to the procedures of Section 5c(c)(1) of the Act and Commission Regulation 40.6, have represented that NYBOT will assume responsibility for maintaining the certification conditions of all contracts listed for trading by such certification, have represented that the New York Clearing Corporation has adopted a resolution implementing clearing for all such contracts when trading on NYBOT, have represented that the new Rulebook, submitted by CSCE and NYCE

self-certification, is not changed from their prior rulebooks in any material way except as described to the Commission by CSCE and NYCE, and whereas the Commission has approved the transfer of all such contracts to NYBOT upon the fulfillment of the conditions below;

IT IS HEREBY ORDERED, under Section 5 of the Act, 7 U.S.C. § 7, that the request of CSCE and NYCE for approval of the transfer of all contracts currently listed for trading on CSCE and NYCE, as listed in Appendix A, to NYBOT is granted and NYBOT is designated as a contract market;

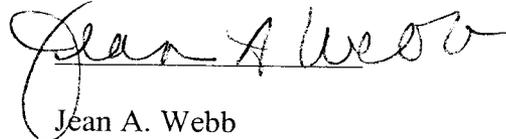
IT IS FURTHER ORDERED that this transfer to NYBOT of the existing contract market designations of CSCE and NYCE, and the approval of the transfer of all contracts currently listed for trading on CSCE and NYCE, all associated existing open interest, and all prior rules and contract approvals shall be subject to compliance with all sections of the Act and regulations thereunder applicable to NYBOT as a designated contract market and that this transfer of contract market designations, the transfer of all contracts currently listed for trading on CSCE and NYCE, the transfer of all associated existing open interest, and the commencement and/or continuance of exchange operations shall be specifically subject to the following conditions:

- (a) The existence of NYBOT as a corporation duly authorized and validly organized under the New York Not-for-Profit Corporation Law;
- (b) The consummation of the merger of CSCE into NYBOT, simultaneous with the foregoing transfers;
- (c) The consummation of the merger of NYCE into NYBOT, simultaneous with the foregoing transfers;
- (d) The adoption of the Rulebook, as amended and reorganized, by NYBOT; and

(e) The ongoing compliance of NYBOT with all applicable provisions of the Act and the Commission's regulations thereunder.

Issued in Washington, D.C., this 9th day of June, 2004.

By the Commission

A handwritten signature in cursive script that reads "Jean A. Webb". The signature is written in black ink and is positioned above the printed name and title.

Jean A. Webb
Secretary of the Commission

Contracts Transferred from NYCE and CSCE to NYBOT

NYCE CONTRACTS

Futures Options

		Futures	Options
<i>Euro based currency pairs</i>			
1	Euro-Japanese yen	Yes	Yes
2	Euro-Swedish krona	Yes	Yes
3	Euro-Swiss franc	Yes	Yes
4	Euro-British pound	Yes	Yes
5	Euro-Norwegian krone	Yes	Yes
6	Euro-Canadian dollar	Yes	Yes
7	Euro-U.S. dollar	Yes	Yes
8	Small Euro-U.S. dollar	Yes	No
9	Euro-Australian dollar	Yes	Yes
10	Euro-Czech koruna	Yes	Yes
11	Euro-Hungarian forint	Yes	Yes
<i>Pounds Sterling based currency pairs</i>			
12	Pounds sterling-U.S. dollar	Yes	Yes
13	Small Pounds sterling-U.S.dollar	Yes	Yes
14	Pounds sterling-Japanese yen	Yes	Yes
15	Pounds sterling-Swiss franc	Yes	Yes
<i>U.S. Dollar Based currency pairs</i>			
16	U.S. dollar-Japanese yen	Yes	Yes
17	Small U.S. dollar-Japanese yen	Yes	No
18	U.S. dollar-Swiss franc	Yes	Yes
19	Small U.S. dollar-Swiss franc	Yes	No
20	U.S. dollar-Canadian dollar	Yes	Yes
21	Small U.S. dollar-Canadian dollar	Yes	No
22	U.S.dollar-South African rand	Yes	Yes
23	U.S. dollar-Swedish krona	Yes	Yes
24	U.S. dollar-Norwegian krone	Yes	Yes
25	U.S. dollar-Czech koruna	Yes	Yes
26	U.S. dollar-Hungarian forint	Yes	Yes
<i>Australian Dollar based currency pairs</i>			
27	Australian dollar -U.S. dollar	Yes	Yes
28	Australian dollar-Japanese yen	Yes	Yes
29	Australian dollar-New Zealand dollar	Yes	Yes
30	Australian dollar-Canadian dollar	Yes	Yes
<i>New Zealand Dollar based currency pair</i>			
31	New Zealand dollar-U.S.dollar	Yes	Yes
<i>Other currency pairs</i>			
32	Swiss franc-Japanese yen	Yes	Yes
33	Canadian dollar-Japanese yen	Yes	Yes
34	Norwegian krone-Swedish krona	Yes	Yes

NYCE CONTRACTS *continued*

	Futures	Options
<i>Non-equity Indexes</i>		
35 U.S. Dollar Index	Yes	Yes
36 Reuters CRB Index	Yes	Yes
<i>Equity Indexes</i>		
37 NYSE Composite Index	Yes	Yes
38 NYSE Small Composite Index	Yes	No
39 Russell 1000 Index	Yes	Yes
40 Russell 1000 Index Mini	Yes	No
41 Russell 1000 Growth Index	Yes	Yes
42 Russell 1000 Value Index	Yes	Yes
43 Russell 2000 Index	Yes	Yes
44 Russell 3000 Index	Yes	Yes
<i>Agricultural</i>		
45 FCOJ A	Yes	Yes
46 FCOJ-1	Yes	Yes
47 FCOJ-B	Yes	No
48 Cotton 2	Yes	Yes
NYCE CONTRACTS TRANSFERRED = 89	48	41
CSCE CONTRACTS		
49 Ethanol	Yes	Yes
50 Sugar 11	Yes	Yes
51 Sugar 14	Yes	No
52 Coffee C	Yes	Yes
53 Mini Coffee	Yes	No
54 Cocoa	Yes	Yes
CSCE CONTRACTS TRANSFERRED = 10	6	4
TOTAL CONTRACTS TRANSFERRED = 99	54	45