



# New York Mercantile Exchange

NYMEX/COMEX. Two divisions, one marketplace

January 28, 2005

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**VIA FACSIMILE AND E-MAIL**

Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, D.C. 20581

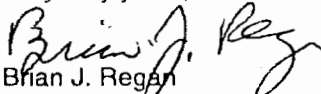
**Re: Rule Certification. New York Mercantile Exchange, Inc. Submission #05.11:  
Amendments Concerning NYMEX's Trading at Settlement ("TAS") Program**

Dear CFTC Commissioners:

The New York Mercantile Exchange, Inc. ("Exchange") is notifying the Commodity Futures Trading Commission ("Commission") that it is amending NYMEX Rule 6.40B. Pursuant to Section 5c(c) of the Commodity Exchange Act ("Act") and CFTC Rule 40.6, the Exchange hereby certifies that the attached amendments comply with the Act, including regulations under the Act; this rule change will be implemented effective on Tuesday, February 1, 2005.

Should you have any questions concerning the above, please contact the undersigned at (212) 299-2207.

Very truly yours,

  
Brian J. Regan  
Vice President and Counsel

Att.

New York Mercantile Exchange, Inc.  
World Financial Center  
One North End Avenue  
New York, NY 10282-1101  
(212) 299-2000

*The New York Mercantile Exchange, Inc., is composed of two divisions. The NYMEX Division offers trading in crude oil, heating oil, unleaded gasoline, natural gas, electricity, propane, platinum and palladium. The COMEX Division offers trading in gold, silver, copper, aluminum, and the FTSE Eurotop 100<sup>®</sup> index, and the FTSE Eurotop 300<sup>®</sup> index.*

**NOTIFICATION OF RULE AMENDMENTS TO NYMEX RULE 6.40B**

(Strike-outs in bold indicate deletions, underlining in bold indicates additions.)

**Rule 6.40B. TRADING AT SETTLEMENT (PILOT PROGRAM)**

(A) Trading at Settlement Procedure. A floor member may enter into a transaction at the settlement price through open outcry with another floor member in any futures contract and delivery month specified in Section (C) of this rule. Any such trade (collectively referred to as a trading at settlement or "TAS") shall be made by open outcry no later than 2:30 p.m. (except in Heating Oil and Unleaded Gasoline where such trades shall be made by open outcry no later than one hour prior to the end of the Regular Trading Hours session for that trading day) or such other time as designated by the Board on that same trading day in the trading ring designated for trading in the particular contract.

(B) Prohibition on TAS Cross Trades. A Floor Member who has in hand buy and sell TAS orders of different principals for the same eligible commodity for future delivery in the same eligible delivery month shall not execute such orders directly between such principals.

(C) Reporting and Recordation. All TAS transactions shall be identified as such on the executing member's trading records prepared in accordance with Rule 6.10 ("Reporting of Trades Executed on the Trading Floor").

(D) Transactions Eligible for Board Approval For Trading at Settlement Procedures.

The Board may, by resolution, authorize the execution of transactions in any or all of the futures contracts and delivery months specified below pursuant to the TAS order procedures set forth in this Rule 6.40B.

FuturesContract Delivery Month

Light Sweet Crude Oil Spot Month (except on the last trading day)

Brent Crude Oil Spot Month (except on the last trading day)

And also Second Nearby Month (e.g., calendar month following the Spot Month but only on the last 5 trading days of the Spot Month)

Heating Oil Spot Month (except on the last trading day)

Natural Gas Spot Month (except on the last trading day)

Unleaded Gasoline Spot Month (except on the last trading day)

(E) This pilot program shall expire on the following dates:

FuturesContract Expiration Date

Light Sweet Crude Oil

Extended until further notice

Brent Crude Oil

Extended until further notice

Heating Oil

~~January 31, 2005~~ May 2, 2005

Natural Gas

Extended until further notice

Unleaded Gasoline

~~January 31, 2005~~ May 2, 2005