

RECEIVED
APR 6 11 12: 32
OFFICE OF THE SECRETARIAT

 **NEW YORK**
BOARD OF TRADE®
World Financial Center
One North End Avenue, 13th Floor
New York, New York 10282

BY ELECTRONIC TRANSMISSION

06-8
April 6, 2006

Ms. Jean A. Webb
Secretary of the Commission
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

Re: **Amendments to Rule 11.00(f) and Implementation of Rule 11.00(c)(ii) -
Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.6**

Dear Ms. Webb:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended, and Commission Regulation 40.6, the Board of Trade of the City of New York, Inc. ("Exchange") submits, by written certification, amendments to Rule 11.00(f), attached as Exhibit A, and notification of implementing Rule 11.00(c)(ii).

Rule 11.00(c)(ii)

Rule 11.00(c)(ii) provides that Mozambique may be deemed a deliverable origin upon the recommendation of the Exchange's World Sugar Committee and a two-thirds vote of the Board. In deeming Mozambique a deliverable origin, the provisions of Rule 11.00(c)(ii) were followed. The addition of Mozambique is consistent with current trade practice in the commercial market. Since the addition of Mozambique will not have an effect on the value of the Sugar No. 11SM futures contract, the Exchange is making the addition of Mozambique a deliverable origin effective with the March 2007 delivery month which is already listed for trading.

Rule 11.00(f)

The amendments to Rule 11.00(f) more specifically address the issue of appropriate despatch and demurrage rates for Exchange deliveries of sugar. The amendments qualify such rates as being commensurate with the prevailing market rate for the size and type of the vessel

chartered by the Receiver and the terms under which the Receiver chartered the vessel, i.e., time charter or part cargo basis.

-2-

The Exchange certifies that the amendments and implementation of the Exchange's Rule comply with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder.

The Exchange's Board of Governors approved the implementation of Rule 11.00(c)(ii) and the amendments to Rule 11.00(f) at its meeting on April 5, 2006. No substantive opposing views were expressed by members or others with respect to the either issue. The implementation of Rule 11.00(c)(ii) will become effective with the March 2007 delivery month, and the amendments to Rule 11.00(f) will become effective on April 7, 2006.

If you have any questions or need further information, please contact me at 212-748-4084.

Sincerely,

Jill S. Fassler
Vice President
Associate General Counsel

cc: Riva Adriance
Thomas Leahy
CFTC, Division of Market Oversight
Allen Cooper
CFTC, New York Regional Office

(In the text of the amendments below, additions are underlined and deletions are bracketed and lined out.)

Rule 11.00. Contract Terms—Form

* * *

(f) The Receiver shall provide vessels suitable for the carriage of the sugar and contracted for under a standard form of Charter Party for Raw Sugar currently in general use in the World Sugar Trade at the time of shipment, or a freighting agreement no less favorable to Deliverer than said Charter Party. The rights and obligations of the Receiver and the Deliverer including but not limited to despatch, demurrage, loading conditions and vessel's responsibility to the cargo will be governed by the Charter Party unless both the Receiver and Deliverer agree in writing to other terms and conditions. Demurrage and despatch shall be ~~[limited to commercially justifiable rates specified in the Charter Party shall be presumed to be commercially justifiable unless the Deliverer establishes by clear and convincing evidence that any such rate is not commercially justifiable; provided, however, that despatch shall be one half or fifty percent (50%) of demurrage]~~ the rates specified in the Charter Party, provided, however, that they are commensurate with the prevailing market rate for the size and type of the vessel at the time of shipment, with despatch to remain at one-half (50%) of the demurrage rate. In the event that the Receiver or the Receiver's eventual FOB buyer has chartered the vessel(s) basis a time charter agreement, then the declared demurrage and despatch rates shall also be commensurate with the prevailing market rate for the size and type of vessel at time of shipment.

(i) The Charter Party rates shall be presumed to be commensurate with prevailing rates unless the Deliverer establishes by the weight of the evidence that any such rate is not a prevailing market rate as provided in this subparagraph (f). Objections and/or disputes regarding demurrage/despatch rates shall not preclude the Obligations of the Receiver and Deliverer pursuant to Rule 11.08.

(ii) In the event the Receiver presents a vessel to load on a part cargo basis, the demurrage and despatch rates shall be commensurate with the size/type of the vessel rather than the parcel size to be loaded, unless the Deliverer and Receiver mutually agree in writing to other terms and conditions.

[REMAINDER OF RULE UNCHANGED]

EXHIBIT A