

July 6, 2006

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U.S. DEPARTMENT OF COMMERCE

Via E-Mail

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

Re: Rule Certification. NYMEX Submission 06.82: Notification of Amendments to Exchange Rules 3.10 and 3.13: Increase the Number of Public Members Serving on Disciplinary Committees

Dear Ms. Eileen A. Donovan:

The New York Mercantile Exchange ("NYMEX" or the "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") of amendments to NYMEX Rule 3.10, Adjudication Committee, and Rule 3.13, Business Conduct Committee.

Effective July 10, 2006, the amendments increase the number of Public Committee Members serving on disciplinary committees from two to three, provided that the quorum for a panel of each of the Adjudication Committees and Business Conduct Committees ("BCC") be increased by one. Additionally, each Panel of the Adjudication Committee is increased to eleven Members, where a quorum of seven Members, including three Public Members, would be required to act on any matter. Likewise, each panel of the BCC is increased to twelve Members (including the Chairman), where a quorum of seven Members, including three Public Members, is required to act on any matter.

Pursuant to Section 5c(c) of the Commodity Exchange Act ("Act") and CFTC Rule 40.6, the Exchange hereby certifies that the attached rule amendments comply with the Act, including regulations under the Act.

Should you have any questions, please direct them to the undersigned (212) 299-2897, and Nancy Minett, Vice President, Compliance, at (212) 299-2940.

Very truly yours,

Thomas LaSala
Senior Vice President
Compliance and Risk Management

cc: Nancy Minett
Brian Regan

(Bold/underlining indicates additions; bold/strikethroughs indicate deletions.)

NYMEX Rule 3.10, Adjudication Committee

(A) The Adjudication Committee shall be a Regular Committee and shall consist of a Chairman who is a Class A Member and four Hearing Panels ("Hearing Panels"). Each panel shall contain at least three ~~two~~ persons who are neither Members of the Exchange nor employed by a Member, Member Firm or the Exchange ("Public Committee Members") and shall otherwise be balanced as equally as practicable among representatives of the Member categories: Floor Broker, Local, Trade and FCM (off-the-floor representative). There shall be no restriction on the affiliations or categories of alternates. The panel members and alternates shall be appointed by the Chairman, subject to approval of the Board.

(B) (1) Two of the Hearing Panels shall be designated to hear matters pertaining to New York Mercantile Exchange Inc., ("NYMEX Inc.") and two of the Hearing Panels shall be designated to hear COMEX Division matters ("COMEX Hearing Panels"). Each panel shall consist of eleven ~~10~~ regular panelists and as many alternates as the Chairman of the Committee shall designate.

(2) The NYMEX Inc. members on the NYMEX Panels will consist of 70% Class A Members and 30% COMEX Division Members. The NYMEX Inc. members on the COMEX Hearing Panels will consist of 70% COMEX Division Members and 30 % Class A Members.

(C) One person on each Hearing Panel shall serve as its Chairman and shall be designated by the Board as a Co-Vice-Chairman of the Adjudication Committee. Seven ~~Six~~ members of a Hearing Panel shall constitute a quorum for the purpose of exercising the powers of the Hearing Panel, provided that three ~~two~~ Public Committee Members must be present. Alternates will be selected by the Chairman to replace any Member of a Hearing Panel unable to serve on any case, subject to the provisions of paragraph (A) above.

(D) The Adjudication Committee shall hold such meetings as, in the discretion of the Chairman of the Committee are necessary to review matters pertaining to Exchange disciplinary actions, including but not limited to, Board policy and disciplinary precedents.

(E) The Adjudication Committee shall make a report to the Board at least twice a year. The report shall detail the activities of the Committee for the period covered by such report and shall describe all disciplinary actions taken by the Committee during such period.

NYMEX Rule 3.13, Business Conduct Committee

(A) The Business Conduct Committee shall be a Regular Committee and shall be divided into a Class A Member Business Conduct Committee Panel and a COMEX Division Business Conduct Committee Panel. Each Panel shall consist of a Chairman who is a Class A Member, eleven ~~ten~~ additional Committee members and at least six ~~four~~ alternates. The eleven ~~ten~~ Committee members shall include at least three ~~two~~ people who are neither Members of the Exchange nor

employed by a Member or Member Firm ("Public Committee Members"); the balance shall be Members or persons employed by Member Firms, balanced as equally as practicable among representatives of the categories: Floor Broker, Local, Trade and FCM (off-the-floor representative). The Class A Member Business Conduct Committee Panel shall be comprised of 70% Class A Members and 30% COMEX Division Members. The COMEX Division Business Conduct Committee Panel shall be comprised of 70% COMEX Division Members and 30% Class A Members. **At least three alternates must qualify as Public Committee Members.** There shall be no restriction on the affiliations or categories of the **remaining** alternates. The Committee members and alternates shall be appointed by the Chairman, subject to the approval of the Board.

(B) The Business Conduct Committee shall hold such meetings as, in the discretion of the Chairman of the Committee, are necessary to review matters pertaining to Exchange disciplinary actions, including but not limited to, Board policy and disciplinary precedents. **Seven Six** Members of the Business Conduct Committee shall constitute a quorum for the purposes of exercising the powers of the Committee, provided that at least **three two** of these **seven six** Members must be Public Committee Members.

(C) The Business Conduct Committee shall make a report to the Board at least twice a year. The report shall detail the activities of the Committee for the period covered by such report and shall describe all disciplinary actions taken by the Committee during such period.