

December 18, 2006

Via E-Mail

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

OFFICE OF THE SECRETARY

DEC 18 11 46 38

RECEIVED

Re: Rule Certification. NYMEX Submission 06.151: Notification of Extension of Maximum Maturity Date for Letters of Credit.

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 Rules 9.05(E)(3), Margins, and 9.24(B), Original Margin Depositories and Originators of Letters of Credit.

Effective on Tuesday, December 19, 2006, these amendments include: 1) extension of the maximum maturity date for Letters of Credit to twenty-four months; 2) a new Letter of Credit has to be posted when a current Letter of Credit has been held with the Exchange for the full duration of the twenty-four month maximum as no amendments will be accepted to extend the maturity date; and 3) a separate reference to the applicable maturity dates listed within Rule 9.24(B) is erroneous and is being deleted. 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 concerning the above, please contact Arthur McCoy, Vice President, Financial Surveillance and Risk Management, at (212) 299-2928, and Joseph Sanguedolce, Senior Director, Financial Surveillance, at (212) 299-2855.

Very truly yours,

Thomas F. LaSala
Chief Regulatory Officer

cc: Brian Regan
Nancy Minett

(Deletions are in bold/strikethrough; additions are in bold/underlined)

Rule 9.05, Margins

(E) Clearing Members may meet original margin calls by depositing:

(3) Subject to a maximum limit of 50% of the Clearing Member's total original margin obligations, Irrevocable Letters of Credit payable to the order of the Clearing House including such Letters of Credit that are deposited with the Clearing Member in accordance with Exchange procedures by a customer, in form acceptable to the Clearing House, issued by or confirmed by an original margin depository and having an expiration date of not less than three (3) or more than ~~eighteen (18)~~ **twenty four (24)** months from the date of issuance; provided, however, that such Letter of Credit may not be used to meet original margin obligations during the fifteen calendar days prior to the expiration date thereof (if the fifteenth day prior to the expiration of the Letter of Credit is not a business day, the period during which such Letter of Credit may not be used to meet original margin obligations shall begin on the business day immediately preceding that day); and, provided further, that on the business day preceding the fifteenth calendar day prior to the expiration of the Letter of Credit, the Clearing House shall issue a call for original margin to be deposited in a form and manner acceptable to the Clearing House for positions held open as of the close of business on that day and margined by the Letter of Credit. The Clearing House shall have the unqualified right to call on any Letter of Credit at any time prior to expiration. **Upon expiration of a letter of credit that has been posted with the Exchange for the maximum twenty four (24) months, a new letter of credit must be posted as no amendments will be accepted to extend the maturity date.**

Rule 9.24, Original Margin Depositories and Originators of Letters of Credit

(B) Letters of credit may be issued, or confirmed, by a banking institution selected by a clearing member depositor, which institution has been approved by the Exchange as an original margin depository, and may be deposited to meet original margin requirements. ~~Any Letter of Credit so deposited must have a term of not less than thirty (30) days nor more than three hundred sixty five (365) days.~~