

April 26, 2013

VIA E-MAIL

Ms. Melissa Jurgens
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

**RE: Regulation 40.6(a) Rule Certification: Block Trade Minimum Thresholds and Issuance of NYMEX & COMEX Market Regulation Advisory Notices RA1308-4 and RA1309-4
NYMEX/COMEX Submission # 13-156**

Dear Ms. Jurgens:

New York Mercantile Exchange, Inc. ("NYMEX") and Commodity Exchange, Inc. ("COMEX") (collectively, the "Exchanges") are notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") that they are self-certifying the following:

- Establishment of block trade minimum thresholds in nine (9) new NYMEX Renewable Identification Number ("RIN") Energy products;
- Modifications to block trade minimum thresholds in 25 NYMEX Power products based on changes being made to contract sizes and/or the variable quantity unit associated with the products;
- Adoption of TAS block trading in COMEX Gold and Silver futures;
- Issuance of NYMEX & COMEX Market Regulation Advisory Notices RA1308-4 and RA1309-4; and
- Delaying the launch of NYMEX & COMEX Realized Variance Futures contracts.

Block Trade Minimum Thresholds in Nine (9) New RIN Products

Block trading in the following nine NYMEX RIN products will be permitted at a block trade minimum threshold of five (5) contracts concurrent with the launch of trading in these products on Sunday, May 12, 2013, for trade date Monday, May 13, 2013:

- D4 Biodiesel RINs (Argus) 2012, 2013 and 2014 futures (D42, D43 and D44)
- D5 Advanced Biofuel RINs (Argus) 2012, 2013 and 2014 futures (D52, D53 and D54)
- D6 Ethanol RINs (Argus) 2012, 2013 and 2014 futures (D62, D63 and D64)

Given that the new RIN contracts are closely associated with the ethanol market, we are establishing the minimum threshold at the same five (5) contract block level applicable to the NYMEX Chicago Ethanol (Platts) futures contract (Clearing Code CU).

Additional information on the new products is provided in NYMEX Submission 13-152.

Block Trade Minimum Threshold Changes in 25 Power Products

NYMEX is making modifications to block trade minimum thresholds in 25 Power products as a result of adopting contract size changes and/or changes to the variable quantity unit in the affected products. The

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changes are being made so that the contracts' terms reflect standard cash market trading practices in the power market, and will become effective on Sunday, May 12, 2013, for trade date Monday, May 13, 2013.

Additional information on the changes to the terms and conditions of the affected Power products is provided in NYMEX Submission 13-148.

The revised block levels are set forth in Appendix A.

TAS Block Trading in COMEX Gold and Silver Futures

Effective Sunday, May 19, 2013, for trade date Monday, May 20, 2013, COMEX will begin to permit Trading at Settlement ("TAS") block trading pursuant to the requirements of Rule 524 ("Trading at Settlement ("TAS"), Trading at Marker ("TAM") and Matched Order ("MO") Transactions") and Rule 526 in the active month in Gold and Silver futures at a minimum threshold of 25 contracts for each product, consistent with the existing block trade minimum threshold in those products.

Issuance of NYMEX & COMEX Market Regulation Advisory Notices RA1308-4 and RA1309-4

Based on the aforementioned changes, NYMEX and COMEX will issue Market Regulation Advisory Notices RA1308-4 on block trades and RA1309-4 concerning TAS/TAM/MO transactions to the marketplace on April 29, 2013. RA1308-4 is set forth in Appendix B and RA1309-4 is set forth in Appendix C.

Delayed Launch of NYMEX & COMEX Realized Variance Futures Contracts

Please note that as a result of a delay in the launch of all NYMEX and COMEX Realized Variance futures products, references to those products has been eliminated from RA1308-4.

The Market Regulation Department and the Legal Department collectively reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA"). During the review, we have identified that the changes described in this Submission may have some bearing on the following Core Principles:

Compliance with Rules: The Market Regulation Advisory Notices being issued provide additional guidance to the marketplace on the regulatory requirements attendant to block trades and TAS/TAM/MO Transactions. This guidance is intended to assist market participants in remaining in compliance with Rules 524 and 526 and is therefore in compliance with this Core Principle.

Availability of General Information: As required by this Core Principle, the Exchanges are publicly issuing RA1308-4 and RA1309-4 to ensure that market participants have updated guidance and information attendant to block trades and TAS/TAM/MO Transactions. These Advisory Notices will also be available on the CME Group website.

Execution of Transactions: Core Principle 9 permits a designated contract market ("DCM") to authorize for bona fide business purposes transactions executed away from the DCM's centralized marketplace, and the Exchanges have established block levels in a wide array of futures and options products for quite some time. The establishment of the block trade minimum threshold in the nine (9) new RIN products is intended to provide eligible contract participants with an additional execution mechanism for these products, which will also be available for competitive execution on CME Globex. The revisions to the block trade minimum thresholds in the 25 NYMEX Power products are based on changes to the size and/or variable quantity unit associated with them. Based on the contract changes, block levels are being decreased in 16 products and increased in nine products. Lastly, the establishment of TAS block trades in Gold and Silver futures at the existing block trade minimum threshold of 25 contracts for each product is being adopted based on requests from market participants.

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The Exchanges certify that the adoption and changes to block trade eligibility in the aforementioned products and the issuance of RA1308-4 and RA1309-4 comply with the CEA and regulations thereunder. There were no opposing views to these changes or the Advisory Notices.

The Exchanges certify that this submission has been concurrently posted on the CME Group website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

If you have any questions regarding this submission, please contact Robert Sniegowski, Market Regulation, at 312.341.5991 or via email at Robert.Sniegowski@cmegroup.com. Alternatively, you may contact me at 212.299.2200 or via email at Christopher.Bowen@cmegroup.com. Please reference NYMEX & COMEX Submission No. 13-156 in any related correspondence.

Sincerely,

/s/Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachments: Exhibit A – Revisions to NYMEX Power Block Trade Minimum Thresholds
Exhibit B – RA1308-4
Exhibit C – RA1309-4

Exhibit A

NYMEX Power Products

Product Title & Clearing Code	Revised Block Trade Minimum Threshold (May 12, 2013)	Current Block Trade Minimum Threshold (Through May 11, 2013)
NYISO Zone A Day-Ahead Peak Calendar-Day 5 MW futures (AN)	5	10
Alberta Power Pool Calendar Day futures (AOD)	24	5
PJM AEP Dayton Hub Real-Time Off-Peak Calendar-Day 5 MW futures (AOR)	16	32
ISO New England Mass Hub Day-Ahead Peak Calendar-Day 5 MW futures (CE)	5	10
Dow Jones Mid-Columbia Electricity Price Index futures (DO)	100	10
ISO New England Mass Hub Day-Ahead Off-Peak Calendar-Day 5 MW futures (IDO)	16	32
NYISO Zone J Day-Ahead Peak Calendar-Day 5 MW futures (JN)	5	10
Midwest ISO Minnesota Hub Off-Peak Calendar-Month LMP futures (LJ)	100	4
Midwest ISO Minnesota Hub Peak Calendar-Month LMP futures (LM)	100	10
PJM Northern Illinois Hub Real-Time Off-Peak Calendar-Day 5 MW futures (NOC)	16	32
MISO Illinois Hub Off-Peak Calendar-Month LMP futures (OJ)	100	4
MISO Illinois Hub Peak Calendar-Month LMP futures (OM)	100	10
PJM AEP Dayton Hub Peak Calendar-Month LMP option (OT)	95	10
PJM AEP Dayton Hub Day-Ahead Peak Calendar-Day 5 MW futures (PAP)	5	10
PJM AEP Dayton Hub Day-Ahead Off-Peak Calendar-Day 5 MW futures (PEO)	16	32
PJM AEP Dayton Hub Peak 50 MW Calendar-Month LMP options (PJD)	19	2
PJM Northern Illinois Hub Peak 50 MW Calendar-Month LMP options (PJN)	19	2
PJM Northern Illinois Hub Day-Ahead Off-Peak Calendar-Day 5 MW futures (PNO)	16	32
PJM Northern Illinois Hub Day-Ahead Peak Calendar-Day 5 MW futures (PNP)	5	10
PJM Western Hub Day-Ahead Off-Peak Calendar-Day 5 MW futures (PWO)	16	32
PJM Western Hub Day-Ahead Peak Calendar-Day 5 MW futures (PWP)	5	10
PJM Western Hub Real-Time Off-Peak Calendar-Day 5 MW futures (WOR)	16	32
NYISO Zone A Day-Ahead Off-Peak Calendar-Day 5 MW futures (ZAO)	16	32
NYISO Zone G Day-Ahead Off-Peak Calendar-Day 5 MW futures (ZGO)	16	32
NYISO Zone J Day-Ahead Off-Peak Calendar-Day 5 MW futures (ZJO)	16	32

Exhibit B

MARKET REGULATION ADVISORY NOTICE

Exchange	NYMEX & COMEX
Subject	Block Trades
Rule References	Rule 526
Advisory Date	April 29, 2013
Advisory Number	NYMEX & COMEX RA1308-4
Effective Date	May 13 & 20, 2013

This Advisory Notice supersedes NYMEX & COMEX Market Regulation Advisory Notice RA1307-4R issued on April 19, 2013. It is being issued to notify the marketplace that pending all relevant regulatory review periods, effective on Sunday, May 12, 2013, for trade date Monday, May 13, 2013, NYMEX will 1) permit block trading in nine new Renewable Identification Number ("RIN") Energy products and 2) modify block trade minimum thresholds in 25 Power products based on changes being made to contract sizes and/or the variable quantity unit associated with the products.

Additionally, the launch of trading in all NYMEX & COMEX Realized Variance futures contracts has been delayed. Block trading in those products will not be available until the products are launched.

Pending all relevant regulatory review periods, effective Sunday, May 19, 2013, for trade date Monday, May 20, 2013, COMEX will begin to permit Trading at Settlement ("TAS") block trading in the active month in Gold futures and Silver futures at a minimum threshold of 25 contracts for each product. Additional information about TAS block trades is included in Section 5 of this Advisory Notice.

Block Trade Minimum Thresholds in Nine (9) New RIN Products

Block trading in the following nine RIN products will be permitted at a block trade minimum threshold of five (5) contracts concurrent with the launch of trading in these products on May 12, 2013:

- D4 Biodiesel RINs (Argus) 2012, 2013 and 2014 futures (D42, D43 and D44)
- D5 Advanced Biofuel RINs (Argus) 2012, 2013 and 2014 futures (D52, D53 and D54)
- D6 Ethanol RINs (Argus) 2012, 2013 and 2014 futures (D62, D63 and D64)

Additional information concerning the nine new products is available in CME Group Special Executive Report S-6639, available [here](#).

Block Trade Minimum Threshold Changes in 25 Power Products

Also effective on May 12, 2013, NYMEX will adopt contract size changes and/or changes to the variable quantity unit in 25 NYMEX Power products. The revised block levels are set forth in the Table on the next page, and additional information concerning the changes to the products is available in CME Group Special Executive Report S-6631, available [here](#).

Product Title & Clearing Code	Revised Block Trade Minimum Threshold (May 12, 2013)	Current Block Trade Minimum Threshold (Through May 11, 2013)
NYISO Zone A Day-Ahead Peak Calendar-Day 5 MW futures (AN)	5	10
Alberta Power Pool Calendar Day futures (AOD)	24	5
PJM AEP Dayton Hub Real-Time Off-Peak Calendar-Day 5 MW futures (AOR)	16	32
ISO New England Mass Hub Day-Ahead Peak Calendar-Day 5 MW futures (CE)	5	10
Dow Jones Mid-Columbia Electricity Price Index futures (DO)	100	10
ISO New England Mass Hub Day-Ahead Off-Peak Calendar-Day 5 MW futures (IDO)	16	32
NYISO Zone J Day-Ahead Peak Calendar-Day 5 MW futures (JN)	5	10
Midwest ISO Minnesota Hub Off-Peak Calendar-Month LMP futures (LJ)	100	4
Midwest ISO Minnesota Hub Peak Calendar-Month LMP futures (LM)	100	10
PJM Northern Illinois Hub Real-Time Off-Peak Calendar-Day 5 MW futures (NOC)	16	32
MISO Illinois Hub Off-Peak Calendar-Month LMP futures (OJ)	100	4
MISO Illinois Hub Peak Calendar-Month LMP futures (OM)	100	10
PJM AEP Dayton Hub Peak Calendar-Month LMP option (OT)	95	10
PJM AEP Dayton Hub Day-Ahead Peak Calendar-Day 5 MW futures (PAP)	5	10
PJM AEP Dayton Hub Day-Ahead Off-Peak Calendar-Day 5 MW futures (PEO)	16	32
PJM AEP Dayton Hub Peak 50 MW Calendar-Month LMP options (PJD)	19	2
PJM Northern Illinois Hub Peak 50 MW Calendar-Month LMP options (PJN)	19	2
PJM Northern Illinois Hub Day-Ahead Off-Peak Calendar-Day 5 MW futures (PNO)	16	32
PJM Northern Illinois Hub Day-Ahead Peak Calendar-Day 5 MW futures (PNP)	5	10
PJM Western Hub Day-Ahead Off-Peak Calendar-Day 5 MW futures (PWO)	16	32
PJM Western Hub Day-Ahead Peak Calendar-Day 5 MW futures (PWP)	5	10
PJM Western Hub Real-Time Off-Peak Calendar-Day 5 MW futures (WOR)	16	32
NYISO Zone A Day-Ahead Off-Peak Calendar-Day 5 MW futures (ZAO)	16	32
NYISO Zone G Day-Ahead Off-Peak Calendar-Day 5 MW futures (ZGO)	16	32
NYISO Zone J Day-Ahead Off-Peak Calendar-Day 5 MW futures (ZJO)	16	32

A complete list of NYMEX and COMEX products in which block trading is permitted, and the relevant quantity thresholds, is available on the CME Group website via the following link:

[NYMEX & COMEX Block Trade-Eligible Products and Minimum Quantity Thresholds](#)

The text of Rule 526 appears in Section 12 of this Advisory Notice.

1. Definition of Block Trades

Block trades are privately negotiated futures, options or combination transactions that meet certain quantity thresholds which are permitted to be executed apart from the public auction market. It shall not be permissible to facilitate the execution of block trades in Exchange-traded products on a system or facility accessible to multiple parties that allows for the electronic matching of or the electronic acceptance of bids and offers; block trades transacted in such manner do not satisfy the privately negotiated standard. Parties may use communication technologies to bilaterally request block quotes from one or more participants and to conduct privately negotiated block trades. Parties may also utilize technologies supported by third parties which allow for the electronic posting of indicative block markets displayed to multiple market participants. However, block trades executed between parties on the basis of such electronically displayed indicative markets may be transacted only through direct bilateral communications involving the broker, where applicable, and the parties to the trade.

All block trades are subject to the conditions set forth in NYMEX and COMEX Rule 526 and in this Advisory Notice.

2. Participation in Block Trades

Each party to a block trade must be an Eligible Contract Participant as that term is defined in Section 1a of the Commodity Exchange Act. Eligible Contract Participants generally include exchange members and member firms, broker/dealers, government entities, pension funds, commodity pools, corporations, investment companies, insurance companies, depository institutions and high net-worth individuals.

Commodity trading advisors and investment advisors who are registered or exempt from registration, and foreign persons performing a similar role and subject as such to foreign regulation, may participate in block transactions provided they have total assets under management exceeding \$25 million and the block trade is suitable for their customers.

A customer order may be executed by means of a block trade only if the customer has specified that the order be executed as a block trade.

Orders may not be bunched to meet the minimum block quantity thresholds.

3. Time and Prices of Block Trades

Block trades may be executed at any time, including times during which the public auction market is closed.

Block trades must be transacted at prices that are “**fair and reasonable**” in light of (i) the size of the transaction, (ii) the prices and sizes of other transactions in the same contract at the relevant time, (iii) the prices and sizes of transactions in other relevant markets, including, without limitation, the underlying cash market or related futures markets, at the relevant time, and (iv) the circumstances of the markets or the parties to the block trade.

The trade price must be consistent with the minimum tick increment for the market in question. Additionally, each outright transaction and each leg of any block eligible spread or combination trade must be executed at a single price.

Block trade prices are reported independently of transaction prices in the regular market and are not included as part of the daily trading range. Block trade prices do not elect conditional orders (e.g. stop orders) or otherwise affect orders in the regular market.

4. Block Trade Minimum Quantities for Outrights, Spreads and Combinations

The block trade minimum quantity requirements for outright futures and options are set forth in the list of block trade eligible products which is available on the CME Group website via the following link: [NYMEX & COMEX Block Trade-Eligible Products and Minimum Quantity Thresholds](#)

- a) Intra-Commodity Futures Spreads and Futures Combinations and Intra-Commodity Options Spreads and Options Combinations

These spreads and combination transactions may be executed as block trades provided that the sum of the quantities of the legs of the transaction meets the minimum block quantity threshold.

- b) Inter-Commodity Futures Spreads and Futures Combinations and Inter-Commodity Options Spreads and Options Combinations

These spreads and combination transactions may be executed as block trades provided that the sum of the quantities of the legs of the transaction meets the larger of the threshold requirements for the underlying products.

- c) Options/Futures Spreads

Options/futures spreads may be executed as block trades provided that the options component of the spread meets the minimum quantity threshold for the outright option or option combination and the quantity of futures executed is consistent with the delta of the options component of the spread.

5. TAS & TAM Block Trades

Certain block-eligible futures contract months may be executed as block trades and assigned the current day's settlement price or any valid price increment ten ticks higher or lower than the settlement price (“TAS block trades”). Certain block-eligible futures contract months may also be executed as block trades

and assigned the current day's marker price or any valid price increment ten ticks higher or lower than the marker price ("TAM block trades").

Additionally, intra-commodity calendar spreads in the nearby month/second month spread and the second month/third month spread may be executed as TAS or TAM block trades provided that the underlying product is eligible for TAS or TAM trading.

The pricing of the legs of a TAS or TAM calendar spread block trade will be calculated as follows:

- The nearby leg of the spread will always be priced at the settlement or marker price, as applicable, for that contract month.
- The far leg of the spread will be priced at the settlement or marker price, as applicable, for that contract **minus** the allowable TAS or TAM price increment traded (-10 through +10), except in circumstances where the traded TAS or TAM price is the actual settlement or marker price of the contract.

TAS block trades, including eligible TAS calendar spread block trades, may not be executed on the last day of trading in an expiring contract.

The products and contract months in which TAS and TAM block trades are permitted are set forth in the list of block trade eligible products which is available on the CME Group website via the following link:

[NYMEX & COMEX Block Trade-Eligible Products and Minimum Quantity Thresholds](#)

6. Block Trade Price Reporting Requirements

a) Time Requirements

Block trades in the following list of products must be price reported to the exchange within **five minutes** of the transaction.

- Brent Crude Oil Penultimate Financial futures (BB)
- Brent Crude Oil Last Day Financial futures (BZ)
- Light Sweet Crude Oil futures (CL)
- Gulf Coast Sour Crude Oil futures (MB)
- New York Harbor ULSD Heating Oil futures (HO)
- Henry Hub Natural Gas futures (NG)
- RBOB Gasoline futures (RB)
- NYMEX Cocoa, Coffee, Cotton and No. 11 Sugar futures (CJ, KT, TT and YO)
- Gold futures (GC)
- Silver futures (SI)
- Copper futures (HG)

Block trades in all other block-eligible NYMEX and COMEX products must be price reported to the exchange within **15 minutes** of the transaction. If the block transaction involves a spread or combination that includes certain legs subject to a five minute reporting requirement and other legs subject to a 15 minute reporting requirement, the reporting requirement for the transaction will be 15 minutes.

b) Reporting Obligation

Price reporting obligations are the responsibility of the seller, unless otherwise agreed to by the principal counterparties to the block trade; however, in the case of a brokered transaction, the price reporting obligation is the responsibility of the broker handling the block trade, unless otherwise agreed to by the principal counterparties to the block trade. For purposes of the foregoing, the term "seller" refers to the principal counterparty acting as the seller of the block trade.

The failure to submit timely, accurate and complete block trade reports may subject the party responsible for the reporting obligation to disciplinary action. Parties shall not be sanctioned for block reporting

infractions deemed to arise from factors beyond the reporting party's control (e.g. the block trade fails the CME ClearPort automated credit check.)

c) Reporting Methods

Block trades must be price reported to the exchange via one of the methods described below:

i) CME ClearPort

Block trades may be electronically submitted directly to CME Clearing via CME ClearPort. Block trades may also be price reported to the CME ClearPort Facilitation Desk by calling **1.866.246.9639** or via email at FacDesk@cmegroup.com. In either case, all of the data and information elements required in d) below must be submitted.

For information on reporting block trades through CME ClearPort, please contact customer service at 1.800.438.8616 or via email at ClearPort@cmegroup.com.

ii) CME Direct

Block Trades may be electronically submitted to CME Clearing via entry on the CME Direct platform, which will satisfy the price reporting requirement. The CME Direct platform is directly connected to CME ClearPort. For information on submitting Block Trades through CME Direct, please contact CME Direct Support at CMEDirectSupport@cmegroup.com.

iii) Trading Floor

Block trades negotiated on the trading floor may either be electronically submitted directly to CME Clearing via CME ClearPort pursuant to i) above or may be price reported to exchange staff at the Master Pulpit.

d) Information Required when Reporting Block Trades

When reporting a block trade, the following information will be required:

- Contract, contract month and contract year for futures, and, additionally for options, strike price and put or call designation;
- Quantity of the trade or, for spreads and combinations, the quantity of each leg of the trade;
- Price of the trade or, for spreads and combinations, the price of each leg of the trade;
- Buyer's clearing firm and seller's clearing firm;
- Name and phone number of the party reporting the trade (for block trades reported on the trading floor or reported via telephone or email to the CME ClearPort Facilitation Desk);
- For block trades reported via phone or email to the CME ClearPort Facilitation Desk, counterparty name and contact information must also be provided for trade verification purposes; and
- Execution time (to the nearest minute in Eastern Time) of the trade. The execution time is the time at which the trade was consummated.

Market participants must exercise diligence in accurately reporting the execution time of the block trade. The reporting of inaccurate execution times may result in disciplinary action.

7. Block Trade Submission Requirements to CME Clearing

Block trades price reported to Exchange staff at the Master Pulpit on the trading floor must be entered by the seller or his designated representative into the CME clearing system within 30 minutes of execution and must contain the material terms of the trade, including the allocation to the correct clearing firm unless the trade will clear at the seller's qualifying clearing member firm. Within 30 minutes after entry by the seller, the buyer or his designated representative must enter into the CME clearing system a time of execution for the trade, note any disagreement with any of the terms of the trade entered by the seller, and allocate the trade to the correct clearing firm unless the trade will clear at the buyer's qualifying clearing member firm. When reporting spread or combination transactions, each leg must be entered

individually. Separate submission to the CME clearing system is not required in the event that the block trade is directly entered into CME ClearPort, CME Direct or reported to the CME ClearPort Facilitation Desk.

8. Block Trade Recordkeeping

Complete order records for block trades must be created and maintained pursuant to Rule 536 and CFTC Regulations. Additionally, the time of execution of the block trade must also be recorded for all block trades.

9. Dissemination of Block Trade Information

The date, execution time, contract month, price and quantity of block trades are displayed on the CME Group website at the following link: [Block Trades](#).

Block trade prices are published separately from transactions in the regular market.

Block trade volume is also identified in the daily volume reports published by the exchange.

10. Use of Nonpublic Information Regarding Block Trades

Parties involved in the solicitation or negotiation of a block trade may not disclose the details of those communications to any other party for any purpose other than to facilitate the execution of the block trade. Parties privy to nonpublic information regarding a consummated block trade may not disclose such information to any other party prior to the public report of the block trade by the Exchange. A broker negotiating a block trade on behalf of a customer may disclose the identity of the customer to potential counterparties, including the counterparty with which the block trade is consummated, only with the permission of the customer.

Pre-hedging or anticipatory hedging of any portion of a block trade in the same product or a closely-related product based upon a solicitation to participate in a block trade is not permitted. A closely related product is a product that is highly correlated to, serves as a substitute for, or is the functional economic equivalent of the product being traded as a block.

Counterparties to a block trade are permitted to initiate trades to hedge or offset the risk associated with the block trade following the consummation of the block trade, including during the period preceding the public report of the block trade by the Exchange.

Except as provided above, parties privy to nonpublic information attendant to a block trade are prohibited from trading in the same product or a closely-related product for the purpose of taking advantage of such information prior to the public report of the block trade by the Exchange. This prohibition is not intended to preclude such parties from continuing to transact in the marketplace in the context of their normal business; rather, it precludes parties in possession of actionable nonpublic information regarding an imminent block trade or report of a block trade from specifically using such information to their advantage. Information regarding a block trade is considered to be nonpublic until such time that the block trade details have been disseminated to the marketplace by the Exchange or the information can otherwise be demonstrated to have become stale or obsolete.

Parties solicited to provide a two-sided block market are not deemed to be in possession of nonpublic information provided that side of market interest is not disclosed in the context of the solicitation.

11. Block Trades between Affiliated Parties

Block trades between the accounts of affiliated parties are permitted provided that 1) the block trade is executed at a fair and reasonable price; 2) each party has a legal and independent bona fide business purpose for engaging in the trade; and 3) each party's decision to enter into the block trade is made by an independent decision-maker. In the absence of satisfying the requirements above, the transaction may constitute an illegal wash trade prohibited by Rule 534 ("Wash Trades Prohibited").

12. Text of NYMEX & COMEX Rule 526

Rule 526 BLOCK TRADES

The Exchange shall designate the products in which block trades shall be permitted and determine the minimum quantity thresholds for such transactions. The following shall govern block trades:

- A. A block trade must be for a quantity that is at or in excess of the applicable minimum threshold. Orders may not be aggregated in order to achieve the minimum transaction size, except by those entities described in Sections I. and J.
- B. Each party to a block trade must be an Eligible Contract Participant as that term is defined in Section 1a(18) of the Commodity Exchange Act.
- C. A member shall not execute any order by means of a block trade for a customer unless such customer has specified that the order be executed as a block trade.
- D. The price at which a block trade is executed must be fair and reasonable in light of (i) the size of the block trade, (ii) the prices and sizes of other transactions in the same contract at the relevant time, (iii) the prices and sizes of transactions in other relevant markets, including without limitation the underlying cash market or related futures markets, at the relevant time, and (iv) the circumstances of the markets or the parties to the block trade.
- E. Block trades shall not set off conditional orders (e.g., Stop Orders and MIT Orders) or otherwise affect orders in the regular market.
- F. Unless otherwise agreed to by the principal counterparties to the block trade, the seller, or, in the case of a brokered transaction, the broker handling the block trade, must ensure that each block trade is reported to the Exchange within five minutes of the time of execution in the following futures products: Brent Crude Financial, Brent Crude Oil Last Day Financial, Light Sweet Crude Oil, Gulf Coast Sour Crude Oil, New York Harbor ULSD Heating Oil, Henry Hub Natural Gas, RBOB Gasoline, Cocoa, Coffee, Cotton, No. 11 Sugar, Gold, Silver and Copper. In all other block-eligible futures products and all block-eligible options products, the seller must ensure that each block trade is reported to the Exchange within fifteen minutes of the time of execution. The report must include the contract, contract month, price, quantity of the transaction, the respective clearing members, the time of execution, and, for options, strike price, put or call and expiration month. The Exchange shall promptly publish such information separately from the reports of transactions in the regular market.
- G. Block trades must be reported to the Clearing House in accordance with an approved reporting method.
- H. Clearing members and members involved in the execution of block trades must maintain a record of the transaction in accordance with Rule 536.
- I. A commodity trading advisor ("CTA") registered or exempt from registration under the Act, including, without limitation, any investment adviser registered or exempt from registration under the Investment Advisers Act of 1940, shall be the applicable entity for purposes of Sections A., B., C., and D., provided such advisors have total assets under management exceeding \$25 million and the block trade is suitable for the customers of such advisors.
- J. A foreign Person performing a similar role or function to a CTA or investment adviser as described in Section I, and subject as such to foreign regulation, shall be the applicable entity for purposes of Sections A., B., C., and D., provided such Persons have total assets under management exceeding \$25 million and the block trade is suitable for the customers of such Persons.

13. Contact Information

Questions regarding this Advisory Notice may be directed to the following individuals:

Market Regulation:	Colin Garvey, Investigations	312.435.3656
	Robert Sniegowski, Rules & Regulatory Outreach	312.341.5991
	Erin Schwartz, Rules & Regulatory Outreach	312.341.3083
CME Clearing:	CME Clearing Support	312.207.2525

For media inquiries concerning this Advisory Notice, please contact CME Group Corporate Communications at 312.930.3434 or news@cmegroup.com.

Exhibit C

MARKET REGULATION ADVISORY NOTICE

Exchange	NYMEX & COMEX
Subject	Trading at Settlement (“TAS”), Trading at Marker (“TAM”) and Matched Order (“MO”) Transactions
Rule References	Rule 524
Advisory Date	April 29, 2013
Advisory Number	NYMEX & COMEX RA1309-4
Effective Date	May 13, 2013

This Advisory Notice supersedes NYMEX & COMEX Market Regulation Advisory Notice RA1306-4 from March 25, 2013, and is being issued to notify the marketplace that pending all relevant regulatory review periods, effective Sunday, May 12, 2013, for trade date Monday, May 13, 2013, COMEX will begin to permit block trades in the first active month of COMEX Gold and Silver futures to be priced at the daily settlement price via execution as Trading at Settlement (“TAS”) block trades pursuant to the requirements of Rule 524 (“Trading at Settlement (“TAS”), Trading at Marker (“TAM”) and Matched Order (“MO”) Transactions”) and Rule 526 (“Block Trades”).

Additional information on the regulatory requirements attendant to block trades is included in a separate Market Regulation Advisory Notice concerning Rule 526, which may be accessed via the following link: [Market Regulation Advisory Notices](#)

Important information on regulatory considerations for market participants engaging in TAS, TAM or MO transactions appears in Section 2, a list of TAS- and TAM-eligible products and contract months appears in Sections 7 and 8, and the text of Rule 524 appears in Section 9 of this Advisory Notice.

1. General Information on TAS, TAM and MO Transactions

TAS transactions may be executed at the current day’s settlement price or at any valid price increment ten ticks higher or lower than the settlement price, and, depending on the particular product, may be executed in the pit, on CME Globex or as a block trade.

TAM trading is analogous to existing Trading at Settlement (“TAS”) trading wherein parties are permitted to trade at a differential to a not-yet-known price. TAM trading uses a marker price, whereas TAS trading uses the Exchange-determined settlement price for the applicable contract month. As with TAS trading, parties are able to enter TAM orders at the TAM price or at a differential between one and ten ticks higher or lower than the TAM price. TAM transactions may be executed on CME Globex or as a block trade.

MO transactions in pit-traded Copper futures are transactions which are priced at that day’s settlement price for the contract.

2. Regulatory Considerations

All market participants are reminded that any trading activity that is intended to disrupt orderly trading or to manipulate or attempt to manipulate a settlement or marker price to benefit a TAS, TAM or MO position, including a TAS or TAM block position, will subject the member and/or the market participant to disciplinary action for any of a number of rule violations, including, but not limited to:

- price manipulation or attempted price manipulation
- wash trading

- conduct detrimental to the interest or welfare of the Exchange or conduct which tends to impair the dignity or good name of the Exchange
- engaging in conduct inconsistent with just and equitable principles of trade

Investigation of suspected manipulative or disruptive activity related to TAS, TAM or MO, or activity in the related underlying markets will include the Market Regulation Department's ("Department") review of positions and trading activity in NYMEX markets and any related markets to determine if such activity was disruptive, collusive, and/or caused or attempted to cause aberrant price movement during these periods. Pursuant to Rule 432.L.3, market participants are reminded that it is an offense to fail to produce any books or records requested by authorized Exchange staff within 10 days after such request is made or such shorter period of time as determined by the Exchange in exigent circumstances. The Department always has the authority to request books and records as well as other relevant information regarding the nature of a participant's trading and positions in Exchange products and in any related markets as part of its regulatory program.

A party carrying an open Platts TAM or Platts TAM block position in HO or RB is prohibited from trading on the opposite side of the market in the underlying HO or RB market during the time period from 3:14:00.000 to 3:14:59.999 p.m. ET. The Department will closely monitor activity in HO and RB futures and Platts-related markets that rely upon pricing in NYMEX HO and RB futures markets at 3:15 p.m. ET. In conducting that surveillance, Market Regulation may routinely request and review books and records related to participants' positions and trading activities in related markets that settle to or reference floating prices determined by the Platts 3:15 p.m. ET Futures Price Assessment ("FPA") of the HO and RB markets.

Market participants who engage in or plan to engage in trading any Platts-related markets that rely upon pricing in NYMEX HO and RB futures markets at 3:15 p.m. ET are strongly encouraged to review the regulatory guidance contained in NYMEX & COMEX Market Regulation Advisory Notice RA1307-4 specific to such activity.

3. Entry of TAS and TAM Orders on CME Globex

Rule 524 permits the initiation of TAS and TAM orders into CME Globex only subsequent to the beginning of each group's pre-open state and during the time period the applicable contracts are available for TAS or TAM trading on CME Globex. The initiation of any TAS or TAM order on CME Globex outside of these time periods is strictly prohibited.

Any market participant who initiates the entry of a TAS or TAM order prior to receipt of the security status message indicating that market has transitioned to the pre-open will be subject to disciplinary action by a panel of the Business Conduct Committee, notwithstanding that the order may have been rejected by the CME Globex system. Sanctions for noncompliance may include a fine, disgorgement of any profits realized as a result of any orders accepted by CME Globex which were initiated prior to receipt of the security status message and/or a suspension of access to the market. Market participants must ensure that they have appropriate protocols in place to ensure that TAS and TAM orders are not initiated prior to receipt of the security status message.

4. TAS and TAM Calendar Spreads

Intra-commodity calendar spreads in the nearby month/second month spread, the second month/third month spread and the nearby month/third month spread in Light Sweet Crude Oil, New York Harbor No. 2 Heating Oil, Henry Hub Natural Gas and RBOB Gasoline futures may be executed on CME Globex or on the trading floor and priced at TAS.

For the London Marker, intra-commodity calendar spreads in the nearby month/second month spread, the second month/third month spread and the nearby/third month spread in Light Sweet Crude Oil, Brent Crude Oil Last Day Financial, New York Harbor ULSD Heating Oil and RBOB Gasoline futures may be executed on CME Globex and priced at TAM.

For the Singapore Marker, intra-commodity calendar spreads in the nearby month/second month spread, the second month/third month spread and the nearby/third month spread in Light Sweet Crude Oil and Brent Crude Oil Last Day Financial futures may be executed on CME Globex and priced at TAM.

For the Platts 3:15 p.m. ET Marker, intra-commodity calendar spreads in the nearby month/second month spread in New York Harbor ULSD Heating Oil and RBOB Gasoline futures may be executed on CME Globex and priced at TAM.

The pricing of the legs of a TAS or TAM calendar spread will be calculated as follows:

- The nearby leg of the spread will always be priced at the settlement or marker price, as applicable, for that contract month.
- The far leg of the spread will be priced at the settlement or marker price, as applicable, for that contract **minus** the allowable TAS or TAM price increment traded (negative 10 through positive 10), except in circumstances where the traded TAS or TAM price is the actual settlement or marker price of the contract.

Example 1:

An April 2013/May 2013 Light Sweet Crude Oil calendar spread trades at TAS -1 (minus 1). Assume the April contract settles at 92.16 and the May contract settles at 92.52.

The April leg will be priced at the April settlement price of 92.16. The May leg will be priced at 92.53, which is the May settlement price of 92.52 minus the TAS price increment of -1 (92.52 minus -.01 = 92.53).

Example 2:

A May 2013/June 2013 New York Harbor ULSD Heating Oil calendar spread trades at TAM +/- 0. Assume the May marker price is 2.9684 and the June marker price is 2.9658.

The May leg will be priced at the May marker price of 2.9684. The June leg will be priced at 2.9658, which is the June marker price.

Example 3:

An April 2013/June 2013 Henry Hub Natural Gas calendar spread trades at TAS +3. Assume the April contract settles at 3.969 and the June contract settles at 4.031.

The April leg will be priced at the April settlement price of 3.969. The June leg will be priced at 4.028, which is the June settlement price of 4.031 minus the TAS price increment of +3 (4.031 minus +.003 = 4.028).

5. TAS on Gold, Silver and Copper Futures

TAS transactions are allowed in the active contract month in Gold and Silver futures trading in the pit, on CME Globex or as block trades and in the first active contract month in Copper futures trading on CME Globex. **TAS transactions are not allowed to be executed in the Copper futures pit and Copper futures may not be executed as a TAS block trade.**

In Gold futures, TAS trades are permitted in the following active contract months: February, April, June, August, and December. Accordingly:

- When the February contract becomes spot, the April contract becomes the TAS-eligible month;
- When the April contract becomes spot, the June contract becomes the TAS-eligible month;

When the June contract becomes spot, the August contract becomes the TAS-eligible month;
When the August contract becomes spot, the December contract becomes the TAS-eligible month; and
When the December contract becomes spot, the February contract becomes the TAS-eligible month.

In Silver and Copper futures, TAS trades are permitted in the following active contract months: March, May, July, September and December. Accordingly:

When the March contract becomes spot, the May contract becomes the TAS-eligible month;
When the May contract becomes spot, the July contract becomes the TAS-eligible month;
When the July contract becomes spot, the September contract becomes the TAS-eligible month;
When the September contract becomes spot, the December contract becomes the TAS-eligible month; and
When the December contract becomes spot, the March contract becomes the TAS-eligible month.

6. MO Transactions in Pit-Traded Copper Futures

MO transactions in Copper futures are open outcry trades competitively executed in the Copper futures pit where the trade is priced at that day's settlement price for the contract. MO transactions in Copper futures are eligible to be executed in the spot month and the next six consecutive contract months. Additionally, with the exception of the post close session, members may execute an MO order at any time the Copper futures pit is open for trading, provided that the order is placed as an MO order. Regular trading hours for open outcry trading in the Copper futures pit are from 8:10 a.m. until 1:00 p.m. Eastern Time ("ET").

Instructions to execute the order as an MO must be denoted on the order and members must identify an order executed as an MO on their trading record.

An order entered as an MO will be executed by the floor broker as a Market on Close order if the order is not previously executed as an MO or specifically designated to be executed only as an MO. An instruction to execute an order only as an MO must be communicated at the time the order is placed.

7. TAS-Eligible Products and Contract Months

Pit-Traded Contracts

Light Sweet Crude Oil (CL)

spot (except on the last trading day), 2nd, 3rd and 7th months
nearby/second month, second/third month and nearby/third month calendar spreads

Brent Crude Oil Last Day Financial (BZ)

spot (except on the last trading day), 2nd and 3rd months

New York Harbor ULSD Heating Oil (HO)

spot (except on the last trading day), 2nd and 3rd months
nearby/second month, second/third month and nearby/third month calendar spreads

Henry Hub Natural Gas (NG)

spot (except on the last trading day), 2nd and 3rd months
nearby/second month, second/third month and nearby/third month calendar spreads

Henry Hub Natural Gas Last Day Financial (NN)

spot (except on the last trading day), 2nd and 3rd months

Pit-Traded Contracts - continued

Henry Hub Natural Gas Look-Alike Last Day Financial (HH)

Spot (except on the last trading day), 2nd and 3rd months

RBOB Gasoline (RB)

spot (except on the last trading day), 2nd and 3rd months
nearby/second month, second/third month and nearby/third month calendar spreads

European Gasoil (100mt) Bullet (7F)

spot (except on the last trading day), 2nd and 3rd months

COMEX Gold (GC)

February, April, June, August and December contract months (first active month only)

COMEX Silver (SI)

March, May, July, September and December contract months (first active month only)

CME Globex Contracts

For compliance and enforcement purposes, the start of a TAS pre-open period is defined by receipt of the security status message indicating that the group has transitioned to the pre-open state and the end of a TAS trading session is defined by receipt of the security status message indicating that group is closed.

TAS orders may not be entered into CME Globex from the end of a TAS trading session until receipt of the security status message indicating that the group has transitioned to the pre-open state.

Commodity Code on CME Globex	Product Name and Contract Months	Cleared Product
CLT	Light Sweet Crude Oil spot (except on the last trading day), 2 nd , 3 rd and 7 th months and nearby/second month, second/third month and nearby/third month calendar spreads	CL
BZT	Brent Crude Oil Last Day Financial spot (except on the last trading day) 2 nd and 3 rd months	BZ
BBT	Brent Crude Oil Penultimate Financial Spot, 2 nd and 3 rd months	BB
HOT	New York Harbor ULSD Heating Oil spot (except on the last trading day), 2 nd and 3 rd months and nearby/second month, second/third month and nearby/third month calendar spreads	HO
NGT	Henry Hub Natural Gas spot (except on the last trading day), 2 nd and 3 rd months and nearby/second month, second/third month and nearby/third month calendar spreads	NG
NNT	Henry Hub Natural Gas Last Day Financial spot (except on the last trading day), 2 nd and 3 rd months	NN
HHT	Henry Hub Natural Gas Look-Alike Last Day Financial spot (except on the last trading day), 2 nd and 3 rd months	HH

Commodity Code on CME Globex	Product Name and Contract Months	Cleared Product
RBT	RBOB Gasoline spot (except on the last trading day), 2 nd and 3 rd months and nearby/second month, second/third month and nearby/third month calendar spreads	RB
7FT	European Gasoil (100mt) Bullet spot (except on the last trading day), 2 nd and 3 rd months	7F
KTT	NYMEX Coffee spot (except on the last trading day)	KT
CJT	NYMEX Cocoa spot (except on the last trading day)	CJ
TTT	NYMEX Cotton Spot (except on the last trading day)	TT
YOT	NYMEX No. 11 Sugar spot (except on the last trading day)	YO
RET	REBCO spot (except on the last trading day), 2 nd and 3 rd months	RE
GCT	COMEX Gold February, April, June, August and December contract months (first active month only)	GC
SIT	COMEX Silver March, May, July, September and December contract months (first active month only)	SI
HGT	COMEX Copper March, May, July, September and December contract months (first active month only)	HG

7. TAM-Eligible Products and Contract Months on CME Globex

For compliance and enforcement purposes, the start of a TAM pre-open period is defined by receipt of the security status message indicating that the group has transitioned to the pre-open state and the end of a TAM trading session is defined by receipt of the security status message indicating that group is closed.

TAM orders may not be entered into CME Globex from the end of a TAM trading session until receipt of the security status message indicating that the group has transitioned to the pre-open state.

Commodity Code on CME Globex	Product Name and Contract Months	Cleared Product
London Markers		
CLL	Light Sweet Crude Oil spot, 2 nd and 3 rd months and nearby/second month, second/third month and nearby/third month calendar spreads	CL

BZL	Brent Crude Oil Last Day Financial spot, 2 nd and 3 rd months and nearby/second month, second/third month and nearby/third month calendar spreads	BZ
HOL	New York Harbor ULSD Heating Oil spot, 2 nd and 3 rd months and nearby/second month, second/third month and nearby/third month calendar spreads	HO
RBL	RBOB Gasoline spot, 2 nd and 3 rd months and nearby/second month, second/third month and nearby/third month calendar spreads	RB

Singapore Markers

CLS	Light Sweet Crude Oil spot, 2 nd and 3 rd months and nearby/second month, second/third month and nearby/third month calendar spreads	CL
BZS	Brent Crude Oil Last Day Financial spot, 2 nd and 3 rd months and nearby/second month, second/third month and nearby/third month calendar spreads	BZ

Platts 3:15 p.m. Markers

HOP	New York Harbor ULSD Heating Oil spot and 2nd months and nearby/second month calendar spreads	HO
RBP	RBOB Gasoline Spot and 2nd months and nearby/second month calendar spreads	RB

For TAM trading on the FPA in NYMEX HO and RB futures, the marker price is the price established and published by Platts. Additional information on the methodology employed by Platts in establishing the FPA is set forth in its [Platts Methodology Statement](#) which is available on the Platts website (www.platts.com).

In connection with Platts TAM, NYMEX publishes several non-tradable volume-weighted average price ("VWAP") calculations. There is a one- and two-minute VWAP for each of the first two contract months of HO and RB, for a total of eight VWAPs. The one-minute VWAP is based on outright trades on CME Globex in the first and second contract months of HO and RB during the one-minute period from 3:14:00 to 3:15:00 p.m. ET and the two-minute VWAP is based on outright trades on CME Globex in the first and second contract months of HO and RB during the two-minute time period from 3:13:00 to 3:15:00 p.m. ET. These VWAPs are intended to be additional price references for NYMEX HO and RB at the close of the trading day.

The eight VWAPs are displayed on the same page as the daily energy TAM prices, but are uniquely identified as non-tradable. They are displayed at the following location on the CME Group website: <http://www.cmegroup.com/trading/energy/daily-energy-trading-at-marker-prices.html>

Questions regarding this Advisory Notice may be directed to the following individuals in Market Regulation:

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For media inquiries concerning this Advisory Notice, please contact CME Group Corporate Communications at 312.930.3434 or news@cmegroup.com.

9. Text of Rule 524

Trading at Settlement (“TAS”), Trading at Marker (“TAM”) and Matched Order (“MO”) Transactions

The Exchange shall determine the commodities, contract months and time periods during which TAS, TAM and MO transactions shall be permitted.

524.A. Trading at Settlement (“TAS”) Transactions

The following shall govern TAS transactions:

1. TAS transactions executed in the pit must be made open and competitively pursuant to the requirements of Rule 521 during the hours designated for pit trading in the particular contract and must be identified as such on the member's trading records.
2. TAS orders may be entered on Globex at any time the applicable contracts are available for TAS trading on Globex and during each TAS contract's prescribed pre-open time period. The initiation of any TAS order on Globex outside these time periods is prohibited.
3. TAS-eligible commodities and contract months may be executed as block trades pursuant to the requirements of Rule 526 except that TAS block trades may not be executed on the last day of trading in an expiring contract.
4. TAS transactions may be executed at the current day's settlement price or at any valid price increment ten ticks higher or lower than the settlement price.

524.B. Trading at Marker (“TAM”) Transactions

The following shall govern TAM transactions:

1. TAM orders may be entered on Globex at any time the applicable contracts are available for TAM trading on Globex and during each TAM contract's prescribed pre-open time period. The initiation of any TAM order on Globex outside these time periods is prohibited.
2. TAM-eligible commodities and contract months may be executed as block trades pursuant to the requirements of Rule 526.
3. TAM transactions may be executed at the current day's applicable marker price or at any valid price increment ten ticks higher or lower than the applicable marker price.
4. A Party carrying an open long (short) Platts TAM or Platts TAM block position in RBOB Gasoline (“RB”) or New York Harbor ULSD Heating Oil (“HO”) futures may not sell (buy) in the underlying RB or HO market during the time period from 3:14:00.000 to 3:14:59.999 p.m. ET.

524.C. Matched Order (“MO”) Transactions

MO transactions are open outcry trades competitively executed pursuant to Rule 521 where the price of the trade is that day's settlement price for the contract.

The following shall govern MO transactions:

1. Members may execute an MO at any time during pit trading hours except during the post close session. Members may execute an order as an MO provided the order is placed as an MO and such instructions are denoted on the order. An order entered as an MO will be executed during the closing period as a Market on Close order if not previously executed as an MO or specifically designated to be executed only as an MO. An order specifically designated for execution only as an MO must be designated as such at the time the order is placed.
2. Members must identify an order executed as an MO on their trading record.