

RECEIVED
C.F.T.C.

New York Clearing Corporation

One North End Avenue, 13th Floor 2005 JUN 16 PM 2: 18

New York, New York 10282

OFF. OF THE SECRETARIAT

BY ELECTRONIC TRANSMISSION

05-28

June 16, 2005

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 NYCC By-Law Section 3.12(c) -
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(a), the New York Clearing Corporation ("NYCC") submits, by written certification, amendments to NYCC By-Law Section 3.12(c), attached as Exhibit A.

The amendments restructure the Margin Committee by (i) combining the Agricultural Contracts and the Financial Contracts Margin Committees into one Committee and (ii) changing the composition by requiring that Committee members, who are not Board members, must be individuals whose primary job function is risk management. In addition, the NYCC Board directed that the following operational procedures be implemented:

- (i) the chairman of the Committee will either be the President of NYCC or his designee;
- (ii) the Committee will act through subcommittees appointed by the chairman, but in no event, will any subcommittee consist of less than two (2) risk management individuals; and
- (iii) a staff person of the Board of Trade of the City of New York, Inc. will be invited to attend.

NYCC certifies that the amendments comply with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder.

NYCC's Board of Directors approved the amendments on June 6, 2005. No substantive opposing views were expressed by members or others with respect to the amendments. The amendments will go into effect on June 20, 2005.

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

Sincerely,

Jill S. Fassler
NYBOT
Vice President
Associate General Counsel

cc: John Lawton
CFTC, Division of Clearing and Intermediary 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.)

Section 3.12. Committees

* * *

(c) Notwithstanding paragraph (a) above, the Board shall appoint [~~an Agricultural Contracts Margin Committee and~~] a [~~Financial Contracts~~] Margin Committee with full authority to set and change levels of margins, [each of] which [may] shall be comprised of members of at least two (2) the Board and at least seven (7) individuals who [are] need not be members of the Board but must be persons who spend a considerable portion of their day on risk management activities for their employers and do not have significant client exposure. [~~Each such committee shall have such powers as are specified from time to time in these By Laws and/or the Rules. Five (5) members of the committee shall constitute a quorum for the transaction of business.~~]

EXHIBIT A