

*New York Clearing Corporation*

*One North End Avenue, 13<sup>th</sup> Floor*

*New York, New York 10282*

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**BY ELECTRONIC TRANSMISSION**

06-26

October 3, 2006

Ms. Eileen A. Donovan  
Acting Secretary of the Commission  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, NW  
Washington, DC 20581

Re: **Amendments to NYCC By-Law Section 5.4(c) -  
Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.6**

Dear Ms. Donovan:

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 5.4(c), attached as Exhibit A.

The amendments to By-Law §5.4(c) authorize the posting by a Clearing Member of interests in money market mutual funds, which are permitted for customer funds pursuant to Commission Regulation 1.25(a)(viii) and approved by NYCC's Board pursuant to NYCC Rule 505(a)(i), to meet its obligations to the Guaranty Fund.

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 September 12, 2006. No substantive opposing views were expressed by members or others with respect to the amendments. The amendments will go into effect on October 6, 2006.

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 5.4. Guaranty Fund**

\* \* \*

(c) Except as provided in paragraph (b)(v) of this Section 5.4, deposits in the Guaranty Fund may be made by any Clearing Member in the form of cash or securities which are (i) direct obligations of the United States Government, and which have such maximum time to maturity as the Corporation may prescribe, or (ii) interests in money market mutual funds which are permitted for customer funds for purposes of Rule 1.25(a)(viii) of the Commodity Futures Trading Commission (as amended from time to time) and approved by the Board for this purpose or pursuant to Rule 505(a)(i); provided that each Clearing Member shall deposit a minimum of \$50,000 in the form of cash. Any [~~such~~] permitted securities shall be valued in accordance with such methodology as may be adopted by the Board. Deposits of securities shall be made by such means and subject to such agreements and undertakings as may be prescribed by the Corporation.

[REMAINDER OF BY-LAW UNCHANGED]

**EXHIBIT A**