

February 9, 2007

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OFC. OF THE SECRETARIAT

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: Revised: Rule Certification. NYMEX Submission 07.22: Notification of Amendments to COMEX Division Rules 104.62, 104.82, 104.84, 104.86, and 104.88; and the deletion of COMEX Division Rules 104.63, 104.83, 104.85 and 104.87, in connection with the migration of COMEX from the On Line Trade Entry (OLTE) system to the Trade Management System (TMS).

Dear Ms. Eileen Donovan:

The New York Mercantile Exchange ("NYMEX" or the "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") of amendments to COMEX Division Rules 104.62, 104.82, 104.84, 104.86, and 104.88; and the deletion of COMEX Division Rules 104.63, 104.83, 104.85 and 104.87.

Effective February 12, 2007, trades executed on the COMEX Division in Aluminum and Copper will be processed by the Exchange using the Trade Management System (TMS), currently used by the NYMEX Division, rather than the On Line Trade Entry (OLTE) system that has until now been used by the COMEX Division. The amendments to the COMEX Division Rules indicated above would enable the use of this system and generally would require that members take the necessary steps and adhere to the time deadlines applicable to TMS for trade data entry and processing. The Exchange will notify the CFTC as each contract is moved from OLTE to TMS.

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.

If you have any questions, please contact Nancy Minett, Vice President, Compliance, at (212) 299-2940, or myself at (212) 299-2897.

Sincerely,

Thomas F. LaSala
Chief Regulatory Officer

cc: Nancy Minett
Brian Regan

(Additions are in bold/underline; deletions are in bold/strikethrough.)

COMEX Rule 104.62, Add-In Trades of or Deletion Requests Which Are Promptly Discovered

(A) If any Trading Member discovers that a properly executed transaction in which he has participated on the Exchange Floor has not been reported by the Exchange, or has been reported incorrectly, he immediately shall notify the Chairman or any Vice Chairman or any member of the Floor Committee, the Floor Manager or any Exchange Employee, who is designated by the President for such purpose, of such fact and request that the transaction be included in the Exchange Records as an insert or correction, as the case may be.

(B) The Chairman, any Vice Chairman, any member of the Floor Committee, the Floor Manager, or any Exchange employee who is designated by the President for such purpose, has the authority to approve an insert or a correction on the day the transaction was executed provided, however, that no member may participate in any deliberation or decision involving an insert or correction if that member has a personal or financial interest in the requested change. Any request for an insert or correction which is made later than fifteen minutes after the subject transaction or which would effect the daily opening range or closing range or high or low, must be approved by either the Floor Committee Chairman, Vice Chairman, Ring Chairman, or a designated Exchange employee including the Senior Vice President of Operations, Vice President of Compliance, the Vice President of Floor Operations and System, or two members of the Floor Committee. In making such determination, the member of the Floor Committee, the Floor Manager or any Exchange employee who is designated by the President for such purpose shall consider:

(i) bids, offers, and prices prevailing both at the time the trade allegedly was executed and at the time the insert or correction was requested;

(ii) activity in the ring at the time the trade allegedly was executed;

(iii) whether the insert or correction will establish a new high or low for that delivery month for such Trading day; and

(iv) such market and other considerations as may be appropriate.

(C) The Exchange will keep a log of all insert or correction requests including the details of the insert or correction requested and the name of the member or employee authorizing the insert or correction. The log entry for any insert or correction request made later than fifteen minutes after the subject transaction must also contain the name of the member making the request.

(D) No insert and no correction may be made unless a request to approve the insert or correction is made within the time limits prescribed in this Rule. If the request relates to a properly executed transaction that has not been reported by the Exchange, such request must be made by 3:30pm. If the request relates to a correction of a properly executed transaction that has been erroneously reported to or by the Exchange, such request must be made prior to the close of trading on the business day following the day on which the transaction was executed.

(E) The Senior Vice President of Operations, Vice President of Compliance, the Vice President of Floor Operations or the Vice President of Floor Trade Data Entry and System, shall have the authority to approve an insert or correction up to two business days following the day on which the transaction was executed when the Trading Member presents documents that indicate, in the opinion of the above noted Exchange employee, that an insert or correction is warranted. Such documents include, but are not limited to, time stamped order tickets, pit cards, trading cards, written reports of execution and other similar documents. No insert or correction shall be approved unless the person approving the correction also takes into consideration the factors set forth in subsection (B) of this Rule.

(F) Where a properly executed transaction has been incorrectly reported and such transaction has not been corrected within the time limits prescribed by subsections (B), (C), (D) and (E) of this Rule, a Trading Member who was a party to such transaction may request the Chairman, any Vice Chairman of the Floor Committee, the President or any of the above noted Exchange employees to approve a correction of such transaction. Such correction shall be made when,

(1) in the opinion of such person approving the correction, it appears that permitting the incorrect report to stand would result in a manifestly gross distortion of price reporting or a manifestly gross inequity to one party; and

(2) when each Trading Member who was a party to the transaction and each Clearing Member who cleared a portion of the transaction has indicated that such person approved of the correction; and

(3) the party making the request has made the request within a reasonable time under all the circumstances present; and

(4) the Trading Member presents documents that, in the opinion of the person approving the request, support the correction, and

(5) the person approving the request has taken into consideration all of the factors set forth in subsection (B) of this Rule. The person approving such request shall prepare a written record setting forth the reasons for making the correction and shall attach to such record a copy of all documents submitted in support of the request and the original approvals required under this subsection (F)

(a) If any floor member discovers within fifteen (15) minutes after the proper execution of a futures transaction or within sixty (60) minutes of an option transaction, in which he acted as seller, that the trade or transaction has not been recorded in the official records of the Exchange or that a price was entered in the official record for which no transaction occurred in the ring, he shall, within that fifteen (15) minute period for a futures transaction or sixty (60) period for an option transaction:

(1) advise an employee of the Exchange at the ring of that fact and request such employee to prepare an add-in or deletion slip on forms provided by the Exchange reflecting the terms of such transaction;

(2) present the add-in or deletion slip to any member of the Floor Committee for approval or disapproval provided, however, that no Floor Committee member may participate in any deliberation or decision involving an insert or correction if that Floor Committee member has a personal or financial interest in the requested change; and

(3) if approval by a member of the Floor Committee is noted on the add-in or deletion slip, deliver a copy thereof to an employee of the Exchange designated for that purpose for inclusion in the record of Exchange transactions.

(b) Approval of Add-In or Deletion. In determining whether to approve an add-in or deletion slip, a member of the Floor Committee shall consider:

(1) bids, offers and prices prevailing both at the time the trade allegedly was executed and at the time the add-in slip was submitted;

(2) activity in the ring at the time the trade allegedly was executed;

(3) whether such trade will establish a new high or low for that delivery month for the day; and

(4) such market and other conditions as the member of the Floor Committee may deem appropriate.

(c) Approval of Inserts or Corrections Creating New Daily High or Low or New Open or Close High or Low. A member of the Floor Committee may not approve an add-in or deletion slip pursuant to this Rule for a trade which would establish a new high or low price in that delivery month or futures option series for that day if: (1) the add-in or deletion slip has not been previously presented to and approved by a Ring Supervisor; (2) the request is not made within fifteen (15) minutes of the time of execution of a futures transaction and sixty (60) minutes of the time of execution of an option transaction; or (3) there is a good cause shown by any floor member for refusing approval of such add-in or deletion. For purposes of this Rule 104.62(c) it shall be deemed to be good cause for refusing to approve such an add-in or deletion slip if the recording or deletion thereof from the official records of the Exchange would have either caused another floor member holding a bona fide stop or limit order to attempt to execute the order or not to execute the order elected by the subject price.

(d) Disapproval of Add-In or Deletion. If a member of the Floor Committee or Ring Supervisor notes disapproval on an add-in or deletion slip, the trade may not thereafter be approved without the floor member seeking and obtaining the written approval on the add-in or deletion slip of three members of the Floor Committee and only after such three members of the Floor Committee have consulted with the member of the Floor Committee that originally disapproved the slip. In such event, the add-in or deletion slip must be delivered to an employee of the Exchange designated for

~~that purpose not later than thirty (30) minutes after the close of trading in the ring in which the transaction occurred. Any trade not approved pursuant to this Rule shall be deemed to be a trade that occurred at a price not above or below the high or low price for that delivery month or futures option series during the bracket in which the transaction occurred and the floor member who executed the trade shall make his customer equal to the difference between the price at which the trade is deemed to have occurred pursuant to this Rule and the price at which the trade was executed. No deletion request will be considered if made more than 15 minutes after the futures transaction or sixty (60) minutes after the option transaction was entered in the record, except in accordance with the provisions of Rule 104.63(B), below.~~

~~(eG) Cross Trades. Notwithstanding any other provision of this Rule, a cross trade may be added into the records of the Exchange only if:~~

- ~~(1) the trade was not recorded in the Exchange's record due to an error of an Exchange employee;~~
- ~~(2) the floor member presents an add-in slip to a member of the Floor Committee within 10 minutes of the time the cross trade was executed;~~
- ~~(3) the Floor Committee member to whom the slip is presented signs the slip acknowledging that he observed the floor broker announce his bid and offer, by open outcry, prior to the execution of the cross trade;~~
- ~~(4) the floor member presents the signed add-in slip to a designated Exchange employee at the podium in the ring in which the trade was executed;~~
- ~~(5) the Exchange employee who supervises the trading ring in which the trade was executed announces the proposed add-in cross trade to the ring; and~~
- ~~(6) following receipt of no objection from any member in the ring, the ring supervisor co-signs the slip and authorizes insertion of the trade into the Exchange's records.~~

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COMEX Rule 104.63 Add-In Trades Which Are Not Discovered Promptly [Deleted]

(A) Add-In Trades

~~(1) Trade Not Recorded. If any floor member discovers more than fifteen (15) minutes after a futures transaction or more than sixty (60) minutes after an option transaction other than a cross trade was executed, that such trade or transaction has not been recorded in the official records of the Exchange, he shall, prior to commencement of trading on the next business day:~~

~~(a) prepare, together with the other party to the transaction, an add-in slip on forms provided by the Exchange reflecting the terms of such transaction;~~

~~(b) present the add-in slip to at least three members of the Floor Committee for their written approval; however, if the add-in slip is submitted within fifteen (15) to forty five (45) minutes of the trade's execution if a futures transaction or within sixty (60) to ninety (90) minutes if an option transaction, a Ring Supervisor and Floor Committee Member may approve the add-in; and~~

~~(c) after such approval, deliver a copy thereof to an employee of the Exchange for inclusion in the record of such Exchange transactions.~~

~~(2) Approval and Disapproval. In determining whether to approve an add-in slip under this Rule, members of the Floor Committee shall use the same criteria prescribed for trades described in Rule 104.62 ("Add-In or Deletion Requests Which Are Promptly Discovered"). Any trade not approved pursuant to this Rule shall be null and void and of no force or effect.~~

~~(3) Cross Trades. No cross trade may be added into the official records of the Exchange pursuant to this Rule.~~

~~(B) Deletions. Deletion requests made more than fifteen (15) minutes after the futures transaction or sixty (60) minutes after the option transaction was entered in the record will only be permitted in the case of:~~

~~(1) a transaction or price print posted as a result of an Exchange error; or~~

~~(2) a transaction or price print that, if permitted to stand would be inconsistent with the maintenance of overall~~

integrity in the marketplace.

~~(3) All deletion requests made pursuant to this rule must be documented and approved as follows:~~

~~(a) the requesting member must prepare a deletion request slip on forms provided by the Exchange reflecting the specifics of the request;~~

~~(b) present the deletion slip to at least three members of the Floor Committee for their written approval;~~

~~(c) after such approval, deliver a copy thereof to an employee of the Exchange for deletion of the price from the record of the Exchange.~~

~~(2) Approval and Disapproval. In determining whether to approve a deletion slip under this Rule, members of the Floor Committee shall use the same criteria prescribed for trades described in Rule 104.62 ("Add-In or Deletion Requests Which Are Promptly Discovered").~~

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COMEX Rule 104.82, Submission of Trade Data

(a) General Requirements.

~~(1) A Seller~~ Floor Trading Members shall be responsible for reporting the following data for each trade executed on the Exchange:

~~(1A)~~ all information recorded on a floor member's trading card pursuant to Rule 104.80(b) and order tickets pursuant to Rule 104.81(a) and (b);

~~(2B)~~ an appropriate customer type indicator (CTI) and indicator code as described in section (b) below;

~~(3C)~~ the clearing member and account in which the trade will clear; and

~~(4D)~~ such other information as the Exchange may require to match and/or clear a trade.

(2) A Buyer is responsible to review trade information in TMS routinely throughout the day, and for each of his trades, to supply the following information upon receipt of trade data input by the Seller:

(A) the time of the trade as recorded by the Buyer on his or her trading card;

(B) an appropriate customer type indicator (CTI) and indicator code as described in section (b) below;

(C) the clearing member and account in which the trade will clear; and

(D) such other information as the Exchange may require to clear a trade.

(b) Customer Type Indicator Codes. Floor Trading Members shall be responsible for reporting to the Exchange on the ~~On-line Trade Entry System ("OLTE")~~ **Trade Management System ("TMS")**, appropriate CTI and indicator codes for transactions executed on the Exchange Floor. Authorized Terminal Users shall be responsible for reporting to the Exchange and on **CME Globex®**, **NYMEX ACCESS®** appropriate CTI and indicator codes for transactions executed on **Globex®** **NYMEX ACCESS**. Appropriate CTI and indicator codes shall include a combination from sections (1) and (2) below:

(1) CTI Codes:

(A) When a Floor Trading Member executes trades for his/her personal account, for an account he/she controls, or for an account he/she has an ownership or financial interest, he/she shall designate the trades as CTI 1.

(B) When a Floor Trading Member or Authorized Terminal User executes trades for the trading account of a Member Firm or Clearing Member, he/she shall designate the trades as CTI 2. However, if the executing Floor Trading Member has either an interest in or discretionary control over such Member Firm or Clearing Member trading account, the indicator codes of subdivision (1) shall apply.

(C) (i) When a Floor Trading Member executes trades for the personal account of another Floor Trading Member, or for an account that the Floor Trading Member knows is controlled by another Floor Trading Member, he/she shall designate the trades as CTI 3.

(ii) When an Authorized Terminal User executes trades on NYMEX-ACCESS@ **Globex®** for the personal account of a Floor Trading Member, or for an account that the Authorized Terminal User knows is controlled by a Floor Trading Member, he/she shall designate such orders as CTI 3.

(D) When a Floor Trading Member or Authorized Terminal User executes trades for any account, other than those listed in subdivision (A), (B), (C), he/she shall designate the trades as CTI 4.

(2) Indicator Codes. All of the above CTI codes summarized in section (1) of this Rule must be used in combination with one of the following indicator designations:

(A) C or Customer – if the account owner is not affiliated with the Clearing Member; or

(B) H or House – an account affiliated with the Clearing Member, including parent and subsidiary corporations, or Principals or authorized employees, trading for their own account at the Clearing Member in which they have an ownership interest in or by whom they are employed.

It shall be a Major Offense for Floor Trading Members or Authorized Terminal Users to knowingly assign false indicator codes to trades executed on the Exchange Floor or on Globex.

(c) Methods of Submission. All **trade** data shall be submitted to the Exchange by each floor member by the ~~methods prescribed below;~~ means of **TMS**.

~~(1) A floor member shall submit trade data either to the clearing member intended to clear the trade or to the Exchange. Submission to a clearing member shall be made by delivery of the top copy (the original) of the floor member's trading card or order ticket to the clearing member; submission of data to the Exchange shall be made by means of on-line trade entry (OLTE).~~

~~(2) If a floor member submits trade data through a clearing member, the clearing member shall transmit the pertinent trade data to the Exchange by means of OLTE.~~

(d) Submission Schedule.

(1) All data shall be submitted in accordance with the following schedule:

Trade Execution Bracket Period	Floor-Member Delivery of Cards/Tickets to Clearing Member	Floor-Member/ Clearing Member Input to Exchange
5:30 a.m. through 6:00 a.m.	6:15 a.m.	6:30 a.m.
6:01 a.m. through 6:30 a.m.	6:45 a.m.	7:00 a.m.
6:31 a.m. through 7:00 a.m.	7:15 a.m.	7:30 a.m.
7:01 a.m. through 7:30 a.m.	7:45 a.m.	8:00 a.m.
7:31 a.m. through 8:00 a.m.	8:15 a.m.	8:30 a.m.
8:01 a.m. through 8:30 a.m.	8:45 a.m.	9:00 a.m.
8:31 a.m. through 9:00 a.m.	9:15 a.m.	9:30 a.m.
9:01 a.m. through 9:30 a.m.	9:45 a.m.	10:00 a.m.
9:31 a.m. through 10:00 a.m.	10:15 a.m.	10:30 a.m.
10:01 a.m. through 10:30 a.m.	10:45 a.m.	11:00 a.m.
10:31 a.m. through 11:00 a.m.	11:15 a.m.	11:30 a.m.
11:01 a.m. through 11:30 a.m.	11:45 a.m.	12:00 noon
11:31 a.m. through 12:00 noon	12:15 p.m.	12:30 p.m.
12:01 p.m. through 12:30 p.m.	12:45 p.m.	1:00 p.m.
12:31 p.m. through 1:00 p.m.	1:15 p.m.	1:30 p.m.
1:01 p.m. through 1:30 p.m.	1:45 p.m.	2:00 p.m.
1:31 p.m. through 2:00 p.m.	2:15 p.m.	2:30 p.m.

2:01 p.m. through 2:30 p.m.	2:45 p.m.	3:00 p.m.
2:31 p.m. through 3:00 p.m.	3:15 p.m.	3:30 p.m.
3:01 p.m. through 3:30 p.m.	3:45 p.m.	4:00 p.m.
3:31 p.m. through 4:00 p.m.	4:15 p.m.	4:30 p.m.
4:01 p.m. through 4:30 p.m.	4:45 p.m.	5:00 p.m.
4:31 p.m. through 5:00 p.m.	5:15 p.m.	5:30 p.m.

Post Settlement Session

3 minutes	15 minutes after end-of-session	30 minutes after end-of-session
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To assure the orderly and efficient operations of the Exchange, the Operations Committee or the President of the Exchange may modify the schedule for transmission of data, upon notification of all members. Failure to comply with a directive modifying this schedule shall subject a floor member or clearing member to the sanctions applicable to violations of the submission schedule set forth above.

(1) All data required to be submitted under section (a)(1) of this rule shall be submitted by the Seller within fifteen (15) minutes of the trade, except that data pertaining to any trade to be considered in determining a Settlement Price by means of the Average Weighted Price mechanism must be submitted within ten (10) minutes of the trade.

(2) All data required to be submitted under section (a)(2) of this rule shall be submitted by the Buyer within one (1) hour of receipt of trade data through TMS from the Seller.

(3) To assure the orderly and efficient operations of the Exchange, the Floor Department Staff, in consultation with the COMEX Floor Committee or the President of the Exchange may modify the timeframes in which data must be submitted under this rule, upon notification of all COMEX Members. Failure to comply with a directive modifying the submission timeframes shall subject a Member to the sanctions applicable to violations of the timing provisions in sections (d)(1) and (d)(2) of this rule.

(e) Corrections. The Exchange shall establish the deadline by which corrections may be submitted on each business day.

(f) Backup Forms of Submission. Each clearing member submitting trade data to the Exchange must have available facilities to submit trade data via magnetic tape or diskette in case of CTC or OLTE failure, unless alternative arrangements are approved by the Exchange. Such magnetic tape or diskette shall be generated concurrent with the storage and processing of trade data for OLTE or CTC submission by the clearing member's computer system. The clearing member shall then submit the magnetic tape or diskette in accordance with the schedule set forth in paragraph (c) of this Rule in the event of OLTE or CTC failure.

(f) [Reserved]

(g) Trade Allocation.

(1) If a member or member firm receives an order or series of orders which, if filled, either partially or fully, will require allocation of trades between or among multiple accounts, the member or member firm may input the data pertaining to the trade executions into a specially designated allocation account to facilitate trade check-out and data processing of such trades.

(2) For purposes of compliance with the **input timing requirements** schedule set forth in section (ed) of this Rule, if the member or member firm has not received specific allocation instructions prior to trade execution or the volume of orders required to be allocated is such that the member or member firm cannot input all data elements needed to separately identify each account for which trades were executed before the prescribed submission deadline, the member or member firm shall **submit** ~~transmit~~ the trade to the Exchange using an aggregate account identifier that will distinguish the trades placed in the allocation account from all other trades for which data is being submitted.

(3) After initial input of data for the allocation account, the member or member firm shall input specific account identification for each contract purchased or sold. Specific account identification for each contract purchased or sold must be entered as soon as practicable but in no event later than the day of execution, prior to the end of the correction period, as described in paragraph (ee) above.

(4) If the member or member firm has not allocated a trade or trades held in an allocation account by the end of the correction period on the day of trade execution, the trade or trades shall be placed in the account of the executing floor member at his PCM.

(h) Average Price Data Input. Following execution of a trade intended to be reported and confirmed as an average price trade in accordance with Rule 104.90 ("Average Price Trades"), the trade shall be input at the trade execution price with a designation as an average price trade. A separate aggregate identifier shall be used to distinguish each set of trades to be averaged.

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COMEX Rule 104.83 Deleted Transcription of Trade Data

~~(a) Floor Member's Obligations. If a floor member or his representative submits brokerage summarizing the data on the floor member's trading cards and order tickets to a clearing member to facilitate trade processing, the floor member shall ensure that the data thereon are transcribed accurately.~~

~~(b) Clearing Member's Obligations. A clearing member shall transcribe accurately the trade data received from a floor member when such data are submitted to the Exchange in accordance with Rule 104.82 ("Submission of Trade Data").~~

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COMEX Rule 104.84, Verification of Trade Data

(a) Confirmation of Trades. Each party to a transaction on the floor of the Exchange or representative thereof shall confirm promptly with the opposite floor broker or floor trader or representative thereof the price, quantity and delivery month of each futures contract and the price, quantity, futures option series and type of each futures option which is the subject of such transaction.

(b) Identification of Clearing Member. At any time subsequent to the consummation of a trade, a floor member may require the other party to the trade to declare the name of the clearing member through whom the trade will be cleared. If the other party fails to declare the name of his clearing member within ten (10) minutes, the floor member shall report such failure to the Floor Committee and immediately close out the contract. Any loss or damages sustained by reason of closing out a contract pursuant to this Rule shall be paid by the defaulting party.

(c) Availability of Members and Clerks. Each clearing member and each floor member shall provide a sufficient number of clerks, not less than one, authorized and registered with the Exchange, to check trades, verify and submit trade data, and resolve ~~unmatched and~~ unreconciled trades throughout the day (which shall include the evening corrections period) to insure that the general business of the members shall not be unduly hindered or delayed. Any floor member who executed trades on a business day must have such a representative available on the COMEX trading floor on the next business day one hour prior to the opening of the earliest contract market which that floor member trades and each clearing member shall have such a representative available on the COMEX trading floor by 7:15 a.m. each business day, or at such time as may be determined by the Operations Floor Committee or duly authorized Exchange Staff, to assist in the resolution of any problems, including those involving unmatched trades, which have arisen in connection with the prior day's submission of the floor member's trade data. All members shall be present or available while their trades of the day are being verified and submitted and shall have representatives present with a copy of all relevant and necessary trade documentation including their trading card and order tickets.

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104.85 Deleted Clearing Member Represented on Floor

~~Each clearing firm shall have a full-time representative on the COMEX trading floor, who is duly authorized to act on behalf of the clearing firm and to accept delivery, at a specified location on the trading floor, of trading cards or order tickets from floor members or their employees. Such representatives shall be employed by only one clearing firm, and no employee of the Exchange may act as such representative. Each such representative must remain on the trading floor throughout the day and until every member executing trades through the clearing firm has confirmed each of his trades, in accordance with Rule 104.82 ("Floor Member's Responsibilities - Confirmation of Trades") and the clearing member has submitted any corrections resulting therefrom.~~

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COMEX Rule 104.86, Rejection and Resolution of Trades

(a) Rejection of Trades. Trade data for each trade shall be submitted directly to the clearing member intended to clear the trade pursuant to Rule 104.82(b) or reported to the clearing member. If the data submitted or reported to the clearing member does not comply with the requirements set forth in Rule 104.82(a) or the account identification data is erroneous (i.e. is misnumbered or refers to an account which is not carried by the clearing member, to an account over which the floor member has no trade execution authority, or to an account for which the clearing member has advised the floor member, in writing, that trades may not be executed), the clearing member may reject the trade for clearance, provided that the clearing member so notifies the executing floor member within two (2) hours of receipt of the trade data from the floor member or report of the trade data by the Exchange or, in the case of data submitted after the close of trading in a particular market, within one (1) hour after receipt or report of the data.

(b) Resolution of Trades.

(1) Due Diligence. Each floor member and each clearing member shall exercise due diligence to resolve, prior to the opening of trading on the business day following trade execution, ~~trades which are unmatched~~ (trades for which the trade data submitted to the Exchange for the two sides of the trade reflect differences in commodity, delivery month and/or year, purchase or sale, price or premium, put or call, strike price, or executing broker-) or which ~~match but~~ are otherwise unreconciled.

(2) Resubmission of Data. Trade data may be re-submitted to reconcile match an otherwise unmatched unreconciled trade until the end of the corrections period on the fourth business day after trade execution, provided that such period may be extended by the Operations Committee Board of Directors, or a duly authorized committee thereof, if necessitated by data processing problems.

(3) Limits of Liability.

~~(A) If a trade submitted to the Exchange by a clearing member pursuant to Rule 104.83 ("Transcription of Trade Data") has been confirmed in accordance with Rule 104.84 ("Verification of Trade Data") and agreed upon by the executing floor members but is unmatched on the final unmatched trade report of the day, the limit of liability of the parties to the transaction in any arbitration shall be the settlement price of the contract on the fourth business day after trade execution.~~

~~(B) If an unmatched unreconciled trade has not been confirmed or otherwise agreed upon by the executing floor members, the limit of liability of the parties to the transaction in an arbitration shall be the opening price of the contract on the second business day following trade execution.~~

~~(BC) If either a floor or clearing member fails to notify the other of a reconciliation problem prior to the opening of trading in that contract on the next business day, the other party's financial liability for the trade shall be limited to that morning's opening range of prices trades.~~

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104.87 ~~[Deleted] Staff Authority Over Unmatched Trades~~

~~Upon a determination by the President or any Vice-President that the number of unmatched trades either on the Exchange or with one or more clearing members is excessive, the President or such Vice-President may require, in order to aid in the timely submission trade data and the resolution of unmatched trades:~~

~~(a) that any or all floor members be available and clearing members have an authorized representative available at the Exchange, on such days and at such times as may be determined by the President or such Vice-President, other than the hours for trading set forth in Rule 104.02(a) ("Hours for Trading"), and/or~~

~~(b) that any or all floor members or clearing members have available on such days and at such times as may be determined by the President or such Vice-President such duly authorized representative with the power and authority to make financial commitments on behalf of the member or clearing member, and such clerks and other personnel as the President or such Vice-President may deem necessary. Any floor member or clearing member that is the subject of such directive shall fully cooperate and comply therewith.~~

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COMEX Rule 104.88, ~~Operations and Executive Committee Oversight of Exchange Operations~~

The **Executive Operations** Committee ~~or any Exchange employee designated by the President, including the Senior Vice President or Vice President of Operations, or the Senior Vice President or Vice President of Compliance~~, shall have the authority to direct any floor member or clearing member to submit to an operational audit to be performed by the Exchange ~~or to submit by such~~ accurate trade data in a timely fashion. Any floor member or clearing member that is the subject of such directive shall cooperate fully and completely therewith.

In addition, upon the request of the President or any Vice-President, the **Executive Operations** Committee shall meet to determine whether, as the result of ~~an excessive number of unmatched trades either on the Exchange or with one or more clearing members, or as the result of~~ untimely trade submission, a situation involving any or all floor members and/or clearing members exists that may tend to impair the orderly and efficient operations of the Exchange. If the **Executive Operations** Committee determines that such a situation exists:

(a) the **Executive Operations** Committee may require any or all floor members or clearing members to retain such clerks and related personnel as may be necessary to aid in the timely submission of trade data ~~and the resolution of unmatched trades~~ ; and

(b) the Executive Committee, ~~after consultation with the Operations Committee~~, may prohibit any or all floor members and clearing members from taking any new positions in futures contracts or futures options and may limit the trading by such floor members and clearing members to liquidating transactions. Any such determination shall be accomplished in the manner and pursuant to the procedures set forth in Rule 8.43 ("Summary and Emergency Procedures").