



World Financial Center
One North End Avenue, 13th Floor
New York, New York 10282

BY ELECTRONIC TRANSMISSION

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OFFICE OF THE SECRETARIAT

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E.F.T.C.

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

Re: **Definition of Allowable Claim and Arbitration Rule 20.01 -
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, the Board of Trade of the City of New York, Inc. ("Exchange") submits, by written certification, amendments to the definition of Allowable Claim and Arbitration Rule 20.01, attached as Exhibit A.

The Arbitration rules require that disputes between members be arbitrated if the subject matter of the dispute falls within the definition of an "Allowable Claim". The definition does not expressly apply to disputes regarding the purchase, sale, transfer or ownership of a membership or trading right. The definition of Allowable Claim has been expanded to include such disputes, thereby allowing them to be resolved within the Exchange without the cost and delay of court litigation.

The amendments were adopted by the Exchange's Board of Directors at its meeting on March 8, 2007 and will go into effect on March 12, 2007. The Exchange certifies that the amendments comply with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder. No substantive opposing views were expressed by members or others with respect to the amendments.

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

Sincerely,

Jill S. Fassler
Vice President
Associate General Counsel

cc: Riva Adriance
CFTC, Division of Market 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.)

Definitions

Allowable Claim

The term "Allowable Claim" shall mean a Claim for losses arising from (i) any order or Transaction for the purchase, sale, exercise or expiration of an Exchange Futures Contract or Exchange Option, or (ii) any cash market transaction which is part of, or directly connected with, any Transaction, (iii) any documented loan made to a floor trader by his Clearing Member guarantor for the express purpose of acquiring a Membership, (iv) any dispute concerning the purchase, sale, transfer or ownership of a Membership and ~~(v)~~ the performance of the Clearing Member guarantor's obligations pursuant to the terms of its Guaranty Agreement. An Allowable Claim shall not include legal or other incidental expenses incurred in connection with any such losses or with the events giving rise to any such losses.

Rule 20.01. Definitions

Unless otherwise indicated, the following terms shall, for the purposes of these Arbitration Rules, have the following meanings:

* * *

(f) "Allowable Claim" shall mean a Claim for losses arising directly from (i) any order or Transaction for the purchase, sale, exercise or expiration of an Exchange Futures Contract or Exchange Option, (ii) any cash market transaction which is part of, or directly connected with, any Transaction, (iii) any documented loan made to a Member by his Clearing Member guarantor for the express purpose of acquiring a Membership, (iv) any dispute concerning the purchase, sale, transfer or ownership of a Membership and ~~(v)~~ the performance of the Clearing Member guarantor's obligations pursuant to the terms of its Guaranty Agreement. An Allowable Claim shall not include legal or other incidental expenses incurred in connection with any such losses or with the events giving rise to any such losses.

EXHIBIT A