

March 16, 2007

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: Rule Certification. NYMEX Submission 07.40: Notification of Revised Summary Fine Procedures for the COMEX Division.

Dear Ms. Eileen Donovan:

The New York Mercantile Exchange ("NYMEX" or the "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") of revised summary fine procedures for the COMEX Division.

In conjunction with the COMEX Division's migration to the Trade Management System ("TMS"), the Exchange is implementing revised procedures regarding the Floor Committee's authority to fine for audit trail offenses, including late submission of data. Following a grace period to allow Floor Members time to adjust to the new trade entry system, the COMEX Division is instating procedures to ensure the timely submission of COMEX trade data into the TMS system, effective March 19, 2007, as follows:

Top Day – Submission of Trade Data – Trades will be considered on time if the trade details are entered into TMS within thirty minutes after which the trade was executed. Unacceptable levels of late trades will be cause for summary disciplinary action.

As-Of Processing – Trades greater than two days (will be changed to one day at a future date) after trade date will be cause for summary disciplinary action – both brokers involved will be considered offenders. Summary penalties will be assessed as follows:

- 1st Offense – verbal warning
- 2nd Offense – written warning

Subsequent Offenses – Minimum \$250 for a first fine, graduating in increments of \$250 for each offense thereafter. Repeated failure to conform to audit trail standards may also result in the issuance of charges by the Business Conduct Committee for violation of Rule 8.55. A three-month period of no incidents will refresh your history.

Pursuant to Section 5c(c) of the Commodity Exchange Act (“Act”) and CFTC Rule 40.6, the Exchange hereby certifies that the revised summary fine procedures outlined in the attached Notice No. 07-153 dated March 14, 2007 comply with the Act, including regulations under the Act.

If you have any questions, please contact Michael Campanelli, Vice President, COMEX Floor Operations, at (212) 299-2272, or myself at (212) 299-2940.

Sincerely,

Nancy M. Minett
Vice President, Compliance

cc: Thomas LaSala
Brian Regan

Notice No. 07-153
March 14, 2007

TO: All COMEX Brokers, Clearing Members and their Representatives
FROM: James Newsome, President and CEO
RE: **Timely Submission of Trade Data**

As you are aware, we are in the process of implementing the Trade Management System (TMS). Following each products phase in, a grace period has been allowed with regard to performance requirements for the timely submission of trade data.

Please be advised that on Monday, March 19, 2007, for the implemented products the grace period will end. Therefore, the following should be considered:

Top Day – Submission of Trade Data – trades will be considered on time if the trade details are entered into TMS within thirty minutes after which the trade was executed. Unacceptable levels of late trades will be cause for summary disciplinary action.

As of Processing – trades greater than two days (will be changed to one day at a future date) after trade date will be cause for summary disciplinary action – both brokers involved will be considered offenders. Summary penalties will be assessed as follows:

1st Offense – verbal warning
2nd Offense – written warning

Subsequent offenses – minimum \$250 for a first fine, graduating in increments of \$250 for each offense thereafter. Repeated failure to conform to audit trail standards may also result in the issuance of charges by the Business Conduct Committee for violation of Rule 8.55. A three month period of no incidents will refresh your history.

NOTE: Gold products are scheduled to be implemented on April 2, 2007. A two week grace period will apply.

If you have any questions please call David Sherman at 212-299-2061 or Michael Campanelli at 212-299-2072.