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BY ELECTRONIC TRANSMISSION

07-28

April 12, 2007

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: **Rule 27.02(vi) and Appendix I of Chapter 27 -
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 Rule 27.02(vi) and Appendix I of Chapter 27, attached as Exhibit A.

The amendments to Rule 27.02(vi) and Appendix I of Chapter 27 clarify the circumstances under which an order that is outside of the "Reasonability Limits" may be executed albeit at a price within the "Reasonability Limits". Reasonability Limits are hard limits above or below the Exchange-set anchor price, at which trades will not be permitted to occur. The limits are intended to protect against "fat finger" and other types of errors by prohibiting trades to occur at prices that do not reflect true value. However, if an order that is outside of the Reasonability Limit is capable of being executed against previously entered orders that are resting in the system at more favorable prices and within the Reasonability Limit, the ICE trading platform will execute the order at the better price. The amendments make it clear that such an execution may occur.

The amendments were adopted by the Exchange's Board of Directors at its meeting on April 11, 2007 and will go into effect on April 16, 2007. The Exchange certifies that the amendments and new Rule 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
Jane Croessman
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.)

Rule 27.02. Definitions

As used in this Chapter the following terms shall have the meanings indicated:

* * *

(vi) "Reasonability Limits" shall mean the amount by which the price of an Exchange Commodity Contract may increase or decrease in one trading sequence from the last traded price of that delivery or expiration month or the amount the price may change from a price determined by an ETS algorithm. Orders entered with prices above or below the Reasonability Limits will not be permitted to result in [a] Trades at prices that are outside of the Reasonability Limits.

[REMAINDER OF RULE UNCHANGED]

APPENDIX I

ERROR TRADE POLICY

* * *

2. Main Components of Policy

* * *

B. The Exchange sets and may vary price reasonability limits within the system for each Contract beyond which the ETS will not execute limit or market orders. These limits necessarily are flexible to take account of prevailing market conditions. The ETS incorporates price reasonability limits to prevent 'fat finger' type errors that cap the amount the price may change in one trading sequence from the anchor price. These limits are set by the Exchange and may be varied without notice according to market conditions. Beyond these limits, the ETS will not execute orders unless the market moves to bring them within the reasonability limit.

~~[Orders entered with prices outside the upper and lower price reasonability limits will not trade.]~~ Orders to sell at prices below the lower reasonability limit and orders to buy at prices above the upper reasonability limit will not be accepted by the ETS, unless such orders are capable of being executed opposite previously resting orders at more favorable prices within the Reasonability Limits. In such instance, the order will automatically execute against the resting order unless the order was entered by a user of the WebICE interface. Users of the WebICE interface will be sent a pre-confirmation message indicating that the order is capable of being executed opposite resting orders at more favorable prices and that an affirmative response from the user is required before the order will be executed.

Any trade executed at a price outside of the no cancellation range but within the price reasonability limits, if identified to the Exchange within the designated time period, may be considered an alleged error trade.

The reasonability limits applicable to each product traded on the ETS is listed in the table in Section 4.

EXHIBIT A

Any trade which is alleged as an error trade and subsequently is cancelled due to the determination that it has been executed at an unrepresentative price, may be investigated by the Exchange.

* * *

Reasonability Limits

The ETS maintains [x]Reasonability [y]Limits to prevent ‘fat finger’ type errors. These are hard limits above or below an Exchange set anchor price. [~~Bids above the reasonability limit and offers below the limit are not accepted.~~] Offers above and bids below the [x]Reasonability [y]Limit are accepted but are not tradable unless the market moves to bring them within the [x]Reasonability [y]Limit. Orders with bids above the Reasonability Limit or offers below the Reasonability Limit will not be accepted, unless such orders are capable of being executed opposite previously entered resting orders at more favorable prices within the Reasonability Limit. (see Section 2B above.)

[REMAINDER OF APPENDIX I UNCHANGED]