NEW YORK
BOARD OF TRADE®
World Financial Center
One North End Avenue, 13th Floor
New York, New York 10282

BY ELECTRONIC TRANSMISSION

07-39
July 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: **Rules 4.28, 11.08(5)(c) and 27.11(a)(iii) -**
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 Rules 4.28, 11.08(5)(c) and 27.11(a)(iii), attached as Exhibit A.

Rule 4.28

The amendments to Rule 4.28 change the time period used in the determination of settlement prices for the delivery months of the Sugar No. 14 futures contract to the one-minute period of 3:14-3:15 pm from the current two-minute closing period of open, outcry trading, 12:43-12:45 pm. Changing the time period for determining settlement prices for Sugar No. 14 to coincide with the end of the daily electronic trading session will better serve the needs of the domestic sugar trade as trades in such futures contract primarily are executed electronically. Since members of the Settlement Committee for the Sugar No. 14 futures contract will not be available at 3:14 pm, the amendments also authorize Exchange staff to determine the settlement prices. Exchange staff will follow the same procedures as detailed in Rule 4.28.

Rule 11.08(5)(c)

The amendments to Rule 11.08(5)(c) delete an obsolete reference to an expired international agreement and replace it with a reference to the relevant European Commission regulation. The amendment brings the Rule back into conformance with the commercial market and current regulatory practice.

Rule 27.11(a)(iii)

The amendments to Rule 27.11(a)(iii) address the different conventions used for placing electronic calendar spread orders with respect to the different product groups, i.e., agricultural and financial futures contracts. When the Rule was originally placed into effect, the Exchange was only trading its agricultural products electronically. With the electronic listing of the Russell 1000® and the USDX® futures contracts, the product range has expanded. Currently, the electronic spread convention is the one used by the agriculturals, i.e., action with respect to the near month indicates whether the spread is being bought or sold. The convention used for the financials is the exact opposite. Therefore, the amendments list the convention for each product group.

The amendments were adopted by the Exchange's Board of Directors at its meeting on July 11, 2007. The amendments to Rule 4.28 will go into effect on June 16, 2007; all other amendments will go into effect on July 13, 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 jill.fassler@nybot.com.

Sincerely,

Jill S. Fassler
Vice President
Associate General Counsel

cc: Riva Adriance
Thomas Leahy
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 4.28. Settlement Prices

Settlement Prices for all Exchange Futures Contracts, other than expiring Cotton No. 2, FCOJ, NFC, Financial and Index Futures Contracts on the Last Trading Day and the last trading day of every month for Russell 1000 Index and Russell 2000 Index Futures Contracts, shall be determined <u>by either the Settlement Price Committee or duly authorized Exchange staff</u> as follows:

(a) For the purposes of this Rule, all prices, bids and offers used to determine the Settlement Price shall be comprised of prices, bids and offers made by open outcry and ETS during the closing period and trading hours defined in Rule 4.06 and 4.07<u>; provided, however, that, for the Sugar No. 14 Futures Contract, the time period for determining the Settlement Price shall be one minute prior to the close of ETS</u>.

[REMAINDER OF RULE UNCHANGED]

Rule 11.08. Obligations of the Receiver and Deliverer

* * *

(5) Receiver guarantees to Deliverer:

* * *

(c) That if the sugar [~~be the product of a country that is an ACP signatory to the Lome Convention and as such is entitled to preferential treatment in respect to duty or quota in member countries of the European Union, it will not be shipped to those countries~~] <u>originated in a country which, at the time of delivery, is subject to any of the tariff quotas and preferential agreements referred to in Commission Regulation (EC) No. 950/2006 of 28 June 2006 (Official Journal of the European Union No. L178 of 1.7.2006) as amended from time to time, it will not be shipped to any of the states of the European Union</u>.

[REMAINDER OF RULE UNCHANGED]

27.11. Acceptable Orders

(a) An ETS order shall be in one of the following order types:

* * *

(iii) "Calendar Spread orders" – Calendar Spread orders are orders to purchase one (1) or more Exchange Futures Contracts and sell an equal number of Exchange Futures Contracts in the same Commodity at a stated price difference. [~~For the purposes of ETS Calendar Spread orders, the buy spread is defined as purchasing the near month and selling the far month, and the sell spread is defined as selling the near month and purchasing the far month~~.] Calendar Spread orders may either trade against other matching Calendar Spread orders or may be traded against outright contracts. When traded against outright contracts, the outright contract prices are always used for each of the legs of the Calendar Spread order. When traded against another Calendar Spread order, the prices of the legs of such Transactions will be generated by a Calendar Spread algorithm determined by the Exchange.

EXHIBIT A

(A) For ETS Calendar Spread orders for Cocoa, Coffee "C"®, Cotton No. 2^{SM}, FCOJ, Sugar No. 11^{SM} and Sugar No. 14^{SM} Contracts, a buy order is defined as purchasing the near month and selling the far month, and a sell order is defined as selling the near month and purchasing the far month.

(B) For ETS Calendar Spread orders for Financial Contracts and Index Contracts, a buy order is defined as purchasing the far month and selling the near month, and a sell order is defined as selling the far month and purchasing the near month.

[REMAINDER OF RULE UNCHANGED]