

**October 7, 2004**

**Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, NW  
Washington, DC 20581**

**BY E-MAIL AND FASCIMILE**

**SUBJECT: Request for Commission Rule Approval: Proposed Amendment to Supplement No. 5, "Official List of Approved Brands Acceptable on the London Platinum and Palladium Market", of the Palladium Futures Contract. Submission No. 04-130.**

Dear Ms. Webb:

Pursuant to Section 5c(c)(2) of the Commodity Exchange Act (the "Act") and CFTC Rule 40.5 ("Voluntary Submission of Rules for Commission Review and Approval"), the New York Mercantile Exchange Inc. ("NYMEX" or the "Exchange") hereby requests on a voluntary basis CFTC approval for a proposed amendment to Supplement No. 5, "Official List of Approved Brands Acceptable on the London Platinum and Palladium Market", of the Palladium Futures Contract.

The proposed amendment and a complete explanation of its operation, purpose and effect are attached hereto.

If you have any questions concerning this submission, please contact Albert J. Getz at 212-299-2608.

Sincerely,

Robert A. Levin  
Senior Vice President

cc: Richard Shilts, Division of Market Oversight  
Allen Cooper, Eastern Region

## **I. EXPLANATION AND PURPOSE**

The Exchange proposes to amend Supplement No. 5, “Official List of Approved Brands Acceptable on the London Platinum and Palladium Market” of the NYMEX Palladium Futures Contract. The proposed amendment adds the palladium brand produced by Rustenburg Platinum Mines Limited, South Africa as acceptable for delivery against the Exchange’s Palladium Futures Contract. By expanding the list of approved brands for the Palladium Futures Contract, the proposed amendment thus would benefit market participants by giving them greater choices among brands. Expanding the brand lists to include this brand would also make the futures contract consistent with commercial practice in the underlying markets.

### **Background**

The Exchange’s submission No. 00-140, dated November 3, 2000, and approved by the Commission on November 21, 2000, proposed to expand the list of approved brands acceptable for delivery against the Platinum Futures Contract and against the Palladium Futures Contract by adding all of the brands acceptable on the London Platinum and Palladium Market (“LPPM”) as of September 18, 2000 without the requirement for an assay certificate. However, in order to maintain the “chain of integrity”, the metal would be required to be shipped by an Exchange Approved Carrier from either the refiner of the approved brand or the vaults of the LPPM in Zurich, Switzerland to an Exchange Licensed Depository.

Submission No. 00-140 also compared the good delivery specifications of the Exchange and the LPPM as well as the brand approval process for both organizations.

Any brands approved for delivery on the LPPM subsequent to September 18, 2000 would require Exchange and Commission approval before being acceptable for delivery against the Platinum Futures Contract and Palladium Futures Contract.

### **Rustenburg Platinum Mines Limited, South Africa**

The London Platinum and Palladium Market, in correspondence dated August 25, 2004, informed the Exchange that the palladium ingots produced by Rustenburg Platinum Mines Limited, South Africa have been accepted as good delivery with effect since September 1, 2004, in accordance with the rules of the LPPM.

The platinum ingots produced by Rustenburg Platinum Mines Limited are acceptable for delivery against the Exchange’s Platinum Futures Contract.

## **II. PROPOSED AMENDMENTS**

The proposed amendment is attached.

NYMEX PALLADIUM FUTURES CONTRACT

Supplement No. 5

APPROVED BRANDS  
ACCEPTABLE ON THE LONDON PLATINUM and PALLADIUM MARKET

<u>COUNTRY/PRODUCER</u>	<u>MOST RECENT MARKS</u>	<u>COMPUTER CODE</u>
<b>UNITED STATES</b>		
Engelhard Corporation, Carteret	“E” Symbol in octagon	ECCA
Heraeus Metal Processing Inc.	Heraeus with HMP surrounded by a sun	HPMI
Johnson Matthey Inc.	Johnson Matthey Made in U.S.A.	JMUS
Sabin Metal Corporation	SMC	SMC
<b>FRANCE</b>		
Engelhard-Clal Paris	Engelhard-Clal Paris	ECLP
<b>GERMANY</b>		
OMG AG & Co. KG	Degussa with half sun & quarter moon in a diamond	OMGA
W.C. Heraeus GmbH	H surrounded by a sun & the word Heraeus	WCHG
<b>GREAT BRITAIN</b>		
Engelhard-Clal (UK) Limited	E-C in a parallelogram	ECUK
Inco Europe Limited	Inco	INCO
Johnson Matthey plc	Company logo & Made in England	JMUK

NYMEX PALLADIUM FUTURES CONTRACT

Supplement No. 5

APPROVED BRANDS  
ACCEPTABLE ON THE LONDON PLATINUM and PALLADIUM MARKET

<u>COUNTRY/PRODUCER</u>	<u>MOST RECENT MARKS</u>	<u>COMPUTER CODE</u>
<b>ITALY</b>		
Engelhard s.r.l.	1ER” in octagon (from serial number R501 onwards)	ESRL
<b>JAPAN</b>		
Ishifuku Metal Industry Co. Limited	Ishifuku Tokyo	IMIL
Matsuda Sangyo Co. Limited	Matsuda Tokyo Assayer Melter	MSCL
Tanaka Kinkinzoku Kogyo K.K.	Tanaka Tokyo	TKKK
Tokuriki Honten Co. Limited	Tokuriki Tokyo	THCL
Asahi Pretec Corp	AKK in a diamond	ASPC
<b>NETHERLANDS</b>		
H. Drijfhout & Zoon’s Edelmetaalbedrijven B.V.	H. Drijfhout & Zoons Amsterdam Melters	DZAM
<b>RUSSIA</b>		
Krasnoyarsk	Made in Russia (with K and a flower)	KRAS
Novosibirsk Refining Factory	РОССИЯ in an oval & company symbol	NOVO
Prioksk	РОССИЯ in an oval & company symbol	PRIO

NYMEX PALLADIUM FUTURES CONTRACT

Supplement No. 5

APPROVED BRANDS  
ACCEPTABLE ON THE LONDON PLATINUM and PALLADIUM MARKET

<u>COUNTRY/PRODUCER</u>	<u>MOST RECENT MARKS</u>	<u>COMPUTER CODE</u>
<b>SOUTH AFRICA</b>		
<u>Rustenburg Platinum Mines Limited</u>	<u>Rustenburg in a rectangle</u>	<u>RPML</u>
Western Platinum Refinery Limited	W.P.L. Palladium & symbol	WPRL
<b>SWITZERLAND</b>		
Argor-Heraeus SA	Argor-Heraeus SA	AHSA
Metaux Precieux SA Metalor	M.P. Assayeur Fondeur	MPSA
Valcambi SA	Valcambi S.A. Balerna-Suisse	VABS
Pamp S.A.	PAMP individual letters in cylinder followed by the word Switzerland	PAMP

**FORMER REFINERS**

The following organizations have ceased the production and refining of good delivery material or have changed the markings of their ingots or plates. However, previously produced ingots and plates continue to be accepted as good delivery.

<u>COUNTRY/PRODUCER</u>	<u>FORMER MARKINGS</u>	
<b>UNITED STATES</b>		
PGP Industries Inc.	PGP in a circle of dots	PGPI
<b>FRANCE</b>		
Compagnie des Metaux Precieux SA Paris CMP”	“Compagnie des Metaux Precieux	CMPP

# NYMEX PALLADIUM FUTURES CONTRACT

## Supplement No. 5

### APPROVED BRANDS ACCEPTABLE ON THE LONDON PLATINUM and PALLADIUM MARKET

#### **FORMER REFINERS**

The following organizations have ceased the production and refining of good delivery material or have changed the markings of their ingots or plates. However, previously produced ingots and plates continue to be accepted as good delivery.

<b><u>COUNTRY/PRODUCER</u></b>	<b><u>FORMER MARKINGS</u></b>	<b><u>COMPUTER CODE</u></b>
<b>FRANCE</b>		
Comptoir Lyon –Alemant Louyot Paris Affineur Fondeur” in octagon	“Comptoir-Lyon-Alemant Louyot	CLAL
Engelhard SA	“Engelhard” in parallelogram and “Comptoir-Lyon-Alemant Louyot Paris Affineur Fondeur” in octagon	ENSA
<b>GERMANY</b>		
Degussa AG	Degussa with half sun & quarter moon in a diamond	DEAG
<b>GREAT BRITAIN</b>		
Engelhard Limited	“Engelhard London” and “E” in parallelogram	ELGB
<b>RUSSIA</b>		
State Refinery	Made in USSR with hammer & sickle	RUSS
<b>SOUTH AFRICA</b>		
Matthey Rustenburg Refiners	“JM Ltd” and company symbol “Trade Mark” and “Made in South Africa”	MRRA
<b>SWITZERLAND</b>		
Argor SA	Argor S.A. Chiasso	ARSA

**Updated 9/30/04**

### **III. EXCHANGE ACTION**

The NYMEX Board of Directors approved the proposed amendments at a regularly scheduled meeting. No anti-competitive effects are anticipated or are apparent. There were no substantive opposing views concerning this amendment.

While there are open positions in the Palladium Futures Contract, this amendment will not have an economic impact on positions or prices in the market.

The Exchange intends to implement the proposed amendment the day after it receives notification of Commission approval or notification that such approval is not necessary.

The Membership was informed in a Notice to Membership dated October 7, 2004 that the Exchange intends to amend Supplement No 5, "Official List of Approved Brands Acceptable on the London Platinum and Palladium Market" of the Palladium Futures Contract by adding the palladium ingots produced by Rustenburg Platinum Mines Limited, pending notification from the Commission.