

October 31, 2003

Ms. Jean A. Webb
Secretary
Commodity Futures Trading Commission
Three Lafayette Center
1155 21st St., N.W.
Washington, D.C. 20581

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Reference File SR-PBOT-2003-14
Rule Certification

Dear Ms. Webb:

Pursuant to Commission Rule 40.6, the Philadelphia Board of Trade ("PBOT" or "Exchange") hereby submits the following:

- Amendment to PBOT Rule 361, Exchange of Futures Contracts for Physical

PBOT Rule 361 currently provides that exchange of futures contracts for physical (EFPs) is permitted by arrangement between members in accordance with certain criteria. Specifically, Rule 361 is proposed to be amended by adding new Section 7 which states that EFPs are not permitted to be structured with cash-settled futures contracts. The text of amended PBOT Rule 361 is attached.

The PBOT intends to implement this rule no sooner than one business day following the Commission's receipt of this filing.

There were no opposing views among the Executive Committee of PBOT's Board of Directors concerning this rule amendment.

The PBOT certifies that this rule amendment complies with the Commodity Exchange Act and the rules thereunder.

Sincerely,

William N. Briggs
President

cc w/att: Marvin Jackson
New York Regional Office

Rule 361, Exchange of Futures Contracts for Physical

Rule 361. Exchange of futures contracts for physical (EFPs) shall be permitted by arrangement between members in accordance with the following:

(1) EFPs must be conducted by and between two separate parties, wherein one party is the buyer of physical (spot) commodities and the seller of futures contracts and the other party is the seller of physical (spot) commodities and the buyer of the futures contracts.

(2) The seller of the physical (spot) commodities must have possession or the right to possession of the physical (spot) commodities and be able to transfer the same to the buyer in a reasonable period of time after the simultaneous purchase and sale of the futures contracts and sale and purchase of an equal quantity of physical (spot) commodities.

(3) EFPs may be consummated at any price as mutually agreed upon by the two parties to the transaction.

(4) No EFPs may be undertaken by members or their customers after the close of trading on the last trading day of any futures contracts.

(5) All EFPs consummated during trading sessions shall be reported to a floor official and a representative of the Market Surveillance department by the parties immediately upon the opening of the next trading session.

(6) All reports of EFPs shall be made in a form as prescribed by the Exchange. The memoranda of EFPs shall reflect the identity of the parties, representative floor brokers, clearing member organization, the time of the transaction, number of futures contracts involved, their designated symbols, the equivalent cash (spot) commodity's price of the transaction and such other pertinent documentation evidencing transfer of the cash (spot) commodities component of the transaction.

(7) EFPs are not permitted to be structured with cash-settled futures contracts.