



BY ELECTRONIC TRANSMISSION

06-27
October 12, 2006

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

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Re: **Amendments to Licensing Rules 7.63 and 7.64 and
NFC Rules 25.15 and 25.33
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 7.63, 7.64, 25.15 and 25.33, attached hereto as Exhibit A.

The amendments to Rule 25.15 provide that, in Exchange Deliveries of NFC, the Deliverer shall be responsible for storage charges for sixty (60) days following the date of delivery under the contract, with the Receiver becoming liable for storage only (and not for handling) after the end of such sixty (60) day period. The payment of storage and handling by the Deliverer will enhance the delivery process by clarifying the potential costs of making and taking delivery. The amendment to Rule 7.64 removes handling charges from the list of tariffs which Licensed NFC Facilities must provide to the Exchange. This amendment is consistent with the amendments to Rule 25.15.

The amendment to Rule 7.63 eliminates the requirement that all Licensed NFC Facilities be under continuous inspection of the USDA. The elimination of continuous inspection with the retention of the USDA's role in sampling and grading of product at loadout maintains the integrity of the NFC futures contract while reducing the cost of being a Licensed Facility.

The amendment to Rule 25.33 corrects a mathematical error by reducing the price of an NFC Options cabinet trade from fifteen cents (15¢) to twelve cents (12¢).

The Exchange certifies that the amendments comply with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder.

The Exchange's Executive Committee approved the amendments on October 6, 2006 by Unanimous Written Consent pursuant to By-Law Section 505(d) and Rule 3.17. The amendments to Rules 7.63, 7.64 and 25.15 will become effective on October 20, 2006 with the listing of the NFC futures contracts; the amendment to Rule 25.33 will become effective on October 23, 2006 with the listing of the NFC options contract. 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 jfassler@nybot.com or 212-748-4084.

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 through.)

Rule 25.15. Delivery of Invoice and Documents

(a) For purposes of this Rule, and the Exchange's NFC Warehouse and Licensing Rules, storage charges are all those charges set forth in the Licensed Facility's tariff published pursuant to Rule 7.64(f).

* * *

(f)(i) The ~~[Exchange Invoice shall include if applicable, an adjustment charge for storage for each day beyond the Date of Delivery (not in excess of thirty (30) days) which has been prepaid by the Deliverer.] Deliverer shall be responsible for the storage charges for sixty (60) days following the Date of Delivery and shall have paid such storage charges prior to the Date of Delivery. After sixty (60) days, the Receiver shall be responsible for the storage charges. The Receiver shall not be responsible for handling or load out charges.~~

~~[(ii) Such adjustments shall be based upon the published rates of the licensed facility in effect on the first (1st) Business Day of the delivery month.~~

~~(g) The Receiver shall not be charged for containers on any delivery.]~~

Rule 25.33. Premium Quotations

For the purposes of this Chapter, the term "Point" shall mean the value equal to one hundredth of one cent so that 100 points shall equal one cent (1¢). NFC Option Premiums shall be quoted in cents and five one-hundredths of a one cent per pound. The minimum fluctuation in NFC Option Premiums shall be five one-hundredths of a cent; provided, however, that an Options Trade may be executed at a price of one-thousandth of a cent per pound (~~[15]~~12¢ per contract) if the Trade will result in the liquidation of Positions for both parties to the Trade.

Rule 7.63. Qualifications

* * *

(d) *USDA Inspection*

(1) The facility shall be equipped to handle FCOJ ~~[and/or NFC]~~ under continuous inspection of the USDA. Inspections will be provided without any undue delay.

(2) In the conduct of continuous inspection, the USDA may conduct such tests, as they deem necessary, to provide assurance that the FCOJ meets the requirements set forth in Rule[s] 13.02 for FCOJ-A and FCOJ-B ~~[and 25.02 for NFC]~~. The FCOJ-A includes the origin designation of "Florida", "Brazil" or "Florida/Brazil" ~~[and the NFC includes the origin designation of "Florida only"]~~ in the following manner:

(A) Tank delivery. On the day of physical delivery of FCOJ ~~[or NFC]~~ by tank delivery, the USDA shall issue a USDA Certificate to the Receiver.

[REMAINDER OF RULE UNCHANGED]

Rule 7.64. Agreements by Facility Operator and Owner

* * *

(f) Tariffs

(1) The operator of a licensed facility shall submit to the Exchange in detail its tariff showing its charges for storage, handling (FCOJ Only, Exchange tariffs for NFC shall not include handling charges), authorized interest and insurance premiums, where applicable, and other charges payable to it (hereinafter "storage charges") at the time it applies for a license from the Exchange which tariff shall be published and not increased without ninety (90) days written prior notice to the Exchange; provided, however, that storage charges shall be calculated at a minimum Brix value of not less than 62.5 degrees.

[REMAINDER OF RULE UNCHANGED]