



World Financial Center
One North End Avenue
New York, New York 10282

BY ELECTRONIC TRANSMISSION

07-47

August 14, 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

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OFFICE OF THE SECRETARIAT

Re: **Russell 2000[®] Market Maker Programs and Floor Member Market
Marker/Volume Transition Program and Amendments to the Fee Program -
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, its Russell 2000 Market Maker Programs, Floor Member Market Marker/Volume Transition Program and amendments to the Fee Program.

Russell 2000 Market Maker Programs

From August 17 until October 1, 2007, the Exchange will not be charging any Exchange or Clearing fees for electronic trades in Russell 2000 Index or Russell 2000 Mini Index. From October 1st until the end of 2007, NYBOT will implement two Russell 2000 Market Maker Programs pursuant to Exchange Rule 2.39 which authorizes the adoption of one or more Market Specialist (a/k/a Market Maker) Programs.

The two Russell 2000 Market Maker Programs are similar to the one implemented for the Agricultural products in February 2007 (see Submission No. 07-2). Participants will submit applications specifying the bids and offers they, using their best efforts, will continuously maintain in the Russell 2000 Index and Russell 2000 Mini Index for specified hours.

Ten to fifteen participants will be chosen to participate in Program 1, and ten participants will be chosen for Program 2. Program 1 participants will pay 10¢/side for the Russell 2000 Mini and 20¢/side for the Russell 2000. Participants in Program 2 will pay 30¢/side for the first

10,000 sides per month and 20¢/side for sides traded over the 10,000 mark in the Russell 2000 Mini. The criteria for selecting participants for the programs include the quality of the bid/ask

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spread in various single contract months and spreads between contract months, the depth of the market they are willing to commit to, experience in trading the Russell 2000 either at the Exchange or at the Chicago Mercantile Exchange, experience in trading other electronic markets offered on the ICE Platform, participation in the Russell 1000 market maker program, and, if a participant in the Russell 1000 program, the performance in that program.

Floor Member Market Maker/Volume Transition Program

In order to assist Exchange floor members who trade large proprietary volumes in transitioning from the trading floor to the ICE Platform, the Exchange will be implementing the Floor Member Market Maker/Volume Transition Program. Participants in the program will pay their normal Exchange and clearing fees on all sides executed electronically on the ICE Platform for their proprietary account, but will receive a credit of 30¢ /side for trades executed electronically for their proprietary account in excess of 35,000 during a calendar month. The Program will be open to the 10 floor members who have executed the highest volume of proprietary trading over the past five month period.

The initial term for the Program is three months, with the Exchange retaining the option to renew based upon the participant's executed volume and an assessment of the liquidity benefit provided by the Program. Participants in the Program will be required to identify their proprietary accounts at each clearing member in advance. Clearing members will provide the executed electronic volume for each account each month for the rebate to be paid by the Exchange. To ensure compliance with Exchange Rules and Commission Regulations, the accounts will be regularly monitored by the Exchange's Market Regulation Department.

Amendments to the Fee Program

In Submission No. 07-43 dated July 23, 2007, the Exchange submitted the Fee Program to the Commission. The Fee Program took effect on August 1, 2007 and was open only to certain eligible Chicago Mercantile Exchange ("CME") traders accepted into the program. The Exchange is amending the Fee Program by implementing two changes to the eligibility requirement for the Fee Program that are intended to increase the benefit the program will offer in supporting a successful launch of trading in the Russell 2000 contracts on August 17, 2007.

First, the program has been expanded to allow all Chicago Board of Options Exchange ("CBOE) members and member firms to apply for eligibility. The CBOE trades significant volume in options on the Russell Indexes, and proprietary trading members of the CBOE could provide significant liquidity to the Exchange's Russell Complex. Without the Fee Program, the CBOE trader would be charged the Exchange fee at the customer rate, i.e. 94¢ instead of 30¢.

Second, many CME members and member firms that would be eligible to apply for the Fee Program were made ineligible to do so by the provision that the Fee Program was only available to such CME members who were not also Exchange members. This provision has been

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deleted to eliminate the unintended consequence rendering CME member firms who were also Exchange member firms ineligible for the Program.

The Exchange certifies that the Russell 2000 Market Maker Programs, the Floor Member Market Maker/Volume Transition Program and the Fee Program comply with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder.

The two Russell Programs and the amendments to the Fee Program were adopted by the Exchange's Board of Directors at its meeting on August 10, 2007; and the Floor Member Market Maker/Volume Transition Program was adopted by the Board at its meeting on July 11, 2007. No substantive opposing views were expressed by members or others with respect to the Programs. The Programs will become effective on August 15, 2007.

If you have any questions or need further information, please contact me at jill.fassler@nybot.com or (212)748-4084.

Sincerely,

Jill S. Fassler
Vice President
Associate General Counsel

cc: Riva Adriance
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