

February 26, 2013

VIA E-MAIL

Ms. Melissa Jurgens
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

**RE: Regulation 40.6(a) Rule Certification. New York Mercantile Exchange, Inc. & Commodity Exchange, Inc.
Submission # 13-063: Addition of Second and Third Contract Months of Brent Crude Oil Last Day Financial Futures as TAS-Eligible Contract Months and Issuance NYMEX & COMEX Market Regulation Advisory Notice RA1303-4**

Dear Ms. Jurgens:

New York Mercantile Exchange, Inc. ("NYMEX") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") that it is self-certifying via this Submission the addition of the second and third contract months of Brent Crude Oil Last Day Financial futures ("BZ") to the list of contract months eligible to trade at settlement pursuant to NYMEX Rule 524 ("Trading at Settlement ("TAS"), Trading at Market ("TAM") and Matched Order ("MO") Transactions"). Effective on Sunday, March 17, 2013, for trade date Monday, March 18, 2013, TAS transactions in the second and third contract months will be eligible to trade on CME Globex and, on March 18, 2013, in the trading pit. In connection with the addition of the second and third contract months, NYMEX and Commodity Exchange, Inc. ("COMEX") are self-certifying the issuance of NYMEX and COMEX Market Regulation Advisory Notice RA1303-4 ("RA1303-4").

The change is based on customer demand given that the commercial marketplace ties its Brent contract pricing to the first, second and third futures contract month settlement prices. The availability of TAS in the second and third contract months of BZ will provide an additional useful hedging tool to commercial market participants.

The Market Regulation Department and the Legal Department collectively reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("Act"). During the review, we have identified that the changes described in this Submission may have some bearing on the following Core Principles:

Compliance with Rules: TAS trades in the second and third contract months of BZ will be subject to Chapter 4 of the Exchange rules which includes prohibitions against fraudulent, unfair and abusive trading practices, including transactions executed in accordance with the provisions of Rule 524. TAS block trades are subject to extensive monitoring and surveillance by CME Group's Market Regulation Department. The Market Regulation Department may use its investigatory and enforcement power where potential rule violations are identified during its regular surveillance reviews;

Contracts Not Readily Subject to Manipulation: TAS transactions in BZ are not readily subject to manipulation as they are priced by reference to the closing price in the liquid underlying BZ contract listed for trading by NYMEX. Additionally, market participants have routinely been reminded that any attempted misuse of TAS transactions will subject the market participant to disciplinary action, and this reminder is again included in RA1303-4;

Prevention of Market Disruption: TAS trades are uniquely identifiable in the trade data available to the Market Regulation Department and information on the time and prices of TAS trades are

reported separately from non-TAS BZ transactions executed in the pit, on CME Globex or as block trades. Additionally, as noted above, these transactions will be subject to extensive monitoring and surveillance by the Market Regulation Department;

Availability of General Information: In connection with the addition of the second and third contract months of BZ to the list of TAS-eligible contract months, the Market Regulation Department is issuing an updated Market Regulation Advisory Notice concerning Rule 524 which provides extensive regulatory guidance to market participants with respect to TAS, TAM and MO transactions;

Daily Publication of Trading Information: As noted above, TAS prices are always reported independently of non-TAS transaction prices whether executed in the pit, on CME Globex or as block trades;

RA1303-4 is set forth in Exhibit A.

NYMEX certifies that the addition of the second and third contract months of BZ to the list of contract months eligible to trade at settlement pursuant to NYMEX Rule 524 complies with the Commodity Exchange Act ("CEA") and regulations thereunder. Additionally, NYMEX and COMEX certify that the issuance of RA1303-4 complies with the Act and regulations thereunder.

There were no opposing views to the changes or to the issuance of RA1303-4.

The Exchanges certify that this submission has been concurrently posted on the CME Group website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

If you have any questions regarding this submission, please contact Robert Sniegowski, Market Regulation, at 312.341.5991 or via email at Robert.Sniegowski@cmegroup.com. Alternatively, you may contact me at 312.930.8167 or via email at Sean.Downey@cmegroup.com. Please reference NYMEX/COMEX Submission # 13-063 in any related correspondence.

Sincerely,

/s/ Sean Downey
Senior Director & Associate General Counsel

Attachments: Exhibit A – RA1303-4

EXHIBIT A

MARKET REGULATION ADVISORY NOTICE

Exchange	NYMEX & COMEX
Subject	Trading at Settlement (“TAS”), Trading at Marker (“TAM”) and Matched Order (“MO”) Transactions
Rule References	Rule 524
Advisory Date	February 27, 2013
Advisory Number	NYMEX & COMEX RA1303-4
Effective Date	March 18, 2013

This Advisory Notice supersedes NYMEX & COMEX Market Regulation Advisory Notice RA1301-4 from January 11, 2013, and is being issued to announce that pending all relevant regulatory review periods, trading at settlement pursuant to NYMEX & COMEX Rule 524 (“Trading at Settlement (“TAS”), Trading at Marker (“TAM”) and Matched Order (“MO”) Transactions”) will begin to be permitted in the second and third contract months of Brent Crude Oil Last Day Financial futures (“BZ”) beginning in the pit on Monday, March 18, 2013, and on CME Globex on Sunday, March 17, 2013, for trade date Monday, March 18, 2013. TAS trading on CME Globex and in the pit is currently permitted in the first contract month of BZ and TAM trading on CME Globex based on the London and Singapore markers is currently permitted in the first three contract months of BZ.

The list of TAS- and TAM-eligible products and contract months appear in Sections 6 and 7 and the text of NYMEX and COMEX Rule 524 appears in Section 8 of this Advisory Notice.

1. General Information on TAS, TAM and MO Transactions

TAS transactions may be executed at the current day’s settlement price or at any valid price increment ten ticks higher or lower than the settlement price, and, depending on the particular product, may be executed in the pit, on CME Globex, or as a block trade.

TAM trading is analogous to existing Trading at Settlement (“TAS”) trading wherein parties are permitted to trade at a differential to a not-yet-known price. TAM trading uses a marker price, whereas TAS trading uses the Exchange-determined settlement price for the applicable contract month. As with TAS trading, parties will be able to enter TAM orders at the TAM price or at a differential between one and ten ticks higher or lower than the TAM price. TAM transactions may be executed on CME Globex or as a block trade.

MO transactions in pit-traded Copper futures are transactions which are priced at that day’s settlement price for the contract.

All market participants are reminded that any trading activity that is intended to unfairly affect or to attempt to unfairly affect a settlement or marker price to benefit a TAS, TAM or MO position, including a TAS or TAM block position, will subject the member and/or the market participant to disciplinary action for any of a number of rule violations, including, but not limited to:

- price manipulation or attempted price manipulation
- wash trading
- conduct substantially detrimental to the interests or welfare of the exchange

Any Market Regulation Department investigation of suspected manipulative pricing involving TAS, TAM or MO trades will include review of such positions acquired by market participants and **whether the offset of those positions during the close or during the time period used to determine a marker price was disruptive, collusive, and/or caused or attempted to cause aberrant price movement during these periods.**

2. Entry of TAS and TAM Orders on CME Globex

Rule 524 permits the initiation of TAS and TAM orders into CME Globex only subsequent to the beginning of each group's pre-open state and during the time period the applicable contracts are available for TAS or TAM trading on CME Globex. The initiation of any TAS or TAM order on CME Globex outside of these time periods is strictly prohibited.

Any market participant who initiates the entry of a TAS or TAM order prior to receipt of the market status message will be subject to disciplinary action by a panel of the Business Conduct Committee, notwithstanding that the order may have been rejected by the CME Globex system. Sanctions for noncompliance may include a fine, disgorgement of any profits realized as a result of any orders accepted by CME Globex which were initiated prior to receipt of the security status message and/or a suspension of access to the market. Market participants must ensure that they have appropriate protocols in place to ensure that TAS and TAM orders are not initiated prior to receipt of the security status message.

3. TAS and TAM Calendar Spreads

Intra-commodity calendar spreads in the nearby month/second month spread, the second month/third month spread and the nearby month/third month spread in Light Sweet Crude Oil, New York Harbor ULSD Heating Oil, Henry Hub Natural Gas and RBOB Gasoline futures may be executed on CME Globex or on the trading floor and priced at TAS.

Intra-commodity calendar spreads in the nearby month/second month spread, the second month/third month spread and the nearby/third month spread in Light Sweet Crude Oil, New York Harbor ULSD Heating Oil, RBOB Gasoline and Brent Crude Oil Last Day Financial futures may be executed on CME Globex and priced at TAM.

The pricing of the legs of a TAS or TAM calendar spread will be calculated as follows:

- The nearby leg of the spread will always be priced at the settlement or marker price, as applicable, for that contract month.
- The far leg of the spread will be priced at the settlement or marker price, as applicable, for that contract **minus** the allowable TAS or TAM price increment traded (negative 10 through positive 10), except in circumstances where the traded TAS or TAM price is the actual settlement or marker price of the contract.

Example 1:

An April 2013/May 2013 Light Sweet Crude Oil calendar spread trades at TAS -1 (minus 1). Assume the April contract settles at 93.13 and the May contract settles at 93.57.

The April leg will be priced at the April settlement price of 93.13. The May leg will be priced at 93.58, which is the May settlement price of 93.57 minus the TAS price increment of -1 (93.57 minus -.01 = 93.58).

Example 2:

A March 2013/April 2013 New York Harbor ULSD Heating Oil calendar spread trades at TAM +/- 0. Assume the March marker price is 3.1042 and the April marker price is 3.1018.

The March leg will be priced at the March market price of 3.1042. The April leg will be priced at 3.1018, which is the April market price.

Example 3:

A March 2013/May 2013 Henry Hub Natural Gas calendar spread trade at TAS +3. Assume the March contract settles at 3.291 and the May contract settles at 3.406.

The March leg will be priced at the March settlement price of 3.291. The May leg will be priced at 3.403, which is the May settlement price of 3.406 minus the TAS price increment of +3 (3.406 minus +.003 = 3.403).

4. TAS on Gold, Silver and Copper Futures

TAS transactions are allowed in the active contract month in Gold and Silver futures trading in the pit or on CME Globex and in the first active contract month in Copper futures trading on CME Globex. **TAS transactions are not allowed in any pit-traded Copper futures contract month.**

In Gold futures, TAS trades are permitted in the following active contract months: February, April, June, August, and December. Accordingly:

When the February contract becomes spot, the April contract becomes the TAS-eligible month;
When the April contract becomes spot, the June contract becomes the TAS-eligible month;
When the June contract becomes spot, the August contract becomes the TAS-eligible month;
When the August contract becomes spot, the December contract becomes the TAS-eligible month; and
When the December contract becomes spot, the February contract becomes the TAS-eligible month.

In Silver and Copper futures, TAS trades are permitted in the following active contract months: March, May, July, September and December. Accordingly:

When the March contract becomes spot, the May contract becomes the TAS-eligible month;
When the May contract becomes spot, the July contract becomes the TAS-eligible month;
When the July contract becomes spot, the September contract becomes the TAS-eligible month;
When the September contract becomes spot, the December contract becomes the TAS-eligible month; and
When the December contract becomes spot, the March contract becomes the TAS-eligible month.

5. MO Transactions in Pit-Traded Copper Futures

MO transactions in Copper futures are open outcry trades competitively executed in the Copper futures pit where the trade is priced at that day's settlement price for the contract. MO transactions in Copper futures are eligible to be executed in the spot month and the next six consecutive contract months. Additionally, with the exception of the post close session, members may execute an MO order at any time the Copper futures pit is open for trading, provided that the order is placed as an MO order. Regular trading hours for open outcry trading in the Copper futures pit are from 8:10 a.m. until 1:00 p.m. Eastern Time ("ET").

Instructions to execute the order as an MO must be denoted on the order and members must identify an order executed as an MO on their trading record.

An order entered as an MO will be executed by the floor broker as a Market on Close order if the order is not previously executed as an MO or specifically designated to be executed only as an MO. An instruction to execute an order only as an MO must be communicated at the time the order is placed.

6. TAS-Eligible Products and Contract Months

Pit-Traded Contracts

Light Sweet Crude Oil (CL)

spot (except on the last trading day), 2nd, 3rd and 7th months
nearby/second month, second/third month and nearby/third month calendar spreads

Brent Crude Oil Last Day Financial (BZ)

spot (except on the last trading day)
2nd and 3rd months (beginning trade date March 18, 2013)

New York Harbor ULSD Heating Oil (HO)

spot (except on the last trading day), 2nd and 3rd months
nearby/second month, second/third month and nearby/third month calendar spreads

Henry Hub Natural Gas (NG)

spot (except on the last trading day), 2nd and 3rd months
nearby/second month, second/third month and nearby/third month calendar spreads

Henry Hub Natural Gas Last Day Financial (NN)

spot (except on the last trading day), 2nd and 3rd months

Henry Hub Natural Gas Look-Alike Last Day Financial (HH)

Spot (except on the last trading day), 2nd and 3rd months

RBOB Gasoline (RB)

spot (except on the last trading day), 2nd and 3rd months
nearby/second month, second/third month and nearby/third month calendar spreads

European Gasoil (100mt) Bullet (7F)

spot (except on the last trading day), 2nd and 3rd months

COMEX Gold (GC)

February, April, June, August and December contract months (first active month only)

COMEX Silver (SI)

March, May, July, September and December contract months (first active month only)

CME Globex Contracts

For compliance and enforcement purposes, the start of a TAS pre-open period is defined by receipt of the security status message indicating that the group has transitioned to the pre-open state and the end of a TAS trading session is defined by receipt of the security status message indicating that group is closed.

TAS orders may not be entered into CME Globex from the end of a TAS trading session until receipt of the security status message indicating that the group has transitioned to the pre-open state.

Commodity Code on CME Globex	Product Name and Contract Months	Cleared Product
CLT	Light Sweet Crude Oil spot (except on the last trading day), 2 nd , 3 rd and 7 th months and nearby/second month, second/third month and nearby/third month calendar spreads	CL
BZT	Brent Crude Oil Last Day Financial spot (except on the last trading day) 2 nd and 3 rd months (beginning trade date March 18, 2013)	BZ
BBT	Brent Crude Oil Penultimate Financial Spot, 2 nd and 3 rd months	BB
HOT	New York Harbor ULSD Heating Oil spot (except on the last trading day), 2 nd and 3 rd months and nearby/second month, second/third month and nearby/third month calendar spreads	HO
NGT	Henry Hub Natural Gas spot (except on the last trading day), 2 nd and 3 rd months and nearby/second month, second/third month and nearby/third month calendar spreads	NG
NNT	Henry Hub Natural Gas Last Day Financial spot (except on the last trading day), 2 nd and 3 rd months	NN
HHT	Henry Hub Natural Gas Look-Alike Last Day Financial spot (except on the last trading day), 2 nd and 3 rd months	HH
RBT	RBOB Gasoline spot (except on the last trading day), 2 nd and 3 rd months and nearby/second month, second/third month and nearby/third month calendar spreads	RB
7FT	European Gasoil (100mt) Bullet spot (except on the last trading day), 2 nd and 3 rd months	7F
KTT	NYMEX Coffee spot (except on the last trading day)	KT
CJT	NYMEX Cocoa spot (except on the last trading day)	CJ
TTT	NYMEX Cotton Spot (except on the last trading day)	TT
YOT	NYMEX No. 11 Sugar spot (except on the last trading day)	YO
RET	REBCO spot (except on the last trading day), 2 nd and 3 rd months	RE
GCT	COMEX Gold February, April, June, August and December contract months (first active month only)	GC

Commodity Code on CME Globex	Product Name and Contract Months	Cleared Product
SIT	COMEX Silver March, May, July, September and December contract months (first active month only)	SI
HGT	COMEX Copper March, May, July, September and December contract months (first active month only)	HG

7. TAM-Eligible Products and Contract Months on CME Globex

For compliance and enforcement purposes, the start of a TAM pre-open period is defined by receipt of the security status message indicating that the group has transitioned to the pre-open state and the end of a TAM trading session is defined by receipt of the security status message indicating that group is closed.

TAM orders may not be entered into CME Globex from the end of a TAM trading session until receipt of the security status message indicating that the group has transitioned to the pre-open state.

Commodity Code on CME Globex	Product Name and Contract Months	Cleared Product
London Markers		
CLL	Light Sweet Crude Oil spot, 2 nd and 3 rd months and nearby/second month, second/third month and nearby/third month calendar spreads	CL
BZL	Brent Crude Oil Last Day Financial spot, 2 nd and 3 rd months and nearby/second month, second/third month and nearby/third month calendar spreads	BZ
HOL	New York Harbor ULSD Heating Oil spot, 2 nd and 3 rd months and nearby/second month, second/third month and nearby/third month calendar spreads	HO
RBL	RBOB Gasoline spot, 2 nd and 3 rd months and nearby/second month, second/third month and nearby/third month calendar spreads	RB
Singapore Markers		
CLS	Light Sweet Crude Oil spot, 2 nd and 3 rd months and nearby/second month, second/third month and nearby/third month calendar spreads	CL
BZS	Brent Crude Oil Last Day Financial spot, 2 nd and 3 rd months and nearby/second month, second/third month and nearby/third month calendar spreads	BZ

Questions regarding this Advisory Notice may be directed to the following individuals in Market Regulation:

Nancy Minett, Executive Director, Investigations, 212.299.2940

Neil Mazer, Lead Investigator, Investigations, 212.299.2874

Robert Sniegowski, Senior Director, Rules & Regulatory Outreach, 312.341.5991

For media inquiries concerning this Advisory Notice, please contact CME Group Corporate Communications at 312.930.3434 or news@cmegroup.com.

8. Text of Rule 524

Trading at Settlement (“TAS”), Trading at Marker (“TAM”) and Matched Order (“MO”) Transactions

The Exchange shall determine the commodities, contract months and time periods during which TAS, TAM and MO transactions shall be permitted.

524.A. Trading at Settlement (“TAS”) Transactions

The following shall govern TAS transactions:

1. TAS transactions executed in the pit must be made open and competitively pursuant to the requirements of Rule 521 during the hours designated for pit trading in the particular contract and must be identified as such on the member's trading records.
2. TAS orders may be entered on Globex at any time the applicable contracts are available for TAS trading on Globex and during each TAS contract's prescribed pre-open time period. The initiation of any TAS order on Globex outside these time periods is prohibited.
3. TAS-eligible commodities and contract months may be executed as block trades pursuant to the requirements of Rule 526 except that TAS block trades may not be executed on the last day of trading in an expiring contract.
4. TAS transactions may be executed at the current day's settlement price or at any valid price increment ten ticks higher or lower than the settlement price.

524.B. Trading at Marker (“TAM”) Transactions

The following shall govern TAM transactions:

1. TAM orders may be entered on Globex at any time the applicable contracts are available for TAM trading on Globex and during each TAM contract's prescribed pre-open time period. The initiation of any TAM order on Globex outside these time periods is prohibited.
2. TAM-eligible commodities and contract months may be executed as block trades pursuant to the requirements of Rule 526.
3. TAM transactions may be executed at the current day's applicable marker price or at any valid price increment ten ticks higher or lower than the applicable marker price.

524.C. Matched Order (“MO”) Transactions

MO transactions are open outcry trades competitively executed pursuant to Rule 521 where the price of the trade is that day's settlement price for the contract.

The following shall govern MO transactions:

1. Members may execute an MO at any time during pit trading hours except during the post close session. Members may execute an order as an MO provided the order is placed as an MO and such instructions are denoted on the order. An order entered as an MO will be executed during the closing period as a Market on Close order if not previously executed as an MO or specifically designated to be executed only as an MO. An order specifically designated for execution only as an MO must be designated as such at the time the order is placed.
2. Members must identify an order executed as an MO on their trading record.