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OFFICE OF THE SECRETARIAT
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June 24, 2009

Mr. David Stawick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

**RE: NYMEX Rule 702 ("Clearing Member Duties to the House") and Rule 714 ("Failure to Deliver")
NYMEX Submission No. 09.124**

Dear Mr. Stawick:

The New York Mercantile Exchange, Inc. ("NYMEX") hereby notifies the Commodity Futures Trading Commission that it has approved amendments to new NYMEX Rule 702 ("Clearing Member Duties to the Clearing House") and Rule 714 ("Failure to Deliver"). New NYMEX Rules 702 and 714 address the Clearing House's financial obligations in the event of a delivery default. New NYMEX Rule 702 is identical to CME and CBOT Rule 702, and NYMEX Rule 714 is identical in all material respects to CBOT Rule 714.

The text of the new rules is attached. The amendments will be made effective on June 26, 2009.

NYMEX certifies that these rule changes comply with the Commodity Exchange Act and regulations thereunder.

If you have any questions regarding these changes, please contact Tim Doar at 312.930.3162, Anne Polaski at 312.338.2679, or me at 312.648.5422.

Sincerely,

/s/ Stephen M. Szarmack
Director and Associate General Counsel

New NYMEX Rules for Chapter 7b

NYMEX Rule 702. CLEARING MEMBER DUTIES TO THE CLEARING HOUSE

Every clearing member carrying open long or short positions shall present to the Clearing House each business day an accurate inventory of such open positions. The inventory of open long and short positions shall be reported to the Clearing House in such manner and at such times as the Clearing House may prescribe.

A clearing member, carrying an account that is required to make or accept delivery, agrees to guarantee and assume complete responsibility for the performance of all delivery requirements set forth in the rules.

In the event a clearing member fails to perform its delivery obligations to the Clearing House, such failure may be deemed a default pursuant to Rule 802. In a delivery default, the Clearing House shall seek to ensure the financial performance with respect to the delivery. In this regard, the Clearing House powers will include, but will not be limited to, the right to sell or liquidate the commodity subject to delivery and to distribute the proceeds as appropriate.

NYMEX Rule 714. FAILURE TO DELIVER

In the event a clearing member fails to fulfill its specific delivery obligations pursuant to Exchange rules, in connection with a product listed for trading and clearing or for clearing-only by the NYMEX Division or the COMEX Division, the sole obligation of the Clearing House is to pay reasonable damages proximately caused by such delivery obligation failure, in an amount which shall not exceed the difference between the delivery price of the specific commodity and the reasonable market price of such commodity at the time delivery is required according to the rules of the Exchange. The Clearing House shall not be obligated to: (1) make or accept delivery of the actual commodity; or (2) pay any damages relating to the accuracy, genuineness, completeness, or acceptableness of certificates, instruments, warehouse receipts, shipping certificates, or other similar documents; or (3) pay any damages relating to the failure or insolvency of banks, depositories, warehouses, shipping stations, or similar organizations or entities that may be involved with a delivery.

Notwithstanding any provision of the rules, with respect to products where delivery obligations are fulfilled directly between clearing members, the Clearing House has no obligation or liability to any clearing member or any other person relating to a failure to fulfill a delivery obligation unless it is notified by the clearing member that did perform, or was in a position to perform its delivery obligations, that a failure occurred, as soon as possible, but in no event later than sixty minutes after the time the delivery obligation was to have been fulfilled according to the rules of the Exchange.

If a clearing member does not fulfill its delivery obligations to another clearing member, it shall be responsible to the Clearing House for any damages incurred by the Clearing House as a result of such delivery obligation failure.

A failure by a clearing member carrying a short futures position to notify the Clearing House on or before the time specified by, and in the manner prescribed by, the Clearing House on the last day on which such notice is permitted shall be deemed a violation of this rule, except that the President of the Clearing House may, for good cause, extend the time to present such notice.

Unexcused failure to make delivery shall be deemed an act detrimental to the interest or welfare of the Exchange. In addition to any penalties imposed as provided in Chapter 4, the Clearing House Risk Committee shall determine and assess the damages incurred by the buyer.