



Rule Self-Certification

December 9, 2008

Office of the Secretary
Commodity Futures Trading Commission
Three Lafayette Center
1155 21st St., N.W.
Washington, D.C. 20581

Re: PBOT Regulatory Alerts
Reference File SR-PBOT-2008-16

OFFICE OF THE SECRETARIAT

2008-12-09 PM 3:01

RECEIVED

Ladies and Gentlemen:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (“Act”), and Section 40.6 of the regulations promulgated by the Commodity Futures Trading Commission under the Act, the Philadelphia Board of Trade, Inc. (“PBOT” or “Exchange”) hereby submits amendments to Rule E2, Definitions and Rules of Construction; Rule E7, Responsibility for Orders and Quotes; Rule E36, Notices to the Exchange, Members, and Member Organizations; Rule E3, Listed Contracts; Rule E4, Trading Days and Hours; Rule E5, Market Opening; Rule E10, Market Makers; Rule E11, Customer Margin; Rule E23, Block Trades; and Rule E32, Trading Restrictions and Suspensions. The amendments will become effective on January 1, 2009.

Currently, Notices to Members are distributed to PBOT members and member organizations to announce various Exchange decisions and actions. The Notices to Members are posted on the Exchange’s website. In the past, hard copy of Notices to Members have also been mailed to members and member organizations.

January 1, 2009, Notices to Members will be renamed PBOT Regulatory Alerts and will be distributed to all members and member organizations by email only. Notice of all changes to the PBOT rulebook, in addition to matters formerly announced by Notices to Members, will be given by means of a PBOT Regulatory Alert. Members and member organizations that do not supply an email address to the Nasdaq self-enrollment site will not receive notification of the issuance of PBOT Regulatory Alerts, but will need to monitor the Exchange’s website in order to learn of such PBOT Regulatory Alerts.

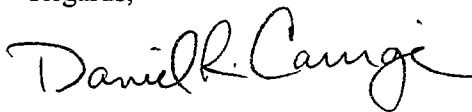
Attached hereto is a Notice to Members informing them that hard copy of rule changes and Notices to Members will cease effective January 1, 2009, and that all further distributions will be made electronically to the email address or addresses supplied by the member or member organization to the Exchange through the self-enrollment process described in the memorandum. The memorandum directs members and member

organizations to provide email addresses to the Nasdaq website self-enrollment page if they wish to continue to receive rule changes and Notices to Members, and informing them of the renaming of Notices to Members to PBOT Regulatory Alerts. PBOT will issue the Notice to Members on December 11, 2008. The text of the amendments made to the rules referenced above is attached to the Notice to Members. New language is underlined and deletions are struck through.

There were no opposing views among the PBOT's Executive Committee, members or market participants.

PBOT hereby certifies that the attached Notice to Members and amendments, which include amendments to Rule E2, Definitions and Rules of Construction; Rule E7, Responsibility for Orders and Quotes; Rule E36, Notices to the Exchange, Members, and Member Organizations; Rule E3, Listed Contracts; Rule E4, Trading Days and Hours; Rule E5, Market Opening; Rule E10, Market Makers; Rule E11, Customer Margin; Rule E23, Block Trades; and Rule E32, Trading Restrictions and Suspensions, comply with the Commodity Exchange Act and regulations thereunder.

Regards,

A handwritten signature in black ink that reads "Daniel R. Carrigan". The signature is written in a cursive, flowing style.

Daniel R. Carrigan
Senior Managing Director
of Products and Services

cc: Glenn Spann
Ed Dasso

Memorandum

TO: All Members and Member Organizations of
The Philadelphia Board of Trade, Inc.

FROM: Dennis Boylan
Market Operations

DATE: December 11, 2008

SUBJECT: Renaming of Notices to Members as PBOT Regulatory Alerts, and
Discontinued Mailing of Notices to Members and Rule Changes

The purpose of this memorandum is to advise you that as of January 1, 2009, PBOT will **discontinue its practice of mailing hard copy of Notices to Members and rule changes to PBOT members and member organizations**. Members and member Organizations wishing to receive notices and rule changes without interruption must provide an email address for receipt of such notices and rule changes to the Nasdaq OMX self-enrollment website **by December 31, 2008**, at <https://www.nasdaqtrader.com/EASP/TraderEASP.aspx?id=NewsSignup>. Once logged in to the self-enrollment website, go to Step 2, Section B, and check the “Regulatory Alerts” box in the “Philadelphia Board of Trade” Column in order to receive Notices to Members, including rule changes. You may also elect to subscribe to other communications from PBOT by checking the other boxes in that column. You may subscribe at any time; however, to continue to receive Notices to Members and rule changes without interruption you must subscribe by December 31, 2008. You may also log in to the self-enrollment website at any time to change your subscription preferences and to update your email address.

Additionally, PBOT is renaming Notices to Members as PBOT Regulatory Alerts beginning January 1, 2009. Amendments to Rule E2, Definitions and Rules of Construction; Rule E7, Responsibility for Orders and Quotes; Rule E36, Notices to the Exchange, Members, and Member Organizations; Rule E3, Listed Contracts; Rule E4, Trading Days and Hours; Rule E5, Market Opening; and Rule E10, Market Makers; Rule E11, Customer Margin; Rule E23, Block Trades; and Rule E32, Trading Restrictions and Suspensions have been made to replace the term “Notice to Members” with the term “Regulatory Alerts” effective January 1, 2009. The text of the rule amendments is attached hereto.

Notice of all changes to the PBOT rulebook, in addition to other matters formerly announced by Notices to Members, will continue to be posted on the Exchange’s website,

at <http://www.nasdaqtrader.com/Micro.aspx?id=PBOToverview>. **Members and member organizations that do not supply an email address to the Nasdaq self-enrollment site as described above will not receive notification of the issuance of PBOT Regulatory Alerts, including PBOT rule changes after January 1, 2009, but will need to monitor the Exchange's website in order to learn of such PBOT Regulatory Alerts.**

Please contact Kristen Pross, NASDAQ OMX, at (212) 401-8924 with any questions regarding the self-enrollment process and receipt of Regulatory Alerts. Contact Carla Behnfeldt at (215) 496-5208 with any questions regarding the rule amendments.

The text of the amendments made to the rules referenced above is set forth below. New language is underlined and deletions are struck through.

Rule E2. Definitions and Rules of Construction

(a) When used in these Rules, these terms have the following meanings:

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~~Notice to Members. The term "Notice to Members" means a written communication titled "Notice to Members" that the Exchange sends to all Members and Member Organizations as described in Rule E36, which has the force and effect of Rules.~~

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PBOT Regulatory Alert. The term "PBOT Regulatory Alert" means a written communication titled "PBOT Regulatory Alert" that the Exchange sends to Members and Member Organizations as described in Rule E36, which has the force and effect of Rules.

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Rule. The term "Rule" means rules adopted, and Notices to Members PBOT Regulatory Alerts published, by the Exchange.

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(b) [No Change.]

Rule E7. Responsibility for Orders and Quotes

(a) Each Member and Member Organization is responsible for all Orders and Quotes submitted through its Member ID by any Persons associated with that Member or Member Organization. Each Member and Member Organization must

reasonably ensure that all Orders and Quotes submitted through its Member ID are submitted in good faith to execute bona fide trades and that the Orders and Quotes comply with all applicable provisions of the Act, Commission regulations and related requirements, all Rules (including PBOT Regulatory Alerts Notices to Members), and all Exchange regulatory and operational orders and procedures.

(b) Each Member and Member Organization must have one Authorized Trader Contact. Each Member and Member Organization must provide to the Exchange the name, title, telephone number and other contact information for its Authorized Trader Contact in the manner, format, and following the procedures established by the Exchange and as described in a PBOT Regulatory Alert Notice to Members.

(c) An Authorized Trader Contact is responsible for all business conducted by or through the Member or Member Organization's Member ID. Each Authorized Trader Contact must sign a written statement provided by the Exchange whereby the Authorized Trader consents to the jurisdiction of the Exchange and the Commission and agrees to observe and be bound by the By-laws and Rules of the Exchange, the Act, Commission regulations and related requirements, and all Exchange regulatory and operational orders and procedures. Among other duties and responsibilities that the Exchange may impose, an Authorized Trader must:

(1) - (2) [No Change]

(3) Ensure that all activity conducted under his or her Member Organization's Member ID complies with all applicable provisions of the Act, Commission regulations and related requirements, all Rules (including PBOT Regulatory Alerts Notices to Members), and all Exchange regulatory and operational orders and procedures; and

(4) [No Change]

(d) [No Change]

(e) The Member Organization must identify the Person submitting each Order or Quote by also attaching to the Order or Quote a Trader ID, a unique identifier, in the manner, format, and following the procedures established by the Exchange and as described in a PBOT Regulatory Alert Notice to Members.

(f) In the manner, format, and following the procedures established by the Exchange in a Notice to Members PBOT Regulatory Alert, each Member and Member Organization must provide to, and keep current with, the Exchange the contact information for its Authorized Trader Contact so that the Exchange can immediately reach the Authorized Trader Contact when Orders or Quotes are resting in, being submitted to, or being executed by PBOT XL through the Authorized Trader's Member Organization's Member ID.

Rule E36. Notices to the Exchange, Members, and Member Organizations.

(a) Members and Member Organizations shall provide any required notice to the Exchange in the manner set forth in these Rules, PBOT Regulatory Alerts Notices

~~to Members, or other Exchange regulatory or operational orders or procedures, as applicable.~~

~~(b) A PBOT Regulatory Alert Notice to Members shall become effective at the time published by the Exchange on its website or at any later time as determined appropriate by the Exchange and as stated in the notice. As soon as reasonably practicable, the Exchange shall provide each Members and Member Organizations with a copy of a PBOT Regulatory Alert Notice to Members by:~~

~~(1) handing a copy to the Member or Member Organization, or~~

~~(2) mailing a copy to the Member or to the address supplied to the Exchange by the Member or Member Organization for receipt of Notices to Members, or~~

~~(3) transmitting electronically a copy to the Member or Member Organization (including, through a facsimile or electronic mail transmission) to the electronic mail address, if any, supplied to the Exchange by the Member or Member Organization in the manner specified by the Exchange for receipt of PBOT Regulatory Alerts Notices to Members.~~

~~(c) [No Change]~~

Rule E3. Listed Contracts

The Exchange shall determine and publish through PBOT Regulatory Alerts Notices to Members the Contracts listed for trading through PBOT XL.

Rule E4. Trading Days and Hours

Except as provided in Rule E32 and Rule E33, the Exchange shall determine and publish through a PBOT Regulatory Alert Notice to Members the days on which the Exchange is open for business, the opening and closing hours of the market, and the opening and closing trading times for each Contract.

Rule E5. Market Opening

(a) The Exchange shall, by a PBOT Regulatory Alert Notice to Members or other appropriate means, designate a period prior to the market opening during which PBOT XL will accept Orders and Quotes for execution upon market open or for execution during the Trading Day.

(b) [No Change.]

Rule E10. Market Makers

(a) - (i) [No Change.]

(j) Market Makers shall have such rights and obligations as the Exchange may specify in connection with their approval or prescribe from time to time in any PBOT Regulatory Alert Notice to Members.

Rule E11. Customer Margin

(a) [No Change.]

(b) Rates and Requirements:

(1) A Member or Member Organization carrying a Customer Account with Contracts must collect at least the minimum margin requirements established by the Exchange. The Exchange will publish the minimum initial and maintenance margin rates and other requirements for each Contract through ~~Notices to Members~~ PBOT Regulatory Alerts or other appropriate means. Any changes imposed by the Exchange to initial or maintenance margin rates or requirements apply to both new and existing positions and the Exchange may, within its discretion, establish different margin rates or requirements for different types of accounts.

(2) Unless otherwise required by this Rule, a Member must use a risk-based portfolio margining system acceptable to the Exchange to calculate the margin rates imposed on a Customer by this Rule.

(c) - (f) No Change.

Rule E23. Block Trades

(a) - (e) No Change.

(f) In addition to the requirements of Rule E12(b) and Rule E12(c), for a Block Trade each Member or Member Organization shall record on an Order ticket the identity of the individual arranging the Block Trade and time stamp the Order when negotiation ends. Unless a different time period is designated by the Exchange through a PBOT Regulatory Alert ~~Notice to Members~~:

(1) for Block Trades negotiated during the trading hours of a Trading Day promptly but no later than 15 minutes after negotiations end for the Block Trade (i) the Member or Member Organization on the selling side of the Block Trade must obtain from the Exchange a trade authorization identification number and provide that trade authorization identification number to the Member or Member Organization on the buying side of the Block Trade and (ii) each Member or Member Organization must submit to the Exchange a completed Block Trade request form.

(2) for Block Trades negotiated at times other than the trading hours of a Trading Day, promptly but no later than 45 minutes before the next open of trading on a Trading Day (i) the Member or Member Organization on the selling side of the Block Trade must obtain from the Exchange a trade authorization identification number and provide that trade authorization identification number to the Member or Member Organization on the buying side of the Block Trade and (ii) each Member or Member Organization must submit to the Exchange a completed Block Trade request form.

(g) - (h) No Change.

Rule E32. Trading Restrictions and Suspensions

(a) - (d) No Change.

(e) Any trading restrictions or suspensions imposed under this Rule will be communicated by a PBOT Regulatory Alert Notice to Members or other means that the Exchange determines appropriate. The Exchange will document its decision-making process and the reasons for using its authority under this Rule, and consult with Commission staff as necessary and appropriate.