

December 13, 2012

**VIA E-MAIL**

Ms. Sauntia Warfield  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, D.C. 20581

**Re: Rule 40.6(a) Certification. Notification Regarding an Amendment to TD3  
Tanker Freight Contracts  
NYMEX Submission #12-459**

Dear Ms. Warfield

The New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") that it is self-certifying amendments to the Freight Route TD3 (Baltic) Futures contract chapter (Commodity code: TL, Rule Chapter: 684) and the Freight Route TD3 (Baltic) Average Price Option contract chapter (Commodity code: TDT, Rule Chapter: 949).

The rule amendments are intended to update the descriptive information relating to the underlying freight route TD3 so that it conforms to the description provided by the Baltic Exchange that will come into effect on 2 January 2013. It should be noted that the amendment does not change nature of the contracts, which are linked to the Baltic Exchange's assessment for the TD3 tanker freight route. The rule amendments are presented in Appendix A.

NYMEX business staff responsible for the amendments to the contract rules and the NYMEX legal department collectively reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act (the "Act" or "CEA"). During the review, NYMEX staff identified that the amendments may have some bearing on the following Core Principle:

- Availability of General Information: The information contained herein will be disseminated to the marketplace via Special Executive Report. The Exchange will publish information on the contracts' specifications on its website, together with daily trading volume, open interest and price information.

Pursuant to Section 5c(c) of the Act and CFTC Rule 40.6(a), the Exchange hereby certifies that the rule amendments comply with the Act, including regulations under the Act. There were no substantive opposing views to this proposal. These amendments shall become effective Tuesday, January 1, 2013, for trade date Wednesday, January 2, 2013.

The Exchange certifies that this submission has been concurrently posted on the Exchange's website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

Should you have any questions concerning the above, please contact the undersigned at (312) 930-8167 or [Sean.Downey@cmegroup.com](mailto:Sean.Downey@cmegroup.com).

Sincerely,

/s/Sean M. Downey  
Director and Assistant General Counsel

Attachment: Appendix A – Amendments to Exchange Rulebook

**Amendments to Exchange Rulebook**

(**bold underline** indicates addition, ~~strike through~~ indicates deletion)

**684.02. FLOATING PRICE**

The Floating Price for each contract month is equal to the arithmetic average of the rates for each business day that the TD3 Tanker Route (for **265,000** ~~260,000~~ metric tons for Middle East Gulf to Japan) is published by the Baltic Exchange over the contract month. If for any reason the Baltic Exchange cannot provide any rate required for establishing the Floating Price, then the Forward Freight Agreement Brokers Association (FFABA) may be instructed by either party to form a panel to establish any rate which will be binding on both parties.

**949.02. TRADING UNIT**

The Freight Route TD3 (Baltic) Average Price Option is an option on the rates for the TD3 freight route published by the Baltic Exchange. The contract size is 1,000 metric tons.

The underlying reference price shall be equal to the arithmetic average of the rates for the TD3 freight route (**265,000** ~~260,000~~ metric tons Middle East Gulf to Japan) published by the Baltic Exchange and multiplied by the prevailing Worldscale rate published by Worldscale Association, for each business day that such rate is published during the contract month.

On expiry or exercise, the Freight Route TD3 (Baltic) Average Price Put option shall be cash settled to the greater value of zero and the strike price minus the underlying reference price, multiplied by 1,000. On expiry or exercise, the Freight Route TD3 (Baltic) Average Price Call option shall be cash settled to the greater value of zero and the underlying reference price minus the strike price, multiplied by 1,000.