



BY ELECTRONIC TRANSMISSION

05-3
February 17, 2005

Ms. Jean A. Webb
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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2005 FEB 17 PM 3:30

Re: **Amendments to Rule 21.25 -
Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.6**

Dear Ms. Webb:

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, amendments to Rule 21.25, attached as Exhibit A, which update the list of violations for which summary fines may be issued. The amendments are as follows:

- (1) Section 21.25(b)(i)(A)8 - the prohibition of telephone cords longer than six feet is eliminated, because tall hooks have been installed so that cords can be strung above head level; in its place, the amendment to this subparagraph prohibits the use of computer equipment that is not certified or authorized for use on the trading floor by the Exchange's Department of Information Technology; the need for this prohibition is to lessen the possibility of computer viruses being introduced into the Exchange's computer system;
- (2) Section 21.25(b)(i)(A)17 - prohibit the use of photographic equipment;
- (3) Section 21.25(b)(i)(A)18 - change the wording so that the violation is "[l]eaving a spot in a Trading Ring in a disruptive manner"; the words "which conduct shall be known as 'Charging'" are deleted; there have been summary fine appeals concerning this violation, because, although the member may have engaged in disruptive behavior, he did not do so to gain a trading advantage in the trading ring; by eliminating the phrase concerning charging, the intent of the member or his clerk is no longer at issue, just his behavior;

- (4) Section 21.25(b)(i)(B)14 – add the violation of failure to report sales on the close;
- (5) Section 21.25(b)(ii)(B)4 - permit sneakers and athletic footwear to be worn to prevent slipping on the trading floor.

The Exchange certifies that the amendments comply with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder.

The amendments were adopted by the Exchange's Board of Governors on February 16, 2005. They will become effective on February 22, 2005. No substantive opposing views were expressed by members or others with respect to the amendments.

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

Sincerely,

Jill S. Fassler
Vice President
Associate General Counsel

cc: Riva Adriance
CFTC, Division of Market Oversight
Allen Cooper
CFTC, New York Regional Office

(In the text of the amendment below, additions are underlined and deletions are bracketed and lined out.)

Rule 21.25. Floor Committee Summary Action

* * *

(b) Conduct Subject to Summary Action

It shall be a violation of the Rules regarding decorum, attire, or timely submission of accurate records for a Member to engage in the following practices:

(i) Decorum:

The conduct enumerated below, if committed on the Trading Floor, on premises occupied by the Exchange, or in the building in which such premises are located is deemed a breach of decorum and is prohibited. In addition, the conduct specified in paragraph (A)(15) hereof, if committed in the area immediately surrounding any building in which the Exchange occupies premises is deemed a breach of decorum and is prohibited if such conduct relates to, or impacts upon, the business of the Exchange.

A. Conduct:

* * *

8. ~~[The use of telephone cords longer than six feet or encroaching upon the access to any ring.]~~
Using computer equipment not certified or authorized for use on the trading floor by the Exchange's Department of Technology.

* * *

17. The use of photographic equipment, cellular telephones or any other type of wireless communication device on the [t]Trading [f]Floor.

18. Leaving a spot in a Trading Ring in a disruptive manner, ~~[which conduct shall be known as "Charging-"]~~

* * *

B. Trading Practices:

14. failure to report sales on the close.

(ii) Attire: Fail to conform to the Exchange mandatory forms of dress and appearance.

* * *

B. The following forms of dress and appearance are not in conformity with Paragraph A of this section:

* * *

4. Conventional footwear shall not include: ~~[sneakers;]~~ sandals; thongs; slippers; ~~[athletic shoes]~~ and any shoes that have been altered or modified so as to increase an individual's height except in the case where a Floor Committee member determines that such alteration or modification is necessary to accommodate a physical disability.

[REMAINDER OF RULE UNCHANGED]

EXHIBIT A