

October 19, 2006

Via E-Mail

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

RECEIVED
CFTC
OCT 19 PM 2:34
OFFICE OF THE SECRETARY

Re: Rule Certification. NYMEX Submission 06.123: Notification of a Compliance Advisory Regarding the Disruptive Use of TAS and MO Trading Practices.

Dear Ms. Eileen Donovan:

The New York Mercantile Exchange ("NYMEX" or the "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") of a Compliance Advisory regarding the disruptive use of trading at settlement (TAS) and matched orders (MOs).

The Compliance Advisory (attached Notice No. 06-548) reminds members that misuse of TAS or MO trades to acquire a position in order to unfairly effect or attempt to unfairly effect a settlement price subject the member and/or the customer to disciplinary action for any of a number of rule violations including but not limited to attempted price manipulation, disruptive trading, wash trading, or conduct substantially detrimental to the exchange.

Pursuant to Section 5c(c) of the Commodity Exchange Act ("Act") and CFTC Rule 40.6, the Exchange hereby certifies that the attached notification filing complies with the Act, including regulations under the Act.

If you have any questions, please contact Nancy Minett, Vice President, Compliance, at (212) 299-2940, Russell Cloughen, Senior Director, Trade Practice Surveillance, at (212) 299-2880, or Adam Wernow, Compliance Counsel, at (212) 299-2851.

Sincerely,

Thomas F. LaSala
Senior Vice President
Compliance and Risk Management

cc: Brian Regan

Notice No. 06-548
October 19, 2006

TO: All Exchange Members, Member Firms and Clearing Members

FROM: James E. Newsome, President

RE: **Compliance Advisory: Disruptive Use of TAS and MO Trading Practices**

Members are reminded that misuse of TAS or MO trades to acquire a position in order to unfairly effect or attempt to unfairly effect a settlement price subject the member and/or the customer to disciplinary action for any of a number of rule violations including but not limited to attempted price manipulation, disruptive trading, wash trading, or conduct substantially detrimental to the exchange. Investigation of suspected manipulative pricing involving TAS will focus on the percentage of TAS positions acquired by a trader, group or traders or customer(s) and whether the offset of that position during the close was disruptive, collusive, and/or caused or attempted to cause aberrant price movement in the close.

If you have any questions, please contact Nancy Minett, Vice President, Compliance, at (212) 299-2940, Russell Cloughen, Senior Director, Trade Practice Surveillance, at (212) 299-2880, or Adam Wernow, Compliance Counsel, at (212) 299-2851.