

June 21, 2007

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CFTC OF THE SECRETARIAT

**VIA E-MAIL**

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

**Re: Rule Certification. New York Mercantile Exchange, Inc. Submission #07.78:  
Addition of new NYMEX Rule 11.70**

Dear CFTC Commissioners:

The New York Mercantile Exchange, Inc. ("Exchange") is notifying the Commodity Futures Trading Commission ("Commission") that it is self-certifying the addition of new NYMEX Rule 11.70, which governs a new market maker program pertaining to the electronic trading on the CME Globex® system of certain NYMEX and COMEX options contracts to be listed on that trading venue. Pursuant to Section 5c(c) of the Commodity Exchange Act ("Act") and CFTC Rule 40.6, the Exchange hereby certifies that the attached new rule complies with the Act, including regulations under the Act; this change will be made effective for trade date June 25, 2007.

Should you have any questions concerning the above, please contact the undersigned at (212) 299-2207.

Very truly yours,

Brian J. Regan  
Vice President and Counsel

Att.

**11.70 Exchange Options Market Maker Program for Electronic Trading of NYMEX and/or COMEX Options Contracts**

- A. General Provisions. The Exchange may establish an Options Market Maker Program ("the OMM Program") to remain in effect for such period of time as determined by the Exchange for one or more Exchange designated Option Market Makers ("OMM") to provide liquidity in certain NYMEX and/or COMEX options contracts as determined by the Exchange from time to time. The principal obligation of an OMM under the OMM Program is to post, on the Chicago Mercantile Exchange's Globex® electronic trading system, current and binding bids and offers of a specified maximum bid/offer spread and minimum quantity for specified NYMEX and/or COMEX options contracts, contract months, and strike prices, all as specified by the Exchange for such OMM. In addition, for each specified options contract, such market making activity generally must occur for a specified percentage of the applicable listed trading hours for electronic trading on Globex. In consideration for an OMM's market making activity, the OMM shall be charged such transaction fee rates as provided by the Exchange for that OMM.
- B. Additional OMM Program Terms and Conditions In addition to the market making obligations noted above, each OMM will agree to: (1) comply with all applicable NYMEX and CME rules related to the electronic trading of Exchange contracts on Globex; and (2) consent to the jurisdiction of New York state and federal courts based in the Manhattan borough of New York City, provided that any alleged violation of NYMEX rules by the OMM shall be adjudicated in accordance with the disciplinary rules of NYMEX. The Exchange may terminate an OMM's participation in the OMM Program in the event of a material violation by the OMM of the NYMEX or CME rules or its failure to meet its specified market making obligations. Trading in the capacity of an OMM shall be limited to trading for the OMM's proprietary trading account, and the OMM must conduct all OMM Program trading in an account that has been identified to the Exchange. .

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