NEW YORK
BOARD OF TRADE®

World Financial Center
One North End Avenue, 13th Floor
New York, New York 10282

BY ELECTRONIC TRANSMISSION

07-46
August 14, 2007

Ms. Eileen A. Donovan
Acting Secretary of the Commission
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

Re: **Amendments to Rule 4.31 –**
       Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.6

Dear Ms. Donovan:

       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 4.31, attached as Exhibit A.

       Rule 4.31 specifies the requirements applicable to the execution of Block Trades and details the procedures for reporting and submitting Block Trades to the Exchange. Because the submission of Block Trades to the Exchange is being changed so that Block Trades may only be submitted by clearing members (as opposed to floor brokers), the Rule was amended. The change in procedures has been made in anticipation of using the ICE Platform for submission of Block Trades once the necessary system changes have been made to ICEBlock. Specifically, the legal requirements applicable to all Block Trades have been retained, and the details associated with submission of Block Trades to the Exchange have been deleted and are set forth in Exchange procedures which, as indicated above, will change over time. A copy of the procedures to be used when the amendments are implemented is attached as Exhibit B. All of the procedures will be issued to the clearing members and other market participants prior to the implementation of the amendments and the change to the procedures.

       In addition, the Exchange has expanded the number of products for which Block Trades are permissible and has assigned minimum volume thresholds to such products as follows:

       Sugar No. 11 futures contracts – for the first 12 calendar months out 1,000 lots
              and for all other months 500 lots;

Sugar No. 11 options contracts – for all option months listed 250 lots;

Coffee "C" futures contracts – for all calendar months that are more than 12
calendar months out 500 lots for outrights and 250 lots for spreads;
Coffee "C" options contracts - for all option months listed 250 lots;
Cotton No. 2 options contracts – for all option months listed 250 lots;
FCOJ options contracts - for all option months listed 100 lots; and
Cocoa options contracts - for all option months listed 100 lots.

The minimum volume thresholds for futures trades were determined by the relevant Exchange Trade Committee after discussion of Commission guidelines. The minimum volume thresholds for options trades were determined by Exchange management and the Board after consideration of Commission guidelines.

The Exchange will continue to allow Block Trades in the NYSE Composite Index futures and options contracts and the Russell Complex futures and options contracts with a minimum volume threshold of 75 lots for all months listed in futures and options.

The amendments and procedures were adopted by the Exchange's Board of Directors at its meeting on August 10, 2007 and will go into effect on August 17, 2007. The Exchange certifies that the amendments and procedures comply with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder.

Concerns were expressed by a few members of some of the Trade Committees, who view block trading as diminishing liquidity in the open outcry and electronic markets and diminishing transparency of the price discovery function of the marketplace.

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

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 amendments below, additions are underlined and deletions are bracketed and lined out.)

Rule 4.31. Block Trading

(a) Members may enter into privately negotiated Transactions with respect to Commodity Contracts designated by the Exchange for such purpose (hereinafter referred to as "Block Trades"), provided that all of the following conditions are satisfied:

(i) Each party to a Block Trade must be an Eligible Contract Participant as that term is defined in Section 1a(12) of the Act; provided that, if the Block Trade is entered into on behalf of Customers by a commodity trading advisor registered under the Act ("CTA"), including without limitation any investment advisor registered as such with the Securities and Exchange Commission that is exempt from regulation under the Act or CFTC regulations with total assets under management exceeding US$25 million, or by a foreign entity performing a similar role or function to a CTA or investment advisor that is subject to foreign regulation with total assets under management exceeding US$50 million, the individual Customers need not so qualify.

(ii) Each buy or sell order underlying a Block Trade must:

(A) state explicitly that it is to be, or may be, executed by means of a Block Trade; and

(B) be for at least the applicable minimum threshold as specified by the Exchange; provided that only a CTA, including without limitation any investment advisor registered with the Securities and Exchange Commission that is exempt from regulation under the Act or Commission regulations, with total assets under management exceeding US$25 million or a foreign entity performing a similar role or function to a CTA or investment advisor that subject to a foreign regulation with total assets under management exceeding US$50 million, may satisfy this requirement by aggregating orders for different accounts.

(iii) The price at which a Block Trade is executed must be fair and reasonable in light of (A) the size of such Block Trade, (B) the price and size of other Trades in the same contract at the relevant time; (C) the price and size of Trades in other relevant markets, at the relevant time, and (D) the circumstances of the parties to such Block Trade, but, in no event, shall the price at which a Block Trade is executed be outside of the no cancellation range as defined in Chapter 27 of the Rules.

(iv) Block Trades shall not set off conditional orders, including but not limited to, stop orders, limit orders or market-if-touched orders, or otherwise affect orders in the regular market.

[(v) All Block Trades must be reported by the selling Floor Broker to a designated Exchange official within two (2) minutes of the time of execution, or, in case of Block Trades executed after the close of the particular futures or Options contract but before the open of such futures or Options contract on the next Business Day in New York, during the opening call of such futures or Options contract on the next Business Day in New York. The report must include the contract, contract month, price and quantity of the Trade. The Exchange shall immediately publish such information separately from the reports in the regular market.

(vi) Floor Brokers executing Block Trades must record such Block Trades on their trading cards along with the time of execution. All executed Block Trades must be cleared through Clearing Members.]

EXHIBIT A

(v) Block Trades executed on the Last Trading Day for any delivery month in Sugar No. 11 Futures Contract must be executed and reported before the final five (5) minutes of trading.

(b) Block Trades may be executed in [the following] Exchange Futures and Options Contracts as determined by the Board and must meet the [following] applicable minimum thresholds[:

Contract	Minimum Threshold
(i) NYSE Composite Index Futures Contract	75
(ii) NYSE Composite Index Options Contract	75
(iii) Russell Complex Futures Contracts	75
(iv) Russell Complex Options Contract	75]

for such contracts as determined by the Board from time to time.

(c) The parties to a Block Trade shall cause the Transaction to be reported to the Exchange in accordance with such procedures as are determined by the Exchange from time to time.

(d) It is the responsibility of the Clearing Member carrying the account for which a Block Trade is executed to determine that the requirements as stated in paragraphs (a) through (c) of this Rule have been complied with.

ICE Clear US, Inc.

Procedures for Clearing Member Submission of Block Trades

1. A Block trade is transacted over-the-counter. Block trades will only be permitted during open outcry trading hours.

2. The Block trade must be entered by either;

   (1) each clearing member enters their side of the block transaction into TIPS or

   (2) one clearing member enters both sides of the transaction and allocates one side to another clearing member.

   A clearing member must sign into TIPS using its 1900 series badge ID. Each Clearing Member entering a transaction will be required to enter a card and line number in TIPS for each Block transaction it submits to ICE Clear US. ICE Clear US will distribute a list of unique trading card numbers to be used specifically for submitting Block transactions by that Clearing Member.

3. TIPS will match the sides to the trade and each clearing member will be required to accept the matched trade via TIPS. If a transaction is challenged, it will be cleared by the clearing member who entered the block transaction into TIPS.

4. The selling clearing member must notify ICE Clear US, by email within five (5) minutes of the trade execution, as to the Commodity, Month, Year, volume, price, and opposite badge ID.

5. ICE Clear US will confirm that the price is within the no cancellation range established by the Exchange in connection with the Error Trade Policy for electronic trading in the contract underlying the block trade. If the price is not within such limits the trade will be deleted from TIPS. If the price is within such limits, ICE Clear will report the details of the trade to the Podium in the relevant futures ring for entry in to the Exchange's record of Times and Sales, where it will be identified with a designation indicating its execution as a block trade.

EXHIBIT B