



New York  
Mercantile Exchange

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October 22, 2007

OFFICE OF THE SECRETARIAT

**Via E-Mail**

Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, N.W.  
Washington, DC 20581

Re: Rule Certification, New York Mercantile Exchange, Inc.  
Correction and Supplemental Filing to NYMEX Submission No. 07-101: Addition  
of Liquidity Provider Program

Dear CFTC Secretary:

The New York Mercantile Exchange, Inc. ("Exchange") previously notified the Commodity Futures Trading Commission ("Commission") that it was self-certifying a new Liquidity Provider Program ("LPP") for the NYMEX Brent Crude Oil Contract ("BZ"). As noted, under the terms of the LPP, up to 15 liquidity providers ("LPs") selected by the Exchange are engaged to trade the BZ contract on the CME's GLOBEX® system. In consideration of the LPs making a good faith effort to trade the BZ contract, the Exchange will offer LPs a revenue sharing arrangement and a reduced Exchange-rate structure for LPs that are non-members of the Exchange. In the original submission, the Exchange indicated the duration of this program would be five years. With this letter, the Exchange is correcting the prior information about duration; this liquidity provider program shall run for a period of three years. At that time, should the Exchange determine to renew the program, a new filing would be made to the Commission.

While this program was open to interested and qualified applicants, the Exchange did undertake its own search to identify and to solicit interest in the program for companies that were already active market participants in other Exchange contracts and whose trading activity generally focuses upon providing liquidity to futures markets. Most but not all of these firms expressed interest in participating in the program, and after a period of negotiation, the Exchange eventually reviewed and individually approved each of the prospective liquidity providers that were accepted into the program.

An LPP must be in the top ten of the 15 participating LPPs (as measured by volume in BZ) in order to participate in the revenue sharing incentive. Furthermore, participants in that incentive structure must requalify each year in order to remain in that program and would do so by continuing to rank in the top ten by volume among participating LPPs. As a note, the volume measurement used for this liquidity provider program excludes all transactional activity of the LPPs. In addition, all trading activity undertaken pursuant to this liquidity provider program will be screened by Exchange

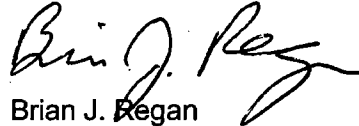
New York Mercantile Exchange, Inc.  
World Financial Center  
One North End Avenue  
New York, NY 10282-1101  
(212) 299-2000

*The New York Mercantile Exchange, Inc., is composed of two divisions.  
The NYMEX Division offers trading in crude oil, heating oil, unleaded gasoline,  
natural gas, electricity, coal, propane, platinum, and palladium. The COMEX Division  
offers trading in gold, silver, copper, and aluminum.*

staff using all applicable automated surveillance tools, including but not limited to wash trading surveillance programs. .

Should you have any questions concerning the supplementary information regarding the LPP, please contact the undersigned at (212) 299-22207.

Very truly yours,

A handwritten signature in black ink, appearing to read "Brian J. Regan". The signature is fluid and cursive, with a prominent loop at the end of the last name.

Brian J. Regan  
Senior Vice President and Counsel