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OFFICE OF THE SECRETARIAT
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February 3, 2010

Mr. David Stawick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

**RE: Revised NYMEX & COMEX Market Regulation Advisory Notice
RA1002-4
NYMEX/COMEX Submission No. 10-036RR**

Dear Mr. Stawick:

This second revised submission replaces Submission 10-036R which was self-certified on February 2, 2010. This second revision is being issued based on changes that have been made to NYMEX & COMEX Market Regulation Advisory Notice RA1002-4. The changes to the Advisory Notice have been made based on questions which were received concerning the pricing of the legs of Trading at Settlement ("TAS") calendar spreads in four NYMEX energy futures contracts. In addition to providing more clarity with respect to the pricing of the legs, a third example has been added to the Advisory Notice.

This revised Advisory Notice has been issued to the marketplace and is included in this submission.

The New York Mercantile Exchange, Inc. ("NYMEX") and Commodity Exchange, Inc. ("COMEX") (collectively, "the Exchanges") hereby notify the Commodity Futures Trading Commission that they issued NYMEX & COMEX Market Regulation Advisory Notice RA1001-4 and Revised Market Regulation Advisory Notice RA1002-4 on February 2, 2010. The Advisory Notices have been issued based on the upcoming launch of TAS pricing for four NYMEX energy calendar spreads on CME Globex on February 7 (for trade date February 8) and on the NYMEX trading floor on February 8. Upon launch, intra-commodity calendar spreads in the nearby/second month spread and the second month/third month spread may be executed on CME Globex or the NYMEX trading floor and priced at TAS in the following products: Light Sweet Crude Oil, New York Harbor No. 2 Heating Oil, Henry Hub Natural Gas and RBOB Gasoline.

At launch, these spreads will also be eligible to trade as TAS block trades pursuant to the requirements of Rule 526 ("Block Trades"). Information concerning block trading in these spreads is included in RA1001-4. Information on the availability of TAS pricing for these spreads, in addition to examples of the pricing methodology is included in second Revised Market Regulation Advisory Notice RA1002-4.

A copy of the Advisory Notices is included with this submission.

The Exchanges certify that the Advisory Notices comply with the Commodity Exchange Act and regulations thereunder.

If you have any questions regarding the Advisory Notices, please contact Robert Sniagowski, Market Regulation, at 312.341.5991 or me at 312.648.5422. Please reference NYMEX/COMEX Submission No. 10-036RR in any related correspondence.

Sincerely,

/s/ Stephen M. Szarmack
Regulatory Counsel

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MARKET REGULATION ADVISORY NOTICE

Exchange	NYMEX & COMEX
Subject	Block Trades
Rule References	Rule 526
Advisory Date	February 2, 2010
Advisory Number	NYMEX & COMEX RA1001-4
Effective Date	February 7, 2010

This Advisory Notice supersedes NYMEX & COMEX Market Regulation Advisory Notice RA0915-4 from December 29. It is being reissued to incorporate information into Section 5 of this Advisory Notice concerning Trading at Settlement ("TAS") block trades based on the launch of TAS in four NYMEX intra-commodity energy futures calendar spreads trading on CME Globex (February 7 for trade date February 8) and on the trading floor (February 8). Upon launch, intra-commodity calendar spreads in the nearby month/second month spread and the second month/third month spread in Light Sweet Crude Oil, New York Harbor No. 2 Heating Oil, Henry Hub Natural Gas and RBOB Gasoline may be executed on CME Globex, executed on the trading floor or executed as block trades and priced at TAS. Additional information on trading these calendar spreads at TAS is included in today's release of CME Group Special Executive Report S-5124.

Block trades in NYMEX and COMEX products are governed by Rule 526 and the information provided in this Advisory Notice.

A complete list of NYMEX and COMEX products in which block trading is permitted and the relevant quantity thresholds appear in Section 11 on page 4. The text of Rule 526 appears in Section 13 on page 5.

1. Definition of Block Trades

Block trades are privately negotiated futures, options or combination transactions that meet certain quantity thresholds which are permitted to be executed apart from the public auction market. All block trades are subject to the conditions set forth in NYMEX and COMEX Rule 526 and in this Advisory Notice.

2. Participation in Block Trades

Each party to a block trade must be an Eligible Contract Participant as that term is defined in Section 1a(12) of the Commodity Exchange Act. Eligible Contract Participants generally include exchange members and member firms, broker/dealers, government entities, pension funds, commodity pools, corporations, investment companies, insurance companies, depository institutions and high net-worth individuals. Commodity trading advisors and investment advisors who are registered or exempt from registration, and foreign persons performing a similar role and subject as such to foreign regulation, may participate in block transactions provided they have total assets under management exceeding \$25 million and the block trade is suitable for their customers.

A customer order may be executed by means of a block trade only if the customer has specified that the order be executed as a block trade.

Orders may not be bunched to meet the minimum block quantity thresholds.

3. Time and Prices of Block Trades

Block trades may be executed at any time, including times during which the public auction market is closed.

Block trades must be transacted at prices that are “**fair and reasonable**” in light of (i) the size of the transaction, (ii) the prices and sizes of other transactions in the same contract at the relevant time, (iii) the prices and sizes of transactions in other relevant markets, including, without limitation, the underlying cash market or related futures markets, at the relevant time, and (iv) the circumstances of the markets or the parties to the block trade.

The trade price must be consistent with the minimum tick increment for the market in question. Additionally, each outright transaction and each leg of any block eligible spread or combination trade must be executed at a single price.

Block trade prices are reported independently of transaction prices in the regular market and are not included as part of the daily trading range. Block trade prices do not elect conditional orders (e.g. stop orders) or otherwise affect orders in the regular market.

4. Block Trade Minimum Quantities for Outrights, Spreads and Combinations

The block trade minimum quantity requirements for outright futures and options are set forth in the list of block trade eligible products in Section 11 which begins on page 4 of this Advisory Notice. In order to be executed as a block trade, each leg of the spread or combination (including intra-commodity, inter-commodity and options/futures spreads) must be block-eligible and the quantity of each leg of the spread must meet the designated minimum quantity threshold.

5. TAS Block Trades

Certain block-eligible futures contract months may be executed as block trades and assigned the current day's settlement price or any valid price increment ten ticks higher or lower than the settlement price (“TAS block trades”).

Additionally, intra-commodity calendar spreads in the nearby month/second month spread and the second month/third month spread may be executed as block trades in the following four NYMEX energy futures contracts: Light Sweet Crude Oil, New York Harbor No. 2 Heating Oil, Henry Hub Natural Gas and RBOB Gasoline.

The pricing of the legs of the TAS calendar spread block trade will be calculated by assigning the settlement price to the nearby leg of the spread. The far leg will be priced by applying the TAS price (the settlement price or any valid price increment ten ticks higher or lower) to the far leg settlement price and then subtracting that price from the nearby month leg price.

TAS block trades, including eligible TAS calendar spread block trades, may not be executed on the last day of trading in an expiring contract.

The products and contract months in which TAS block trades are permitted appear in Section 11 which begins on page 4.

6. Block Trade Reporting Requirements

a) Time Requirements

Block trades must be reported to the exchange by the seller within **five minutes** of the transaction.

b) Reporting Methods

Block trades must be reported to the exchange via one of the methods described below.

i) CME ClearPort

Block trades may be reported to the CME ClearPort Block Trade Facilitation Desk by calling **1.866.246.9639**. Additionally, block trades may be electronically submitted directly to CME Clearing via CME ClearPort. For information on reporting block trades through CME ClearPort, please contact customer service at 1.800.438.8616 or via email at ClearPort@cmegroup.com.

ii) Trading Floor

Block trades negotiated on the trading floor must be reported to exchange staff at the Master Pulpit.

c) Information Required when Reporting Block Trades

When reporting a block trade, the following information will be required:

- Contract, contract month and contract year for futures, and, additionally for options, strike price and put or call designation;
- Quantity of the trade or, for spreads and combinations, the quantity of each leg of the trade;
- Price of the trade or, for spreads and combinations, the price of each leg of the trade;
- Buyer's clearing firm and seller's clearing firm;
- Name and phone number of the representative reporting the trade (for floor reporting only); and
- Execution time (in Eastern Time) of the trade (i.e. the time at which the trade was consummated) (for floor reporting only).

7. Block Trade Submission Requirements to CME Clearing

Block trades reported to the trading floor must be entered by the seller or his designated representative into the CME clearing system within 30 minutes of execution and must contain the material terms of the trade, including the allocation to the correct clearing firm unless the trade will clear at the seller's qualifying clearing member firm. Within 60 minutes of execution and after entry by the seller, the buyer or his designated representative must enter into the CME clearing system a time of execution for the trade, note any disagreement with any of the terms of the trade entered by the seller, and allocate the trade to the correct clearing firm unless the trade will clear at the buyer's qualifying clearing member firm. When reporting spread or combination transactions, each leg must be entered individually. Separate submission to the CME clearing system is not required in the event that the block trade is directly entered into CME ClearPort or reported to the CME ClearPort Facilitation Desk.

8. Block Trade Recordkeeping

Complete order records for block trades must be created and maintained, just as with any other transaction. However, as noted above, the time of execution of the block trade must also be recorded.

9. Dissemination of Block Trade Information

Block trade information is displayed on the trading floor.
Block trade prices are published separately from transactions in the regular market.

Block trade volume is also included with other privately negotiated transactions in the daily volume reports published by the exchange.

10. Pre-Execution Communications

The prohibition on prearranged trading and the requirements related to pre-execution communications with respect to certain Globex trades set forth in Rule 539 do not apply to block trades.

11. NYMEX & COMEX Block Trade-Eligible Products

Products	Futures	TAS-Eligible Futures Contract Months	Options
Brent Financial	100 contracts	spot, 2 nd and 3 rd	Not available
Brent Crude Oil Last Day	100 contracts		Not available
Light Sweet Crude Oil	200 contracts	spot, 2 nd , 3 rd and 7 th	1,000 contracts
Gulf Coast Sour Crude Oil	200 contracts		Not available
New York Harbor No. 2 Heating Oil	100 contracts	spot, 2 nd and 3 rd	300 contracts
Henry Hub Natural Gas	100 contracts	spot, 2 nd and 3 rd	1,600 contracts
European-Style Natural Gas	Not available		550 contracts
Gulf Coast Gasoline	100 contracts		Not available
Gulf Coast Ultra Low Sulfur Diesel	100 contracts		Not available
New York Harbor Ultra Low Sulfur Diesel	100 contracts		Not available
RBOB Gasoline	100 contracts	spot, 2 nd and 3 rd	350 contracts
NYMEX Cocoa	100 contracts		Not available
NYMEX Coffee	100 contracts		Not available
NYMEX Cotton	100 contracts		Not available
NYMEX No. 11 Sugar	100 contracts		Not available
Gold	200 contracts		300 contracts
Silver	200 contracts		150 contracts
Copper	100 contracts		Not available

12. Contact Information

Questions regarding this advisory may be directed to the following individuals:

Market Regulation:	Anthony Densieski, Director	212.299.2881
CME Clearing:	CME Clearing Support	312.207.2525

For media inquiries concerning this Advisory Notice, please contact CME Group Corporate Communications at 312.930.3434 or news@cmegroup.com.

13. Text of NYMEX & COMEX Rule 526

Rule 526 BLOCK TRADES

The Exchange shall designate the products in which block trades shall be permitted and determine the minimum quantity thresholds for such transactions. The following shall govern block trades:

- A. A block trade must be for a quantity that is at or in excess of the applicable minimum threshold. Orders may not be aggregated in order to achieve the minimum transaction size, except by those entities described in Sections I. and J.
- B. Each party to a block trade must be an Eligible Contract Participant as that term is defined in Section 1a(12) of the Commodity Exchange Act.

- C. A member shall not execute any order by means of a block trade for a customer unless such customer has specified that the order be executed as a block trade.
- D. The price at which a block trade is executed must be fair and reasonable in light of (i) the size of the block trade, (ii) the prices and sizes of other transactions in the same contract at the relevant time, (iii) the prices and sizes of transactions in other relevant markets, including without limitation the underlying cash market or related futures markets, at the relevant time, and (iv) the circumstances of the markets or the parties to the block trade.
- E. Block trades shall not set off conditional orders (e.g., Stop Orders and MIT Orders) or otherwise affect orders in the regular market.
- F. The seller must ensure that each block trade is reported to the Exchange within five minutes of the time of execution. The report must include the contract, contract month, price, quantity of the transaction, the respective clearing members, the time of execution, and, for options, strike price, put or call and expiration month. The Exchange shall promptly publish such information separately from the reports of transactions in the regular market.
- G. Block trades must be reported to the Clearing House in accordance with an approved reporting method.
- H. Clearing members and members involved in the execution of block trades must maintain a record of the transaction in accordance with Rule 536.
- I. A commodity trading advisor ("CTA"), registered or exempt from registration under the Act, including, without limitation, any investment advisor registered or exempt from registration under the Investment Advisors Act of 1940, shall be the applicable entity for purposes of Sections A., B., C., and D., provided such advisors have total assets under management exceeding \$25 million and the block trade is suitable for the customers of such advisors.
- J. A foreign Person performing a similar role or function to a CTA or investment advisor as described in Section I, and subject as such to foreign regulation, shall be the applicable entity for purposes of Sections A., B., C., and D., provided such Persons have total assets under management exceeding \$25 million and the block trade is suitable for the customers of such Persons.

MARKET REGULATION ADVISORY NOTICE

Exchange	NYMEX & COMEX
Subject	Trading at Settlement and Matched Order Transactions
Rule References	Rule 524
Advisory Date	February 3, 2010
Advisory Number	NYMEX & COMEX RA1002-4 (Revised)
Effective Date	February 7, 2010

This Advisory Notice is being reissued to clarify the method that will be applied to the pricing of the legs of Trading at Settlement ("TAS") calendar spreads and to provide a third example. The clarification is based on questions that have been received since the original Advisory Notice was issued on February 2.

This Advisory Notice supersedes NYMEX & COMEX Market Regulation Advisory Notice RA0914-4 from December 10, 2009. It is being reissued based on the launch of TAS in four NYMEX intra-commodity energy futures calendar spreads trading on CME Globex (February 7 for trade date February 8) and on the trading floor (February 8). Upon launch, intra-commodity calendar spreads in the nearby month/second month spread and the second month/third month spread in Light Sweet Crude Oil, New York Harbor No. 2 Heating Oil, Henry Hub Natural Gas and RBOB Gasoline may be executed on CME Globex or on the trading floor and priced at TAS.

The pricing of the legs of a TAS calendar spread will be calculated as follows:

- The nearby leg of the spread will always be priced at the settlement price determined by the Exchange for that contract month.
- The far leg of the spread will be priced at the settlement price determined by the exchange for that contract **minus** the allowable TAS price increment traded (negative 10 through positive 10), except in circumstances where the traded TAS price is the actual settlement price of the contract.

Example 1:

A March 2010/April 2010 (H/J) Light Sweet Crude Oil calendar spread trades at TAS -1. Assume the March contract settles at 74.71 and the April contract settles at 75.15.

The March leg will be priced at the March settlement price of 74.71. The April leg will be priced at 75.16, which is the April settlement price of 75.15 minus the TAS price increment of -1 (75.15 minus -.01 = 75.16).

Example 2:

An April 2010/May 2010 (J/K) Henry Hub Natural Gas calendar spread trades at TAS +3. Assume the April contract settles at 5.411 and the May contract settles at 5.459.

The April leg will be priced at the April settlement price of 5.411. The May leg will be priced at 5.456, which is the May settlement price of 5.459 minus the TAS price increment of +3 (5.459 minus +.003 = 5.456).

Example 3:

A March 2010/April 2010 (H/J) New York Harbor No. 2 Heating Oil calendar spread trades at TAS +/- 0. Assume the March contract settles at 2.0317 and the April contract settles at 2.0379.

The March leg will be priced at the March settlement price of 2.0317. The April leg will be priced at 2.0379, which is the April settlement price.

These spreads have been incorporated into the list of products eligible for TAS pursuant to Rule 524 ("Trading at Settlement ("TAS") and Matched Order ("MO") Transactions") which begins on the next page of this Advisory Notice. The text of Rule 524 appears on page 5.

All market participants are reminded that misuse of TAS (including TAS block trades) or MO trades to acquire a position in order to unfairly affect or attempt to unfairly affect a settlement price may subject the member and/or the market participant to disciplinary action for any of a number of rule violations, including, but not limited to:

- price manipulation or attempted price manipulation
- wash trading
- conduct substantially detrimental to the interests or welfare of the exchange

Any Market Regulation Department investigation of suspected manipulative pricing involving TAS or MO trades will include review of such positions acquired by market participants and **whether the offset of those positions during the close was disruptive, collusive, and/or caused or attempted to cause aberrant price movement during the close.**

Trading at Settlement ("TAS") Transactions

TAS transactions may take place in the following futures contract months:

Pit-Traded Contracts

Light Sweet Crude Oil

spot (except on the last trading day), 2nd, 3rd and 7th months
nearby/second month and second/third month calendar spreads

Brent Crude Oil Last Day Financial

spot (except on the last trading day)

New York Harbor No. 2 Heating Oil

spot (except on the last trading day), 2nd and 3rd months
nearby/second month and second/third month calendar spreads

Henry Hub Natural Gas

spot (except on the last trading day), 2nd and 3rd months

nearby/second month and second/third month calendar spreads

RBOB Gasoline

spot (except on the last trading day), 2nd and 3rd months
nearby/second month and second/third month calendar spreads

Gulf Coast Gasoline

spot (except on the last trading day)

Gulf Coast Ultra Low Sulfur Diesel (ULSD)

spot (except on the last trading day)

NYMEX Crude Oil Backwardation/Contango (B/C) Index

spot (except on the last trading day)

NYMEX Crude Oil MACI Index

spot (except on the last trading day)

CME Globex Contracts

Commodity Code on CME Globex	Name & Contract Months	Cleared Product
CLT	Light Sweet Crude Oil spot (except on the last trading day), 2 nd , 3 rd and 7 th months and nearby/second month and second/third month calendar spreads (except on last trading day)	CL
BZT	Brent Crude Oil Last Day Financial spot (except on the last trading day)	BZ
BBT	Brent Crude Oil Penultimate Financial Spot, 2 nd and 3 rd months	BB
HOT	New York Harbor No. 2. Heating Oil spot (except on the last trading day), 2 nd and 3 rd months and nearby/second month and second/third month calendar spreads (except on last trading day)	HO
NGT	Henry Hub Natural Gas spot (except on the last trading day), 2 nd and 3 rd months and nearby/second month and second/third month calendar spreads (except on last trading day)	NG
RBT	RBOB Gasoline spot (except on the last trading day), 2 nd and 3 rd months and nearby/second month and second/third month calendar spreads (except on last trading day)	RB

Commodity Code on CME Globex	Name & Contract Months	Cleared Product
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LRT	Gulf Coast Gasoline spot (except on the last trading day)	LR
LUT	Gulf Coast Ultra Low Sulfur Diesel (ULSD) spot (except on the last trading day)	LU
KTT	NYMEX Coffee spot (except on the last trading day)	KT
CJT	NYMEX Cocoa spot (except on the last trading day)	CJ
TTT	NYMEX Cotton spot (except on the last trading day)	TT
YOT	NYMEX No. 11 Sugar spot (except on the last trading day)	YO
XKT	NYMEX Crude Oil Backwardation/Contango (B/C) Index spot (except on the last trading day)	XK
XCT	NYMEX Crude Oil MACI Index spot (except on the last trading day)	XC
RET	REBCO spot (except on the last trading day), 2 nd and 3 rd months	RE

Matched Orders ("MO")

MO transactions may take place in the following pit-traded futures contract months:

Copper – spot and next four consecutive months

Questions regarding this Advisory Notice may be directed to the following individuals in Market Regulation:

Nancy Minett, Director, 212.299.2940
Russell Cloughen, Associate Director, 212.299.2880

For media inquiries concerning this Advisory Notice, please contact CME Group Corporate Communications at 312.930.3434 or news@cmegroup.com.

Text of Rule 524

Trading at Settlement ("TAS") and Matched Order ("MO") Transactions

The Exchange shall determine the commodities, contract months and time periods during which TAS and MO transactions shall be permitted.

524.A. Trading at Settlement ("TAS") Transactions

The following shall govern TAS transactions:

1. TAS transactions executed in the pit must be made open and competitively pursuant to the requirements of Rule 521 during the hours designated for pit trading in the particular contract and must be identified as such on the member's trading records.
2. TAS transactions on Globex may take place at any time the applicable contracts are available for trading on Globex.
3. TAS-eligible commodities and contract months may be executed as block trades pursuant to the requirements of Rule 526 except that TAS block trades may not be executed on the last day of trading in an expiring contract.
4. TAS transactions may be executed at the current day's settlement price or at any valid price increment ten ticks higher or lower than the settlement price.

524.B. Matched Order ("MO") Transactions

The following shall govern MO transactions:

1. The price of the MO will be the settlement price for that contract.
2. Only Market on Close ("MOC") orders are eligible to trade as an MO. Members may execute an MOC order during an eligible MO time period as an MO unless specific instructions to the contrary are provided, and such instructions are denoted on the order. Failure to enter specific instructions when placing the MOC order will forfeit a customer's right to cancel the MOC, in whole or in part, if the order or any portion of the order has been previously executed. An MOC order executed as an MO must be reported to the customer as an MO upon execution. An order entered as an MO will be executed during the closing period as an MOC order if not previously executed as an MO or specifically designated to be executed only as an MO. An order specifically designated for execution only as an MO must be designated as such at the time the order is placed.
3. Members must identify an MOC order executed as an MO on their trading record.