



March 4, 2010

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

**RE: Elimination of References to Pit Committee
NYMEX/COMEX Submission No. 10-057**

Dear Mr. Stawick:

The New York Mercantile Exchange, Inc. ("NYMEX") and Commodity Exchange, Inc. ("COMEX") (collectively, the "Exchanges") hereby notify the Commodity Futures Trading Commission that, effective immediately, they have eliminated references to the Pit Committee in the NYMEX and COMEX Rulebook and have replaced those references, where appropriate, with references to the Floor Conduct Committee or Exchange Officials. NYMEX and COMEX do not maintain separate pit committees for each trading pit as is the practice at Chicago Mercantile Exchange Inc. and The Board of Trade of the City of Chicago, Inc. Instead, the members appointed to the NYMEX and COMEX Floor Conduct Committee exercise the responsibilities currently handled by Pit Committee members in Chicago.

The amendments begin on the next page, with additions underscored and deletions overstruck.

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

If you have any questions regarding the amendments, please contact Robert Sniegowski, Market Regulation Department, at 312.341.5991 or me at 312.648.5422. Please reference NYMEX/COMEX Submission No. 10-057 in any related correspondence.

Sincerely,

/s/ Stephen M. Szarmack
Regulatory Counsel

2010 MAR 4 PM 4 54
OFFICE OF THE SECRETARIAT
C.F.T.C.

404. PIT COMMITTEE[RESERVED]

~~The Pit Committee shall have the authority to: 1) participate in the determination of opening and closing ranges in accordance with Rule 546; 2) oversee and enforce changes in prices in accordance with Rule 528; 3) resolve pit space disputes; 4) remove unauthorized persons from the pit; 5) resolve, by immediate action, all grievances arising from price infractions pursuant to Rule 514 during pit trading; and 6) issue charges for alleged violations of Rule 514.~~

~~To the extent that Pit Committee members participate in the creation of settlement prices, they agree to assign and transfer to the Exchange any and all right, title and interest in and to the settlement prices, including, but not limited to, all copyrights in the settlement prices.~~

~~A Pit Committee member shall not exercise his authority if he or any person, firm, or broker association with which he is affiliated has a personal, financial, or other direct interest in the matter under consideration. A Pit Committee member shall be deemed to have a financial interest if the decision is likely to have an immediate financial impact on a transaction for his account or an account in which he has an interest or if the decision is likely to impact on liability for filling an order for which he or a person with whom he has a financial or business relationship was responsible.~~

405. FLOOR CONDUCT COMMITTEE

The Floor Conduct Committee shall have the authority to: 1) participate in the determination of opening and closing ranges in accordance with Rule 546; 2) oversee and enforce changes in prices in accordance with Rule 528; 3) resolve pit space disputes; 4) remove unauthorized persons from the pit; 5) resolve, by immediate action, all grievances arising from price infractions pursuant to Rule 514 during pit trading; and 6) issue charges for alleged violations of Rule 514.

To the extent that Floor Conduct Committee members participate in the creation of settlement prices, they agree to assign and transfer to the Exchange any and all right, title and interest in and to the settlement prices, including, but not limited to, all copyrights in the settlement prices.

A Floor Conduct Committee member shall not exercise his authority if he or any person, firm, or broker association with which he is affiliated has a personal, financial, or other direct interest in the matter under consideration. A Floor Conduct Committee member shall be deemed to have a financial interest if the decision is likely to have an immediate financial impact on a transaction for his account or an account in which he has an interest or if the decision is likely to impact on liability for filling an order for which he or a person with whom he has a financial or business relationship was responsible.

~~The Floor Conduct Committee shall be responsible for resolving pit space disputes that are not resolved by the Pit Committee. The Floor Conduct Committee shall conduct summary proceedings for alleged violations of Rule 514. Floor Conduct Committee members shall participate in the resolution of quotation change requests pursuant to the Quotation Change Procedures set forth in the Appendix to Chapter 5. The Floor Conduct Committee shall have jurisdiction to conduct summary proceedings for violations of, and assess penalties in accordance with, Exchange rules. The procedures contained in Rule 409 shall govern summary proceedings.~~

409. SUMMARY PROCEEDINGS BEFORE THE FLOOR CONDUCT COMMITTEE

409.A. Jurisdiction

A member of the Pit Committee, a member of the Floor Conduct Committee, or a designated representative of the Market Regulation Department shall have the authority to issue charges against an individual with respect to trading infractions as set forth in Rule 514. A panel of the Floor Conduct Committee shall have authority to conduct summary proceedings with respect to charges under Rule 514.

Charges against an individual shall be issued by filing the appropriate forms with the Market Regulation Department and by giving a copy to the respondent.

[The remainder of the rule is unchanged.]

546. OPENING AND CLOSING RANGES DURING REGULAR TRADING HOURS

Opening and closing ranges shall be established by Exchange staff in consultation with the Floor Conduct~~Pit~~ Committee.

In the event of a disputed opening or closing range or a trade during the opening or closing range that is conspicuously out of line with the market, the final determination of the opening or closing range shall be made by Exchange staff in consultation with the Floor Conduct~~Pit~~ Committee. A change in the opening range will be allowed only if the request for a change is made within 15 minutes of the posting of the range. A change in the closing range will be allowed only if the request for a change is made within 10 minutes of the posting of the range.

QUOTATION CHANGES

I. GENERAL PROCEDURES

- A. Corrections requested up to 15 minutes from the time the bid, offer or trade occurred or reportedly occurred: Changes must be authorized by a member of the Floor Conduct~~Pit~~ Committee or an Exchange Official.
- B. Corrections requested more than 15 minutes from the time the bid, offer or trade occurred or reportedly occurred: Changes must be authorized by:
1. 15-30 Minutes: A member of the Floor Conduct~~Pit~~ Committee and one Exchange Official.
 2. Over 30 Minutes: A ~~member of the Pit Committee, a~~ member of the Floor Conduct Committee, one Exchange Official and one Senior Exchange Official.
- C. Unanimous Approval Required: Unanimous approval among the individuals participating in the quote change consideration is required to effectuate the requested change. In the absence of unanimity, the proposed quote adjustment shall not be made.
- D. A request for a quote change which results in a new high or low for the day must be made within 5 minutes (futures) or 10 minutes (options) of the time the bid, offer or trade occurred or reportedly occurred.

A request for a quote change which affects an established opening range must be made within 15 minutes after the posting of the range, or, in the case of a request for a quote change which affects an established closing range, within 10 minutes of the posting of the closing range. Such requests shall be considered by a member of the ~~Pit Committee, a~~ Floor Conduct Committee, ~~member and~~ one Exchange Official and one Senior Exchange Official. Failure to make such a timely request will bar consideration of the quote change.

The time limitations described in this Section D will not apply in the case of options strikes or futures contracts deemed by a Senior Exchange Official to be inactive or illiquid or in the case of a fast market designation. These requests may be considered by a member of the ~~Pit Committee, a~~ Floor Conduct Committee, ~~member~~ one Exchange Official and one Senior Exchange Official at any time during the same day's trading session.

[The remainder of the Interpretation is unchanged.]