

C.F.T.C.
OFFICE OF THE SECRETARIAT



2010 OCT 6 AM 10 35

September 29, 2010

VIA E-MAIL

Mr. David Stawick
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
#10-280: Notification of Rule Amendments to NYMEX Rule 300.08(A)**

Dear Mr. Stawick:

The New York Mercantile Exchange, Inc. ("NYMEX" or the "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") that it is self-certifying amendments to Exchange Rule 300.08 (Notice of Exercise). All rule amendments are attached hereto.

In response to feedback from market participants, NYMEX is amending its rules to change the deadline for submission of NYMEX/COMEX option exercise or abandon notices to the Exchange.

A Notice of Exercise or Abandon shall be effective only if received by the Exchange from a clearing member not later than 4:30PM ET (currently 5:30PM ET) on any trading day including the Expiration Date of an option contract.

Pursuant to Section 5c(c) of the Commodity Exchange Act ("Act") and CFTC Rule 40.6, the Exchange hereby certifies that the attached rule amendments comply with the Act, including regulations under the Act. The amendments will become effective on trade date Friday, October 1, 2010.

Should you have any questions concerning the above, please contact Steve Staszak at (312) 435-3583 or the undersigned at (312) 338-2483.

Sincerely,

A handwritten signature in cursive script that reads "Lisa Dunsky".

/s/ Lisa Dunsky
Director and Associate General Counsel

Attachments: Rule Amendments

NYMEX – CHAPTER 300 (Options Contracts)

300.08 NOTICE OF EXERCISE

(A) A notice of exercise shall be effective:

1. only if received by a Clearing Member from a customer not later than 4:15 P.M. on any business day on which an option contract month is trading, ~~other than the Expiration Date, and not later than 5:15 P.M. on the Expiration Date~~ up to and including the expiration date. For purposes of this Rule, "customer" shall include proprietary accounts as defined in Commission Regulation Section 1.3(y).

2. only if it is delivered by a Clearing Member to the NYMEX Clearing House not later than ~~5:30~~ 4:30 P.M., or 45 minutes after the price of the option being exercised or the underlying futures settlement price is posted, whichever is later, on any business day on which an option contract is trading up to and including the expiration date. Notice of exercise shall be given to the Clearing House in such form and manner as the Clearing House shall prescribe.

(B) On the same day it receives a notice of exercise of an option, the Clearing House shall assign the notice of exercise in accordance with Subsection (D) of this Rule to a seller of an option of the same series and shall establish, by book entry, positions in the underlying futures contract for both the purchaser and seller of the option, the price of which shall be the exercised options' strike price. As soon as practicable, the Clearing House shall notify the seller of such exercise and assignment. Such futures contracts and the purchase and sale thereof, in all respects, shall be subject to the Rules of the Exchange applicable to futures contracts.

(C) On the day a seller receives a notice of exercise from the Clearing House, the seller shall, as soon as practicable, report such notice to the short option customer to whose account it is allocated. The seller shall make every effort to notify its short option customers who have granted in-the-money options which have not been allocated a notice of exercise that the option was not exercised.

(D) The Clearing House shall allocate randomly notices of exercise in a series of options for any given day among clearing members holding or carrying short positions in the same series of options. Each clearing member and member commission merchant which carries an options customer account shall devise, maintain and follow written procedures, subject to the approval of the Exchange, for the fair and non-preferential allocation of notices of exercise among its customers.

(E) On the last day on which an option may be exercised, each option held by a clearing member having an in-the-money value will be automatically exercised by the Clearing House unless the Clearing House receives written notification from the clearing member at such time as the Clearing House shall prescribe on the option's expiration date stating that the clearing member elects to abandon such option. The Clearing House shall make appropriate book entries and allocations for all options automatically exercised in accordance with subsections (B) and (D) of this Rule.

(F) For the purposes of subsection (E) of this Rule, the in-the-money value of the option shall be based on the settlement price of the underlying futures contract on the last day of trading in such option.

(G) An option for which the Clearing House has received written instructions to abandon by the time prescribed by the Clearing House on the last day for exercise of such option shall be deemed abandoned.

(H) Each clearing member and member commission merchant which carries option customers' accounts shall exercise due diligence in monitoring such accounts and obtaining instructions from customers with respect to the handling and disposition of options contracts in such accounts.