



RECEIVED
CFTC

2011 NOV 21 PM 3:45

OFFICE OF THE
SECRETARIAT

November 17, 2011

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 # 11-408: Notification Regarding the Listing of Four (4) European Biodiesel Futures Contracts for Trading on the NYMEX Trading Floor and for Clearing through CME ClearPort

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 the listing of four (4) new financially settled European biodiesel futures contracts for trading on the NYMEX trading floor and for submission for clearing through CME ClearPort beginning at 6:00 p.m. on Sunday, November 20, 2011, for trade date Monday, November 21, 2011.

Summary of Contract Specifications:

Contract Title	RME Biodiesel (Argus) fob Rdam (RED Compliant) Swap Futures	FAME 0 Biodiesel (Argus) fob Rdam (RED Compliant) Swap Futures	RME Biodiesel (Argus) fob Rdam (RED Compliant) vs. ICE Gasoil Spread Swap Futures	FAME 0 Biodiesel (Argus) fob Rdam (RED Compliant) vs. ICE Gasoil Spread Swap Futures
Commodity Code	RBF	FBD	BFR	FBT
Contract Size	100 metric tons	100 metric tons	100 metric tons	100 metric tons
First Listed Month	December 2011	December 2011	December 2011	December 2011
Listing Period	24 consecutive months	24 consecutive months	24 consecutive months	24 consecutive months
Termination of Trading	Trading shall cease on the last business day of the contract month.	Trading shall cease on the last business day of the contract month.	Trading shall cease on the last business day of the contract month.	Trading shall cease on the last business day of the contract month.
Minimum Price Intervals	\$0.001 per metric ton	\$0.001 per metric ton	\$0.001 per metric ton	\$0.001 per metric ton
Value per Tick	\$0.10	\$0.10	\$0.10	\$0.10
Settlement Tick	\$0.001	\$0.001	\$0.001	\$0.001
Rule Chapter	1149	1147	1150	1148

The Exchange will allow the exchange for related position (EFRP) transactions to be submitted through CME ClearPort. EFRP transactions in these futures contracts will be governed by the provisions of Exchange Rule 538.

Trading and Clearing Hours:

CME ClearPort: Sunday – Friday 6:00 p.m. – 5:15 p.m. (5:00 p.m. – 4:15 p.m. Chicago Time/CT) with a 45-minute break each day beginning at 5:15 p.m. (4:15 p.m. CT).

Open Outcry: Monday – Friday 9:00 a.m. – 2:30 p.m. (8:00 a.m. – 1:30 p.m. CT).

Trading and Clearing Fees:

For the RME Biodiesel (Argus) fob Rdam (RED Compliant) Swap Future and the FAME 0 (Argus) Biodiesel fob Rdam (RED Compliant) Swap Future, fees are as follows:

Exchange Fees					
	Member Day	Member	Cross Division	Non-Member	IIP
Pit	n/a	\$0.85	\$1.10	\$1.35	
Globex	n/a	n/a	n/a	n/a	n/a
ClearPort		\$0.85		\$1.35	

Other Processing Fees		
	Member	Non-Member
Cash Settlement	\$0.85	\$1.35
Futures from E/A	n/a	n/a
	House Acct	Customer Acct
Options E/A Notice	n/a	n/a
Delivery Notice	n/a	n/a

Additional Fees and Surcharges	
EFS Surcharge	n/a
Block Surcharge	n/a
Facilitation Desk Fee	\$0.10

For the RME Biodiesel (Argus) fob Rdam (RED Compliant) vs. ICE Gasoil Spread Swap Future and the FAME 0 Biodiesel (Argus) fob Rdam (RED Compliant) vs. ICE Gasoil Spread Swap Future, fees are as follows:

Exchange Fees					
	Member Day	Member	Cross Division	Non-Member	IIP
Pit	n/a	\$1.70	\$2.20	\$2.70	
Globex	n/a	n/a	n/a	n/a	n/a
ClearPort		\$1.70		\$2.70	

Other Processing Fees		
	Member	Non-Member
Cash Settlement	\$1.70	\$2.70
Futures from E/A	n/a	n/a
	House Acct	Customer Acct
Options E/A Notice	n/a	n/a
Delivery Notice	n/a	n/a

Additional Fees and Surcharges	
EFS Surcharge	n/a
Block Surcharge	n/a
Facilitation Desk Fee	\$0.10

The Exchange is also notifying the CFTC that it is self-certifying the insertion of the terms and conditions for the four new European biodiesel futures contracts into the Position Limit, Position Accountability and Reportable Level Table and Header Notes located in the Interpretations and Special Notices Section of Chapter 5 of the NYMEX Rulebook in relation to the listing of the new

contracts. These terms and conditions establish the all month/any one month accountability levels, expiration month position limit, reportable level, diminishing balance and aggregation allocation for the new contracts.

NYMEX business staff responsible for the new products and the NYMEX legal department collectively reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA"). During the review, NYMEX staff identified that the new products may have some bearing on the following Core Principles:

- Prevention of Market Disruption: Trading in these contracts will be subject to the NYMEX rules ("Rulebook") Chapters 4 and 7 which include prohibitions on manipulation, price distortion and disruptions of the delivery or cash-settlement process. As with all products listed for trading on one of CME Group's designated contract markets, activity in the new products will be subject to extensive monitoring and surveillance by CME Group's Market Regulation Department.
- Contracts not Readily Subject to Manipulation: The new contracts are not readily subject to manipulation due to the deep liquidity and robustness in the underlying cash market, which provides diverse participation and sufficient spot transactions to support the final settlement index as assessed by Argus Media (methodology provided herewith under Cash Market Overview), and as published for the gasoil market by ICE Futures Europe.
- Compliance with Rules: Trading in these contracts will be subject to the rules in Rulebook Chapter 4 which includes prohibitions against fraudulent, noncompetitive, unfair and abusive practices. Additionally, trading in these contracts will also be subject to the full panoply of trade practice rules, the majority of which are contained in Chapter 5 and Chapter 8 of the Rulebook. As with all products listed for trading on one of CME Group's designated contract markets, activity in the new products will be subject to extensive monitoring and surveillance by CME Group's Market Regulation Department. The Market Regulation Department has the authority to exercise its investigatory and enforcement power where potential rule violations are identified.
- Position Limitations or Accountability: The spot month position limits for the new products are set at conservative levels that are approximately 6.3% of the monthly deliverable supply of European biodiesel and approximately 12.6% of the monthly deliverable supply of European gasoil.
- Availability of General Information: The Exchange will publish information on the contracts' specification on its website, together with daily trading volume, open interest and price information.
- Daily Publication of Trading Information: Trading volume, open interest and price information will be published daily on the Exchange's website and via quote vendors.
- Financial Integrity of Contracts: All contracts traded on the Exchange will be cleared by the Clearing House of the Chicago Mercantile Exchange, Inc. which is a registered derivatives clearing organization with the Commission and is subject to all Commission regulations related thereto.
- Execution of Transactions: The new contracts are dually listed for clearing through the CME ClearPort platform and on the NYMEX trading floor for open outcry trading. The CME ClearPort platform provides a competitive, open and efficient mechanism for novating transactions that are competitively executed by brokers. In addition, the NYMEX trading floor is available as an additional venue to provide for competitive and open execution of transactions.
- Trade Information: All required trade information is included in the audit trail and is sufficient for the Market Regulation Department to monitor for market abuse.

- Protection of Market Participants: Rulebook Chapters 4 and 5 contain multiple prohibitions precluding intermediaries from disadvantaging their customers. These rules apply to trading on all of the Exchange's competitive trading venues and will be applicable to transactions in these products.
- Disciplinary Procedures: Chapter 4 of the Rulebook contains provisions that allow the Exchange to discipline, suspend or expel members or market participants that violate the Rulebook. Trading in these contracts will be subject to Chapter 4, and the Market Regulation Department has the authority to exercise its enforcement power in the event rule violations in these products are identified.
- Dispute Resolution: Disputes with respect to trading in these contracts will be subject to the arbitration provisions set forth in Chapter 6 of the Rulebook. Chapter 6 allows all nonmembers to submit a claim for financial losses resulting from transactions on the Exchange to arbitration. A member named as a respondent in a claim submitted by a nonmember is required to participate in the arbitration pursuant to Chapter 6. Additionally, the Exchange requires that members resolve all disputes concerning transactions on the Exchange via arbitration.

Pursuant to Section 5c(c) of the Commodity Exchange Act ("Act") and CFTC Regulation 40.2, the Exchange hereby certifies that the attached contracts comply with the Act, including regulations under the Act. There were no substantive opposing views to this proposal. A description of the cash market for these new products is attached.

The Exchange certifies that this submission has been concurrently posted on the Exchange's website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

Should you have any questions concerning the above, please contact the undersigned at (312) 930-8167 or Sean.downey@cmegroup.com.

Sincerely,

/s/Sean Downey
Assoc Dir & Asst General Counsel

Attachments: Appendix A: Rule Chapter
Appendix B: Chapter 5 Table
Appendix C: Cash Market Overview and Analysis of Deliverable Supply

Chapter 1147

FAME 0 Biodiesel (Argus) fob Rdam (RED Compliant) Swap Futures

1147100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1147101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month is equal to the arithmetic average of the mid-point of the bid and ask quotations from Argus Biofuels publication for FAME 0 under the heading "RED Compliant FAME 0 fob Rotterdam" for each business day that the Floating Price is determined during the contract month.

1147102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1147102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1147102.B. Trading Unit

The contract quantity shall be 100 metric tons. Each contract shall be valued as the contract quantity (100) multiplied by the settlement price.

1147102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.001 per metric ton.

1147102.D. Position Limits and Position Accountability

For purposes of position limits and position accountability levels, contracts shall diminish ratably as the contract month progresses toward month end.

In accordance with Rule 559, no person shall own or control positions in excess of 500 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 5,000 futures contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 2,500 futures contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1147102.E. Termination of Trading

Trading shall cease on the last business day of the contract month.

1147103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

1147104. DISCLAIMERS

Argus Media ("Argus") licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Argus price assessments in connection with the trading and/or clearing of the contract.

NYMEX, ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE PRICE ASSESSMENT, TRADING AND/OR CLEARING BASED ON THE PRICE ASSESSMENT, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING AND/OR CLEARING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX, ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE PRICE ASSESSMENT OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX, ITS AFFILIATES OR ARGUS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

Chapter 1148
FAME 0 Biodiesel (Argus) fob Rdam (RED Compliant) vs. ICE Gasoil Spread
Swap Futures

1148100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1148101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month is equal to the arithmetic average of the mid-point of the bid and ask quotations from Argus Biofuels publication for FAME 0 under the heading "RED Compliant FAME 0 fob Rotterdam" for each business day that such quotation is determined during the contract month minus the arithmetic average of the ICE Gasoil Futures first nearby contract month settlement price for each business day that it is determined during the contract month, except as noted below.

The settlement price of the 1st nearby ICE Gasoil Futures contract month will be used except on the last day of trading for the expiring ICE Gasoil Futures contract when the settlement price of the 2nd nearby ICE Gasoil Futures contract month will be used.

The Floating Price is calculated using the non-common pricing convention. In calculating the spread differential, the monthly average for each component leg of the spread shall be calculated by using all trading days in the month for each component leg of the spread, followed by the calculation of the spread differential between the two averages.

1148102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1148102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1148102.B. Trading Unit

The contract quantity shall be 100 metric tons. Each contract shall be valued as the contract quantity (100) multiplied by the settlement price.

1148102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.001 per metric ton.

1148102.D. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, each contract will be aggregated with positions held in FAME 0 Biodiesel (Argus) fob Rdam (RED Compliant) Swap futures and European Gasoil (ICE) Swap futures. Each position in the contract will be calculated as a single position in the FAME 0 Biodiesel (Argus) fob Rdam (RED Compliant) Swap futures contract and one-tenth of a single position in the European Gasoil (ICE) Swap futures contract.

For purposes of position limits and position accountability levels, contracts shall diminish ratably as the contract month progresses toward month end.

In accordance with Rule 559, no person shall own or control positions in excess of 500 (FAME 0 Biodiesel (Argus) fob Rdam (RED Compliant) Swap futures)/1,000 (European Gasoil (ICE) Swap futures) contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 5,000 (FAME 0 Biodiesel (Argus) fob Rdam (RED Compliant) Swap futures)/7,000 (European Gasoil (ICE) Swap futures) contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 2,500 (FAME 0 Biodiesel (Argus) fob Rdam (RED Compliant) Swap futures)/7,000 (European Gasoil (ICE) Swap futures) contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1148102.E. Termination of Trading

Trading shall cease on the last business day of the contract month.

1148103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

1148104.

DISCLAIMERS

Argus Media ("Argus") licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Argus price assessments in connection with the trading and/or clearing of the contract.

NYMEX, ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE PRICE ASSESSMENT, TRADING AND/OR CLEARING BASED ON THE PRICE ASSESSMENT, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING AND/OR CLEARING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX, ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE PRICE ASSESSMENT OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX, ITS AFFILIATES OR ARGUS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

Chapter 1149
RME Biodiesel (Argus) fob Rdam (RED Compliant) Swap Futures

1149100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1149101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month is equal to the arithmetic average of the mid-point of the bid and ask quotations from Argus Biofuels publication for RME under the heading "RED Compliant Rapeseed OME fob Rotterdam" for each business day that the Floating Price is determined during the contract month.

1149102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1149102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1149102.B. Trading Unit

The contract quantity shall be 100 metric tons. Each contract shall be valued as the contract quantity (100) multiplied by the settlement price.

1149102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.001 per metric ton.

1149102.D. Position Limits and Position Accountability

For purposes of position limits and position accountability levels, contracts shall diminish ratably as the contract month progresses toward month end.

In accordance with Rule 559, no person shall own or control positions in excess of 500 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 5,000 futures contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 2,500 futures contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1149102.E. Termination of Trading

Trading shall cease on the last business day of the contract month.

1149103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

1149104. DISCLAIMERS

Argus Media ("Argus") licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Argus price assessments in connection with the trading and/or clearing of the contract.

NYMEX, ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE PRICE ASSESSMENT, TRADING AND/OR CLEARING BASED ON THE PRICE ASSESSMENT, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING AND/OR CLEARING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX, ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE PRICE ASSESSMENT OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX, ITS AFFILIATES OR ARGUS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

Chapter 1150
RME Biodiesel (Argus) fob Rdam (RED Compliant) vs. ICE Gasoil Spread Swap Futures

1150100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1150101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month is equal to the arithmetic average of the mid-point of the bid and ask quotations from Argus Biofuels publication for RME under the heading "RED Compliant Rapeseed OME fob Rotterdam" for each business day that such quotation is determined during the contract month minus the arithmetic average of the ICE Gasoil Futures first nearby contract month settlement price for each business day that it is determined during the contract month, except as noted below.

The settlement price of the 1st nearby ICE Gasoil Futures contract month will be used except on the last day of trading for the expiring ICE Gasoil Futures contract when the settlement price of the 2nd nearby ICE Gasoil Futures contract will be used.

The Floating Price is calculated using the non-common pricing convention. In calculating the spread differential, the monthly average for each component leg of the spread shall be calculated by using all trading days in the month for each component leg of the spread, followed by the calculation of the spread differential between the two averages.

1150102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1150102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1150102.B. Trading Unit

The contract quantity shall be 100 metric tons. Each contract shall be valued as the contract quantity (100) multiplied by the settlement price.

1150102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.001 per metric ton.

1150102.D. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, each contract will be aggregated with positions held in RME Biodiesel (Argus) fob Rdam (RED Compliant) Swap futures and European Gasoil (ICE) Swap futures. Each position in the contract will be calculated as a single position in the RME Biodiesel (Argus) fob Rdam (RED Compliant) Swap futures contract and one-tenth of a single position in the European Gasoil (ICE) Swap futures contract.

For purposes of position limits and position accountability levels, contracts shall diminish ratably as the contract month progresses toward month end.

In accordance with Rule 559, no person shall own or control positions in excess of 500 (RME Biodiesel (Argus) fob Rdam (RED Compliant) Swap futures)/1,000 (European Gasoil (ICE) Swap futures) contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 5,000 (RME Biodiesel (Argus) fob Rdam (RED Compliant) Swap futures)/7,000 (European Gasoil (ICE) Swap futures) contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 2,500 (RME Biodiesel (Argus) fob Rdam (RED Compliant) Swap futures)/7,000 (European Gasoil (ICE) Swap futures) contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1150102.E. Termination of Trading

Trading shall cease on the last business day of the contract month.

1150103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

1150104.

DISCLAIMERS

Argus Media ("Argus") licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Argus price assessments in connection with the trading and/or clearing of the contract.

NYMEX, ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE PRICE ASSESSMENT, TRADING AND/OR CLEARING BASED ON THE PRICE ASSESSMENT, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING AND/OR CLEARING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX, ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE PRICE ASSESSMENT OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX, ITS AFFILIATES OR ARGUS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

NYMEX Rulebook Chapter 5 Position Limit Table
(Bold/underlining indicates additions.)

<u>Contract Name</u>	<u>Rule Chapter</u>	<u>Commodity Code</u>	<u>Diminishing Balances Contracts</u>	<u>All Month Accountability Level</u>	<u>Any One Month Accountability Level</u>	<u>Expiration Month Limit</u>	<u>Reporting Level</u>	<u>Aggregate Into (1)</u>	<u>Aggregate Into (2)</u>
				<u>Rule 560</u>	<u>Rule 560</u>	<u>Rule 559</u>	<u>Rule 561</u>		
<i>Petroleum Europe</i>									
<i>Northwest Europe</i>									
<u>FAME 0 Biodiesel (Argus) fob Rdam (RED Compliant) Swap Futures</u>	<u>1147</u>	<u>FBD</u>	*	<u>5,000</u>	<u>2,500</u>	<u>500</u>	<u>25</u>	<u>FBD</u>	
<u>FAME 0 Biodiesel (Argus) fob Rdam (RED Compliant) vs. ICE Gasoil Spread Swap Futures</u>	<u>1148</u>	<u>FBT</u>	*	<u>5,000/7,000</u>	<u>2,500/7,000</u>	<u>500/1,000</u>	<u>25</u>	<u>FBD</u>	<u>GX</u>
<u>RME Biodiesel (Argus) fob Rdam (RED Compliant) Swap Futures</u>	<u>1149</u>	<u>RBF</u>	*	<u>5,000</u>	<u>2,500</u>	<u>500</u>	<u>25</u>	<u>RBF</u>	
<u>RME Biodiesel (Argus) fob Rdam (RED Compliant) vs. ICE Gasoil Spread Swap Futures</u>	<u>1150</u>	<u>BFR</u>	*	<u>5,000/7,000</u>	<u>2,500/7,000</u>	<u>500/1,000</u>	<u>25</u>	<u>RBF</u>	<u>GX</u>

CASH MARKET OVERVIEW

The New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") is self-certifying the listing of four (4) financially settled petroleum futures contracts (listed in the table below) for trading on the NYMEX trading floor and for clearing through CME ClearPort.

Table 1: New Futures Contracts

Contract	Code	Rule
RME Biodiesel (Argus) fob Rdam (RED Compliant) Swap Future	RBF	1149
FAME 0 (Argus) Biodiesel fob Rdam (RED Compliant) Swap Future	FBD	1147
RME Biodiesel (Argus) fob Rdam (RED Compliant) vs. ICE Gasoil Spread Swap Future	BFR	1150
FAME 0 Biodiesel (Argus) fob Rdam (RED Compliant) vs. ICE Gasoil Spread Swap Future	FBT	1148

PRICE SOURCES

Argus Media Ltd ("Argus") is the price reporting service used for the final settlement of the four new petroleum spread futures contracts. Argus Media is a privately held UK-registered company that was founded in 1970. Argus is a leading provider of price assessments, business intelligence, and market data for the global crude oil, petroleum products, gas, LPG, coal, electricity, biofuels, biomass, emissions, and transportation industries. Argus determines its price assessments by conducting telephone surveys and collecting electronic data from multiple market participants. A full description of Argus' methodology can be found on the company's website¹. NYMEX is a party to license agreements with Argus to utilize their pricing data.

The Exchange does not have an information sharing agreement with the IntercontinentalExchange ("ICE"). The ICE Gasoil Futures contract is the source of the settlement price for one leg of two of the four new contracts listed above. The ICE Gasoil Futures contract is regulated by the U.K. Financial Services Authority ("FSA"). The ICE Gasoil Futures contract has average volume of 200,000 contracts traded per day. Based on our discussions with market participants, we believe that there are dozens of active participants in the ICE futures market and that their prices are determined competitively. Since the CFTC has reviewed the FSA regulatory structure

¹ See http://www.argusmedia.com/~media/Files/PDFs/Meth/argus_biofuels.ashx

and determined it to be comparable to that of the CFTC, the Exchange is assured in placing confidence in the disseminated settlement price for the ICE Gasoil Futures contract.

EUROPEAN BIODIESEL MARKET

Biodiesel is a diesel fuel produced by chemical transformation of vegetable or animal fats. The price assessments which underlie the new futures contracts represent biodiesel produced from rapeseed oil (the 'RME' contracts) or virgin vegetable oil (the 'FAME' contracts).

The European biodiesel market in Amsterdam-Rotterdam-Antwerp ("ARA") in The Netherlands represents the largest hub in Europe for petroleum products and boasts an extensive storage and refining capacity. The ARA market is also a major trading hub for renewable fuels, and is the main supply centre for European biodiesel fuels.

According to the European Biodiesel Board, European production of biodiesel reached 9.5 million metric tons in 2010².

The U.S. Energy Information Administration ("EIA") produces data for biodiesel production and consumption in Europe, as follows:

Table 2: European Biodiesel Production (thousands of barrels per day)

	2006	2007	2008	2009
Belgium	0.5	3.2	5.4	8.1
France	11.6	18.7	34.4	41.1
Germany	70.4	78.3	61.7	51.2
Netherlands	0.4	1.7	2.0	5.4
United Kingdom	3.8	2.9	3.7	2.7
Europe	113.2	137.5	155.0	172.6

Source: Energy Information Administration³

² See <http://www.ebb-eu.org/stats.php>

³ EIA Production Data:

<http://www.eia.gov/cfapps/lpd/project/led/index3.cfm?tid=79&pid=81&aid=1&cid=regions&svid=2005&evd=2009&unit=TBPD>

Table 3: European Biodiesel Consumption (thousands of barrels per day)

	2006	2007	2008	2009
Belgium	0.0	2.0	1.9	5.0
France	13.5	25.3	40.6	45.5
Germany	69.0	77.9	59.1	51.2
Netherlands	0.5	4.9	4.0	5.1
United Kingdom	2.9	6.0	15.2	17.0
Europe	104.2	146.3	180.3	210.6

Source: Energy Information Administration⁴

The EIA figures for Europe for 2009 equate to a production level of 8.8 million metric tons per annum, and a consumption level of 10.8 million metric tons per annum.

The European Union's Renewable Energy Directive⁵ promotes the use of energy from renewable resources in the EU. In order for biofuel use to count toward a country's renewable energy target, the fuel has to comply with sustainability criteria. In July 2011 the European Commission recognized a number of schemes for certifying that specific product meets the sustainability criteria⁶. These schemes are in addition to schemes that have been recognized by individual countries within the EU.

The RED Compliant price assessments published by Argus, which form the underlying price reference for the new futures contracts, assess product which has such certification. The RED compliant price assessments were first published on 3 October 2011.

EUROPEAN GASOIL MARKET

Gasoil is incorporated into the "middle distillate" fuel segment which encompasses gasoil (also known as heating oil), ultra-low sulphur diesel (ULSD) and jet fuel. Gasoil is used mainly for space heating and electric power generation, and ULSD is used as a diesel fuel for the transportation sector. The main trading hub for the European gasoil market is the ARA region, where extensive

⁴ EIA Consumption Data:

<http://www.eia.gov/cfapps/ipdbproject/iedindex3.cfm?tid=79&pid=81&aid=2&cid=regions&syid=2005&eyid=2009&unit=TBPD>

⁵ Directive 2009/28/EC of 23 April 2009 on the promotion of the use of energy from renewable sources

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:140:0016:0062:EN:PDF>

⁶ See http://ec.europa.eu/energy/renewables/biofuels/sustainability_schemes_en.htm

storage capacity and refining infrastructure exists. The ARA market is a vibrant import and supply centre for petroleum products, and encompasses the geographic area of Belgium, The Netherlands, Germany, and North-Eastern France. The EIA compiles demand and supply data on the European market from the International Energy Agency under the *International Energy Annual* publication, as detailed below.

Consumption, Production, Imports and Exports

The EIA provides key data on consumption, refinery production, imports, and exports for the "middle distillate fuel oil" segment, which includes gasoil, ULSD, and jet fuel. According to the EIA data in Table 4, below, the total average annual consumption of middle distillate fuel for 2007 through 2009 was approximately 2,294,000 barrels per day, while average annual refinery production was 2,161,000 barrels per day for the same period. Total average imports for 2007, 2008 and 2009 were at 841,000 barrels per day, which was higher than total average exports of 758,000 barrels per day for the same period.

Table 4: Refinery Output (thousands of barrels per day)

	2006	2007	2008	2009
Belgium	258.7	262.5	264.2	241.9
France	701.5	711.1	753.8	676.6
Germany	1060.0	1037.4	1025.7	980.0
Netherlands	402.4	397.4	420.5	420.7

Source: Energy Information Administration⁷

Table 5: Consumption (thousands of barrels per day)

	2006	2007	2008	2009
Belgium	243.0	226.9	254.0	212.6
France	992.5	981.1	991.2	971.8
Germany	1199.8	997.0	1133.9	1059.4
Netherlands	199.0	193.0	193.1	197.2

Source: Energy Information Administration⁸

⁷ See <http://www.eia.gov/cfapps/ipdbproject/iedindex3.cfm?tid=5&pid=65&aid=1&cid=r3.&svid=2006&eyid=2010&unit=TBPB>

⁸ See <http://www.eia.gov/cfapps/ipdbproject/iedindex3.cfm?tid=5&pid=65&aid=2&cid=r3.&svid=2006&eyid=2010&unit=TBPB>

Table 6: Exports (thousands of barrels per day)

	2006	2007	2008	2009
Belgium	162.1	177.9	171.7	140.2
France	70.3	69.4	68.9	51.5
Germany	223.0	250.9	203.4	182.1
Netherlands	496.6	421.0	464.7	562.3

Source: Energy Information Administration⁹**Table 7: Imports (thousands of barrels per day)**

	2006	2007	2008	2009
Belgium	166.8	149.4	157.1	124.6
France	321.9	272.5	292.1	380.7
Germany	332.9	190.3	317.5	295.7
Netherlands	278.9	191.1	251.0	333.5

Source: Energy Information Administration¹⁰Prices

Table 8 below, reflects the monthly average final settlement prices provided by ICE in U.S. dollars and cents per metric ton from January 2008 through March 2011 for the ICE Gasoil Futures contract. Over the three-year period of January 2008 through March 2011, ICE Gasoil Futures prices varied from a high of \$1,230.917 in June 2008 to a low of \$399.663 in February 2009. According to the most recent data provided by ICE, gasoil prices were at \$970.076 during the month of March 2011.

Table 8: ICE Gasoil Futures, monthly average settlement prices

Month	2008	2009	2010	2011
Jan	808.057	453.929	626.413	802.369
Feb	853.262	399.663	602.325	872.813
Mar	957.438	406.795	660.511	970.076
Apr	1028.455	436.500	712.000	1022.450
May	1192.568	475.143	652.214	939.307
Jun	1232.119	562.489	652.795	940.352
Jul	1225.250	530.674	639.511	963.155
Aug	1036.310	595.119	652.068	931.478
Sep	940.852	556.989	668.216	929.943
Oct	729.283	606.136	714.667	927.524
Nov	582.675	621.940	726.784	
Dec	446.477	608.250	766.946	

Source: ICE Futures Europe; Bloomberg LP

⁹ See <http://www.eia.gov/cfapps/ipdbproject/iedindex3.cfm?tid=5&pid=65&aid=4&cid=r3,&syid=2005&eyid=2009&unit=TBDP>¹⁰ See <http://www.eia.gov/cfapps/ipdbproject/iedindex3.cfm?tid=5&pid=65&aid=3&cid=r3,&syid=2005&eyid=2009&unit=TBDP>

Market Activity

In the over-the-counter ("OTC") market, European gasoil swaps typically trade both as outright contracts and as a spread to the ICE Gasoil settlement price. The ICE Gasoil Futures contract, which is the benchmark for pricing European distillate fuels, is physically delivered in the ARA region in Northern Europe, and is the source of the settlement prices for the various ICE Gasoil swap futures contracts.

In the European OTC market, there is robust liquidity in the gasoil market, where the gasoil is priced in units of dollars per metric ton. The typical transaction size is approximately 25,000 barrels. The volume of spot transactions is typically more than half of all cash transactions. There is also increased trading in forward cash deals and in the OTC swaps market.

Further, there is an active OTC swaps market with dozens of market participants that utilize Gasoil swaps to hedge their fuel price risk. The market participants (listed below) typically are active in both the cash market and the OTC swaps market.

ANALYSIS OF DELIVERABLE SUPPLY

In respect of European biodiesel, the EIA production data in Table 2 above indicates that European production equates to 8.8 million metric tons per annum, which is the equivalent of 7,345 lots per calendar month for a 100 metric ton contract. The expiration month limit of 500 lots for the biodiesel element of each of the four contracts is therefore approximately 6.8% of the monthly supply.

In addition, the two new spread contracts are priced as differentials to the ICE Gasoil Futures Contract settlement price. For the leg of the spread that is based on the ICE Gasoil swap futures contract, the Exchange will aggregate into the existing expiration month position limit of 1,000 contract units which represents the expiration month position limit for the underlying European ICE Gasoil Swap futures contract. Based on the refinery production data provided by the EIA (Table 4 above), the total middle distillate (which includes the gasoil pool) supply in the European market was approximately 2.0 million barrels per day, which is equivalent to approximately 265,000 metric tons per day, or 8.0 million metric tons per month. This is equivalent to 8,000 contract equivalents for the underlying contract size of 1,000 metric tons. Thus, the existing spot month position limits of 1,000 contract units for the underlying European ICE Gasoil Swap Futures contract is approximately 12.6% of the 8,000 contract equivalents of monthly supply.