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December 20, 2007 THE SECRETARIAT

Via E-Mail

Office of the Acting Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: Rule Certification. NYMEX Submission 07.145: Notification of Amendments to Exchange Rules 8.65 and 8.68.


Dear Ms. Eileen A. Donovan:

The New York Mercantile Exchange ("NYMEX" or the "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") of rule amendments to Exchange Rules 8.65, Sanctions; and 8.68, Notification of Final Disciplinary Action Involving Financial Harm to a Customer.

The amendments to Exchange Rules 8.65 and 8.68 strengthen the Rules by placing responsibility on a Member or Member Firm to pay restitution resulting from violative trading conduct by a Member or Member Firm's employee in the event of non-payment by that employee. The Member or Member Firm may still request a hearing panel, under Rule 8.65, to contest liability for restitution. These amendments will be effective December 21, 2007. 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.

Should you have any questions concerning the above, please contact me at (212) 299-2940.

Very truly yours,



Nancy Minett
Vice President, Compliance

cc: Thomas LaSala
Brian Regan

New York Mercantile Exchange, Inc.
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(212) 299-2000

The New York Mercantile Exchange, Inc. offers trading in crude oil, heating oil, unleaded gasoline, natural gas, electricity, coal, propane, freight rates, emissions, gold, silver, platinum, palladium, copper, and aluminum.

(Strikethrough indicates deletions; bold/underline indicates additions.)

Rule 8.65, Sanctions **and Restitution Orders**

Penalties resulting ~~Any penalty or restitution order that results~~ **Any penalty or restitution order that results** from a formal disciplinary proceeding against a clerk may be imposed by a written settlement agreement or imposed by a hearing panel and may include suspension or permanent revocation of clerk privileges and a fine not to exceed \$50,000 for each violation. Clerks shall also be personally liable for applicable summary fines imposed pursuant to NYMEX Rule 6.60 and COMEX Rule 4.09, as applicable.

Members and Member Firms shall be responsible for any fine **or restitution** issued to their employees during their tenure, pursuant to this Rule; provided however that a hearing panel may waive such responsibility if it determines that the Member or Member Firm did not have knowledge of the clerk's or NYMEX ACCESS® Operator's conduct forming the basis of the violation, and that a substantial injustice would result from imposing responsibility for a fine on the Member or Member Firm.

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Rule 8.68, Notification of Final Disciplinary Action Involving Financial Harm to a Customer

(A) For purposes of this Rule: "Final disciplinary action" means any decision by or settlement with the Exchange in a disciplinary matter which cannot be further appealed at the Exchange, is not subject to the stay of the Commission or a court of competent jurisdiction, and has not been reversed by the Commission or any court of competent jurisdiction.

(B) Upon any final disciplinary action in which the Exchange finds that a Member, **Member Firm, or an employee of a Member or Member Firm** has committed a rule violation that involved a transaction for a customer, whether executed or not, and that resulted in financial harm to the customer:

(1)(i) the Exchange shall promptly provide written notice of the disciplinary action to the futures commission merchant that cleared the transaction; and,

(ii) a futures commission merchant that receives a notice under paragraph (B)(1)(i) shall promptly provide written notice of the disciplinary action to the customer as disclosed on its books and records. If the customer is another futures commission merchant, such futures commission merchant shall promptly provide the notice to the customer.

(2) A written notice required by paragraph (B)(1) must include the principal facts of the disciplinary action and a statement that the Exchange has found that the Member has committed a rule violation that involved a transaction for the customer, whether executed or not, and that resulted in financial harm to the customer. For the purposes of this rule, a notice which includes the information listed in Commission Regulation 9.11(b) shall be deemed to include the principal facts of the disciplinary action thereof.