

Market Data Operations

Date: September 27, 2007
Notice #: Q2007- 252
Subject: NYMEX and COMEX Options Strategies Listing on the CME Globex® Platform –
Effective Sunday, October 14, 2007

NYMEX issued the following notice on Friday, September 14, 2007:

Notice No. 07-431
September 14, 2007

TO: All Exchange Members, Member Firms and Clearing Members

FROM: James E. Newsome, President

SUBJECT: Listing of NYMEX and COMEX Option Strategies (LO, ON, OG, SO) on CME Globex®

Beginning on Sunday evening, October 14, 2007 (for trade date October 15, 2007), the New York Mercantile Exchange, Inc. will list Exchange-Defined and User-Defined Strategies (UDS) on Crude Oil Options (LO), Natural Gas Options (ON), Gold Options (OG), and Silver Options (SO) for trading on the CME Globex® platform.

The Exchange Defined Strategy listing will consist of Straddles, Strangles, Vertical Put and Call Spreads, and Butterfly Put and Call spreads. The full listing methodology is detailed below.

The CME Globex® User Defined Strategy (UDS) functionality will allow traders using ISVs certified in UDS functionality to create custom strategies of existing outright options, Exchange defined option strategies or other user defined option strategies, which can be covered with up to two futures legs. Strategies can be created for two to 40 individual legs, including any futures legs. Additional information about UDS functionality is also detailed below.

In order to ensure orderly exercise procedures, no spread containing an expiring option will be accepted for trading after the close of "open outcry trading" for the respective contracts on the NYMEX and COMEX floors on the day of expiration.

A mock trading session for the NYMEX and COMEX Options Spreads on Globex launch is scheduled for Saturday, October 6, 2007. Additional details will follow.

Trading Hours:

From 6:00 PM Sundays through 5:15 PM Fridays, Eastern Time, with a 45-minute break each day between 5:15 PM and 6:00 PM.

Should you have any questions or require any further information, please contact the NYMEX Marketing hotline at 212-299-2301 or email NYMEXMarketing@nymex.com.

Exchange Defined Strategies

The Exchange will list daily a pre-set number of strategies (e.g., one at the money rounded to the nearest increment, plus 20 up / 20 down at 50 cent increments) around the settlement price of the underlying future for the prior trading session. This list will reset each day based on the new settlement price of the underlying future.

The Exchange Defined Strategies will be created for all months listed on Globex. The number of instruments created daily may be limited by the available outright option strikes (e.g., the number of available strikes available in the far months for Gold Options may not allow for 20 up and 20 down listings.)

The below tables detail the strategy types, the number of instruments up and down to be created, and for strategies containing multiple legs, the interval between the strikes in the strategy.

Straddle:

	LO	ON	GO	SO
Strike Price Increment (For up and down listing)	50 cents	5 cents	5 dollars	25 cents
Strike Listing Rules	20 up 20 down 1 At-the-money	40 up 40 down 1 At-the-money	20 up 20 down 1 At-the-money	20 up 20 down 1 At-the-money

Strangle:

	LO	ON	GO	SO
Strike Price Increment (For up and down listing)	1 dollar	5 cents	5 dollars	25 cents
Strike Price Interval (between legs in the strategy)	1 dollar	5 cents	10 dollars	25 cents
Strike Listing Rules	20 up 20 down 1 At-the-money	40 up 40 down 1 At-the-money	20 up 20 down 1 At-the-money	20 up 20 down 1 At-the-money

Vertical (Put and Call):

	LO	ON	GO	SO
Strike Price Increment (For up and down listing)	1 dollar	5 cents	5 dollars	25 cents
Strike Price Interval (between legs in the strategy)	1 dollar	5 cents	10 dollars	25 cents
Strikes Listing Rules	20 up 20 down 1 At-the-money	40 up 40 down 1 At-the-money	20 up 20 down 1 At-the-money	20 up 20 down 1 At-the-money

Butterfly (Put and Call):

	LO	ON	GO	SO
Strike Price Increment (For up and down listing)	1 dollar	5 cents	5 dollars	25 cents
Strike Price Interval (between legs in the strategy)	1 dollar	5 cents	10 dollars	25 cents
Strikes Listing Rules	20 up 20 down 1 At-the-money	40 up 40 down 1 At-the-money	20 up 20 down 1 At-the-money	20 up 20 down 1 At-the-money

User Defined Strategies (UDS)

With UDS, customers can create strategy instruments with leg configurations defined by the traders.

UDS: Combos allows customers to define and trade unique options instruments intra-day, composed of any or all of the following:

- Exchange-defined outright option(s)
- Exchange-defined option spread(s)
- Existing user-defined spreads

UDS: Covereds allows users to 'cover' listed option outrights and spreads (Exchange and/or User Defined) with one or two outright futures.

More information on UDS instruments and functionality is available in the Options module of the iLink Software Development Kit (SDK) at <http://www.cme.com/files/SDKoptions.pdf>, and Options module of the Market Data Platform SDK at <http://www.cme.com/files/SDKMDPOptions.pdf>.

User documents describing the UDS:Combos and UDS:Covereds functionality for CME products (the same functionality which will be added to the NYMEX products) can be found at <http://www.cme.com/trading/get/dev/glbxenhanc.html>.

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NYMEX Options Strategies

Product	Instrument Group Code	Product Code	Strategy Type Code	MDP RLC Channel	MDP ITC Channel
Crude Oil Options Straddles	1N	LO	ST	35	41
Crude Oil Options Strangles			SG		
Crude Oil Options Verticals			VT		
Crude Oil Options Butterflies			BO		
Gold Options Straddles	1Y	OG	ST	37	43
Gold Options Strangles			SG		
Gold Options Verticals			VT		
Gold Options Butterflies			BO		
Natural Gas Options Straddles	1T	ON	ST	36	42
Natural Gas Options Strangles			SG		
Natural Gas Options Verticals			VT		
Natural Gas Options Butterflies			BO		
Silver Options Straddles	S1	SO	ST	37	43
Silver Options Strangles			SG		
Silver Options Verticals			VT		
Silver Options Butterflies			BO		

For additional information on User Defined Spread functionality, please refer to the [Market Data Platform SDK](#).

Mock Trading

CME Group is hosting a mock trading session for NYMEX options strategies and COMEX Copper options on CME Globex on ***Saturday, October 6, 2007***. Market data from this session will be disseminated, and all distributors are encouraged to participate.

Testing Availability

These new strategies will be available in the certification environment for RLC customer testing on ***Monday, October 1, 2007***.

ITC ticker testing will be held on ***Friday, October 5*** and ***Friday, October 12, 2007*** at approximately 5:00 p.m. Central Time.