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Market Surveillance

DATE: **November 12, 2014**

NOTICE #: **MSN11-12-14B**

SUBJECT: **Amendments to Rulebook Chapter 7 of the New York Mercantile Exchange, Inc.**

Effective Tuesday, November 18, 2014 and pending all relevant CFTC regulatory review periods, the New York Mercantile Exchange Inc. ("NYMEX" or "Exchange") will amend Chapter 7 of the NYMEX Rulebook to introduce NYMEX Rule 719 ("Initial Regularity for Delivery against a New Futures Contract"). NYMEX Rule 719 shall require that initial regularity for delivery against a new futures contract, concurrent with the listing of such new futures contract, be effective either fifteen (15) days after the Exchange posts a notice that a bona fide application has been received or the day after the application is approved by the Exchange, whichever is later.

Initial regularity and increases in regularity for physically delivered contracts currently listed on the Exchange will continue to be effective either thirty (30) days after the Exchange posts a notice that a bona fide application has been received or the day after the application is approved by the Exchange, whichever is later.

In addition, NYMEX and Commodity Exchange, Inc. ("COMEX" or "Exchange", and collectively the "Exchanges") will implement certain administrative, non-substantive amendments into NYMEX Chapter 7, including the incorporation into NYMEX Chapter 7 of certain terms and conditions were previously contained in the respective product chapters. With such incorporation and in order to eliminate redundancy, the Exchange is removing the duplicative terms and conditions from the respective product chapters.

Below is a summary of the amendments.

- Addition of conveyance requirements for metals, where applicable. Those requirements were previously contained in the application for regularity;
- Incorporation of certain provisions for approval of gold depositories previously contained in the COMEX Gold Futures rule chapter;
- Incorporation of weighing requirements for a gold depository upon receipt of 100-troy ounce gold bar previously contained in the COMEX Gold Futures rule chapter;
- Incorporation of Aluminum load out rules via alternate conveyance previously contained in the COMEX Aluminum Futures rule chapter;
- Elimination of references to paper warrants as such warrants are not deliverable against the Exchanges' metals contracts;
- Product Chapters: Elimination of the term "Licensed" in reference to service providers as service providers are subject to an approval process in accordance with and as defined in NYMEX Chapter 7; and
- Product Chapters: Elimination of term "Approved" in reference to service providers such as "Assayer", "Brand", "Carrier", "Depository", "Producer", "Shed", "Warehouse" and "Weighmaster". By definition, and as per Chapter 7, the use of the defined term for service providers indicates that such service providers have been approved by the Exchanges.

The amendments to NYMEX Chapter 7 and the product chapters can be found in black-line format on the CME Group website at the following links:

NYMEX/COMEX Submission 14-453 (1)
NYMEX/COMEX Submission 14-453 APPENDIX
NYMEX/COMEX Submission 14-454 (1)
NYMEX/COMEX Submission 14-454 APPENDIX

Please refer questions on this subject to:

Market Regulation

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