

**Coffee, Sugar & Cocoa Exchange, Inc.**  
*World Financial Center  
One North End Avenue  
New York, N.Y. 10282*

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May 5, 2004

Ms. Jean A. Webb  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Center  
1155 21<sup>st</sup> Street, NW  
Washington, DC 20581

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RE: Certification of Amendments to Coffee, Sugar  
& Cocoa Exchange, Inc. ("CSCE") Membership  
Rules 1.42 and 1.43 and 18.00(b), Pursuant to  
Section 5c(c)(1) of the Act and Regulation § 40.6

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Dear Ms. Webb:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended, (the "Act") and Commission Regulation 40.6, the Coffee, Sugar & Cocoa Exchange, Inc. ("CSCE") submits by certification amendments to Membership Rules 1.42 and 1.43 and to footnote 1 of Ethanol Rule 18.00(b), attached as Exhibit A hereto, (1) authorizing NYBOT members who are not CSCE members to trade the new Ethanol contract listed on CSCE, and (2) fine tuning footnote to give attribution to ASTM International with respect to ASTM standards referenced in the Rule.

The Exchange certifies that the amendments comply with the requirements of the Act and the rules and regulations promulgated thereunder.

The amendments to Membership Rules 1.42 and 1.43 were authorized by the Executive Committee of CSCE on May 3, 2004 by Unanimous Written Consent. The amendment to footnote 1 of Rule 18.00(b) were approved by the Board of Managers on April 14, 2004. No substantive opposing views were expressed by members or others with respect to the amendments.

The amendments will take effect on May 7, 2004 with respect to Futures and May 10, 2004 with respect to Options.

If you have any questions, please contact the undersigned at (212) 748-4083.

Very Truly Yours,

Audrey R. Hirschfeld  
Senior Vice President & General Counsel

Cc: David Van Wagner  
Allen Cooper

(In the text below deletions are bracketed and stricken through and additions are underscored)

**Rule 1.42. Class B Membership**

The terms and conditions of a Class B membership and the rights, privileges, and obligations of Class B members shall be set forth in this Rule.

(a) Applicability of Exchange Rules. Except as otherwise provided in this Rule, or elsewhere, Class B members shall be subject to all duties and obligations imposed upon members by the Rules of the Exchange. Each Class B member shall be subject to the jurisdiction of the Exchange until all investigations or proceedings relating to his or its activities as a Class B member have been concluded.

(b) Trading Rights, Class B members shall be permitted to trade the following:

(i) Mini Coffee C Futures Contracts

(ii) Ethanol Futures and Options Contracts [~~CMI Futures and Options Contracts~~

~~(iii) SPCI Futures and Options Contracts]~~

(c) Basis for Disciplinary Proceedings, A Class B member may not:

(i) Execute, or attempt to execute, a trade in any commodity contract other than a contract listed in paragraph (b).

(ii) Engage in words or conduct which represent, or appear to represent, that such Class B member is full or associate member of the Exchange.

**Adopted by the Board September 34, 2001; effective October 19, 2001.**

**Rule 1.43. New Product Traders**

The Exchange may grant floor trading privileges to qualified individual nonmembers who are members of the New York Board of Trade ("NYBOT") and its affiliate Exchanges with floor trading privileges on such Exchange for the sole purpose of trading the Exchange's newly listed futures and options contracts as determined by the Exchange ("New Product Trading Privileges") and provided each such New Product Trader is unconditionally guaranteed by an Exchange Clearing member. The terms and conditions of the rights, privileges and obligations of such New Trader shall be as set forth in this Rule 1.43.

\* \* \* \* \*

(e) New Product Trading Rights. New Product Traders shall have the right to trade the following new products:

(i) Mini Coffee "C" Futures Contracts;

(ii) Ethanol Futures and Options Contracts [~~CMI Futures and Options Contracts; and~~

~~(iii) SPCI Futures and Options Contracts.]~~

(Remainder of Rule Unchanged)

**Rule 18.00. Contract Terms—Form**

\* \* \* \* \*

(b) The Ethanol deliverable under the Ethanol Contract shall be biomass-derived, undenatured, anhydrous ethanol at 60° Fahrenheit meeting the following criteria<sup>1</sup>:

- |   |   |
|---|---|
| (i) Ethanol content                                 | minimum volume of 98% determined using ASTM D 5501-94 (Reapproved 1998) <sup>2</sup> or any further amended version of such standard.                 |
| (ii) Methanol content                               | maximum of 5,000 ppm (parts per million) by volume determined using ASTM D 5501-94 (Reapproved 1998) or any further amended version of such standard. |
| (iii) Solvent-washed gum content                    | maximum of 5.0 mg/100ml determined using ASTM D 381-03 or any further amended version of such standard.   |
| (iv) Water content                                  | maximum volume of 0.8% determined using ASTM E 203-01 or any further amended version of such standard.  |
| (v) Inorganic Chloride content                      | maximum mass of 40 ppm determined using ASTM D 512-81 (1985) <sup>e1</sup> Procedure C or any further amended version of such standard.               |
| (vi) Copper content                                 | maximum of 0.1 ppm determined using ASTM D 1688-02 Test method as modified in D 4806 or any further amended version of such standard.                 |
| (vii) Acidity (as acetic acid CH <sub>3</sub> COOH) | maximum of 70 ppm determined using ASTM D 1613-03 or any further amended version of such standard.  |
| (viii) pHe  | 6.5 to 9.0 determined using ASTM D 6423-99 or any further amended version of such standard.   |
| (ix) Appearance                                     | Visibly free of suspended or precipitated contaminants (clear and bright)   |

<sup>1</sup> The above chart addresses specification requirements for bio-massed derived denatured anhydrous ethanol. This chart is based upon a copyrighted chart in standard D4806 for denatured fuel ethanol of [is copyrighted by and reprinted with permission of] ASTM International, 100 Barr Harbor Drive, W. Conshohocken, PA 19428-2959 and refers to a number of copyrighted ASTM International standards. The information is used with permission; ASTM International, however, is not responsible for any changes made by the Exchange..

<sup>2</sup> The two-digit code following the ASTM standard refers to the year such standard was last updated. The year in parentheses refers to a later edition with no amendments to the cited standard.