



For Immediate Release

Financial Industry Coalition Urges Federal Appeals Court to Preserve CFTC Exclusive Jurisdiction

NEW YORK/WASHINGTON D.C./CHICAGO, Dec. 10, 2007 -- Today, a broad coalition of exchanges, brokers and market participants in the United States financial industry filed a "friend of the court" brief in Federal Appeals Court challenging the legal authority of the Federal Energy Regulatory Commission (FERC) to prosecute claims that Amaranth Advisors manipulated the price of natural gas futures traded on a futures exchange.

The coalition, which is composed of the Futures Industry Association (FIA), Managed Funds Association (MFA), CME Group Inc. (CME), New York Mercantile Exchange (NYMEX) and the International Swaps and Derivatives Association, Inc. (ISDA), argues in its brief that FERC's proceeding against Amaranth would harm the futures industry by creating two separate legal standards for determining when trading on futures exchanges should be construed as market manipulation. The brief also stressed the importance of preserving the exclusive jurisdiction of the Commodity Futures Trading Commission (CFTC) over U.S. futures markets and urges the court to support Amaranth's request for a stay of the FERC proceeding until this important jurisdictional issue is resolved.

The coalition has complete confidence in the CFTC's experience and expertise to deal with any attempts to manipulate futures prices and believes that any effort to diminish the CFTC's exclusive jurisdiction will be inimical to the health of the \$5 trillion a day futures industry. The coalition neither supports nor tolerates any form of price manipulation and the brief takes no position on the substance of the FERC's allegations.

Congress determined in the 1974 Commodity Exchange Act that it was in the public interest that the CFTC "shall have exclusive jurisdiction" over commodity futures trading in the United States. The CFTC has in fact exercised that jurisdiction in this matter. On July 25, 2007, the CFTC sued Amaranth for attempted price manipulation of natural gas futures contracts traded on the NYMEX. That same week, FERC filed its own administrative proceeding against Amaranth based upon the same alleged misconduct but applying a different legal standard, a standard never before applied to the futures industry.

Staying FERC's enforcement proceeding for the short time it will take to review the purely legal question of FERC's claimed jurisdiction will cause no harm. The public interest and the interest of market participants will be damaged if both enforcement actions are allowed to continue in parallel, creating uncertainty as to the legal standard governing trading on futures exchanges. Congress vested "exclusive jurisdiction" in the CFTC to make certain that a single, expert legal

standard, based upon the Commodity Exchange Act and CFTC regulations, applied to the U.S. futures industry. The FERC's proceeding for futures price manipulation creates costly uncertainty as to the standards by which trading on U.S. futures exchanges will be measured, which is contrary to both law and the public interest. The FERC proceeding should be stayed.

About FIA

FIA is a principal spokesman for the commodity futures and options industry in the U.S. Our regular membership is comprised of approximately 35 of the largest U.S. futures commission merchants. Among the approximately 175 firms that make up our associate membership are representatives of virtually all segments of the futures industry, including both national and international exchanges, banks, law firms, accounting firms, introducing brokers, commodity trading advisors, commodity pool operators and other market participants. FIA estimates that our members are responsible for more than 80 percent of all customer transactions executed on U.S. contract markets.

About MFA

MFA is the voice of the global alternative investment industry. Its members include professionals in hedge funds, funds of funds and managed futures funds. Established in 1991, MFA is the primary source of information for policymakers and the media and the leading advocate for sound business practices and industry growth. MFA Members represent the vast majority of the largest hedge fund groups in the world who manage a substantial portion of the approximately \$2 trillion invested in absolute return strategies. MFA is headquartered in Washington, D.C., with an office in New York.

About CME Group

CME Group (www.cmegroup.com) is the world's largest and most diverse exchange. Formed by the 2007 merger of the Chicago Mercantile Exchange (CME) and the Chicago Board of Trade (CBOT), CME Group serves the risk management needs of customers around the globe. As an international marketplace, CME Group brings buyers and sellers together on the CME Globex electronic trading platform and on its trading floors. CME Group offers the widest range of benchmark products available across all major asset classes, including futures and options based on interest rates, equity indexes, foreign exchange, agricultural commodities, energy, and alternative investment products such as weather and real estate. CME Group is traded on the New York Stock Exchange and NASDAQ under the symbol "CME."

About the New York Mercantile Exchange, Inc.

The New York Mercantile Exchange, a subsidiary of NYMEX Holdings, Inc. (NYSE: NMX), is the world's largest physical commodities exchange, offering futures and options trading in energy and metals contracts and clearing services for more than 320 off-exchange energy contracts. Through a hybrid model of open outcry floor trading and electronic trading on CME Globex[®] and NYMEX ClearPort[®], NYMEX offers crude oil, petroleum products, natural gas, coal, electricity, gold, silver, copper, aluminum, platinum group metals, emissions, and soft commodities contracts for trading and clearing virtually 24 hours each day. For more information, visit the NYMEX website at www.nymex.com.

About ISDA

ISDA, which represents participants in the privately negotiated derivatives industry, is among the world's largest global financial trade associations as measured by number of member firms. ISDA was chartered in 1985, and today has approximately 825 member institutions from 56 countries on six continents. These members include most of the world's major institutions that deal in privately negotiated derivatives, as well as many of the businesses, governmental entities and other end users that rely on over-the-counter derivatives to manage efficiently the financial market risks inherent in their core economic activities. Information about ISDA and its activities is available on the Association's web site: www.isda.org.

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