



Marco Bianchi
Senior Vice President
NYSE Liffe U.S.
20 Broad Street
10th Floor
New York, NY 10005
T +1 212 656 4300

By Electronic Mail

June 28, 2012

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

Re: NYSE Liffe U.S. Submission 2012-118 – Notice Announcing an Amendment to the Inter-Dealer Broker (IDB) Incentive Plan

Dear Mr. Stawick:

I am a Senior Vice President of NYSE Liffe US LLC (“**NYSE Liffe US**” or the “**Exchange**”). Pursuant to Section 5c(c) of the Commodity Exchange Act (the “**Act**”), as amended, and U.S. Commodity Futures Trading Commission (the “**Commission**”) Regulations (the “**Regulations**”) Section 40.6(a), I enclose a Cover Sheet for NYSE Liffe US Submission 2012-118 and NYSE Liffe US Notice 21/2012 which announces an amendment to the NYSE Liffe U.S. Inter-Dealer Broker Incentive Plan (“**IDB Program**”) to include Exchange-for-Related Position and Block Transactions in Futures on the DTCC GCF Repo Index™ Products (“**GCF Futures**”), in the IDB Program. NYSE Liffe U.S. Notice 18/2012 announced the Exchange’s listing of GCF Futures. The Amendment will become effective on July 16, 2012.

NYSE Liffe US hereby certifies that: (i) NYSE Liffe U.S. Notice 21/2012 and the amendment to the IDB Program announced therein comply with the Act and the regulations thereunder; and (ii) a notice and copy of this submission is being concurrently posted on the Exchange’s web site. Additionally, a concise explanation and analysis of the amendment to the IDB Program and compliance with applicable provisions of the Act, including core principles and the Commission's regulations thereunder, is attached.

If you have any questions, please call me at (212) 656-4312, or Karl Cooper at 212-656-4568.

Yours Truly,

A handwritten signature in black ink, appearing to read "Marco Bianchi".

Marco Bianchi
Enclosures

**Designated Contract Market Core Principles Implicated by
NYSE Liffe US Submission 2012-118**

Core Principle	Analysis
<i>Core Principle 2: Compliance with Rules</i>	<p>The Exchange carefully vets all members of the IDB Program. Participants in the Program are subject to all of the existing the rules and regulations of the Exchange contained in the Exchange rulebook, including Chapter 3, governing access to the Exchange’s trading platform, and Chapter 6, prohibiting, among other things, fraudulent or fictitious trades, pre-arranged trades, market manipulation and any acts which are inconsistent with just and equitable principles of trade. The Exchange has contracted with the National Futures Association to provide comprehensive market surveillance. This includes the real-time monitoring and of trade practices for compliance with the Exchange Act, CFTC Rules, and the rules of the Exchange. Off-exchange transactions are reviewed by the Exchange prior to acceptance by the Exchange and submission of such transactions by the Exchange to the clearing service provider for clearing. Violations of Exchange rules are investigated and subject to the disciplinary procedures found in Chapter 7 of the Exchange rulebook. In addition, the Exchange has in place effective international information sharing arrangements and has entered into accords such as the Boca Declaration and the Intermarket Surveillance Group Agreement.</p>
<i>Core Principle 3: Contracts not Readily Subject to Manipulation</i>	<p>The IDB Program does not incentivize market manipulation nor promote abusive practices. The Exchange provides market surveillance and disciplinary procedures to monitor and prevent such practices.</p>
<i>Core Principle 4: Prevention of Market Disruption</i>	<p>Pursuant to the terms of the IDB Program, all participants are subject to all rules of the Exchange. The Exchange conducts market surveillance to detect rule violations and trades that do not comport with just and equitable trade practices. The Exchange, in conjunction with the National Futures Association, has the capacity to detect market manipulation and price disruption in the market as well as the ability to reconstruct trades.</p>

<i>Core Principle 5: Position Limits or Accountability</i>	Participants in the IDB program are subject to the all applicable position limits and accountability levels.
<i>Core Principle 9: Execution of Transactions</i>	The IDB Incentive Program promotes the price discovery process in the central market because IDBs communicate Exchange central order book prices to their customers. This results in the further dissemination of market prices to potential customers that may have been previously unaware of the Exchange. As with other incentive programs, the Exchange will monitor the impact, if any, that this program has on trading on the centralized market. Off-exchange transactions are reviewed by the Exchange prior to acceptance of the transactions by the Exchange and the Exchange's submission of the transactions to the clearing service provider. In the event the Exchange identifies any deleterious effect to the centralized market, will take appropriate action
<i>Core Principle 10: Trade Information</i>	The Exchange records and maintains an audit trail with all trade information regarding trading by all market participants, including incentive program participants, in order to detect customer and market abuse.
<i>Core Principle 12: Protection of Markets and Market Participants</i>	Both Member and Non-Member participants in the IDB program are subject to the rules of the Exchange. Chapter 6 of the Exchange rulebook prohibits such practices as fraudulent or fictitious trades, pre-arranged trades, market manipulation and any acts which are inconsistent with just and equitable principles of trade. The Exchange performs real time market surveillance of trades and investigates potential violations of the rules. Any participant found in violation of the Exchange Rules is subject to disciplinary procedures found in Chapter 7 of the Exchange rulebook. In addition, participants found in violation of the terms of the Program are disqualified from further participation.
<i>Core Principle 13: Disciplinary Procedures</i>	Chapter 7 of the Exchange rulebook details the Exchange's process and procedures for disciplinary action against its members. All participants in the IDB Program are subject to disciplinary action for violating the rules and regulations of the Exchange.
<i>Core Principle 19: Antitrust Considerations</i>	The IDB Program does not result in any

	restraint of trade because it does not restrict trading on any competing exchange.
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NYSE LIFFE U.S. NOTICE No. 21/2012

ISSUE DATE: June 28, 2012
EFFECTIVE DATE: July 16, 2012

Summary

This Notice announces the addition of Exchange-for-Related Position and Block transactions in Futures on the DTCC GCF Repo Index™ Products to the Inter-Dealer Broker Incentive Program.

1. Background

- 1.1 [NYSE Liffe US Notice No. 13/2012](#), issued May 17, 2012, informed Members of the launch of the Inter-Dealer Broker Incentive Program (the “IDB Program”).
- 1.2 [NYSE Liffe US Notice No. 18/2012](#), issued June 22, 2012, informed Members of the Launch of Futures on the DTCC GCF Repo Index™ Products (“GCF Futures”).

2. Amendment of the IDB Program

- 2.1 The Exchange hereby announces that the IDB program is amended to include Exchange-for-Related Position and Block transactions in GCF Futures. Inter-Dealer Brokers enrolled in the IDB Program arranging such transactions in GCF Futures will be entitled to the same benefits as set forth in Notice 13/2012, assuming their compliance with all of the terms and conditions of the IDB Program, and any applicable laws, regulations and Exchange Rules.
- 2.2 As mentioned in Notice 13/2012, Members must enroll in the IDB Program by completing an application (attached to notice [No. 13/2012](#)) and sending it to the Exchange.
- 2.3 The Exchange reminds Members that it will monitor transactions for compliance with Exchange Rules and Procedures.

2.4 The Exchange further reminds Members that it reserves the right to terminate or alter, limit or modify any or all of the terms, rules, benefits, or eligibility requirements available under the Program.

3. Compliance with Laws, Rules and Regulations

3.1 All Members are reminded that they remain subject to all applicable laws, rules and regulations otherwise applicable to their activities, including, but not limited to the NYSE Liffe U.S. Rules, the Commodity Exchange Act and the rules and regulations promulgated thereunder.

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Members who have questions or seek additional information in respect of this Notice should contact:

New York Office
Chicago Office

+1 212 656 4300
+1 312 442 7730

nyseliffeus@nyx.com