



Lynn Martin
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By Electronic Mail

July 10, 2013

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 US Submission– 2013-111 Notice Announcing the
Introduction of a Lead Market Maker Program for GCF Futures**

Dear Mr. Stawick:

I am an Executive Vice-President of NYSE Liffe US LLC (“NYSE Liffe US” or the “Exchange”). Pursuant to Section 5c(c) of the Commodity Exchange Act, as amended (the “Act”), 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 and NYSE Liffe US Notice 14/2013 which announces the introduction of a Lead Market Maker Market Maker Program for Mortgage Backed GCF Futures (the “LMM Program”) effective with the July25, 2013, trading session.

NYSE Liffe US hereby certifies that: (i) the LMM Program complies 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 LMM Program and its compliance with applicable provisions of the Act, including core principles and the Commission's regulations thereunder, is attached. No substantive opposing views were expressed by members or others with respect to the market maker program.

If you have any questions, please call me at (212) 656-4300.

Yours Truly,

Lynn Martin
Enclosures

**Designated Contract Market Core Principles Implicated by
NYSE Liffe US Submission 2013-111**

CORE PRINCIPLE	ANALYSIS
<p><i>Core Principle 2: Compliance with Rules</i></p>	<p>The Exchange solicited over fifteen market-leading trading firms expert in trading interest rate derivatives for the position of Lead Market Maker (“LMM”) in Futures on the Mortgage-Backed Securities DTCC GCF Repo Index®. The LMM appointed as a result of this process is subject to a market making agreement by which the participant agrees to abide by the Act and all rules, regulations, orders and interpretations of the CFTC and any applicable self-regulatory organization. In addition, the Exchange has the right to terminate the agreement immediately if the membership or trading rights of the market maker are suspended or if, in the opinion of the Exchange's Market Regulation Department, the market maker's activity violates any applicable law or rule. Moreover, the participant agrees to not only comply with the requirements of the program, but also all existing rules of the Exchange including Chapter 3, governing access to the Exchange’s Trading Platform, Chapter 6 governing the business conduct of Exchange members and prohibiting, among other things, fraudulent acts, fictitious and pre-arranged trades, market manipulation, disruptive trading and acts inconsistent with just and equitable principles of trade. The Exchange monitors its markets on a constant basis in real-time. In addition, through the operation of a regulatory services agreement, the National Futures Association provides to the Exchange comprehensive trade practice and market surveillance services designed to detect activities that are not in compliance with the Act, CFTC Regulations, or Exchange rules and policies. Additionally, the Exchange has the authority, through Chapter 7 of the Exchange’s rulebook, and the capacity to investigate any possible rule violations and, where appropriate, bring disciplinary actions and impose sanctions for any violations. Finally, the Exchange has in place effective international information sharing arrangements and has entered into accords such as the International Information Sharing Memorandum of Understanding and Agreement and the Intermarket Surveillance Group Agreement.</p>
<p><i>Core Principle 3: Contracts not Readily Subject to Manipulation</i></p>	<p>The program does not incentivize manipulative or other abusive practices. In the Exchange’s experience, programs of this type have not promoted abusive practices by participants. Further, the Exchange has policies and procedures to monitor the participant and all trading more generally in Futures on Mortgage-Backed Securities DTCC GCF Repo Index® and to detect and prevent manipulative or abusive trading and practices.</p>

CORE PRINCIPLE	ANALYSIS
<i>Core Principle 4: Prevention of Market Disruption</i>	Trading by the participant in the program, like all trading in GCF Futures, will be subject to the existing trade practice and market surveillance policies and procedures of the Exchange. As stated above, the Exchange has real-time surveillance capabilities involving both human interaction as well as technological tools. Furthermore, the Exchange staff, in coordination with National Futures Association, has the capacity to detect and respond to manipulation and price distortions in its market and the ability to provide accurate and complete trade reconstruction.
<i>Core Principle 5: Position Limits or Accountability</i>	The participant in the program will be subject to all applicable position accountability levels.
<i>Core Principle 9: Execution of Transactions</i>	Market maker programs are designed to enhance the market, providing liquidity and requiring consistent, tighter markets that tend to promote more accurate price discovery. Furthermore, the Exchange will, as it does for all such programs, monitor the impact, if any, that this particular program has on trading on the centralized market and, in the event the Exchange identifies any deleterious effect to the centralized market, will take appropriate action. The LMM Program is designed to avoid incentivizing non-central order book activity by limiting the waiver of Exchange fees enjoyed by the MM to trades executed through the central order book and the revenue share provided to the MM is limited to Exchange fee revenue which does not include revenue generated by Block Trade surcharges.
<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 the participants in the program, necessary to monitor for customer and market abuse.
<i>Core Principle 12: Protection of Markets and Market Participants</i>	The participant in the program remains subject to all of the Exchange's rules. Chapter 6 of the Exchange's rulebook governs the business conduct of Exchange members and prohibits, among other things, fraudulent acts, fictitious and pre-arranged trades and other activities that could disadvantage their customers, as well as disruptive trading and acts detrimental to the Exchange and inconsistent with just and equitable principles of trade. The Exchange monitors for and investigates any possible rule violations and where appropriate brings disciplinary actions and imposes sanctions for any violations by any participants in these programs.
<i>Core Principle 19: Antitrust Considerations</i>	The program will not result in any restraint of trade as it puts no restrictions on trading in other competing markets and venues.



NYSE LIFFE US NOTICE No. 14/2013

ISSUE DATE: July 10, 2013

EFFECTIVE DATE: July 25, 2013

Introduction of Lead Market Maker Program in Futures on Mortgage-Backed Securities DTCC GCF Repo Index®

Summary

This Notice announces the establishment of a Lead Market Maker Program in Futures on the Mortgage-Backed Securities DTCC GCF Repo Index® and the appointment of a Lead Market Maker in Futures on the Mortgage-Backed Securities DTCC GCF Repo Index®.

1. Introduction

- 1.1 NYSE Liffe US Notice [No. 47/2012](#) announced the appointment of market makers (“MMs”) to participate in the Exchange’s General DMM Program in Futures on DTCC GCF Repo Index™ Products (“GCF Futures”) commencing with the January 16, 2013 Trading Session and continuing through the June 30, 2013 Trading Session.
- 1.2 NYSE Liffe US Notice [No. 13/2013](#) announced the extension of the Exchange’s General DMM Program in Futures on DTCC GCF Repo Index™ Products (“GCF Futures”) commencing with the July 1, 2013 Trading Session and continuing through the December 31, 2013 Trading Session.

2. Introduction of Lead Market Maker in Futures on the Mortgage-Backed Securities DTCC GCF Repo Index®

- 2.1 In addition to the General DMM Program, and based on the liquidity needs of the market, the Exchange has determined to introduce a Lead Market Maker (“LMM”) Program in the Exchange’s Mortgage-Backed Securities DTCC GCF Repo Index® Futures.
- 2.2 The Exchange will introduce the LMM Program in the Mortgage-Backed Securities DTCC GCF Repo Index® commencing with the July 25, 2013 Trading Session and continuing through the August 1, 2014 trading session.
- 2.3 This Notice informs Members of the appointment of a LMM in Futures on the Mortgage-Backed Securities DTCC GCF Repo Index®.

- 2.4 The LMM appointment is subject to the terms of a contractual agreement between the Exchange and the LMM. Under the terms of the agreements, the LMM represents that its market making activity will comply with all applicable provisions of the Commodity Exchange Act, the regulations of the Commodity Futures Trading Commission and the Rules of the Exchange. The Exchange will monitor the LMM's performance of market making activity under the contract and may adjust benefits otherwise due under the agreement and/or terminate the agreement if it determines the LMM has failed to perform its obligations as a LMM under the agreement.

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

New York Office

+1 212 656 4300

Chicago Office

+1 312 442 7730

nyseliffeus@nyx.com

Attachment 1

Introduction of a Lead Market Maker (“LMM”) Program in Futures on the Mortgage-Backed Securities DTCC GCF Repo Index®

Participant Eligibility

- Any Market Participant

Program Hours

- 8am-5pm ET

Program Term

- July 25, 2013-August 1, 2014

Obligations

- The Market Participant that is registered as the LMM in this program must be in full compliance with Exchange rules
- Post bids and offers at contracted bid/ask spreads and sizes in Futures on the Mortgage-Backed Securities DTCC GCF Repo Index® during designated Program Hours set forth above under normal market conditions to be determined by contract with individual market maker

Incentives

- Waiver of Exchange fees for trades executed in the central order book.
- Revenue share of exchange fees generated by trading in Futures on the Mortgage-Backed Securities DTCC GCF Repo Index® up to a cap.

Monitoring and Termination Status

NYSE Liffe US will monitor LMM activity on an ongoing basis, and retains the right to revoke LMM status if NYSE Liffe US concludes, from its review that a program participant is not complying with the market-making obligations of the program.



Karl Cooper
Chief Regulatory Officer
NYSE Liffe US
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New York, NY 10005
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**FOIA CONFIDENTIAL TREATMENT REQUEST
BY NYSE LIFFE US LLC**

By Electronic Mail

July 10, 2013

Linda J. Mauldin
Paralegal Specialist
FOIA Compliance Office
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: FOIA Confidential Treatment Request

Dear Ms. Mauldin:

By e-mail dated today, July 10, 2013, NYSE Liffe US LLC ("NYSE Liffe US" or the "Exchange") in connection with NYSE Liffe US Submission 2013-111, voluntarily provided the supplemental information attached.

Pursuant to Commission Rule 145.9(d), the Exchange requests confidential treatment of the information attached and this letter on the grounds that disclosure of this information would reveal confidential commercial or financial information of the Exchange. Pursuant to Commission Rule 145.9(d)(5) the Exchange requests that confidential treatment of the attached information be maintained until further notice from the Exchange. The Exchange requests that the Commission notify it immediately after receiving any request under the Freedom of Information Act ("FOIA") or any other court order, subpoena or summons for the attached information. The Exchange specifically notes that it does not waive in any manner its rights under Section 8(f) of the Commodity Exchange Act to receive a copy of any subpoena or summons for the attached information prior to the Commission's disclosure of such information pursuant to such subpoena or summons. Finally, the Exchange requests that the Commission notify it in the event that the Commission intends to disclose the attached information to Congress or any federal or state governmental agency or department.

In connection with this request for confidential treatment, and pursuant to Commission Rule 40.8, the Exchange is submitting the attached detailed written justification in support of the request for confidential treatment.

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

Yours truly,

Karl Cooper
Enclosure