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By Electronic Mail

July 13, 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 2012-119 – Notice Announcing the Amendments to Rules 302 (“Members”); 424 (“Transfers of Positions”); 704 (“Opportunity to Respond”); 705 (“Review of Investigative Reports”); 719 (“Summary Suspensions and Other Summary Actions”).

Dear Mr. Stawick:

I am the Chief Regulatory Officer 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 2012-119 and NYSE Liffe US Notice 22/2012 which announces amendments to NYSE Liffe US Rules 302, 424, 704, 705 and 719, regarding Member interests; transfers of positions; opportunity to respond; review of investigative reports; and summary actions (the “Rule Amendments”). The Rule Amendments will become effective on July 30, 2012.

NYSE Liffe US hereby certifies that: (i) the Rule Amendments comply with the Act and the regulations thereunder; and (ii) a notice and copy of this submission has been concurrently posted on the Exchange’s web site. Additionally, a concise explanation and analysis of the amendments to the Rules and their 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) 656-4568.

Respectfully submitted,

A handwritten signature in black ink that reads "Karl D. Cooper".

Karl D. Cooper
Enclosures

**Concise Explanation and Analysis of the
Designated Contract Market Core Principles Implicated by
NYSE Liffe US Submission 2012-119**

Amendments to Rules 302, 424, 704, 705 and 719 do not substantively alter the NYSE Liffe US Rulebook:

Rule 302 is amended to clarify that members do not obtain an equity interest in the Exchange solely by virtue of being an Exchange member and, on the other hand, make clear that members are not necessarily prohibited from obtaining an equity interest. The amendment is made in light of the purchase by certain Exchange Members, or their affiliates, of equity interests in the Exchange's parent company.

Core Principle	Analysis
<i>Core Principle 2: Compliance with Rules</i>	All Members of the Exchange are subject to the Exchange Rules. To ensure compliance with the Rules, The Exchange has contracted with the National Futures Association to perform certain compliance and surveillance operations. The NFA performs initial investigations of potential Rule violations and submits them to the Exchange for review. In addition, Chapter 7 of the Exchange Rules defines the procedures for disciplinary action against potential Rule violations. The Rule as amended will ensure that the ownership of an equity interest in the Exchange's parent company will not have any impact on the duty of the Member to abide by the Rules of the Exchange.
<i>Core Principle 16: Conflicts of Interest</i>	To preserve the integrity of the Market, there should be safeguards in place to ensure that any conflicts of interest do not affect the impartiality of the Exchange's performance of its self-regulatory duties. The Rule as amended is meant to clarify that a Member does not obtain an ownership interest in the Exchange solely by virtue of its status as an Exchange Member. Also, the amendment clarifies that Members are not prohibited from holding an ownership interest. Existing Exchange rules and the structure and governance of the Regulatory Oversight Committee and the Market Regulation Department, which maintain the independence of the Exchange's self-regulatory function, should promote the non-discriminatory treatment of Exchange members whether or not they hold an ownership interest in the Exchange.

Rule 424(c) is amended to reflect market practices in processing position transfers of cash-settled futures, and physically-delivered futures where the long assignment is made randomly, such as is the case with NYSE Liffe US precious metals futures. The Rule as amended will accurately reflect current market practice and make the Exchange’s Rule more consistent with practices at other Designated Contract Markets in allowing cash-settled futures, and physically-delivered futures where the long delivery assignments are allocated randomly to be transferred at transfer date and last settlement price.

Core Principle	Analysis
<i>Core Principle 2: Compliance with Rules</i>	All Members of the Exchange are subject to the Exchange Rules. To ensure compliance with the Rules, The Exchange has contracted with the National Futures Association to perform certain compliance and surveillance operations. The NFA performs initial investigations of potential Rule violations and submits them to the Exchange for review. In addition, Chapter 7 of the Exchange Rules defines the procedures for disciplinary action against potential Rule violations. The Rule, as amended, will prevent the unnecessary scheduling of hearings related to potential Rule violations, when potential respondents do not desire a hearing.
<i>Core Principle 11: Financial Integrity of Transactions</i>	Transfers of positions are allowed for bona fide business reasons. The Rule as amended would bring the Exchange’s Rule in line with market practices as well as with the existing rules of other exchanges. Except for physically-delivered Futures whose long assignment is based on original trade date, there is no need to transfer a position at original trade date. As the Exchange’s Clearing Service Providers employ daily variation margin collection processes, it is consistent with the financial integrity of transactions to transfer positions at the last settlement price.

Rule 704, as amended, allows the Market Regulation Department, with the Review Panel’s permission, to issue a notice to a potential respondent (“Wells Notice”) without first obtaining a Review Panel’s approval. The amendment is designed to streamline the process contained in the current language of the Rule, which requires the Review Panel to consider the case, authorize a Wells Notice, and wait for the potential respondent to respond before reconsidering the case in light of the potential respondent’s Wells submission. This would eliminate the duplication of effort by the Review Panel and provide for a quicker disposition of matters.

Core Principle	Analysis
<i>Core Principle 2: Compliance with Rules</i>	All Members of the Exchange are subject to the Exchange Rules. To ensure compliance with the Rules, The Exchange has contracted with the National Futures Association to perform certain compliance and surveillance operations. The NFA performs initial investigations of potential Rule violations and submits them to the Exchange for review. In addition, Chapter 7 of the Exchange Rules defines the procedures for disciplinary action against potential Rule violations. The Rule as amended will ensure that any potential rule violation is addressed in a timely and efficient manner.
<i>Core Principle 13: Disciplinary Procedures</i>	The disciplinary procedures of the Exchange are contained in Chapter 7 of the Rules. The Rule, as amended would provide a timely review and disposition of matters of potential rule violations by omitting the duplicative review of the matter by the Review Panel.

Rule 705 is amended to make clear that any submission made in response to a Wells Notice must be included with the Market Regulation Department’s investigative report and considered by the Review Panel. This Rule, when combined with an amended Rule 704 above, will streamline the disciplinary process, allowing for a timely resolution of matters while ensuring that the potential respondent’s views are considered by the Review Panel.

Core Principle	Analysis
<i>Core Principle 2: Compliance with Rules</i>	All Members of the Exchange are subject to the Exchange Rules. To ensure compliance with the Rules, The Exchange has contracted with the National Futures Association to perform certain compliance and surveillance operations. The NFA performs initial investigations of potential Rule violations and submits them to the Exchange for review. In addition, Chapter 7 of the Exchange Rules defines the procedures for disciplinary action against potential Rule violations. The Rule, as amended, will ensure a more efficient process by allowing both the potential respondent’s submission and the Market Regulation Department’s submission be reviewed simultaneously.
<i>Core Principle 13: Disciplinary Procedures</i>	The disciplinary procedures of the Exchange are contained in Chapter 7 of the Rules. The Rule, as combined with amended Rule 407 above, will streamline the review process by allowing the entire submission to be

	considered at one time.
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Rule 719(b) is amended so that the Exchange is not obligated to hold a hearing concerning a summary action unless the respondent against whom the action was taken requests such a hearing. This will avoid the need to schedule and prepare for hearings which Members do not wish to have. Since a hearing may still be requested, the potential respondent's right to a fair hearing is preserved.

Core Principle	Analysis
<i>Core Principle 2: Compliance with Rules</i>	All Members of the Exchange are subject to the Exchange Rules. To ensure compliance with the Rules, The Exchange has contracted with the National Futures Association to perform certain compliance and surveillance operations. The NFA performs initial investigations of potential Rule violations and submits them to the Exchange for review. In addition, Chapter 7 of the Exchange Rules defines the procedures for disciplinary action against potential Rule violations. The Rule, as amended, will prevent the unnecessary scheduling of hearings related to potential Rule violations, when potential respondents do not desire a hearing.
<i>Core Principle 13: Disciplinary Procedures</i>	The disciplinary procedures of the Exchange are contained in Chapter 7 of the Rules. The Rule, as amended, will avoid the unnecessary effort to schedule and prepare for a hearing when a potential respondent does not wish to have one.



NYSE LIFFE U.S. NOTICE No. 22/2012

ISSUE DATE: July 13, 2012
EFFECTIVE DATE: July 30, 2012

Summary

This Notice provides information regarding amendments to the NYSE Liffe US Rulebook: Rules 302, 424, 704, 705 and 719.

1. Introduction

With this Notice:

- 1.1** Rule 302 is amended to make clear that Exchange Members, or their affiliates, will not obtain any equity or other interest in the Exchange, solely by their status as a Member of the Exchange. On the other hand, it is also made clear that members are not prohibited from obtaining an equity interest.
- 1.2** Rule 424 subsection (c) is amended to reflect market practices in processing position transfers of cash-settled and physically-delivered futures, such as is the case with NYSE Liffe US precious metals futures. Specifically, transfers of such contracts may be made using either the original trade date or transfer date.
- 1.3** Rule 704 is amended to allow the Market Regulation Department to issue a notice to a potential respondent that the Market Regulation Department has recommended formal disciplinary charges (a "Wells Notice") without first obtaining a Review Panel's approval. This is intended to make Review Panel proceedings more efficient by more quickly crystallizing issues in contention between the Market Regulation Department and potential respondents.
- 1.4** Rule 705 is amended to make clear that a response to a Wells Notice must be included with the Market Regulation Department's investigative report and considered by the Review Panel.

Web site: www.nyx.com

NYSE Euronext's U.S. Futures Market, NYSE Liffe U.S., is a U.S. Commodity Futures Trading Commission designated contract market.

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1.5 Rule 719 subsection (b) is amended so that the Exchange is not obligated to hold a hearing concerning a summary action unless the respondent against whom the action was taken requests such a hearing. While guaranteeing a respondent's right to be heard to challenge a summary action, the amendment avoids needless preparations for hearings in cases where the respondent does not wish to challenge the summary action taken.

2. Text of Rules 302, 424, 704, 705 and 719 as amended.

2.1 For Members' convenience, the text of the amendments to Rules 302, 424, 704, 705 and 719 are set forth in the attached appendix.

* * * *

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

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Chicago Office

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nyseliffeus@nyx.com

Appendix to NYSE Liffe U.S. Notice 22/2012

Deleted language is shown in ~~strikeout~~ and added language is underscored

302. Members

Each Member will have the right to access the NYSE Liffe US Trading Platform, including the right to place Orders for each of its proprietary accounts and, if otherwise registered in any required capacity and authorized to act on behalf of Customers under the CEA and Commission Regulations thereunder, for the accounts of such Customers. The access rights of a Member hereunder may not transferred, assigned, sold or leased.

A member, solely by virtue of his, her or its status as a Member of the Exchange, will not be a limited liability company member and will not obtain any equity or other interest in the Exchange, including voting rights or rights to receive any dividends or other distributions, whether arising from a dissolution, merger or consolidation involving the Exchange or otherwise.

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424. Transfers of Positions

- (a) A Clearing Member may transfer a position on its books to:
- (i) correct errors in an existing Contract, *provided* that the original trade documentation confirms the error;
 - (ii) transfer an existing Contract from one account to another within the same Member where no change in ownership is involved;
 - (iii) transfer an existing Contract from one Clearing Member to another Clearing Member where no change in ownership occurs; or
 - (iv) transfer an existing Contract through operation of law from death or bankruptcy.

(b) Upon written request, the Exchange may, in its sole discretion, allow the transfer of a position as a result of a merger, asset purchase, consolidation, or similar nonrecurring transaction for a Person that is an organization.

(c) Clearing Members must transfer positions pursuant to this Rule 424. Transactions in all physically-delivered Futures for which delivery assignments are based on trade date must be recorded and carried on the books of the receiving firm at the original trade dates; all other transactions may be recorded and carried at either the original trade date or the transfer date. Futures transactions may be transferred using either the original trade price or the most recent settlement price. at the same prices that appear on the books of the transferring Clearing Member, and the transfer must indicate the date when the original trade was made. Each Clearing Member that is a party to a transfer of positions must make and retain records stating the nature of the

transaction and the name of the counter-party Clearing Member. Each Clearing Member that is a party to a transfer of positions must adhere to the Rules of the Clearing Service Provider related to transfers of positions and must provide any information required by the Clearing Service Provider related to such transfer.

* * * *

704. Opportunity to Respond

(a) After completing its investigation report, the Market Regulation Department may, ~~upon approval of the Review Panel,~~ notify each potential respondent that the Market Regulation Department has determined to recommend formal disciplinary charges be issued against the potential respondent.

(b) The Market Regulation Department may allow a potential respondent to propose a settlement of the matter or to submit a written statement explaining why a disciplinary proceeding should not be instituted or one or more of the potential charges should not be brought. The potential respondent shall submit such written statement within the time limit established by the Market Regulation Department.

* * * *

705. Review of Investigative Reports

(a) The Review Panel will review promptly each completed investigation report (together with any response submitted by a potential respondent to a notice issued pursuant to Rule 704 of the Market Regulation Department's determination to recommend that a Review Panel authorize the commencement of formal disciplinary proceedings against the potential respondent) to determine whether a reasonable basis exists to believe that a violation within the Exchange's jurisdiction has occurred or is about to occur.

(b) If the Review Panel determines that additional investigation or evidence is needed to decide whether a reasonable basis exists to believe that a violation within the Exchange's jurisdiction has occurred or is about to occur, the Review Panel will direct the Market Regulation Department to conduct further investigation.

(c) After receiving notice of completion of an investigation, the Review Panel will determine for each potential respondent whether to authorize:

(i) the commencement of disciplinary proceedings because a reasonable basis exists to believe that a violation within the Exchange's jurisdiction has occurred or is about to occur;

(ii) the informal disposition of the investigation (by issuing a warning letter or otherwise) because disciplinary proceedings are unwarranted or because no reasonable basis exists to believe that a violation within the Exchange's jurisdiction has occurred or is about to occur; or

(iii) the closing of the investigation without any action because disciplinary proceedings are not warranted or no reasonable basis exists to believe that a violation within the Exchange's jurisdiction has occurred or is about to occur.

(d) Any member of the Review Panel must promptly recuse himself or herself and notify the Chief Regulatory Officer of the recusal if such member has a relationship of a type listed in Rule 204(a)(i) with a potential respondent in an investigative report.

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719. Summary Suspensions and Other Summary Actions

(a) Notwithstanding anything in the Rules of the Exchange to the contrary, the President, or his or her designee, may summarily suspend the Member's right to access the NYSE Liffe US Trading Platform or the association of a Registered User with a Member or take other summary action against any Member, Registered User or other Person subject to the Exchange's jurisdiction. To summarily suspend or take summary action, the President, or his or her designee, must reasonably believe that the business, conduct or activities of the Member, Registered User or other Person in question is not in the best interests of the Exchange or the marketplace, including based on any of the following: (i) statutory disqualification from registration as provided in CEA Section 8a(2) or (3); (ii) non-payment of fees, costs, charges, fines or arbitration awards; or (iii) reasonable belief that immediate action is necessary to protect the public or the best interests of the Exchange.

(b) Whenever the President, or his or her designee proposes to take summary action pursuant to paragraph (a) above, the Exchange will, if practicable, provide written notice to the party against whom the action is contemplated. If prior notice is not practicable, the Exchange will give notice at the earliest possible opportunity to the respondent against whom the action is brought. The Market Regulation Department will prepare a notice of summary action (which will state the action, the reasons for the action, and the effective time, date, and duration of the action) and serve the notice on the respondent. The respondent may request a hearing concerning the summary action before a Summary Review Panel by serving a written request for a hearing upon the Market Regulation Department within 20 days of the service upon the respondent of the notice of summary action. Promptly but no later than 20 days after service of the respondent's request for a hearing ~~notice of summary action~~, a Summary Review Panel will conduct a hearing concerning the summary action.

(c)

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