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By Electronic Mail

November 17, 2009

Mr. David A. Stawick
Secretary
Commodity Futures Trading Commission
1155 21st Street NW
Washington DC 20581

**Re: 2009-120 NYSE Liffe US LLC – Notice 27/2009: Amendments to NYSE Liffe US
Disciplinary Procedures**

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)(1) of the Commodity Exchange Act, as amended (the “Act”), and U.S. Commodity Futures Trading Commission Regulations (the “Regulations”) Section 40.6, I enclose a Cover Sheet for NYSE Liffe US Submission 2009-120 and NYSE Liffe US Notice 27/2009 which announces amendments to the NYSE Liffe US Disciplinary Procedures to reflect the Commission's finalized *Guidance On, and Acceptable Practices In, Compliance with Core Principle 15.*

NYSE Liffe US hereby certifies that Notice 27/2009 and the amendments to the Exchange’s Disciplinary Procedures set forth in Notice 27/2009 comply with the Act and the Regulations.

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

With best regards,

Karl D. Cooper

Enclosures



NYSE LIFFE U.S. NOTICE No. 27/2009

ISSUE DATE: November 17, 2009
EFFECTIVE DATE: November 20, 2009

Amendments to Disciplinary Rules

Summary

This Notice provides information related to amendments to Chapter 7 of the Exchange's Rules and related Definitions in Chapter 1 which amend the Rules to reflect the Commission's finalized *Guidance On, and Acceptable Practices In, Compliance with Core Principle 15*.

1. Introduction

1.1 The Commission's initial *Guidance On, and Acceptable Practices In, Compliance with Core Principle 15* published at 17 CFR Part 38 Appendix B was stayed until further notice on November 23, 2007, to consider proposals regarding the definition of the term "public director" included in the Acceptable Practices related to Core Principle 15. 72 FR 65658 (Nov. 23, 2007). With the finalization of its definition of the term "public director," the Commission amended the Acceptable Practices and lifted the stay on April 27, 2009, giving designated contract markets until April 27, 2010 to be in full compliance with the finalized Guidance. 74 FR 18982 (April 27, 2009). The Exchange's guidance in this Notice and attached Rules incorporate the Commission's guidance and amends the existing disciplinary proceedings procedures accordingly.

2. Industry Participant Pools

2.1 The Acceptable Practices in the Commission's finalized Guidance directs contract markets to have "disciplinary panel composition rules that preclude any group or class of industry participants from dominating or exercising disproportionate influence on [an exchange's disciplinary] panel." To implement this Acceptable Practice, the amendments provide for the assignment of Disciplinary Panel Members who do not qualify as public panelists to industry participant pools. Panel members will be selected randomly from these pools in a proportion designed to preclude any such disproportionate effect.

2.2 To ensure that disqualifications or recusals do not create such a disproportionate effect, the amendments provide for the replacement of recused or disqualified panel members so

that panels will be able to operate with a complete complement of panel members and not become unbalanced from a the point of view of a particular class of industry participants, except as limited by Rule 711(d).

- 2.3 In addition, to promote flexibility, and ease the potential burden placed on panel members, the amendments create a process for appointing all panels on a case-by-case basis rather than the prior rules' fixed membership composition for Review, Disciplinary, Summary Review and Appeals Panels. Conflict issues relevant to the case at hand are considered in the selection process by the Chief Regulatory Officer, so that no individual is selected who has a patently obvious conflict, thereby decreasing the likelihood of distracting and inefficient recusal and disqualification processes.

3. Public Disciplinary Panel Members

- 3.1 The Acceptable Practices in the Commission's finalized Guidance also directs that disciplinary panels include at least one public panelist. The Guidance defines a public panelist as a person who would qualify as a "public director" as that term was defined by the Commission in Subsections 2(ii) and 2(iii) of its *Acceptable Practices for Compliance with Core Principle 15* in Appendix B to Part 38 of the Commission's Regulations. 17 CFR Part 38, App. B. The amendments provide that all Exchange disciplinary panels -- Review Panels, Summary Review Panels, Hearing Panels and Appeals Panels -- must have at least one panel member that qualifies as a public panelist.

- 3.2 Like the process around the selection of non-public panelists, the process for selecting the public panel member provides for the consideration of patently obvious conflict issues by the Chief Regulatory Officer during the initial selection process and for the replacement of a public panel member in the case of recusal or disqualification. As a result, the amendments are designed to ensure the participation of at least one public panel member for the full duration of the proceeding over which the panel is to preside.

4. Miscellaneous Amendments

- 4.1 The amendments also include several miscellaneous amendments to reflect better the organizational structure at the Exchange, including replacing the term "General Counsel," "Director of Hearings," and "Secretary" with "Chief Regulatory Officer."

5. Disciplinary Panel Member Appointments

- 5.1 Individuals interested in serving as Disciplinary Panel Members should forward their resume and statement of relevant experience to NYSE Liffe US, 20 Broad Street, New York, NY 10005, Attn: Chief Regulatory Officer. Applicants who believe that they would qualify as a public director should include a statement to that effect.

6. Text of Amendments

6.1 For Members' convenience, the text of the amendments to Chapter 7 and the definitions of relevant related terms in Chapter 1 are set forth in the attached Appendix.

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

Karl Cooper

(212) 656-4300

NLMktReg@nyx.com

APPENDIX TO NYSE LIFFE US NOTICE XX/2009

CHAPTER 1
DEFINITIONS AND INTERPRETATION

Definitions

101. Affiliate

[No Changes.]

102. Appeals Panel

The term "Appeals Panel" shall have the meanings set forth in Rule 701 ~~a panel comprised of three Members (or officers of Members), one of whom shall act as chairman and one of whom will serve as vice chairman, and which will consider appeals in accordance with Chapter 7. The members of the Appeals Panel will be appointed by the Board for a term of one year.~~

103 through 122.

[No Changes.]

123. Director of Hearings

~~—The term "Director of Hearings" means the individual appointed by the Exchange from time to time to act as its director of hearings.~~

124. Disciplinary Panel and Disciplinary Panel Members DPMS

~~The term "Disciplinary Panel" has the meaning set forth in Rule 710(a). The terms "Disciplinary Panel" and "Disciplinary Panel Members ("DPMS)" shall have the meanings set forth in Rule 701.~~

124 through 129.

[No Changes, except renumbering.]

130. Hearing Panel

The term "Hearing Panel" shall have the meaning set forth in Rule 701.

131 through 145.

[No Changes.]

146. Review Panel

The term "Review Panel" shall have the meanings attributed to it in Rule 701.~~a panel comprised of three individuals, two of whom shall be Members (or officers of Members), one of whom shall act as chairman and one of whom will serve as vice-chairman. The Review Panel will, pursuant to the procedures set forth in Chapter 7, review investigation reports submitted to it by the Market Regulation Department to determine (a) whether a reasonable basis exists to believe that a violation of a Rule of the Exchange has occurred and (b) whether commencing disciplinary proceedings in respect of such potential violation is warranted. The members of the Review Panel will be appointed by the Board for a term of one year.~~

147 through 149.

[No Changes.]

150. Summary Review Panel

The term "Summary Review Panel" shall have the meanings set forth in Rule 701.~~a panel comprised of three individuals, two of whom shall be Members (or officers of Members), one of whom shall act as chairman and one of whom will serve as vice-chairman. The Summary Review Panel will conduct hearings or reviews of summary suspensions and other summary actions pursuant to Rule 719.~~

151 through 157.

[No Changes.]

Interpretations

[No Changes.]

**CHAPTER 2
POWERS OF THE BOARD AND EXCHANGE COMMITTEES**

201.

[No Changes.]

202. Eligibility

(a) No Person may serve as a member of the Board, ~~any Review Panel, any the Disciplinary Panel, Appeals Panel~~ or any other disciplinary committee, arbitration panel or oversight panel of the Exchange, if the Person:

(i) through (vi)

[No Changes.]

(b) [No Changes.]

(c) *Disclosure.* Upon the occurrence of an event listed in Rule 202(a) with respect to a member of the Board, ~~Review Panel, the Disciplinary Panel, Appeals Panel~~ or any other disciplinary committee, arbitration panel or oversight panel of the Exchange, such member shall disclose the occurrence of such event to the Chief Regulatory Officer or his or her designee. In the case of a DPM making such a disclosure, the Chief Regulatory Officer shall remove the DPM from the list of DPMs eligible to sit on Review, Hearing, Appeals and Summary Review Panels, and if the DPM is sitting on a existing panel inform the other DPMs on such panel and respondents immediately.

203. Confidentiality

[No Changes.]

204. Conflicts of Interest

(a) **Named Party in Interest Conflict.**

(i) *Prohibition.* No member of the Board, any Review Panel, any ~~Disciplinary Hearing Panel, any Appeals Panel, Summary Review Panel~~ or any other “disciplinary committee” or “oversight panel” (both as defined in Commission Regulation § 1.69) of the Exchange will knowingly participate in such body’s deliberations or voting in any matter involving a named party in interest where such member (A) is a named party in interest, (B) is an employer, employee or fellow employee of a named party in interest, (C) has any other significant, ongoing business relationship with a named party in interest, excluding relationships limited to executing Futures or Options on Futures transactions opposite each other or to clearing Futures or Options on Futures transactions through the same Clearing Members or (D) has a family relationship with a named party in interest. For purposes of this clause (i), a “family relationship” exists between a named party in interest and a member if such party is the member’s spouse, former

spouse, parent, stepparent, child, sibling, stepbrother, stepsister, grandparent, grandchild, uncle, aunt, nephew, niece or in-law.

(ii) and (iii)

[No Changes.]

(b) **Financial Interest in a Significant Action Conflict.**

(i) *Prohibition.* No member of the Board, any Review Panel, any ~~Disciplinary Hearing Panel~~, any Appeals Panel, or Summary Review Panel or any other “disciplinary committee” or “oversight panel” (both as defined in Commission Regulation § 1.69) of the Exchange will participate in such body’s deliberations and voting on any significant action if such member knowingly has a direct and substantial financial interest in the result of the vote based upon either Exchange or non-Exchange positions that could reasonably be expected to be affected by the significant action under consideration, as determined pursuant to clause (iii) below. For purposes of this clause (i), the term “significant action” means (A) any action or Rule change that addresses a specific Emergency or (B) any change in margin level that is designed to respond to extraordinary market conditions or that otherwise is likely to have a substantial effect on prices in any Contract.

(ii) and (iii)

[No Changes.]

(iv) *Deliberation Exemption.* Any member of the Board, any Review Panel, any ~~Disciplinary Hearing Panel~~, any Appeals Panel, or Summary Review Panel or any other “disciplinary committee” or “oversight panel” (both as defined in Commission Regulation § 1.69) of the Exchange who would otherwise be required to abstain from deliberations and voting pursuant to clause (i) above may participate in deliberations, but not voting, if the deliberating body, after considering the factors specified below, determines that such participation would be consistent with the public interest; *provided, however*, that before reaching any such determination, the deliberating body will fully consider the position information specified in clause (ii) above which is the basis for such member’s substantial financial interest in the significant action that is being contemplated. In making its determination, the deliberating body will consider:

(A) whether such member’s participation in the deliberations is necessary to achieve a quorum; and

(B) whether such member has unique or special expertise, knowledge or experience in the matter being considered.

(c) **Documentation.**

[No Changes.]

CHAPTERS 3 THROUGH 6

[No Changes.]

CHAPTER 7 DISCIPLINE AND ENFORCEMENT

701. General

(a) through (f)

[No Changes.]

(g) The Board shall appoint individuals at the recommendation of the Chief Regulatory Officer to serve as participants on Review Panels, Summary Review Panels, Hearing Panels and Appeal Panels as set forth in Chapter 7 of the Rules. The individuals so appointed shall constitute the Disciplinary Panel and be Disciplinary Panel Members (“DPMs”), and shall serve for a one year term from appointment. The Chief Regulatory Officer shall assign DPMs to either industry participant pools or to a public DPM pool, in the case of DPMs who would qualify as public directors, as defined in Subsections 2(ii) and 2(iii) of the Commission’s Acceptable Practices found in its *Guidance On, and Acceptable Practices In, Compliance with Core Principle 15* in Appendix B to Part 38 of the Commission’s Regulations, 17 C.F.R. Part 38 Appendix B. The Board may re-appoint DPMs to subsequent terms following the expiration of their initial term. The terms of DPMs serving on an active panel do not expire until the panel’s proceedings are completed. The Chief Regulatory Officer shall exercise complete discretion in defining the industry participant pools and the assignment of non-public DPMs to such pools. In forming a Review Panel, Summary Review Panel, Hearing Panel or Appeals Panel, the Chief Regulatory Officer shall draw DPMs randomly from the industry participant pools as set forth in Chapter 7 so that any group or class of industry participants is precluded from dominating or exercising disproportionate influence on the panel being formed, and so that at least one person drawn from the public DPM pool is included on the panel.

(h) Exchange disciplinary proceedings will be conducted as set forth in this Chapter 7 by the following panels, which shall be formed in accordance with Rule 701(i):

(i) Appeals Panel

The term "Appeals Panel" means a panel comprised of three individuals, two of whom shall be Members (or officers of Members or affiliates of Members). The Chief Regulatory Officer shall form an Appeals Panel upon the filing of one or more notices of appeal pursuant to Rule 717. The Appeals Panel will consider the appeal or appeals for which it was formed in accordance with Chapter 7.

(ii) Hearing Panel

The term "Hearing Panel" means a panel consisting of five individuals. The Chief Regulatory Officer shall form a Hearing Panel upon the service of one or more Notices of Charges pursuant to Rule 708. The Hearing Panel will conduct hearings in connection with any disciplinary proceedings, and make findings and impose sanctions pursuant to Chapter 7.

(iii) Review Panel

The term "Review Panel" means a panel comprised of three individuals, two of whom shall be Members (or officers of Members or affiliates of Members). The Chief Regulatory Officer shall form a Review Panel upon his or her determination to initiate one or more disciplinary proceedings pursuant to Rule 703(b). The Review Panel will commence its deliberations and take the actions it deems appropriate as set forth in Rules 704 and 705 to review investigation reports submitted to it by the Market Regulation Department to determine (a) whether a reasonable basis exists to believe that a violation of a Rule of the Exchange has occurred and (b) whether commencing disciplinary proceedings in respect of such potential violation is warranted.

(iv) Summary Review Panel

The term "Summary Review Panel" means a panel comprised of three individuals, two of whom shall be Members (or officers of Members or affiliates of Members). The Chief Regulatory Officer shall form a Summary Review Panel upon the President or his or her designee's determination to initiate one or more summary actions pursuant to Rule 719. The Summary Review Panel will commence its deliberations and take the actions it deems appropriate as set forth in Rule 719 to conduct a hearing concerning the summary action.

(i) In forming a Review Panel, Summary Review Panel, Hearing Panel or Appeals Panel, the Chief Regulatory Officer shall draw panel members from the DPMs appointed by the Board. In drawing the individuals to participate on a panel, the Chief Regulatory Officer shall draw individuals randomly from those pools of DPMs that the Chief Regulatory Officer shall create in his or her discretion, so that any group or class of industry participants is precluded from dominating or exercising disproportionate influence on the panel, and so that at least one person drawn from the public DPM pool is included on the panel. If a member randomly drawn (i) has one or more of the prohibited conflicts of interest set forth in Rule 204 based on information available to the Chief Regulatory Officer, (ii) is affiliated with a Member who or whose officers or employees or affiliate's officers and employees have been or are likely to be witnesses in the proceeding or prior panel proceeding, (iii) is affiliated with the same Member as, or closely related to (e.g. spouse, parent or child of), another individual previously selected and serving on the panel, (iv) is ineligible to serve on the panel, or (v) in the case of a Hearing Panel or Appeals Panel, participated on a prior panel proceeding in the same matter, the Chief Regulatory Officer will draw randomly again from the same pool of DPMs. If after being seated, a panel member recuses him or herself or is disqualified, the Chief Regulatory Officer shall randomly draw a replacement panel member from the same pool to which the recused or disqualified panel member is assigned in the manner set forth above, except as otherwise provided in Rule 711(d). If there are no more DPMs eligible to serve on the panel assigned to an industry participant pool, the Chief Regulatory Officer may, in his or her discretion, choose to draw randomly from another industry participant pool or the public pool. A public panelist who recuses him or herself or is disqualified may only be replaced by another DPM drawn from the public DPM pool. After being formed, the members of a panel shall select one member to act as chairman and one of whom will serve as vice-chairman.

702. Inquiries and Investigation

(a) and (b)

[No Changes.]

(c) Each Member (including where applicable a Member's officers, employees or agents subject to the Member's control), Registered User and other Person subject to the Exchange's jurisdiction:

(i) through (iii)

[No Changes.]

703 and 704.

[No Changes.]

705. Review of Investigative Reports

(a) and (b)

[No Changes.]

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

(i) through (iii)

[No Changes.]

(d) Any member of the Review Panel must promptly recuse himself or herself and notify the ~~General Counsel~~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.

706. Notice of Charges

[No Changes.]

707. Answer to Notice of Charges

(a) If the respondent determines to answer a notice of charges, the respondent must file answers within 20 days after being served with such notice, or within such other time period determined appropriate by the ~~Director~~Chairman of Hearings ~~the Hearing Panel~~.

(b) To answer a notice of charges, the respondent must in writing:

(i) through (iv)

[No Changes.]

(v) sign and serve the answer on the ~~Director of Hearings~~Chief Regulatory Officer.

(c) [No Changes.]

708. Service of Notice of Charges

[No Changes.]

709. Settlements

(b) [No Changes.]

(c) If a respondent or potential respondent submits an offer of settlement in accordance with paragraph (a) above, the Market Regulation Department will forward the offer to the ~~General Counsel~~Chief Regulatory Officer or his or her designee with a recommendation on whether to accept or reject the offer. If the ~~General Counsel~~Chief Regulatory Officer or his or her designee, as the case may be, conditionally accepts an offer of settlement, the settlement will become final upon the expiration of 20 days after an order of the disciplinary proceedings consistent with the terms of the offer of settlement is served on the respondent, unless the Board calls the matter for review before the end of the 20-day period.

(c) and (d)

[No Changes.]

710. ~~Disciplinary~~Hearing Panel

~~(a) Subject to subsection (b) of this Section 710, the Board will appoint a "Disciplinary Panel" consisting of five Members (with one member acting as chairman). The Disciplinary Panel will conduct hearings in connection with any disciplinary proceedings, to make findings and impose sanctions pursuant to this Chapter 7.~~

~~(b) Any of the functions of the Exchange or the Director of Hearings under this Chapter 7 may be performed by a Compliance Service Provider pursuant to a delegation of such functions by the Exchange, and references to the Director of Hearings or the Disciplinary Panel, as appropriate, shall be deemed to be references to such Compliance Service Provider.~~

Within 10 days of being notified of the initial appointment of a ~~Disciplinary Panel~~Hearing Panel or the appointment of a replacement panelist pursuant to Rule 701(i), a respondent may seek to disqualify any individual named to the ~~Disciplinary~~Hearing Panel for the reasons identified in Rule 204 or for any other reasonable grounds, by serving written notice on the ~~General Counsel~~Chief Regulatory Officer and providing a copy thereof to the ~~Director of Hearings~~Market Regulation Department. By not timely filing a request for

disqualification, the respondent will be deemed to have waived any objection to the composition of a DisciplinaryHearing Panel.—~~The General Counsel~~ The Chief Regulatory Officer will decide the merits of any request for disqualification within his or her sole discretion. Any such decision will be final and not subject to appeal.

711. Convening Hearings of Disciplinary Proceedings

(a) All disciplinary proceedings (except for summary impositions of fines pursuant to Rule 718) will be conducted at a hearing before a DisciplinaryHearing Panel. A hearing will be conducted privately and confidentially unless the DisciplinaryHearing Panel decides that the hearing, or any part of it, should be held in public after giving each respondent the opportunity to present its, his or her views on holding a public hearing. Notwithstanding the confidentiality of hearings, a DisciplinaryHearing Panel may appoint an expert to attend any hearing and assist in deliberations if such expert agrees to be subject to an appropriate confidentiality agreement.

(b) After reasonable notice to each respondent, the DisciplinaryHearing Panel will promptly convene a hearing to conduct the disciplinary proceedings with respect to such respondent. Parties to a disciplinary proceeding include each respondent and the Market Regulation Department.

(c) The chairman of the DisciplinaryHearing Panel may continue, adjourn or otherwise conduct the hearing, as he or she may deem appropriate. The chairman of the DisciplinaryHearing Panel will determine all procedural and evidentiary matters, including the admissibility and relevance of any evidence proffered. In determining procedural and evidentiary matters, the chairman of the DisciplinaryHearing Panel will not be bound by any evidentiary or procedural rules or law. Once admitted during the hearing, the DisciplinaryHearing Panel may consider, and attach the weight it believes appropriate to, evidence or other materials. The Exchange will provide guidance to the chairman of the DisciplinaryHearing Panel on the conduct of the hearing.

(d) Except for procedural and evidentiary matters decided by the chairman of the DisciplinaryHearing Panel pursuant to paragraph (c) above and Rule 712, unless each respondent otherwise consents, the entire DisciplinaryHearing Panel must be present during the entire hearing and any related deliberations.

712. Respondent Review of Evidence

[No Changes.]

713. Conducting Hearings of Disciplinary Proceedings

(a) At a hearing conducted in connection with any disciplinary proceedings, the Market Regulation Department will present its case supporting the allegations and proposed sanctions in the notice of charges to the DisciplinaryHearing Panel. If a respondent has timely filed an answer to the notice of charges in accordance with Rule 707, the respondent is entitled to attend and participate in the hearing.

(b) At a hearing conducted in connection with any disciplinary proceedings, the DisciplinaryHearing Panel or the Market Regulation Department and each respondent may:

(i) present evidence and facts determined relevant and admissible by the chairman of the DisciplinaryHearing Panel;

(ii) call and examine witnesses (including employees or agents of the Exchange that form part of the Market Regulation Department); and

(iii) cross-examine witnesses called by other parties.

(c) If the respondent fails to file an answer, has filed a general denial, or if any or all of the allegations in the notice of charges are not expressly denied in the respondent's answer, the chairman of the DisciplinaryHearing Panel may limit evidence concerning any allegations not expressly denied in determining the sanctions to impose. If a respondent fails to file an answer but appears at the hearing, the respondent may not participate in the hearing (by calling or cross-examining witnesses, testifying in defense, presenting evidence concerning the Notice of Charges, or otherwise) unless the DisciplinaryHearing Panel determines that the respondent had a compelling reason for failing to timely file an answer. If the DisciplinaryHearing Panel determines that the respondent had a compelling reason for failing to timely file an answer, the DisciplinaryHearing Panel will adjourn the hearing and direct the respondent to promptly file a written answer in accordance with Rule 707.

(d) Any Person entitled, or required or called upon, to attend a hearing before a DisciplinaryHearing Panel pursuant to paragraph (b)(ii) above will be given reasonable notice, confirmed in writing, specifying the date, time and place of the hearing, and the caption of the disciplinary proceedings. The Exchange will require Persons within its jurisdiction that are called as witnesses to appear at the hearing and produce evidence. The Exchange will make reasonable efforts to secure the presence of all other Persons called as witnesses whose testimony would be relevant.

(e) If during any disciplinary proceedings the DisciplinaryHearing Panel determines that a reasonable basis exists to believe that the respondent violated or is about to violate a Rule of the Exchange or a provision of Applicable Law other than the violations alleged in the notice of charges, the

DisciplinaryHearing Panel may consider those apparent violations after providing the respondent with an opportunity to answer the additional allegations in accordance with Rule 707. In connection with considering apparent violations pursuant to this paragraph (e), the DisciplinaryHearing Panel may request that the Market Regulation Department provide the Panel with any additional information.

(f) The DisciplinaryHearing Panel may summarily impose sanctions on any Member, Registered User or other Person within the Exchange's jurisdiction that impede or delay the progress of a hearing.

(g) The Exchange will arrange for any hearing conducted in connection with disciplinary proceedings to be recorded hearing verbatim, or substantially verbatim, in a manner capable of accurate transcription. If the respondent requests a copy of all or portions of the recording of a hearing, the chairman of the DisciplinaryHearing Panel may within his or her sole discretion order the respondent to pay the costs for transcribing the recording of the hearing.

(h) No interlocutory appeals of rulings of any DisciplinaryHearing Panel or chairman of the DisciplinaryHearing Panel are permitted.

714. Decision of DisciplinaryHearing Panel

(a) As promptly as reasonable following a hearing, the DisciplinaryHearing Panel will issue an order rendering its decision based on the weight of the evidence contained in the record of the disciplinary proceedings. A decision by a majority of the DisciplinaryHearing Panel will constitute the decision of the DisciplinaryHearing Panel.

(b) and (c)

[No Changes.]

715. Sanctions

(a) After notice and opportunity for hearing in accordance with these Rules, the Exchange will impose sanctions if a Member, Registered User or other Person within the Exchange's jurisdiction is found to have violated a Rule of the Exchange or provision of Applicable Law for which the Exchange possesses disciplinary jurisdiction. The Exchange may impose one or more of the following sanctions or remedies: (i) censure; (ii) limitation on the Member's right to access the NYSE Liffe Trading Platform, association with a Member or other activities, functions or operations; (iii) suspension of the Member's right to access the NYSE Liffe Trading Platform or association with a Member for a period not to exceed 12 months; (iv) fine (subject to paragraph (b) below); (v) restitution or disgorgement; (vi) expulsion or termination of a Member, Registered User or other Person within the Exchange's jurisdiction; or (vii) any

other sanction or remedy deemed to be appropriate. If the Exchange determines to suspend or expel a Member that is registered with the Commission as a futures commission merchant, the Exchange shall assure that any customer accounts and customer funds carried by such Member are first transferred to another futures commission merchant, as appropriate and Member shall fully cooperate with the Exchange in effecting any transfers.

(b) [No Changes.]

716. Costs

(a) Regardless of the outcome of any disciplinary proceeding, a DisciplinaryHearing Panel may order a respondent to pay some or all of the costs associated with the disciplinary proceedings, including costs that the DisciplinaryHearing Panel believes were unnecessarily caused by the respondent. Costs may include costs associated with the inquiry or investigation, the prosecution by the Market Regulation Department, legal and professional assistance, the hearing and administrative and other expenses incurred by the DisciplinaryHearing Panel.

(b) A DisciplinaryHearing Panel may only award costs against the Exchange if the Panel concludes that the Exchange has behaved in a manifestly unreasonable manner in the commencement or conduct of the disciplinary proceedings in question. The DisciplinaryHearing Panel must limit any award of costs against the Exchange to an amount that the Panel concludes is reasonable and appropriate, but does not exceed the respondent's costs for external legal or other external professional assistance.

(c) The DisciplinaryHearing Panel may determine the amounts and allocation of costs in any manner it may deem appropriate. The Exchange or the respondent will pay any costs ordered to be paid by it by the DisciplinaryHearing Panel within 30 days of the later of either written notice of (i) the amount imposed by the DisciplinaryHearing Panel or (ii) the determination of an appeal by an Appeals Panel against the DisciplinaryHearing Panel's determination.

717. Appeal from DisciplinaryHearing Panel Decision

(a) Each respondent found by a DisciplinaryHearing Panel to have violated a Rule of the Exchange or a provision of Applicable Law may appeal the decision of the DisciplinaryHearing Panel within 20 days of receiving the order of the disciplinary proceedings by filing a notice of appeal with the Secretary-Chief Regulatory Officer. While an appeal is pending, the effect of the order of disciplinary proceedings (including any sanctions, remedies or costs imposed thereby) is suspended.

(b) In a notice of appeal, the appellant must state in writing the grounds for appeal, including the findings of fact, conclusions or sanctions to

which the respondent objects. An appellant may appeal the order of disciplinary proceedings on the grounds that:

- (i) the decision was arbitrary, capricious, an abuse of discretion, or not in accordance with the Rules of the Exchange;
- (ii) the decision exceeded the authority or jurisdiction of the Disciplinary Hearing Panel or the Exchange;
- (iii) the decision failed to observe required procedures;
- (iv) the decision was unsupported by the facts or evidence; or
- (v) the imposed sanctions, remedies or costs are inappropriate or unsupported by the record.

(c) The ~~Secretary~~Chief Regulatory Officer will forward copies of any notice of appeals received by it to all parties to the disciplinary proceedings in question, except the appellant. On or before the 20th day after filing a notice of appeal, the appellant must file with the ~~Secretary~~Chief Regulatory Officer and serve on the Market Regulation Department a brief supporting the notice of appeal and documents supporting the brief. On or before the 20th day after the date on which the appellant served its, his or her brief, the appellee must file and serve its brief in opposition. On or before the 10th day after the date on which the appellee served its, his or her brief in opposition, the appellant must file and serve a brief in reply.

~~(d) In connection with any appeal, the Market Regulation Department will furnish to the Board a transcript of the hearing, any exhibits introduced at the hearing, the notice of appeal and briefs filed to support and oppose the appeal.~~

(d) Within 30 days after the last submission filed pursuant to paragraph (c) above, the ~~Board~~Market Regulation Department will appoint, pursuant to Rule 701(i), an Appeals Panel to consider and determine the appeal. ~~An individual may not serve on an Appeals Panel if the individual has a relationship of a type described in Rule 204 or if the individual served on the Disciplinary Panel related to, or otherwise participated in, any stage of the disciplinary proceedings on appeal.~~

(e) Within 10 days of being notified of the appointment of an Appeals Panel, the appellant may seek to disqualify any individual named to the Appeals Panel for the reasons listed in Rule 204 or for any other reasonable grounds, by serving written notice on the ~~General Counsel~~Chief Regulatory Officer. By not timely filing a request for disqualification, the appellant will be deemed to have waived any objection to the composition of the Appeals Panel. The ~~General Counsel~~Chief Regulatory Officer will decide the merits of any

such objection in his or her sole discretion. Any such decision will be final and not subject to appeal.

(f) [No Changes.]

(g) The Appeals Panel will only consider on appeal the record before the ~~Disciplinary Hearing~~ Panel, the notice of appeal, the briefs filed in support and opposition of the appeal, and any oral arguments of the parties. The Appeals Panel may only consider new evidence when the Panel is satisfied that good cause exists on why the evidence was not introduced during the disciplinary proceedings.

(h) After completing its review, the Appeals Panel may affirm, modify or reverse any order of disciplinary proceedings under appeal in whole or in part, including increasing, decreasing or eliminating any sanction or remedy imposed, imposing any other sanction or remedy authorized by the Rules of the Exchange, or remanding the matter to the same or a different ~~Disciplinary Hearing~~ Panel for further disciplinary proceedings. The Appeals Panel may order a new hearing for good cause or if the Panel deems it appropriate.

(i) and (j)

[No Changes.]

718. Summary Imposition of Fines

(a) and (b)

[No Changes.]

(c) Upon a request for review pursuant to paragraph (b) above, the ~~Board~~Chief Regulatory Officer will appoint a Summary Review Panel to promptly hear and consider the request for review. At the hearing, (i) the Member or Registered User that is subject to the fine may appear and present evidence to establish that it did not commit the violation for which the fine was imposed, that the fine imposed is excessive, or both, and (ii) the Market Regulation Department may present evidence to establish that the Member or Registered User committed the violation for which the fine was imposed, that the fine imposed is not excessive, or both. In connection with the hearing to review the summary imposition of fines, the Summary Review Panel will not be bound by any law concerning evidence or procedural matters.

(d) and (e)

[No Changes.]

719 through 721.

[No Changes.]

CHAPTERS 8 THROUGH 32

[No Changes.]