



Marco Bianchi
Senior Vice President
NYSE Liffe US
55 East 52nd Street, 41st Floor
New York, NY 10055
T +1 212 323-8866

By Electronic Mail

December 13, 2013

Ms. Melissa Jurgens
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 2013-133 – Notice Announcing the Extension of the Designated Market Maker Program for mini MSCI Emerging Markets, mini MSCI EAFE, mini MSCI Pan-Euro, mini MSCI World, mini MSCI Emerging Markets Latin America, mini MSCI Canada, and mini MSCI USA Index Futures

Dear Ms. Jurgens:

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, 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 2013-133 and NYSE Liffe US Notice 36/2013 which announces that the Exchange is extending its Designated Market Maker Program (“DMM”) for mini MSCI Emerging Markets, mini MSCI EAFE, mini MSCI Pan-Euro, mini MSCI World, mini MSCI Emerging Markets Latin America, mini MSCI Canada, and mini MSCI USA Index Futures (collectively, “mini MSCIs”) from January 1, 2014 through June 30, 2014, as set forth in the Notice.

NYSE Liffe US hereby certifies that: (i) the DMM program for mini MSCIs complies with the Act and the Regulations 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 DMM program in mini MSCIs and its compliance with applicable provisions of the Act, including core principles and the Regulations, is attached. No substantive opposing views were received from members or others with respect to the DMM program for mini MSCIs.

If you have any questions, please call me at (212) 323-8866.

Yours Truly,

Marco Bianchi
Enclosures

**Designated Contract Market Core Principles Implicated by
NYSE Liffe US Submission 2013-133**

CORE PRINCIPLE	ANALYSIS
<i>Core Principle 2: Compliance with Rules</i>	As with all Exchange members and participants, all participants in the FIP are subject to 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 practices 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, the 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 Agreement and Memorandum of Understanding and the Intermarket Surveillance Group Agreement.
<i>Core Principle 3: Contracts not Readily Subject to Manipulation</i>	The DMM program for mini MSCIs does not incentivize manipulative or other abusive practices. In the Exchange's experience, programs of this type, including the current DMM program in mini MSCIs, have not promoted abusive practices by participants. Further, the Exchange has policies and procedures to monitor the participants and trading to detect and prevent manipulative or abusive trading and practices.
<i>Core Principle 4: Prevention of Market Disruption</i>	Trading by participants in the DMM program for mini MSCIs, like all trading on the Exchange, will continue to be subject to the existing trade practice and market surveillance policies and procedures of the Exchange. 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>	Participants in the DMM program for mini MSCIs will continue to be subject to all applicable position limits.

CORE PRINCIPLE	ANALYSIS
<i>Core Principle 9: Execution of Transactions</i>	Incentive programs are designed to enhance the market by providing liquidity. Furthermore, the Exchange will, as it has for the existing DMM program for mini MSCIs, and as it does for all such programs, monitor the impact, if any, that these programs have on trading on the centralized market and, 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 the participants in the DMM program for mini MSCIs, necessary to monitor for customer and market abuse.
<i>Core Principle 12: Protection of Markets and Market Participants</i>	Participants in the DMM program for mini MSCIs remain 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 practices 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 the DMM program for mini MSCIs.
<i>Core Principle 13: Disciplinary Procedures</i>	Chapter 7 of the Exchange's rulebook provides for disciplinary procedures by which the Exchange may impose sanctions for any violations of the Exchange's rules, including any violations by participants in the DMM program for mini MSCIs.
<i>Core Principle 18: Recordkeeping</i>	Data with regard to the DMM program for mini MSCIs shall be retained by the Exchange in secured storage for a period of at least five years and be readily accessible and open to review by the CFTC. Additionally, the Exchange has in place business continuity and disaster recovery policies and procedures that provide for back-up and off-site storage of Exchange records.



NYSE LIFFE U.S. NOTICE No. 36/2013

ISSUE DATE: December 13 2013

EFFECTIVE DATE: January 1, 2014

Extension and Modification of the Futures Incentive Program

Summary

This Notice announces the extension of the NYSE Liffe US Designated Market Maker (“DMM”) program for mini MSCI Emerging Markets, mini MSCI EAFE, mini MSCI Pan-Euro, mini MSCI World, mini MSCI Emerging Markets Latin America, mini MSCI Canada, and mini MSCI USA Index Futures (collectively, “mini MSCIs”) for the period of January 1, 2014 through close of business June 30, 2014.

1. Background

- 1.1 [NYSE Liffe US Notice No. 20/2009](#), announced the appointment pursuant to NYSE Liffe US Rule 426 of MMs for an initial term for certain mini MSCI contracts along with corresponding details concerning the programs and participation.
- 1.2 [NYSE Liffe US Notice Nos. 3/2010](#), [12/2010](#), [24/2011](#), [40/2011](#), [17/2012](#), and [42/2012](#) announced appointment of DMMs for new terms, ultimately extending the program through June 30, 2013.
- 1.3 [NYSE Liffe US Notice No. 28/2012](#) announced the implementation of a Designated Market Maker Program (“DMM Program”) in mini futures on MSCI Canada, USA, World, and Emerging Markets Latin America Indices, with the program expiring on June 30, 2013.
- 1.4 [NYSE Liffe US Notice No. 12/2013](#) announced the extension of the DMM programs in the mini MSCIs through December 31, 2013.

2. Extension of the Program

- 2.1 The Exchange has determined to extend, with no changes to its terms and conditions, the DMM program in the mini MSCIs for a new term, commencing January 1, 2014, and continuing through close of business June 30, 2014.
- 2.2 All DMM appointments remain subject to the terms of a contractual agreement between the Exchange and each DMM. Under the terms of the agreements, each DMM represents that its market making activity will comply with all applicable provisions of the Commodity Exchange Act, the rules and regulations of the Commodity Futures Trading Commission and the Rules of the Exchange. The Exchange will continue to monitor each DMM’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 MM has failed to perform its obligations as a DMM under the agreement.

* * * *

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

New York Office
Chicago Office

+1 212 323 8880
+1 312 442 7730

nyseliffeus@nyx.com