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By Electronic Mail

October 29, 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 2013-126 – Notice Announcing Conversion of
Precious Metals Vault Receipts to All Electronic Format.**

Dear Ms. Jurgens:

I am the President and Chief Executive Officer 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 2013-126 and NYSE Liffe US Notice 30/2013 which announces procedures in connection with the Exchange’s conversion of its vault receipt delivery process to an entirely electronic based system for its 100 oz. gold and 33.2 oz. mini-sized gold Futures contracts and the 5,000 oz. silver and 1,000 oz. mini-sized silver Futures contracts (collectively “Precious Metals Futures”). Members can begin converting paper vault receipts to electronic vault receipts on November 15, 2013, and effective with trade date January 14, 2014, (sixty days after the effective date of the procedures in the Exchange Rules) only electronic vault receipts will be eligible for delivery.

NYSE Liffe US hereby certifies that (i) the procedures to deposit and withdraw vault receipts as amended comply with the Commodity Exchange Act and the Regulations and (ii) a notice and a copy of this submission is being concurrently posted on NYSE Liffe US’s web site. Additionally, a concise explanation and analysis of amendments to the delivery procedures and their compliance with applicable provisions of the Act, including the Act’s Core Principles and the Regulations, is attached. No substantive opposing views were received from members or others with respect to the amendments.

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

Respectfully,

A handwritten signature in blue ink, appearing to read "L. Martin", written over the word "Respectfully,".

Enclosures

**Designated Contract Market Core Principles Implicated by
NYSE Liffe US Submission 2013-126**

CORE PRINCIPLE	ANALYSIS
<i>Core Principle 2: Compliance with Rules</i>	<p>Trading in Precious Metals Futures will continue to be subject to Chapters 12, 14, 15 and 17 of the Exchange rulebook as well as all other 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 that prohibits, among other things, fraudulent acts, market manipulation 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.</p> <p>Further, the Exchange has the authority, through Chapter 7 of its rules, and the capacity to investigate any possible rule violations and, where appropriate, bring disciplinary actions and impose sanctions for any violations.</p>
<i>Core Principle 6: Emergency Authority</i>	<p>Trading in Precious Metals Futures remain subject to Exchange Rule 425. Exchange Rule 425 provides that if the President, or any individual designated by the President and approved by the Board, determines that an Emergency exists, the President or such designee, as the case may be, may take or place into immediate effect a temporary emergency action or Rule, which may remain in effect for up to 30 Business Days, after which time it must be approved by the Board to remain in effect. Any such action or Rule may provide for, or may authorize the Exchange, the Board or any committee thereof to undertake actions necessary or appropriate to respond to the Emergency, including changing delivery points or the means of delivery or modifying or suspending any provision of the Rules of the Exchange or the Rules of the Clearing Service Provider.</p>
<i>Core Principle 7: Availability of General Information</i>	<p>The Exchange will continue to publish, maintain and keep current on its web site the terms and conditions of the procedures for the delivery and withdrawal of vault receipts including Exchange approved brands, depositories and assayers for the Precious Metals Futures, as well as all rules and mechanisms necessary for executing transactions on or through the Exchange's trading platform and all rules and specifications describing the operation of the Exchange's trade execution facility.</p>
<i>Core Principle 10: Trade Information</i>	<p>The Exchange will continue to record and maintain an audit trail with all trade information regarding Futures on Precious</p>

CORE PRINCIPLE	ANALYSIS
	Metals necessary to monitor for customer and market abuse.
<i>Core Principle 11: Financial Integrity of Transactions</i>	The Precious Metals Futures will continue to be cleared through Options Clearing Corporation (“OCC”), which is registered with the Commission as a Derivatives Clearing Organization. In addition, in compliance with Section 38.604 of the Commission’s Regulations, the Exchange has in place a surveillance program to continually survey the obligations of each futures commission merchant based on information supplied by OCC pursuant to a Regulatory Services Agreement entered into between OCC and the Exchange dated October 10, 2012.
<i>Core Principle 12: Protection of Markets and Market Participants</i>	Trading in Precious Metals Futures will continue to be subject to Chapter 6 of the Exchange's rulebook that governs the business conduct of Exchange members and all other persons initiating or executing transactions subject to the Rules of the Exchange. The Exchange Rules prohibit, among other things, fraudulent acts as well as acts detrimental to the Exchange and inconsistent with just and equitable principles of trade. The Exchange shall monitor for and investigate any possible rule violations and where appropriate bring disciplinary actions and impose sanctions for any violations in respect to trading in Precious Metals Futures.
<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 related to trading in Precious Metals Futures.
<i>Core Principle 18: Recordkeeping</i>	Data with regard to Precious Metals Futures, as is all trade data, will continue to 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 during such time. 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. 30/2013

ISSUE DATE: October 29, 2013
EFFECTIVE DATES: November 15, 2013 (Beginning of Transition Period)
January 14, 2014, (First Day following the expiration of the Transition Period)

NYSE Liffe U.S. – Precious Metals Vault Receipts – Conversion to All Electronic Format

Summary

This Notice sets forth procedures in connection with NYSE Liffe US's conversion of its vault receipt delivery process to an entirely electronic based system for its 100 oz. Gold and 33.2 oz. Mini-Sized Gold Futures and 5,000 oz. Silver and 1,000 oz. Mini-Sized Silver Futures. Included in this notice are procedures for converting existing paper vault receipts to electronic vault receipts as well as the process for initiating new electronic vault receipts going forward. Members can begin converting paper vault receipts to electronic receipts beginning November 15, 2013. Effective with the opening of the market for trade date January 14, 2014, only electronic vault receipts will be eligible for delivery in accordance with Exchange Rules and procedures. In addition, attached to this Notice are the revised Rule Chapters 1, 12, 14, 15 and 17.

1. Introduction and Background

- 1.1. Beginning on November 15, 2013, NYSE Liffe US (the "Exchange") will phase-in its paperless vault receipt system for its 100 oz. Gold, 33.2 oz. Mini-Sized Gold, 5000 oz. Silver, and 1000 oz. Mini-Sized Silver Futures ("Precious Metals Futures").¹ To accomplish this end, the Exchange is amending its rules (Chapters 12, 14, 15, and 17) and delivery procedures, as set forth in detail below. The Exchange is also adding and deleting some definitions to its rules (Chapter 1). The phase-in will last through, and including, January 13, 2014 (the "Transition Period"), during which time either paper vault receipts ("Paper Receipts") or electronic vault receipts ("Electronic Receipts") will be valid for delivery.
- 1.2. Effective with the opening of the market for trade date January 14, 2014, only Electronic Receipts will be valid for delivery in accordance with Exchange Rules and procedures.

¹ Note that capitalized terms used in this Notice have the meaning given them as defined in the Exchange's Rules unless the context otherwise indicates.

2. Existing Receipt Registration System

- 2.1 NYSE Liffe US Notices 8/2008, 7/2009, and 25/2009 established the current procedures for Clearing Members to deposit and withdraw vault receipts from the Exchange's Precious Metals Futures delivery system. To initiate a receipt into the delivery system, Clearing Members request a vault declared Regular by the Exchange to issue a NYSE Liffe US Paper Receipt for metal stored at the vault. The issuing vault ("Originating Vault"), in turn, forwards the Paper Receipt to the Exchange's Central Depository for the purpose of registering the Paper Receipt in the NYSE Liffe Guardian Delivery System ("Guardian"). Once the Paper Receipt has been entered into Guardian, a Clearing Member can then effect delivery on Precious Metals Futures.

3. Vault Receipt Conversion Process

- 3.1 The Exchange is eliminating Paper Receipts from the delivery system such that the vault receipt system will be entirely "paperless." To accomplish this, all Paper Receipts must be returned to the Originating Vault from the Central Depository. At a Clearing Member's request, the Originating Vault will then convert the Paper Receipt to an Electronic Receipt by cancelling the Paper Receipt and creating a new Electronic Receipt on Guardian.
- 3.2 The first step in the conversion process requires the Clearing Member to request the withdrawal of the Paper Receipt(s) from Guardian.
- 3.3 The Exchange will instruct the Central Depository to return all Paper Receipts to the Originating Vault on November 15, 2013.
- 3.4 After the Paper Receipt is received by the Originating Vault, a Clearing Member wishing for the metal represented by the Paper Receipt to be deliverable after the expiration of the Transition Period, must instruct the Originating Vault to create a new Electronic Receipt in substitution for the Paper Receipt. The new Electronic Receipt will be housed on Guardian. Every Electronic Receipt issued in substitution for a Paper Receipt will contain the following statement:
- "This electronic form of Vault Receipt has been issued as a substitute for the original document in paper form. The Vault Receipt is represented solely as an electronic record."
- 3.5 In addition, beginning on November 15, 2013 and continuing through and after the Transition Period, a Clearing Member may present an Originating Vault with a Paper Receipt that it has issued that is not registered in the Guardian system and request that the Originating Vault issue an Electronic Receipt in substitution for the Paper Receipt. Electronic Receipts issued in such circumstances will contain the statement set forth in paragraph 3.4 above.
- 3.6 After creating an Electronic Receipt in substitution for a Paper Receipt, the Originating Vault will mark the corresponding Paper Receipt as "An Electronic Receipt has been issued as a substitute for this Paper Receipt. This Paper Receipt is no

longer valid for delivery” and retain the Paper Receipt on file for at least 5 years for recordkeeping purposes and to satisfy CFTC requirements. The Originating Vault will certify to the Exchange that such Paper Receipts have been marked as required.

- 3.7 When during the Transition Period or thereafter, an Originating Vault issues an Electronic Receipt that is not being issued in substitution of a Paper Receipt, the Electronic Receipt will contain the following statement:

“This electronic Vault Receipt is the original document. The Vault Receipt is represented solely as an electronic record.”

- 3.8 Each Originating Vault is required to check each vault data entry made by its data entry personnel before information is uploaded to Guardian. Each Clearing Member should verify that the information uploaded into Guardian is correct.
- 3.9 The Exchange has no liability in connection with any data-entry errors made in the conversion process. Furthermore, the Clearing Member must warrant to all subsequent persons entitled under the Electronic Receipt created to replace the Paper Receipt that the customer on whose behalf the Clearing Member acted (or the Clearing Member, if the Clearing Member is acting on its own account) was a person entitled under the Paper Receipt when the Clearing Member surrendered possession.

4. Transition Period

- 4.1 Clearing Members wishing to have deliverable receipts after the expiration of the Transition Period are urged to provide the appropriate instructions to the Originating Vault to convert Paper Receipts to Electronic Receipts as early as possible during the Transition Period.
- 4.2 During the Transition Period, Clearing Members will be able to effect delivery on Precious Metals Futures using either Paper Receipts, prior to conversion to Electronic Receipts, or Electronic Receipts, if converted.
- 4.3 During the Transition Period, deliveries effected through Paper Receipts will be subject to Rules 1208A and 1408 for deliveries of gold and Rules 1508A and 1708, for deliveries of silver, as applicable. Deliveries effected through Electronic Receipts will be subject to Rules 1208B and 1408 for deliveries of gold and Rules 1508B and 1708 for deliveries of silver, as applicable.
- 4.4 During the Transition Period, only Electronic Receipts may be registered on Guardian. No Paper Receipts will be accepted for registration beginning on November 15, 2013.
- 4.5 There will be no charge by the Exchange to have a Paper Receipt converted into an Electronic Receipt during the Transition Period.
- 4.6 Once the Central Depository returns all Paper Receipts to the Originating Vault, the Exchange will eliminate the function of the Central Depository, which has acted as agent to the Exchange. By the Originating Vault acceptance of the Paper Receipts, the Originating Vault is deemed to have accepted the role as agent of the Exchange during the Transition Period, with respect to the storage of the Paper Receipts. The

Originating Vaults will hold the Paper Receipts returned to them from the Central Depository for the account of the Exchange and will not return any Paper Receipt to a Clearing Member except on the instruction of the Exchange.

5. Post-Transition Period

- 5.1 As of trade date January 14, 2013, Paper Receipts will no longer be valid for delivery.
- 5.2 All of the Exchange's Regular vaults will be equipped to issue and enter an Electronic Receipt on Guardian at a Clearing Member's request.
- 5.3 Any Paper Receipts in a Clearing Member account in Guardian that were not withdrawn during the Transition Period will be withdrawn by the Exchange Registrar at the end of the Transition Period, as such receipts will no longer be valid for delivery.
- 5.4 Once the Exchange has converted to an all-electronic vault receipt format, a Clearing Member on behalf of a holder may request the Originating Vault to convert any remaining Paper Receipts to Electronic Receipts at any time. Such a conversion will be subject to the rules and procedures of the Originating Vault and any agreement between the parties and will be converted consistent with the applicable Exchange procedures.
- 5.5 If the Clearing Member does not instruct the Originating Vault to create a new Electronic Receipt in substitution of a Paper Receipt, the Clearing Member may store or withdraw the metal at the Originating Vault subject to the rules and procedures of the Originating Vault.
- 5.6 There is no charge by the Exchange to have an Electronic Receipt created in or removed from Guardian.

6. OCC Security Interest in Vault Receipts

- 6.1 NYSE Liffe US Notice 7/2009 made amendments to Rules 1208, 1408, 1508, and 1708 to clarify that Clearing Members grant a security interest to the Options Clearing Corporation ("OCC") as the Clearing Service Provider in any vault receipt or Warehouse Depository Receipt ("WDR") involved in the delivery of Precious Metals Futures that remains in effect during the delivery process. In addition, the Rules also make clear that Clearing Members agree that the Exchange, in its operation of Guardian, maintains any such vault receipts or WDRs as agent on behalf of OCC during the delivery process. To reflect OCC's security interest during the delivery process, the Exchange will modify the Electronic Receipt to include the notation that it is "Pledged, Transferred and Held for OCC."² This notation will be removed upon completion of the delivery process.

² Such a notation is required for the purpose of providing OCC with "control" of the Electronic Receipt in accordance with Section 7-106 of the Illinois Uniform Commercial Code.

7. Outside Transfers

7.1 Members are reminded that prior to making a transfer outside of Guardian, the Member must first obtain the consent of the Exchange to cancel the vault receipt in Guardian and after the Exchange cancels the relevant vault receipt the Member must contact the vault and may arrange to make a transfer pursuant to the applicable rules and procedures of the relevant vault.

8. Brands Acceptable and not Acceptable for Delivery

8.1 Brands acceptable for delivery can be found here:
<https://globalderivatives.nyx.com/en/precious-metals/nyse-liffe-us/delivery-procedures>

9. Vault training

9.1 Regular vault personnel are required to undergo training on the Guardian system before the vault will be granted access to Guardian.

10. Miscellaneous

10.1 It shall be a violation of Exchange Rules and applicable law to present or attempt to present a physical copy of the Electronic Receipt as represented on Guardian as a bearer instrument.

11. Related Rule Amendments

11.1 Rule amendments to effect the change to Electronic Receipts are set forth in Attachment A to this Notice.

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

Market Control	+1 866 933 5032	NYLOperations@nyx.com
Administration	+1 866 592 2693	NLmarketservices@nyx.com
New York Office	+1 212 656 4300	nyseliffeus@nyx.com
Chicago Office	+1 312 442 7730	

**ATTACHMENT TO
NYSE LIFFE US NOTICE 30/2013**

**CHAPTER 1
DEFINITIONS AND INTERPRETATION**

Definitions

Unless otherwise specifically provided in the Rules of the Exchange or the context otherwise requires, the terms defined in this Chapter have the meanings specified herein for all purposes of the Rules of the Exchange.

Rules 101 – 111: No changes

112. Clearing Service Agreement

The term “Clearing Service Agreement” means that certain Amended and Restated Agreement for Clearing and Settlement Services, dated as of April 20, 2012, (as amended, restated, supplemented or otherwise modified from time to time), between OCC and the Exchange, or any successor agreement to provide similar services between the Exchange and either OCC or any other Clearing Service Provider.

Rules 113 – 128: With the exception of renumbering, no changes.

129. Exchange Party

The term “Exchange Party” means each of the Exchange (including its affiliates), any of its directors, committee members, officers, employees, agents or contractors.

Rules 130-137: With the exception of renumbering, no changes.

138. Notice of Intent

The term “Notice of Intent” means, with respect to the delivery of gold or silver by a seller in settlement of a Futures, a notice to the Exchange by such seller of its intent to deliver a vault receipt or WDR with respect to such gold or silver in settlement of such Futures.

Rules 139-147: With the exception of renumbering, no changes

148. Originating Vault

The term “Originating Vault” means a regular depository vault that issues or issued a vault receipt.

Rules 149-156: With the exception of renumbering, no changes.

157. Seller's Notice Day

The term "Seller's Notice Day" means, with respect to any delivery of a vault receipt in respect of gold or silver, or a WDR in respect of gold or silver, the second business day prior to the day of delivery of a vault receipt or WDR.

Rules 158-159: With the exception of renumbering, no changes.

160. Transition Period

The term "Transition Period" means the 60-day period, as set forth in a notice issued by the Exchange, during which both paper and electronic vault receipts will be valid for delivery against Futures in gold and silver under the Rules of the Exchange.

161. UCC

The term "UCC" means the Uniform Commercial Code as in effect from time to time in the State of Illinois.

Rule 162: With the exception of renumbering, no changes.

163. Underlying Vault Receipt

The term "Underlying Vault Receipt" means, with respect to a WDR for gold or silver, each paper vault receipt (prior to expiration of the Transition Period) and each electronic vault receipt for 100 oz. gold Futures or 5,000 oz. silver Futures, as the case may be, held by the Exchange in respect of all WDRs for mini-sized gold Futures or mini-sized silver Futures, as the case may be, then recorded in the books and records of the Exchange.

Rules 164-167: With the exception of renumbering, no changes.

CHAPTER 12
100 OZ. GOLD FUTURES

1201. Scope of Chapter

This chapter is limited in application to trading of 100 oz. Ggold futures. The procedures for trading, clearing, inspection, delivery and settlement, and any other matters not specifically covered herein shall be governed by the general Rules of the Exchange.

1202. Contract Specifications

Each Futures shall be for 100 fine troy ounces of Ggold no less than 995 fineness, cast either in one bar or in three one-kilogram bars.

Variations in the quantity of the delivery unit not in excess of five percent of 100 fine troy ounces shall be permitted.

In accordance with the accepted practices of the trade, each bar for good delivery must be of good appearance, easy to handle, and convenient to stack. The sides and bottom should be reasonably smooth and free from cavities and bubbles. The edges should be rounded and not sharp. Each bar, if not marked with the fineness and stamp of an approved refiner, assayer, or other certifying authority must be accompanied by a certificate issued by an approved refiner, assayer, or other certifying authority, stating the serial number of the bar(s), the weight, and the fineness.

1203. Trading Specifications

Trading in 100 oz. Ggold futures shall be conducted in the current calendar month and any subsequent months. The number of months open for trading at a given time shall be determined by the Exchange.

(a) Trading Schedule

The hours of trading in 100 oz. Ggold futures shall be determined by the Exchange. On the last day of trading in an expiring futures, the closing time for such futures shall be 1:30 p.m. New York time.

(b) Trading Unit

The unit of trading shall be 100 fine troy ounces of Ggold not less than 0.995 fine, cast either in one bar or in three one-kilogram bars.

(c) Price Increments

The minimum price fluctuation for 100 oz. Ggold futures shall be ten cents (\$0.10) per troy ounce, which is \$10.00 per ~~contract~~ Futures. Futures ~~contracts~~ shall not be made on any other price basis.

- (d) Reserved
- (e) Position Limits

In accordance with Rule 420, Position Limits, no person shall own or control positions in excess of:

- (i) 3,000 fFutures net long or net short in the spot month.
- (ii) 6,000 fFutures-equivalent contracts net long or net short in any single contract month excluding the spot month.
- (iii) 6,000 fFutures-equivalent contracts net long or net short in all months combined.

Refer to Rule 420 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

- (f) Termination of Trading

(i) No trades in 100 oz. Ggold fFutures deliverable in the current month shall be made during the last two business days of that month. Any contracts remaining open after the last day of trading must be settled by delivery no later than the last business day of the delivery month.¹⁰⁰

1204. Refiners, Vaults and Assayers

No changes.

1205. Brands and Markings of Gold

Brands and markings deliverable in satisfaction of fFutures ~~contracts~~ shall be listed with the Exchange upon approval by the Exchange. The Exchange may require such sureties as it deems necessary. The Exchange shall make available a list of the brands and markings of Ggold bars which are deliverable. The addition of brands and markings shall be binding upon all such contracts outstanding as well as those entered into after approval.

If at any time a brand or marking fails to meet the requirements adopted by the Exchange or the metallurgical assay of any Ggold bars bearing a brand or marking on the official list depreciates below 995 fineness, the Exchange may exclude said brand or marking from the official list unless deliveries of bars bearing said brand or marking are accompanied by certificates of analysis of an official assayer showing a Ggold fineness of not less than 995, and such additional bond as the Exchange may deem necessary. Notice of such action shall be posted by the Exchange and the official list shall indicate the limitation upon deliveries of said brand or

¹⁰⁰ Section (f) of Rule 1203 amended. Effective March 30, 2009, pursuant to CFTC Rule 40.6 filing with CFTC dated February 18, 2009. See Notice 4/2009.

marking.

1206. Product Certification and Shipment

To be eligible for delivery on the Exchange, all gGold must be certified as to fineness and weight by an Exchange approved refiner, assayer, or other Exchange approved certifying authority and must be shipped directly from the Exchange approved refiner, assayer, or certifying authority via Exchange approved carriers to Exchange approved vaults.

If gGold is not continuously in the custody of an Exchange approved vault or carrier, the Exchange may require that it be recertified as to fineness and weight to be eligible for delivery.

The Exchange at its sole discretion shall have the authority at any time to have assayed any gGold bars covered by vault receipts delivered against fFutures contracts. In such an event, costs are to be borne by the Exchange.

1207. Delivery Points

Gold located at regular vaults at points approved by the Exchange may be delivered in satisfaction of fFutures contracts.

~~1208. Deliveries by Vault Receipts~~

~~(a) Timing of Delivery and Issuance of Vault Receipt~~

~~(iii) ——— Where Gold is sold for delivery in a specified month, delivery of such Gold may be made by the seller upon such day of the specified month as the seller may select. If not previously delivered, delivery must be made upon the last business day of the month.~~

~~(iv) ——— In order to be valid for delivery against a futures contract, a vault receipt in electronic form must be entered on the NYSE Liffe Guardian Delivery System based on the deposit of a vault receipt in paper form issued in accordance with the requirements under Rule 1202. Such paper vault receipt must be issued and deposited with the Exchange's Central Depository before 12:00 p.m. New York time on seller's notice day, which is the second business day prior to the day of delivery; however, in the case of delivery on the last delivery day of the delivery month, such paper vault receipt must be issued before 11:00 a.m. New York time on seller's notice day. Deliveries on Gold futures contracts shall be made by book entry in the NYSE Liffe Guardian Delivery System, reflecting the change in ownership interests in vault receipts in paper form issued by vaults which have been approved and designated as regular vaults by the Exchange for the storage of Gold, using the electronic fields which the Exchange and the Clearing Service Provider require to be completed. Gold in bars must come to the regular vault directly from an approved source or from another regular vault either on NYSE Liffe US~~

or the COMEX Division of the New York Mercantile Exchange, Inc., by insured or bonded carrier.¹⁰¹

(b) Endorsement of Vault Receipts

(iii) In order to effect a valid delivery, each vault receipt must be endorsed by the Clearing Member making the delivery; any transfer by electronic means of a vault receipt as set forth above in subsection (a) of this Rule 1208 constitutes an endorsement with respect to such vault receipt. In the event that a vault receipt is transferred outside of the NYSE Liffe Guardian Delivery System (an "Outside Transfer"), endorsement with respect to such Outside Transfer will be made physically on such vault receipt and, if such vault receipt is subsequently entered into the NYSE Liffe Guardian Delivery System, such endorsement will remain as a record with respect to such Outside Transfer.¹⁰² By any endorsement, the endorser shall be deemed to warrant, to his transferee and each subsequent transferee of the receipt for delivery on Exchange contracts, and their respective immediate principals, the genuineness, validity, and worth of such receipt, the rightfulness and effectiveness of his transfer thereof, and the quantity and quality of the Gold shown on the receipt. Such endorsement shall also constitute a representation that all storage charges have been paid up to and including the business day following the day of delivery. Prepaid storage charges shall be charged to the buyer by the seller for a period extending beyond the business day following the day of delivery (but not in excess of one year) pro rata for the unexpired term and adjustments shall be made upon the invoice thereof.

(iv) In the event such Exchange Member or principal shall claim a breach of such warranty, and such claim relates to the quantity or quality of the Gold, the lot shall be immediately submitted for sampling and assaying to an assayer approved by the Exchange; the Gold must be shipped under bond, and at the owner's expense, to the assayer. The expense of sampling and assaying shall, in the first instance, be borne by the claimant. If a deficiency in quantity or quality shall be determined by the assayer, the claimant shall have the right to recover the difference in the market value and all expenses incurred in connection with the sampling and assaying and any cost of replacement of the Gold. The claimant may, at his option, proceed directly against the original endorser of the vault receipt upon Exchange delivery, or against any endorser prior to claimant without seeking recovery from his immediate deliverer on the Exchange contract, and if the claim is satisfied by the original endorser of the vault receipt, or any other endorser, all the endorsers will be thereby discharged from liability to the claimant. If the claimant seeks recovery from any endorser and his claim is satisfied by such endorser, the party thus satisfying the claim will have a similar option to claim recovery directly from any endorser prior to him. Such claims as are in dispute between Members of the Exchange may in each case be submitted to arbitration under the Rules of the Exchange.

¹⁰¹ Subsection (a)(ii) amended. Effective March 30, 2009, pursuant to CFTC Rule 40.6 filing with CFTC by NYSE Liffe US dated March 26, 2009. See Notice 7/2009.

¹⁰² Subsection (b) of Rule 1208 amended. Effective March 30, 2009, pursuant to CFTC Rule 406. filing with CFTC by NYSE Liffe US dated March 26, 2009. See Notice 7/2009.

~~(v) The liability of an endorser of a vault receipt as provided herein shall not be deemed to limit the rights of such endorser against any person or party for whose account the endorser acted in making delivery on an Exchange contract. If it shall be determined in such arbitration proceeding that any endorser of a vault receipt or the person or party for whom such endorser acted was aware of the breach of warranty or was involved in a plan or arrangement with the original endorser (or his principal) to place such inferior Gold in store in a regular vault for use in deliveries upon Exchange contracts, such endorsers shall not be entitled to recover from any prior endorser for the breach of warranty.~~

~~(c) **Security Interest in Vault Receipts and WDRs**~~

~~(iii) Each Clearing Member that has an interest in a vault receipt or a WDR hereby grants a valid and enforceable security interest (the "Exchange Lien") to the Exchange in all of such Clearing Member's vault receipts or WDRs to secure all charges or fees associated with the custody of such vault receipts or WDRs and the Gold underlying such vault receipts or WDRs.~~

~~(iv) Each Clearing Member, by entering into the delivery process, understands that, pursuant to an Agreement for Clearing and Settlement Services, dated as of March 9, 2009, between OCC and the Exchange, the Exchange has agreed to maintain as agent on behalf of OCC as Clearing Service Provider any vault receipt or WDR with respect to which a selling Clearing Member has delivered to the Exchange a notice of intent to deliver such vault receipt or WDR in settlement of a Contract (a "Notice of Intent"), from the time of delivery of such Notice of Intent until 11:00 a.m., New York time (the "Cut Off Time"), on the date of settlement for such vault receipt or WDR, unless the Exchange has received notice from OCC of a default by the relevant selling or purchasing Clearing Member, in which case the Exchange shall continue to maintain such vault receipt or WDR for the benefit of OCC until notified otherwise by OCC and, subject to applicable law, shall deliver such vault receipt or WDR to OCC or its agent upon the instructions of OCC (the "Exchange Services"). Each Clearing Member hereby agrees to the Exchange performing such Exchange Services. Each Clearing Member further understands that the security interest granted by the selling Clearing Member and the purchasing Clearing Member to OCC in any vault receipt or WDR remains in effect from the time OCC receives (or is deemed to have received by the Rules of OCC) notice that a selling Clearing Member has delivered to the Exchange a Notice of Intent until settlement of the relevant Contract, notwithstanding the electronic book entry in the NYSE Liffe US Trading Platform in favor of the selling Clearing Member. Each Clearing Member also understands that the Exchange has waived its lien in respect of vault receipts or WDRs going to delivery from the date the Exchange provides OCC notice that a Notice of Intent has been delivered, until and including the Cut Off Time on the date that settlement is supposed to occur (regardless of whether or not settlement does in fact occur) (such period, the "Waiver Period"). Each Clearing Member hereby agrees that the Exchange Lien shall be immediately reinstated without further action after the Waiver Period; provided that, in the event that the Exchange has received notice from OCC of a default as described above, OCC shall have no responsibility for, and the Exchange's lien shall not be reinstated with respect to, any~~

~~obligations of any person to the Exchange accruing prior to the Cut-Off Time, and OCC shall be responsible to the Exchange, and the Exchange's lien shall attach, only with respect to storage charges accruing after OCC takes possession of the vault receipt or WDR and only with respect to such particular vault receipt or WDR. By going to delivery, each Clearing Member further represents and warrants that there are no liens, encumbrances on or defense to the relevant vault receipts other than that of the Exchange and OCC specified in this Rule 1208.~~¹⁰³

1208. A. Deliveries by Vault Receipts During the Transition Period^{104*}

(a) Conversion of Paper Vault Receipts to Electronic Vault Receipts

(i) Members may convert paper vault receipts to electronic vault receipts during the Transition Period, and paper vault receipts shall not be valid for delivery after 7:00 p.m. New York time on the last day of the Transition Period. Effective with the opening of the market for the trade date immediately following the last day of the Transition Period, paper vault receipts must be converted to electronic form prior to being valid for delivery against a Futures. The procedures for conversion are set forth in notices the Exchange may issue from time to time. Regular vaults agree to comply with the procedures set forth therein for conversion of vault receipts. Under the procedures, the Central Depository shall return paper vault receipts to the Originating Vault that issued such paper vault receipt. Upon instruction of the Clearing Member or the Exchange (in the case of vault receipts relating to WDRs or otherwise held by the Exchange), an Originating Vault shall create an electronic vault receipt in the NYSE Liffe Guardian Delivery System in substitution for the paper vault receipt, completing all relevant fields in accordance with the requirements of the NYSE Liffe Guardian Delivery System. By requesting any conversion, such Clearing Member represents and warrants to all subsequent persons entitled under the electronic vault receipt created in substitution for such paper vault receipt that the Clearing Member, or the holder on whose behalf the Clearing Member is acting, is a person entitled under the paper vault receipt at the time the Clearing Member requested that such paper vault receipt be substituted for an electronic vault receipt in the NYSE Liffe Guardian Delivery System. Any representation and warranty by the Exchange with respect to any conversion of vault receipts relating to any WDR requested by the Exchange shall be deemed made for the benefit of all Clearing Members holding WDRs at the time such conversion was requested by the

¹⁰³ Amendment adding sub-section (c) to Rule 1208. Effective March 30, 2009, pursuant to CFTC Rule 40.6 NYSE Liffe US filing dated March 26, 2009. *See* Notice 7/2009.

¹⁰⁴ Rule 1208A will only be effective until the expiration of the Transition Period, after which time deliveries may only be effected in accordance with Rule 1208B, pursuant to CFTC Rule 40.6 NYSE Liffe US filing dated October 29, 2013.

* Supplemental guidance regarding creation and withdrawal of vault receipts available in CFTC Rule 40.6 filing by NYSE Liffe US dated November 16, 2009. Effective November 18, 2009. *See* Notice 25/2009.

Exchange. Each Originating Vault shall maintain appropriate and clearly defined back office procedures to ensure correct data entry into the NYSE Liffe Guardian Delivery System when issuing an electronic vault receipt on behalf of the requesting Clearing Member, shall use the same receipt number as used for associated paper vault receipts when converting to an electronic vault receipt, and shall verify the accuracy of each data entry made by the vault's personnel before uploading such information into the NYSE Liffe Guardian Delivery System. After creating the electronic vault receipt, the Originating Vault shall mark the paper vault receipt as follows: "An Electronic Receipt has been issued as a substitute for this Paper Receipt. This Paper Receipt is no longer valid for delivery." The Originating Vault shall maintain any paper vault receipt for which an electronic vault receipt is substituted on file for at least 5 years for recordkeeping purposes and to satisfy requirements of the Commission. The Originating Vault shall certify to the Exchange at the end of the Transition Period that all paper vault receipts submitted to such Originating Vault for conversion have been marked as required in this Rule 1208A(a)(i).

(ii) After a vault receipt is issued in the NYSE Liffe Guardian Delivery System, upon discovery of an error, the person discovering such error shall promptly notify the Exchange in writing and the Exchange shall make such corrections as soon as practical unless the vault receipt has been tendered for delivery on a Futures in which case the Exchange will not be able to make the corrections until after delivery is effected in accordance with the Rules or with the Clearing Service Provider's consent; provided that the Exchange shall be under no liability to warrant the accuracy or authenticity of the changes to the vault receipt.

(iii) Any vault receipt issued electronically in accordance with this Rule 1208A shall be a single authoritative copy of such electronic vault receipt. The Exchange shall maintain in the NYSE Liffe Guardian Delivery System a single authoritative copy of each electronic vault receipt in the name of the applicable Clearing Member specified therein and such single authoritative copy shall be unique and identifiable by a receipt number that shall not change, whether upon transfer of the electronic vault receipt or otherwise.

(iv) After 7:00 p.m. New York time on the date of expiration of the Transition Period, paper vault receipts shall not be valid for delivery against a Futures.

(v) The intent of this Rule 1208A is to satisfy the requirements of Section 7-106(b) of the UCC.

(b) Timing of Delivery and Issuance of Vault Receipt

(i) Where gold is sold for delivery in a specified month, delivery of such gold may be made by the seller upon such day of the specified month as the seller may select. If the seller has not previously specified a day upon which to deliver, upon the third to the last business day of the delivery month a Notice of Intent shall be

deemed to have been made by the seller and delivery must be made as set forth in paragraph (ii) of this Rule 1208A(b).

(ii) During the Transition Period, delivery may be made using either a vault receipt in electronic form or in paper form, in each case satisfying the requirements and contract specifications set forth in this Chapter. In order for a paper vault receipt to be valid for delivery against a Futures such paper vault receipt must have been issued and deposited with either the Exchange's Central Depository or the Originating Vault and a corresponding electronic book-entry made in the NYSE Liffe Guardian Delivery System prior to the first day of the Transition Period. If delivery shall be upon an electronic vault receipt, such electronic vault receipt must have been issued and entered into the NYSE Liffe Guardian Delivery System in accordance with Rule 1208A(a) before 12:00 p.m. New York time on the Seller's Notice Day; however, in the case of delivery on the last delivery day of the delivery month, such electronic vault receipt must be issued and entered before 11:00 a.m. New York time on the last Seller's Notice Day. If no paper vault receipt valid for delivery has been entered into the NYSE Liffe Guardian Delivery System prior to the first day of the Transition Period or no electronic vault receipt has been issued and entered by 11:00 a.m. New York time on the last Seller's Notice day of such delivery month, the seller shall be deemed to be in violation of a Rule of the Exchange and subject to possible disciplinary proceedings under Chapter 7 of the Rules. In either case (whether delivery upon a paper vault receipt or an electronic vault receipt), deliveries on gold Futures shall, subject to Rule 1208A(d), be made by electronic book entry in the NYSE Liffe Guardian Delivery System reflecting the change in ownership interests in vault receipts in paper or electronic form, as the case may be, issued by vaults which have been approved and designated as regular vaults by the Exchange for the storage of gold, using the electronic fields which the Exchange or the Clearing Service Provider require to be completed. Gold in bars of Exchange approved brands must come to the regular vault directly from an Exchange approved source or from another regular vault either on NYSE Liffe US or the COMEX Division of the New York Mercantile Exchange, Inc., by insured or bonded carrier.

(c) Endorsement of Vault Receipts

(i) In order to effect a valid delivery with respect to a paper vault receipt, each vault receipt must be endorsed by the Clearing Member making the delivery; any transfer of a paper vault receipt by electronic book entry in the NYSE Liffe Guardian Delivery System as set forth above in subsection (b) of this Rule 1208A constitutes an endorsement of such paper vault receipt by the Clearing Member making the delivery with respect to such paper vault receipt. In the event that a vault receipt is transferred outside of the NYSE Liffe Guardian Delivery System (an "Outside Transfer"), endorsement with respect to such Outside Transfer shall be deemed made by the Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) requesting such Outside Transfer with respect to such paper vault receipt. By any endorsement, the endorser shall be deemed to

warrant, to its transferee and each subsequent transferee of the paper vault receipt for delivery on Exchange Futures, and their respective immediate principals, the genuineness, validity, and worth of such paper vault receipt, the rightfulness and effectiveness of its transfer thereof, and the quantity and quality of the gold shown on the paper vault receipt. Such endorsement shall also constitute a representation that all storage charges have been paid up to and including the business day following the day of delivery. Prepaid storage charges shall be charged to the buyer by the seller for a period extending beyond the business day following the day of delivery (but not in excess of one year) pro rata for the unexpired term and adjustments shall be made upon the invoice thereof. The intent of this Rule 1208A(c)(i) is to comply with the requirements for a negotiable tangible document of title as set forth in Section 7-501(a) of the UCC.

(ii) In the event such Clearing Member shall claim a breach of any warranty with respect to a delivery under subsection (i) of this Rule 1208A(c), and such claim relates to the quantity or quality of the gold, the lot shall be immediately submitted for sampling and assaying to an assayer approved by the Exchange. The expense of sampling and assaying, as well as any related expenses, including, without limitation, shipping of the gold under bond in the event that shipment to the assayer is required, shall, in the first instance, be borne by the claimant. If a deficiency in quantity or quality shall be determined by the assayer, the claimant shall have the right to recover the difference in the market value and all expenses incurred in connection with the sampling and assaying and any cost of replacement of the gold. The claimant may, at its option, proceed directly against the original endorser of the vault receipt upon delivery in accordance with the Rules of the Exchange and its procedures, or against any endorser prior to claimant without seeking recovery from its immediate deliverer on the Exchange contract, and if the claim is satisfied by the original endorser of the vault receipt, or any other endorser, all the endorsers shall be thereby discharged from liability to the claimant. If the claimant seeks recovery from any endorser and its claim is satisfied by such endorser, the party thus satisfying the claim shall have a similar option to claim recovery directly from any endorser prior to him. Such claims as are in dispute between Members of the Exchange may in each case be submitted to arbitration under the Rules of the Exchange. In no event shall the Exchange be considered an endorser with respect to any vault receipt.

(iii) In the case of a delivery of a paper vault receipt as set forth in subsection (i) of this Rule 1208A(c), the liability of an endorser of a paper vault receipt as provided herein shall not be deemed to limit the rights of such endorser against any person or party for whose account the endorser acted in making delivery on an Exchange contract. If it shall be determined in such arbitration proceeding that any endorser of a paper vault receipt or the person or party for whom such endorser acted was aware of the breach of warranty or was involved in a plan or arrangement with the original endorser (or its principal) to place such inferior gold in store in a regular vault for use in deliveries upon Exchange contracts, such endorsers shall not be entitled to recover from any prior endorser for the breach of warranty.

(iv) In order to effect a valid delivery with respect to an electronic vault receipt, the person receiving delivery must be established in the NYSE Liffe Guardian Delivery System as the person to whom such electronic vault receipt is issued or transferred. Subject to the provisions of Rule 1208A(d) hereof, which provides for the control in favor of a Clearing Service Provider, the person to whom such electronic vault receipt is so delivered shall be deemed to have control of such electronic vault receipt for purposes of these Rules and the UCC. Upon any such delivery, the transferor shall be deemed to warrant, to the transferee and each subsequent transferee of the electronic vault receipt for delivery on Futures, and their respective immediate principals, the genuineness, validity, and worth of such electronic vault receipt, the rightfulness and effectiveness of its transfer thereof, and the quantity and quality of the gold shown on the electronic vault receipt. Such delivery shall also constitute a representation that all storage charges have been paid up to and including the business day following the day of delivery. Prepaid storage charges shall be charged to the buyer by the seller for a period extending beyond the business day following the day of delivery (but not in excess of one year) pro rata for the unexpired term and adjustments shall be made upon the invoice thereof. The intent of this Rule 1208A(c)(iv) is to comply with the requirements for a negotiable electronic document of title as set forth in Section 7-501(b) of the UCC.

(v) In the event such Clearing Member shall claim a breach of any warranty with respect to a delivery of an electronic vault receipt under subsection (iv) of this Rule 1208A(c), and such claim relates to the quantity or quality of the gold, the lot shall be immediately submitted for sampling and assaying to an assayer approved by the Exchange. The expense of sampling and assaying, as well as any related expenses, including, without limitation, shipping of the gold under bond in the event that shipment to the assayer is required, shall, in the first instance, be borne by the claimant. If a deficiency in quantity or quality shall be determined by the assayer, the claimant shall have the right to recover the difference in the market value and all expenses incurred in connection with the sampling and assaying and any cost of replacement of the gold. The claimant may, at its option, proceed directly against the original Transferor (as defined herein) of the vault receipt upon Exchange delivery, or against any Transferor prior to claimant without seeking recovery from its immediate deliverer on the Exchange contract, and if the claim is satisfied by the original Transferor of the vault receipt, or any other Transferor, all the Transferors shall be thereby discharged from liability to the claimant. If the claimant seeks recovery from any Transferor and its claim is satisfied by such Transferor, the party thus satisfying the claim shall have a similar option to claim recovery directly from any Transferor prior to him. Such claims as are in dispute between Members of the Exchange may in each case be submitted to arbitration under the Rules of the Exchange. In no event shall the Exchange be considered a Transferor with respect to any electronic vault receipt. For purposes of this subsection (v), "Transferor" shall mean (x) in the case of a delivery of a vault receipt in paper form prior to the substitution of an electronic vault receipt for such paper vault receipt, an endorser, and (y) in the case of a delivery of a vault receipt in electronic form, a transferor.

(vi) In the case of a delivery of an electronic vault receipt as set forth in subsection (iv) of this Rule 1208A(c), the liability of a Transferor (as defined in subsection (v)) of an electronic vault receipt as provided herein shall not be deemed to limit the rights of such Transferor against any person or party for whose account the Transferor acted in making delivery on an Exchange contract. If it shall be determined in such arbitration proceeding that any Transferor of a electronic vault receipt or the person or party for whom such Transferor acted was aware of the breach of warranty or was involved in a plan or arrangement with the original Transferor (or its principal) to place such inferior gold in store in a regular vault for use in deliveries upon Exchange contracts, such Transferors shall not be entitled to recover from any prior Transferor for the breach of warranty.

(vii) Notwithstanding the foregoing, in no event shall the Exchange be deemed to have endorsed or made any representation or warranty with respect to any WDRs or Underlying Vault Receipts (other than any representation or warranty for the benefit of all Clearing Members holding WDRs at the time the Exchange requested a conversion of a paper vault receipt to an electronic vault receipt in accordance with Rule 1208A(a)(i)), and, in the event the Exchange shall be deemed for any reason to have endorsed or made any representation or warranty with respect to any WDRs or Underlying Vault Receipts, the Exchange shall have no liability to any person with respect thereto. In addition, each of the Exchange and each Clearing Member holding one or more WDRs at the time the Exchange requested a conversion of a paper vault receipt to an electronic vault receipt held in connection with the issuance of WDRs acknowledges that upon any such conversion so requested by the Exchange, pursuant to Section 7-105 of the UCC, the Exchange represents and warrants to all subsequent persons entitled under the electronic vault receipt created in substitution for such paper vault receipt held in connection with the issuance of WDRs that the Exchange is a person entitled under such paper vault receipt at the time the Exchange requested that such paper vault receipt be substituted for an electronic vault receipt in the NYSE Liffe Guardian Delivery System. Each Clearing Member holding WDRs at the time of any conversion requested by the Exchange of a paper vault receipt to an electronic vault receipt and the making by the Exchange of the representation and warranty in Section 7-105 of the UCC, agrees, regardless of whether such paper vault receipt is traceable to such WDR(s) held by such Clearing Member, that the Exchange is making such representation and warranty for its benefit and that such Clearing Member shall indemnify and hold harmless the Exchange and each other Exchange Party from and against any Losses (as defined in Rule 415) incurred by or asserted against any Exchange Party arising out of, in connection with such representation or warranty.

(d) Security Interest in Vault Receipts

(i) Each Clearing Member that has an interest in a vault receipt hereby grants a valid and enforceable security interest (the "Exchange Lien") to the Exchange in all of such Clearing Member's vault receipts to secure all charges or fees associated with the custody and maintenance of such vault receipts and the gold

underlying such vault receipts. Each Clearing Member represents to the Exchange with respect to each such vault receipt that it is fully authorized by the holder on whose behalf the Clearing Member is acting, if any, to grant a security interest in such vault receipts to the Exchange pursuant to this Rule 1208A(d).

(ii) Each Clearing Member, by entering into the delivery process, understands that, pursuant to the Clearing Service Agreement, the Exchange has agreed to maintain on behalf of the Clearing Service Provider, as the Clearing Service Provider and as secured party, any vault receipt, including any replacement vault receipt, with respect to which a selling Clearing Member has delivered to the Exchange a Notice of Intent or is deemed to have delivered a Notice of Intent under Rule 1208A(b)(i) and (ii), from the time of delivery of such Notice of Intent (or deemed receipt of such Notice of Intent, if applicable) until 11:00 a.m., New York time (the “Cut-Off Time”), on the date of settlement for such vault receipt, except that, if the Exchange has received notice from the Clearing Service Provider prior to the Cut-Off Time of a default by the selling or purchasing Clearing Member (a “Default Notice”), the Exchange shall continue to maintain such vault receipt for the benefit of the Clearing Service Provider as secured party until notified otherwise by the Clearing Service Provider and, subject to applicable law, shall deliver such vault receipt to the Clearing Service Provider or its agent upon the instructions of the Clearing Service Provider and otherwise in accordance with the Rules of the Exchange (the foregoing responsibilities in this clause (ii), and any related actions and obligations of the Exchange, the “Exchange Services”). From the time of delivery of a Notice of Intent (or deemed receipt of the Notice of Intent, if applicable) with respect to a vault receipt until the Cut-Off Time therefor (assuming no Default Notice has been delivered with respect thereto) or, if a Default Notice has been delivered, until such time as the Clearing Service Provider or its agent may transfer in the NYSE Liffe Guardian Delivery System the applicable vault receipt in accordance with the Rules of the Exchange and the Rules of the Clearing Service Provider, the Exchange shall have no obligation to any Clearing Member or any other person other than the Clearing Service Provider to comply with instructions with respect to such vault receipt from such Clearing Member or person. Each Clearing Member hereby agrees to the provisions relating to the Clearing Service Provider as set forth in this Rule 1208A(d) and grants a valid and enforceable security interest to the Clearing Service Provider in all of such Clearing Member’s vault receipts to the extent provided in this Rule 1208A(d). Each Clearing Member represents to the Exchange that it is fully authorized by the holder on whose behalf the Clearing Member is acting, if any, to grant a security interest in such vault receipts to the Clearing Service Provider pursuant to this Rule 1208A(d).

(iii) In the case of an electronic vault receipt, to reflect the Clearing Service Provider’s security interest during the delivery process, the Exchange shall include a notation in the electronic vault receipt that it is “Pledged, Transferred and Held for OCC”¹⁰⁵ or other applicable Clearing Service Provider. This notation

¹⁰⁵ Such notation will include a cross-reference to the phrase “Pledged to, Transferred to and Held for OCC.”

shall mean that such electronic vault receipt is held by the Exchange for, pledged by the purchasing and selling Clearing Members to, and transferred to the Clearing Service Provider. This notation shall be removed upon completion of the delivery process, assuming the Exchange has not received a Default Notice.

(iv) Each Clearing Member hereby agrees to the Exchange performing the Exchange Services. Each Clearing Member further understands that the security interest granted by the selling Clearing Member and the purchasing Clearing Member to the Clearing Service Provider in any vault receipt shall commence from the date the Exchange receives the Notice of Intent (or such Notice of Intent is deemed to have been delivered and received by the Exchange) and shall continue until settlement of the relevant Futures (unless a Default Notice has been delivered with respect to such Futures, in which case such security interest shall continue until satisfaction of obligations owed to the Clearing Service Provider by the selling and purchasing Clearing Members with respect to such Futures), notwithstanding the electronic book entry in the NYSE Liffe Guardian Delivery System in favor of the selling Clearing Member.

(v) Each Clearing Member also understands that the Exchange has subordinated its Exchange Lien in respect of vault receipts going to delivery from the date the Exchange provides the Clearing Service Provider notice that a Notice of Intent has been delivered (or is deemed to have been delivered), until and including the Cut-Off Time on the date that settlement is supposed to occur (regardless of whether or not settlement does in fact occur) (such period, the "Vault Receipt Subordination Period"). Each Clearing Member hereby agrees that the Exchange Lien shall be immediately reinstated as first priority without further action after the Vault Receipt Subordination Period; provided that, in the event that the Exchange has received notice from the Clearing Service Provider of a default as described above, the Clearing Service Provider shall have no responsibility for, and the Exchange Lien shall not be reinstated as first priority with respect to, any obligations of any person to the Exchange accruing prior to the Cut-Off Time, and the Clearing Service Provider shall be responsible to the Exchange, and the Exchange Lien shall have a first priority security status, only with respect to storage charges accruing after the Clearing Service Provider gives notice of a default as described above and only with respect to such particular vault receipt.

(ii) (vi) By going to delivery, each Clearing Member further represents and warrants that there are no liens, encumbrances on or defense to the relevant vault receipts other than that of the Exchange and the Clearing Service Provider specified in this Rule 1208A.

(e) Outside Transfer

(i) A paper vault receipt may be removed from the NYSE Liffe Guardian Delivery System only upon instructions of the Clearing Member (or the Clearing

Service Provider if a Default Notice has been delivered) to the Exchange and the consent of the Exchange. Upon such request to remove a paper vault receipt, the Exchange shall make an electronic entry in the account of such Clearing Member to indicate that such receipt has been removed from the NYSE Liffe Guardian Delivery System and, in accordance with the rules and procedures of the Central Depository, the Originating Vault and the Exchange, the Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) may request that the Central Depository return such paper vault receipt to the Originating Vault and that the Originating Vault issue a vault receipt in such name as the Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) may designate. Each Originating Vault shall assist any Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) wishing to effect an Outside Transfer to do so in accordance with the conditions and agreements set forth in the agreement of regularity between the Exchange and such Originating Vault and the rules and procedures of such vault and the Rules of the Exchange and its procedures. If a Clearing Member wishes to re-enter into the NYSE Liffe Guardian Delivery System a vault receipt transferred outside the NYSE Liffe Guardian Delivery System pursuant to this Rule 1208A(e), the Clearing Member may request that an Originating Vault issue a new electronic vault receipt in accordance with Rule 1208B.

(ii) An electronic vault receipt may be cancelled in the NYSE Liffe Guardian Delivery System only upon instructions of the Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) to the Exchange and the consent of the Exchange. In each case, the Exchange shall mark such electronic vault receipt as “cancelled” in the NYSE Liffe Guardian Delivery System and, in accordance with the rules and procedures of the Originating Vault and the Rules of the Exchange and its procedures, the Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) may request that the Originating Vault issue a vault receipt in such name as the Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) may designate. Each Originating Vault shall assist any Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) wishing to effect an Outside Transfer to do so in accordance with the conditions and agreements set forth in the Vault Regularity Agreement for such vault and the rules and procedures of such vault and the Rules of the Exchange and its procedures. If a Clearing Member wishes to re-enter into the NYSE Liffe Guardian Delivery System a vault receipt transferred outside the NYSE Liffe Guardian Delivery System pursuant to this Rule 1208A(e), the Clearing Member may request that a regular vault issue a new electronic vault receipt in accordance with Rule 1208B.

1208. B. Deliveries by Vault Receipts After Expiration of the Transition Period^{106*}

(a) Conversion of Vault Receipts and Issuance of Electronic Vault Receipts

(i) A Clearing Member for itself or on behalf of a holder of a vault receipt held outside the NYSE Liffe Guardian Delivery System may request at any time that an Originating Vault convert a paper vault receipt to an electronic vault receipt held through the NYSE Liffe Guardian Delivery System. Upon instruction of the Clearing Member or the Exchange (in the case of vault receipts relating to WDRs or otherwise held by the Exchange), an Originating Vault shall create an electronic vault receipt in the NYSE Liffe Guardian Delivery System in substitution for the vault receipt held outside the NYSE Liffe Guardian Delivery System.

(ii) By requesting such conversion, such Clearing Member represents and warrants to all subsequent persons entitled under the electronic vault receipt created in substitution for such vault receipt held outside that the Clearing Member, or the holder on whose behalf the Clearing Member is acting, is a person entitled under the vault receipt held outside the NYSE Liffe Guardian Delivery System at the time that the Clearing Member requested that such vault receipt be converted to or be substituted for an electronic vault receipt in the NYSE Liffe Guardian Delivery System. Any representation and warranty by the Exchange with respect to any conversion of vault receipts relating to any WDR requested by the Exchange shall be deemed made for the benefit of all Clearing Members holding WDRs at the time such conversion was requested by the Exchange.

(iii) Each Originating Vault shall maintain appropriate and clearly defined back office procedures to ensure correct data entry into the NYSE Liffe Guardian Delivery System when issuing an electronic vault receipt on behalf of the requesting Clearing Member, shall use the same receipt number as used for the associated paper vault receipts when converting to an electronic vault receipt, and shall verify the accuracy of each data entry made by the vault's personnel before uploading such information into the NYSE Liffe Guardian Delivery System. After creating the electronic vault receipt, if the associated receipt was a paper vault receipt, the Originating

¹⁰⁶ Rule 1208A will only be effective until the expiration of the Transition Period, after which time deliveries may only be effected in accordance with Rule 1208B, pursuant to CFTC Rule 40.6 NYSE Liffe US filing dated October 29, 2013.

* Supplemental guidance regarding creation and withdrawal of vault receipts available in CFTC Rule 40.6 filing by NYSE Liffe US dated November 16, 2009. Effective November 18, 2009. See Notice 25/2009.

Vault shall mark the paper vault receipt as follows: “An Electronic Receipt has been issued as a substitute for this Paper Receipt. This Paper Receipt is no longer valid for delivery.”

(iv) The Originating Vault shall maintain any paper vault receipt for which an electronic vault receipt is substituted on file for at least 5 years for recordkeeping purposes and to satisfy requirements of the Commission. The Originating Vault shall certify to the Exchange annually thereafter that all paper vault receipts submitted to such Originating Vault for conversion have been marked as required in this Rule 1208B(a)(iii) until such time as all paper vault receipts have been substituted for electronic vault receipts.

(v) After a vault receipt is issued in the NYSE Liffe Guardian Delivery System, upon discovery of an error, the person discovering such error shall promptly notify the Exchange in writing and the Exchange shall make arrangements such that corrections can be made as soon as practical unless the vault receipt has been tendered for delivery on a Futures in which case the Exchange will not be able to make the corrections until after delivery is effected in accordance with the Rules or with the Clearing Service Provider’s consent; provided that the Exchange shall be under no liability to warrant the accuracy or authenticity of the changes to the vault receipt.

(vi) Any vault receipt issued electronically in accordance with this Rule 1208B shall be a single authoritative copy of such electronic vault receipt. The Exchange shall maintain in the NYSE Liffe Guardian Delivery System a single authoritative copy of each electronic vault receipt in the name of the applicable Clearing Member specified therein and such single authoritative copy shall be unique and identifiable by a receipt number that shall not change, whether upon transfer of the electronic vault receipt or otherwise.

(vii) The intent of this Rule 1208B is to satisfy the requirements of Section 7-106(b) of the UCC.

(b) Timing of Delivery and Issuance of Vault Receipt

(i) Where gold is sold for delivery in a specified month, delivery of a such gold may be made by the seller upon such day of the specified month as the seller may select. If the seller has not previously specified a day upon which to deliver, upon the third to the last business day of the delivery month a Notice of Intent shall be deemed to have been made by the seller and delivery must be made as set forth in paragraph (ii) of this Rule 1208B(b).

(ii) Paper vault receipts shall not be valid for delivery after 7:00 p.m. New York time on the last day of the Transition Period. In order for an electronic vault

receipt to be valid for delivery against a Futures, such electronic vault receipt must satisfy the requirements and contract specifications set forth in this Chapter. Such electronic vault receipt must have been issued and entered in the NYSE Liffe Guardian Delivery System in accordance with this Chapter before 12:00 p.m. New York time on the Seller's Notice Day; however, in the case of delivery on the last delivery day of the delivery month, such electronic vault receipt must be issued and entered before 11:00 a.m. New York time on the last Seller's Notice Day. If no electronic vault receipt shall have been issued and entered by 11:00 a.m. New York time on the last Seller's Notice Day of such delivery month, the seller shall be deemed to be in violation of a Rule of the Exchange and subject to possible disciplinary proceedings under Chapter 7 of the Rules.

(iii) Deliveries on gold Futures shall, subject to Rule 1208B(d), be made by electronic book entry in the NYSE Liffe Guardian Delivery System, reflecting the change in ownership interests in vault receipts issued by vaults which have been approved and designated as regular vaults by the Exchange for the storage of gold, using the electronic fields which the Exchange and the Clearing Service Provider require to be completed. Gold in bars of Exchange approved brands must come to the regular vault directly from an Exchange approved source or from another regular vault either on NYSE Liffe US or the COMEX Division of the New York Mercantile Exchange, Inc., by insured or bonded carrier.

(c) Endorsement of Vault Receipts

(i) In order to effect a valid delivery with respect to an electronic vault receipt, the person receiving delivery must be established in the NYSE Liffe Guardian Delivery System as the person to whom such electronic receipt is issued or transferred. Subject to the provisions of Rule 1208B(d) hereof, which provides for the control in favor of a Clearing Service Provider, the person to whom such electronic vault receipt is so delivered shall be deemed to have control of such electronic vault receipt for purposes of these Rules and the UCC. Upon any such delivery, the transferor shall be deemed to warrant, to its transferee and each subsequent transferee of the electronic vault receipt for delivery on Futures, and their respective immediate principals, the genuineness, validity, and worth of such electronic vault receipt, the rightfulness and effectiveness of its transfer thereof, and the quantity and quality of the gold shown on the electronic vault receipt. Such delivery shall also constitute a representation that all storage charges have been paid up to and including the business day following the day of delivery. Prepaid storage charges shall be charged to the buyer by the seller for a period extending beyond the business day following the day of delivery (but not in excess of one year) pro rata for the unexpired term and adjustments shall be made upon the invoice thereof. The intent of this Rule 1208B(c)(i) is to comply with the requirements for a negotiable electronic document of title as set forth in Section 7-501(b) of the UCC.

(ii) In the event such Clearing Member shall claim a breach of any warranty

with respect to a delivery of an electronic vault receipt, and such claim relates to the quantity or quality of the gold, the lot shall be immediately submitted for sampling and assaying to an assayer approved by the Exchange. The expense of sampling and assaying, as well as any related expenses, including, without limitation, shipping of the gold under bond in the event that shipment to the assayer is required, shall, in the first instance, be borne by the claimant. If a deficiency in quantity or quality shall be determined by the assayer, the claimant shall have the right to recover the difference in the market value and all expenses incurred in connection with the sampling and assaying and any cost of replacement of the gold. The claimant may, at its option, proceed directly against the original Transferor (as defined herein) of the vault receipt upon delivery in accordance with the Rules of the Exchange and its procedures, or against any Transferor prior to claimant without seeking recovery from its immediate deliverer on the Exchange contract, and if the claim is satisfied by the original Transferor of the vault receipt, or any other Transferor, all the Transferors shall be thereby discharged from liability to the claimant. If the claimant seeks recovery from any Transferor and its claim is satisfied by such Transferor, the party thus satisfying the claim shall have a similar option to claim recovery directly from any Transferor prior to him. Such claims as are in dispute between Members of the Exchange may in each case be submitted to arbitration under the Rules of the Exchange. In no event shall the Exchange be considered a Transferor with respect to any electronic vault receipt. For purposes of this subsection (ii), "Transferor" shall mean (x) in the case of a delivery of a vault receipt in paper form prior to the substitution of an electronic vault receipt for such paper vault receipt, an endorser, and (y) in the case of a delivery of a vault receipt in electronic form, a transferor.

(i) (iii) In the case of a delivery of an electronic vault receipt as set forth in subsection (i) of this Rule 1208B(c), the liability of a Transferor (as defined in subsection (ii)) of an electronic vault receipt as provided herein shall not be deemed to limit the rights of such Transferor against any person or party for whose account the Transferor acted in making delivery on an Exchange contract. If it shall be determined in such arbitration proceeding that any Transferor of a vault receipt or the person or party for whom such Transferor acted was aware of the breach of warranty or was involved in a plan or arrangement with the original Transferor (or its principal) to place such inferior gold in store in a regular vault for use in deliveries upon Exchange contracts, such Transferors shall not be entitled to recover from any prior Transferor for the breach of warranty.

(iv) Notwithstanding the foregoing, in no event shall the Exchange be deemed to have endorsed or made any representation or warranty with respect to any WDRs or Underlying Vault Receipts (other than any representation or warranty for the benefit of all Clearing Members holding WDRs at the time the Exchange requested a conversion of a paper vault receipt to an electronic vault receipt in accordance with Rule 1208B(a)(i) and (ii)), and, in the event the Exchange shall

be deemed for any reason to have endorsed or made any representation or warranty with respect to any WDRs or Underlying Vault Receipts, the Exchange shall have no liability to any person with respect thereto. In addition, each of the Exchange and each Clearing Member holding one or more WDRs at the time the Exchange requested a conversion of a paper vault receipt to an electronic vault receipt held in connection with the issuance of WDRs acknowledges that upon any such conversion so requested by the Exchange, pursuant to Section 7-105 of the UCC, the Exchange represents and warrants to all subsequent persons entitled under the electronic vault receipt created in substitution for such paper vault receipt held in connection with the issuance of WDRs that the Exchange is a person entitled under such paper vault receipt at the time the Exchange requested that such paper vault receipt be substituted for an electronic vault receipt in the NYSE Liffe Guardian Delivery System. Each Clearing Member holding WDRs at the time of any conversion requested by the Exchange of a paper vault receipt to an electronic vault receipt and the making by the Exchange of the representation and warranty in Section 7-105 of the UCC, agrees, regardless of whether such paper vault receipt is traceable to such WDR(s) held by such Clearing Member, that the Exchange is making such representation and warranty for its benefit and that such Clearing Member shall indemnify and hold harmless the Exchange and each other Exchange Party from and against any Losses (as defined in Rule 415) incurred by or asserted against any Exchange Party arising out of, in connection with such representation or warranty.

(d) Security Interest in Vault Receipts

(i) Each Clearing Member that has an interest in a vault receipt hereby grants a valid and enforceable security interest (the "Exchange Lien") to the Exchange in all of such Clearing Member's vault receipts to secure all charges or fees associated with the custody and maintenance of such vault receipts and the gold underlying such vault receipts. Each Clearing Member represents to the Exchange with respect to each such vault receipt that it is fully authorized by the holder on whose behalf the Clearing Member is acting, if any, to grant a security interest in such vault receipts to the Exchange pursuant to this Rule 1208B(d).

(ii) Each Clearing Member, by entering into the delivery process, understands that, pursuant to the Clearing Service Agreement, the Exchange has agreed to maintain on behalf of the Clearing Service Provider, as the Clearing Service Provider and as secured party, any vault receipt, including any replacement vault receipt, with respect to which a selling Clearing Member has delivered to the Exchange a Notice of Intent or is deemed to have delivered a Notice of Intent under Rule 1208B(b)(i) and (ii), from the time of delivery of such Notice of Intent (or deemed receipt of such Notice of Intent, if applicable) until 11:00 a.m., New York time (the "Cut-Off Time"), on the date of settlement for such vault receipt, except that, if the Exchange has received notice from the Clearing Service Provider prior to the Cut-Off Time of a default by the selling or purchasing Clearing Member (a "Default Notice"), the Exchange shall continue to maintain such vault receipt for the benefit of the Clearing Service Provider as secured party

until notified otherwise by the Clearing Service Provider and, subject to applicable law, shall deliver such vault receipt to the Clearing Service Provider or its agent upon the instructions of the Clearing Service Provider and otherwise in accordance with the Rules of the Exchange (the foregoing responsibilities in this clause (ii), and any related actions and obligations of the Exchange, the “Exchange Services”). From the time of delivery of a Notice of Intent (or deemed receipt of the Notice of Intent, if applicable) with respect to a vault receipt until the Cut-Off Time therefor (assuming no Default Notice has been delivered with respect thereto) or, if a Default Notice has been delivered, until such time as the Clearing Service Provider or its agent may transfer in the NYSE Liffe Guardian Delivery System the applicable vault receipt in accordance with the Rules of the Exchange and the Rules of the Clearing Service Provider, the Exchange shall have no obligation to any Clearing Member or any other person other than the Clearing Service Provider to comply with instructions with respect to such vault receipt from such Clearing Member or person. Each Clearing Member hereby agrees to the provisions relating to the Clearing Service Provider as set forth in this Rule 1208B(d) and grants a valid and enforceable security interest to the Clearing Service Provider in all of such Clearing Member’s vault receipts to the extent provided in this Rule 1208B(d). Each Clearing Member represents to the Exchange with respect to each such vault receipt that it is fully authorized by the holder on whose behalf the Clearing Member is acting, if any, to grant a security interest in such vault receipts to the Clearing Service Provider pursuant to this Rule 1208B(d).

(iii) In the case of an electronic vault receipt, to reflect the Clearing Service Provider’s security interest during the delivery process, the Exchange shall include a notation in the electronic vault receipt that it is “Pledged, Transferred and Held for OCC”¹⁰⁷ or other applicable Clearing Service Provider. This notation shall mean that such electronic vault receipt is held by the Exchange for, pledged by the purchasing and selling Clearing Members to, and transferred to the Clearing Service Provider. This notation shall be removed upon completion of the delivery process, assuming the Exchange has not received a Default Notice.

(iv) Each Clearing Member hereby agrees to the Exchange performing the Exchange Services. Each Clearing Member further understands that the security interest granted by the selling Clearing Member and the purchasing Clearing Member to the Clearing Service Provider in any vault receipt shall commence from the date the Exchange receives a Notice of Intent (or such Notice of Intent is deemed to have been delivered to and received by the Exchange) and shall continue until settlement of the relevant Futures (unless a Default Notice has been delivered with respect to such Futures in which case such security interest shall continue until satisfaction of obligations owed to the Clearing Service Provider by the selling and purchasing Clearing Members with respect to such Futures), notwithstanding the electronic book entry in the NYSE Liffe Guardian Delivery System in favor of the selling Clearing Member.

¹⁰⁷ Such notation will include a cross-reference to the phrase “Pledged to, Transferred to and Held for OCC.”

(v) Each Clearing Member also understands that the Exchange has subordinated its Exchange Lien in respect of vault receipts going to delivery from the date the Exchange provides the Clearing Service Provider notice that a Notice of Intent has been delivered (or is deemed to have been delivered), until and including the Cut-Off Time on the date that settlement is supposed to occur (regardless of whether or not settlement does in fact occur) (such period, the “Vault Receipt Subordination Period”). Each Clearing Member hereby agrees that the Exchange Lien shall be immediately reinstated as first priority without further action after the Vault Receipt Subordination Period; provided that, in the event that the Exchange has received notice from the Clearing Service Provider of a default as described above, the Clearing Service Provider shall have no responsibility for, and the Exchange Lien shall not be reinstated as first priority with respect to, any obligations of any person to the Exchange accruing prior to the Cut-Off Time, and the Clearing Service Provider shall be responsible to the Exchange, and the Exchange Lien shall have a first priority security status, only with respect to storage charges accruing after the Clearing Service Provider gives notice of a default as described above and only with respect to such particular vault receipt.

(vi) By going to delivery, each Clearing Member further represents and warrants that there are no liens, encumbrances on or defense to the relevant vault receipts other than that of the Exchange and the Clearing Service Provider specified in this Rule 1208B.

(e) Outside Transfer

An electronic vault receipt may be cancelled in the NYSE Liffe Guardian Delivery System only upon instructions of the Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) to the Exchange and with consent of the Exchange. In each case, the Exchange shall mark such electronic vault receipt as “cancelled” in the NYSE Liffe Guardian Delivery System and, in accordance with the rules and procedures of the Originating Vault and the Rules of the Exchange and its procedures, the Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) may request that the Originating Vault issue a vault receipt in such name as the Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) may designate. Each Originating Vault shall assist any Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) wishing to effect an Outside Transfer to do so in accordance with the conditions and agreements set forth in the Vault Regularity Agreement for such vault and the rules and procedures of such vault and the Rules of the Exchange and its procedures. If a Clearing Member wishes to re-enter into the NYSE Liffe Guardian Delivery System a vault receipt transferred outside the NYSE Liffe Guardian Delivery System pursuant to this Rule 1208B(e), the Clearing Member may request that a regular vault issue a new electronic vault receipt in accordance with Rule 1208B.

1209. Storage Charges and Transfer Fees

Storage charges, transfer fees and in and out charges withdrawal fees, maximum storage rates, handling charges and any penalties for late storage payments shall be set by each depository vault and the schedule of such charges shall be posted with the Exchange, which shall be notified by the depository vault at least 60 days in advance of any changes in the rate schedule. Except as otherwise provided, all such charges and fees shall remain the responsibility of the seller with respect to any gold shall at all times be the responsibility of the Clearing Member in whose name the vault receipt is maintained in the records of the NYSE Guardian Delivery System, including, for the avoidance of doubt, after a Notice of Intent has been delivered, the applicable selling Clearing Member, until payment is made.

1210. Cost of Inspection, Weighing, Storage and Delivery

All charges associated with the delivery of Ggold and all costs associated with inspections, weighing, and Exchange documentation, through the day of delivery, shall be paid by the delivering party. The delivering party shall pay storage charges through the business day following the day of delivery. The receivers shall pay all charges including storage charges incurred after the business day following the day of delivery.

A holder of an Exchange approved vault receipt for Ggold may request recertification at his expense at any time while the unit represented by such receipt is in the Exchange approved vault. Such recertification shall be made by an Exchange approved certifying authority or assayer, selected by such holder.

1211. Deposit of Gold with Vaults

No Changes.

1212. Issuance of Vault Receipts

The Exchange and the Clearing Service Provider shall determine the electronic fields that are required to be completed in connection with the issuance of an electronic vault receipt that is deliverable in satisfaction of Ggold ~~fFutures contracts~~.

1213. Payment

(a) Payment shall be made on the basis of the number of fine troy ounces of Ggold contained and delivered. The fine Ggold content of a bar for good delivery is calculated to 0.001 of a troy ounce by multiplying the gross weight and fineness as listed on the electronic vault receipt. Fineness in no case shall be more than 0.9999.

(b) Payment shall be made utilizing the electronic delivery system via the Clearing Service Provider's online system. Payment shall be made at the Clearing Service Provider's settlement time as defined in its rules for exchange transactions. ~~Thus, t~~The cost of the delivery shall be debited or credited to a eClearing ~~firm's~~ Member's settlement account. Buyers obligated to accept delivery must take delivery and make payment and sellers obligated to make

delivery must make delivery during the Clearing Service Provider's settlement process as defined in its rules for exchange transactions, on the day of delivery, except on banking holidays when delivery must be taken or made and payment made during the Clearing Service Provider's settlement process as defined in its rules for exchange transactions, or such other time designated by the Exchange, on the next banking business day.¹⁰⁸

1214. Regularity of Vaults

(a) Duties of Vault Operators

It shall be the duty of the operators of all regular vaults:

(i) To accept ~~Gold~~ for delivery ~~on Exchange contracts~~ in connection with the Exchange's gold Futures, provided such ~~Gold~~ is ordered into the vault by a Clearing Member ~~of the Exchange~~, and all space in such vaults is not already filled or contracted for.

(ii) To immediately notify the Exchange in writing of any change in the condition of their vaults.

(iii) To ~~release to the bearer of the receipt the bars covered by said receipt upon presentation of the receipt and payment of all storage and outloading charges no later than the business day following compliance with these provisions.~~ gold held by it against a valid vault receipt only upon receipt of consent from the Exchange and in accordance with any instructions from the Exchange and only to such person or entity that is a representative of, in the case of electronic vault receipts, the Clearing Member specified in the relevant electronic vault receipt and, in the case of a paper receipt, the person identified by the Exchange as the owner or owner's representative thereof; provided, however, that the Vault agrees that for so long as an electronic vault receipt is marked with notation that it is "Pledged, Transferred and Held for OCC"¹⁰⁹ or other Clearing Service Provider, the vault shall release gold only as instructed by the Clearing Service Provider (or the Exchange on the Clearing Service Provider's behalf) and not release gold for delivery to any person or entity other than as instructed by the Clearing Service Provider.

(iv) To keep stocks of ~~Gold~~ in storage in balance with ~~Gold~~ represented by its outstanding vault receipts.

(b) Conditions of Regularity

Gold may be delivered against a ~~Gold contract~~ Futures from any vault designated by the Exchange specifically for the storage of ~~Gold~~, and may not be delivered except from such designated vaults. In consideration of the Exchange

¹⁰⁸ Text of subsection (b) of Rule 1213 amended. Effective March 30, 2009, pursuant to CFTC Rule 40.6 filing by NYSE Liffe US dated March 26, 2009. See Notice 7/2009.

¹⁰⁹ Such notation will include a cross-reference to the phrase "Pledged to, Transferred to and Held for OCC."

approving the application of a vault for a declaration of regularity, the vault agrees to abide by the requirements and conditions for regularity, which requirements and conditions shall be set out in an executed agreement of regularity between the Exchange and such vault (a "Vault Regularity Agreement"). The following shall constitute the requirements for regularity, and by accepting a Declaration of Regularity the vault agrees to abide by these conditions:

~~(iii) — The vault must notify the Exchange promptly of any material change in ownership or the condition of its premises.~~

~~(iv) — The vault is required to submit a certified financial statement within 90 days of the firm's year end. A letter of attestation must accompany all financial statements signed by the Chief Financial Officer or if there is none, a general partner or executive officer.~~

~~(v) — Such vault shall be provided with standard equipment and appliances for the convenient and safe storage of Gold and provide for proper security.~~

~~(vi) — The operator of such vault shall furnish to the Registrar all needed information to enable the Exchange to keep a correct record and account of all Gold received and delivered by the vault daily and of that remaining in store at the close of each week.~~

~~(vii) — The operator of such vault shall accord every facility to the Exchange for the examination of its books or records for the purpose of ascertaining the stocks of Gold. The Exchange shall have the authority to employ experts to determine the quantity and quality of Gold in said vault.~~

~~(viii) — No vault operator shall engage in unethical or inequitable practices, or fail to comply with any laws, Federal or State, or Rules or Regulations promulgated under those laws.~~

~~(ix) — The operator shall make such reports, keep such records, and permit such vault visitation as the Exchange or the Commodity Futures Trading Commission may prescribe, and shall comply with all applicable rules. The vault must keep all such reports, books and records for a period of five years from the date thereof.~~

~~(x) — The operator of such vault must give such bonds to the Exchange as may be required by the Exchange.~~

~~(xi) — The vault shall neither withdraw as a regular vault nor withdraw any regular capacity except after a sixty (60) day notice to the Exchange or having obtained the consent of the Exchange.~~

~~(xii) The vault shall notify the Exchange at least sixty (60) days in advance of any changes in its maximum storage rates, penalty for late storage payment and handling charges.~~

~~(xiii) The Exchange may determine not to approve vaults for regularity or increases in regular capacity of existing regular vaults, in its sole discretion, regardless of whether such vaults meet the preceding requirements and conditions. Some factors that the Exchange may, but is not required to, consider in exercising its discretion may include, among others, whether receipts issued by such vaults, if tendered in satisfaction of futures contracts, might be expected to adversely affect the price-discovery function of Gold futures contracts or impair the efficacy of futures trading in Gold, or whether the currently approved regular capacity provides for an adequate deliverable supply.~~

(c) Revocation of Regularity

Any regular vault may be declared by the Exchange to be irregular at any time if it does not comply with the conditions above set forth, or fails to carry out its prescribed duties. If the designation of a vault as regular shall be revoked a notice shall be posted on the Exchange website announcing such revocation and also the period of time, if any, during which the receipts issued by such vault shall thereafter be deliverable in satisfaction of Futures in gold under the Rules of the Exchange Rules.

~~By accepting a Declaration of Regularity each the vault agrees, in the event of revocation or expiration or withdrawal of regularity or notice of termination of the relevant Vault Regularity Agreement by the vault pursuant to the terms of such Vault Regularity Agreement, to bear the expenses of the transfer of Gold under bond to another regular vault satisfactory to the holders of its vault receipts capable of receiving such a transfer as approved by the Exchange.~~

(d) No Liability of the Exchange or any of its Affiliates

The Exchange or any of its Affiliates shall have no responsibility or liability to any Clearing Member, or the holder on whose behalf a Clearing Member is acting, with respect to any failure or mistake of an Originating Vault or the Central Depository with respect to such vault's obligations under these Rules or under a Vault Regularity Agreement, including without limitation, incorrect entry of data relating to any gold deposited with such vault.

(e) Financing Statement

The Exchange is authorized to file a precautionary Uniform Commercial Code financing statement specifying a vault as debtor and the Exchange as secured party, on behalf of itself and its Clearing Members, which financing statement shall identify that the vault holds gold as warehouseman, the right to which gold is evidenced by paper vault receipts or electronic vault receipts issued by the vault and which financing statement shall specify the "bailor/bailee" designation in the appropriate box on such financing statement.

SPECIAL NOTICES RELATING TO CHAPTER 12

LICENSED DEPOSITORIES AND ASSAYERS FOR 100-oz. GOLD CONTRACTS

Depository	Location	Vault Number
Brinks Global Services USA, Inc A Division of Brinks, Inc.	652 Kent Avenue Brooklyn, NY 11211	4001
HSBC Bank USA	452 5th Avenue New York, NY 10018	4008
Scotia Mocatta Depository A Division of Bank of Nova Scotia	26 Broadway New York, NY 10004	3001
	230-59 International Airport Center Blvd., Bldg. C, Suite 120 Jamaica, NY 11412	3002
Manfra, Tordella & Brookes, Inc.	90 Broad St. New York, NY 10004	4500

ASSAYERS FOR 100-OZ. GOLD CONTRACTS

Ledoux & Company
359 Alfred Avenue
Teaneck, NJ 07666
(201) 837-7160

BRANDS APPROVED FOR DELIVERY AGAINST 100 OZ. GOLD CONTRACTS

PRODUCER	REFINED AT	CODE	BRAND MARKS
AGR Joint Venture	Perth, Australia	PMAU	THE PERTH MINT AUSTRALIA (with swan motif mint mark within eircle)
Argor, S.A.	Chiasso, Switzerland	ARGO	* ARGOR S.A. CHIASSO ASA
Argor-Heraeus SA	Mendrisio, Switzerland	ARHE	Argor-HerAeus SA, A-H, Switzerland
ASARCO Incorporated	Amarillo, Texas	ASAT	ASARCO GOLD AMARILLO, TEXAS
Casa da Moeda do Brasil	Rio de Janeiro, Brazil	CASA	CASA DA MOEDA DO BRASIL- CMB

PRODUCER	REFINED AT	CODE	BRAND-MARKS
Compagnie des Metaux Precieux	Ivry, France	CMPP	* COMPAGNIE DES METAUX PRECIEUX PARIS (may also contain letters CMP) * SOCIETE DE BANQUE-SUISSE
	Ivry, France	SDBS	
Companhia Real de Metais	Sao Paulo, Brazil	CRDM	CRM
Comptoir Lyon-Alemand-Louyet	Noisy le Sec, France	CLAL	COMPTOIR-LYON-ALEMAND, LOUYOT PARIS (with Affineur Fondeur within octagon)
OMG AG & Co. KG	Hanau, Germany	DEGU	*DEGUSSA FEINGOLD (with 1/2 sun and 1/4 moon within diamond)
OMG AG & Co. KG	Burmington, Ontario	DECA	* DEGUSSA-CANADA LTD. (with 1/2 sun and 1/4 moon within diamond)
OMG Brasil Ltda.	Guarulhos, Brazil	DEBR	DEGUSSA-S.A. (with 1/2 sun and 1/4 moon within diamond)
H. Drijfhout & Zoon's Edelmetaalbedrijven BV	Amsterdam, Netherlands	HDZA	H. DRIJFHOUT & ZOON-AMSTERDAM MELTERS (within octagon)
Engelhard Corporation	Carteret, N.J.	ENNE	*ENGELHARD (may also be ENGELHARD NEW JERSEY-U.S.A. or ENGELHARD U.S.A.)
	Carteret, N.J.	BAKE	* BAKER (within circle atop triangle)
	Chessington, England	ENCI	* ENGELHARD LONDON
	Thomastown, Australia Aurora, Ontario	ENTH ENAU	* ENGELHARD AUSTRALIA * ENGELHARD (with circle connected to 1/2 moon to left of name; may also be ENGELHARD INDUSTRIES OF CANADA LTD.)
Golden West Refining Corporation Limited, Handy & Harman Refining Group Inc.	Attleboro, Mass	GWHH	* HHH HANDY & HARMAN REFINING-GROUP
Handy & Harman	Attleboro, Mass	HAND	* HHH HANDY & HARMAN
W.C. Heraeus, G.m.b.H.	Hanau, Germany	HERA	HERAEUS FEINGOLD (with Heraeus Edelmetalle GmbH-Hanau encircling three roses)

PRODUCER	REFINED AT	CODE	BRAND MARKS
Heraeus Incorporated	Newark, N.J.	HERI	HERAEUS FEINGOLD (with capital letter "E" preceding serial number)
Heraeus Ltd.	Kowloon, Hong Kong	HERH	HERAEUS FEINGOLD (with capital letter "H" preceding serial number)
Homestake Mining Company	Lead, South Dakota	HMCO	*HOMESTAKE MINING COMPANY (with HMC all within circle)
Johnson Matthey, Inc.	Winslow, New Jersey	MBUS	* MATTHEY BISHOP U.S.A. (within an oval)
Johnson Matthey Limited	Brampton, Ontario Brampton, Ontario Brampton, Ontario	JMMC JMCA JMJM	* JOHNSON MATTHEY & MALLORY-CANADA (within an oval) * JM (with crossed hammers) JOHNSON-MATTHEY JM (with crossed hammers and assay stamp: J.M. LTD. CANADA ASSAY OFFICE)
Johnson Matthey Limited (Australia)	Kogarah, Australia	MGPS	* MATTHEY GARRETT PTY. SYDNEY REFINERS (within an oval)
Johnson Matthey Chemicals Ltd.	Royston, England	JMLO	JOHNSON-MATTHEY LONDON (within an oval)
Johnson Matthey & Pauwels S.A.	Brussels, Belgium	JMPA	* JOHNSON MATTHEY & PAUWELS (within an oval)
Johnson Matthey Refining, Inc.	Salt Lake City, Utah	JMRI	JOHNSON-MATTHEY JM (with crossed hammers and assay stamp: J.M.R.I. U.S.A. ASSAY OFFICE)
Kennecott Utah Copper Corporation	Magna, Utah	KUAU	KUC
Metallurgie Hoboken Overpelt S.A.	Hoboken, Belgium	MHOV	* METALLURGIE HOBOKEN OVERPELT
n.v. Union Miniere s.a. — Business Unit Hoboken	Hoboken, Belgium	HOBO	Hoboken 9999
Metalli Preziosi S.p.A.	Milan, Italy	MPSP	METALLI PREZIOSI S.p.A. MILANO AFFINAZIONE (with MP within a circle)

PRODUCER	REFINED AT	CODE	BRAND MARKS
Metalor Technologies USA Corp.	Attleborough, Mass. Attleborough, Mass.	MUST META	METALOR® (with the "MUS" assay mark) *METAUX PRECIEUX SA METALOR-MP (with "MUS" Assay mark)
Metaux Precieux S.A. Metalor	Neuchatel, Switzerland Neuchatel, Switzerland	MPSA SBCO	METAUX PRECIEUX SA— NEUCHATEL (with MP within a eircle) SWISS BANK CORPORATION
Mitsubishi Metal Corporation	Osaka, Japan	MMCO	* MITSUBISHI METAL CORPORATION (with three diamond mark within oval)
Mitsubishi Materials Corporation	Kagawa, Japan	MITO	Three diamonds forming a triangle
Noranda Mines Limited, CCR Division	Montreal East, Quebec	CCRL	* CANADIAN COPPER REFINERS LIMITED MONTREAL EAST, CANADA (within an oval)
Noranda Mines Limited, CCR Division	Montreal East, Quebec	NORA	* NORANDA MINES LIMITED—CCR, MONTREAL EAST, CANADA (within an oval)
Noranda Metallurgy Inc.—Copper	Montreal East, Quebec	NINC	NORANDA MINES Inc.—CCR, MONTREAL EAST, CANADA (within an oval)
Norddeutsche Affinerie AG	Hamburg, W. Germany	NAHA	NORDDEUTSCHE AFFINERIE HAMBURG
PAMP, S.A.	Castel S. Pietro,	PAMP	PAMP SUISSE Produits Artistiques Metaux Precieux Switzerland
Rand Refinery Limited	Germiston Transvaal	RRSA	RAND REFINERY Ltd. SOUTH AFRICA (encircling picture of springbok)
Royal Canadian Mint	Ottawa, Canada	RCMI	ROYAL CANADIAN MINT (encircling a crown)
Sabin Metal Corporation	Scottsville, N.Y.	SABN	SMC
Schone Edelmetaal NV	Amsterdam, Netherlands	GSNV	GUARANTEED BY SCHONE N.V. AMSTERDAM
Sheffield Smelting Co. Ltd.	Sheffield, England	SSCL	* THE SHEFFIELD SMELTING CO. LTD. LONDON & SHEFFIELD

PRODUCER	REFINED AT	CODE	BRAND MARKS
Tanaka-Kikinzoku-Kogyo-K.K.	Ichikawa, Japan	TTME	TANAKA TOKYO MELTERS
United States Metals Refining Co., division of Amax Copper, Inc.	Carteret, N.J.	DRW	* DRW
U.S.S.R.	Moscow, U.S.S.R.	CCCP	CCCP (with hammer and sickle)
Valeambi, S.A.	Balema, Switzerland	CRSU	CREDIT SUISSE

* Denotes brand is no longer produced.

GOLD CHARGES

Vault	Withdrawal/Bar	Storage/Bar	Contract Size	Time Period
HSBC				
COMEX Gold	\$25.00	\$12.00	100 fine troy ounces (1 bar)	Monthly
NYSE Liffe US Gold	\$15.00	\$7.00	100 fine troy ounces (1 bar)	Monthly
ScotiaMocatta				
COMEX Gold	\$20.00	\$9.00	100 fine troy ounces (1 bar)	Monthly
Brinks				
COMEX Gold	\$25.00	\$12.00	100 fine troy ounces (1 bar)	Monthly

Chapter 14
MINI-SIZED GOLD FUTURES

1401. Scope of Chapter

This chapter is limited in application to trading of mini-sized $\text{\$}$ gold $\text{\$}$ Futures. The procedures for trading, clearing, inspection, delivery and settlement, and any other matters not specifically covered herein shall be governed by the general Rules of the Exchange.

1402. Contract Specifications

Each Futures shall be for 33.2 fine troy ounces of $\text{\$}$ gold no less than 995 fineness, contained in no more than one bar.

Variations in the quantity of the delivery unit not in excess of ten percent of 33.2 fine troy ounces shall be permitted.

In accordance with the accepted practices of the trade, each bar for good delivery must be of good appearance, easy to handle, and convenient to stack. The sides and bottom should be reasonably smooth and free from cavities and bubbles. The edges should be rounded and not sharp. Each bar, if not marked with the fineness and stamp of an approved refiner, assayer, or other certifying authority must be accompanied by a certificate issued by an approved refiner, assayer, or other certifying authority, stating the serial number of the bar(s), the weight, and the fineness.

1403. Trading Specifications

Trading in mini-sized $\text{\$}$ gold $\text{\$}$ Futures shall be conducted in the current calendar month and any subsequent months. The number of months open for trading at a given time shall be determined by the Exchange.

(a) **Trading Schedule**

The hours of trading in mini-sized $\text{\$}$ gold $\text{\$}$ Futures shall be determined by the Exchange. On the last day of trading in an expiring $\text{\$}$ Futures, the closing time for such $\text{\$}$ Futures shall be 1:30 p.m. New York time.

(b) **Trading Unit**

The unit of trading for mini-sized $\text{\$}$ gold $\text{\$}$ Futures shall be for 33.2 fine troy ounces of $\text{\$}$ gold not less than 0.995 fine contained in one bar.

(c) **Price Increments**

The minimum price fluctuation for mini-sized ~~G~~gold ~~f~~Futures shall be ten cents (\$0.10) per troy ounce. ~~C~~ontracts Futures shall not be made on any other price basis.

(d) **Reserved**

(e) **Position Limits**

In accordance with Rule 420, Position Limits, no person shall own or control positions in excess of:

(i) 4,000 ~~c~~ontracts Futures net long or net short in the spot month.

(ii) 4,000 Futures-equivalent ~~c~~ontracts net long or net short in any single contract month excluding the spot month.

(iii) 6,000 Futures-equivalent ~~c~~ontracts net long or net short in all months combined.

Refer to Rule 420 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

(f) **Termination of Trading**

(ii) No trades in mini-sized ~~G~~gold ~~f~~Futures deliverable in the current month shall be made during the last two business days of that month. Any contracts remaining open after the last day of trading must be settled by delivery no later than the last business day of the delivery month.¹⁰⁰

1404. Refiners, Vaults and Assayers

Exchange approved refiners, vaults, and assayers may be listed with the Exchange upon approval by the Exchange. The Exchange shall maintain and make available such lists. The addition of refiners and vaults shall be binding upon all contracts outstanding as well as those entered into after approval.

1405. Brands and Markings of Gold

Brands and markings deliverable in satisfaction of ~~f~~Futures shall be listed with the Exchange upon approval by the Exchange. The Exchange may require such sureties as it deems necessary. The Exchange shall make available a list of the brands and markings of ~~G~~gold bars which are deliverable. The addition of brands and markings shall be binding upon all such contracts outstanding as well as those entered into after approval.

If at any time a brand or marking fails to meet the requirements adopted by the Exchange or the metallurgical assay of any ~~G~~gold bars bearing a brand or marking on the official list

¹⁰⁰ Section (f) of Rule 1403 amended. Effective March 30, 2009, pursuant to CFTC Rule 40.6 filing with CFTC dated February 18, 2009. See Notice 4/2009.

depreciates below 995 fineness, the Exchange may exclude said brand or marking from the official list unless deliveries of bars bearing said brand or marking are accompanied by certificates of analysis of an official assayer showing a gold fineness of not less than 995, and such additional bond as the Exchange may deem necessary. Notice of such action shall be posted by the Exchange and the official list shall indicate the limitation upon deliveries of said brand or marking.

1406. Product Certification and Shipment

To be eligible for delivery on the Exchange, all Gold must be certified as to fineness and weight by an Exchange approved refiner, assayer, or other Exchange approved certifying authority and must be shipped directly from the Exchange approved refiner, assayer, or certifying authority via Exchange approved carriers to Exchange approved vaults.

If Gold is not continuously in the custody of an Exchange approved vault or carrier, the Exchange may require that it be recertified as to fineness and weight to be eligible for delivery.

The Exchange at its sole discretion shall have the authority at any time to have assayed any Gold bars covered by vault receipts delivered against Futures contracts. In such an event, costs are to be borne by the Exchange.

1407. Delivery Points

Gold located at regular vaults at points approved by the Exchange may be delivered in satisfaction of Futures.

1408. Deliveries¹¹⁰

(a) Deliveries by Vault Receipts

~~(i) Where Gold is sold for delivery in a specified month, delivery of such Gold may be made by the seller upon such day of the specified month as the seller may select. If not previously delivered, delivery must be made upon the last business day of the month.~~

~~(ii) In order to be valid for delivery against a futures contract, a vault receipt in electronic form must be entered on the NYSE Liffe Guardian Delivery System based on the deposit of a vault receipt in paper form issued in accordance with the requirements under Rule 1402. Such paper vault receipt must be issued and deposited with the Exchange's Central Depository before 12:00 a.m. New York time on seller's notice day, which is the second business day prior to the day of delivery; however, in the case of delivery on the last delivery day of the delivery month, such paper vault receipt must be issued before 11:00 a.m. New York time on seller's notice day. Deliveries on mini sized Gold futures contracts~~

¹¹⁰ Text of subsections (a)(ii), (a)(iii), (b)(i) and (b)(ii) of Rule 1408 amended and effective March 30, 2009, pursuant to CFTC Rule 40.6 NYSE Liffe US filing dated March 26, 2009. See Notice 07/2009.

~~shall be made by book entry in the NYSE Liffe Guardian Delivery System, reflecting the change in ownership interests in vault receipts in paper form issued by vaults which have been approved and designated as regular vaults by the Exchange for the storage of Gold, using the electronic fields which the Exchange and the Clearing Service Provider require to be completed. Gold in bars must come to the regular vault directly from an approved source or from another regular vault either on NYSE Liffe US or the COMEX Division of the New York Mercantile Exchange, Inc., by insured or bonded carrier.¹¹¹~~

~~(iii) — In order to effect a valid delivery, each vault receipt must be endorsed by the Clearing Member making the delivery; any transfer by electronic means of a vault receipt as set forth above in subsection (a) of this Rule 1408 constitutes an endorsement with respect to such vault receipt. In the event that a vault receipt is transferred outside of the NYSE Liffe Guardian Delivery System (an “Outside Transfer”), endorsement with respect to such Outside Transfer will be made physically on such vault receipt and, if such vault receipt is subsequently entered into the NYSE Liffe Guardian Delivery System, such endorsement will remain as a record with respect to such Outside Transfer. By any endorsement, the endorser shall be deemed to warrant, to his transferee and each subsequent transferee of the receipt for delivery on Exchange contracts, and their respective immediate principals, the genuineness, validity, and worth of such receipt, the rightfulness and effectiveness of his transfer thereof, and the quantity and quality of the Gold shown on the receipt. Such endorsement shall also constitute a representation that all storage charges have been paid up to and including the business day following the day of delivery. Prepaid storage charges shall be charged to the buyer by the seller for a period extending beyond the business day following the day of delivery (but not in excess of one year) pro rata for the unexpired term and adjustments shall be made upon the invoice thereof.¹¹²~~

~~(iv) — In the event such Exchange Member or principal shall claim a breach of such warranty, and such claim relates to the quantity or quality of the Gold, the lot shall be immediately submitted for sampling and assaying to an assayer approved by the Exchange; the Gold must be shipped under bond, and at the owner’s expense, to the assayer. The expense of sampling and assaying shall, in the first instance, be borne by the claimant. If a deficiency in quantity or quality shall be determined by the assayer, the claimant shall have the right to recover the difference in the market value and all expenses incurred in connection with the sampling and assaying and any cost of replacement of the Gold. The claimant may, at his option, proceed directly against the original endorser of the vault receipt upon Exchange delivery, or against any endorser prior to claimant without seeking recovery from his immediate deliverer on the Exchange contract, and if the claim is satisfied by the original endorser of the vault receipt, or any other endorser, all the endorsers will be thereby discharged from liability to the claimant. If the claimant seeks recovery from any endorser and his claim is~~

¹¹¹ *Id.*

¹¹² *Id.*

~~satisfied by such endorser, the party thus satisfying the claim will have a similar option to claim recovery directly from any endorser prior to him. Such claims as are in dispute between Members of the Exchange may in each case be submitted to arbitration under the Rules of the Exchange.~~

~~(v) — The liability of an endorser of a vault receipt as provided herein shall not be deemed to limit the rights of such endorser against any person or party for whose account the endorser acted in making delivery on an Exchange contract. If it shall be determined in such arbitration proceeding that any endorser of a vault receipt or the person or party for whom such endorser acted was aware of the breach of warranty or was involved in a plan or arrangement with the original endorser (or his principal) to place such inferior Gold in store in a regular vault for use in deliveries upon Exchange contracts, such endorsers shall not be entitled to recover from any prior endorser for the breach of warranty.~~

~~(b) — **Deliveries by Gold Warehouse Depository Receipts**~~

~~(i) — Deliveries of NYSE Liffe US mini-sized Gold may be made by delivery of WDRs^{*}. In order to effect a valid delivery, each WDR must be endorsed by the Clearing Member making the delivery; any transfer by electronic means of a WDR in the NYSE Liffe Guardian Delivery System constitutes an endorsement with respect to such WDR. Such endorsement shall constitute a warranty of the genuineness of the WDR and of good title thereto, but shall not constitute a guaranty, by an endorser, of performance by the vault. Such endorsement shall also constitute a representation that all storage charges have been paid on the Gold covered by the WDR, in accordance with Rule 1409.~~

~~(ii) — WDRs may not be cancelled for load-out. Upon the return of three (3) WDRs to the Exchange, and payment of all storage charges pertaining to the Gold represented, for which the Exchange claims a lien, a registered vault receipt in electronic form will be delivered by the Exchange to the holder of the three (3) WDRs, utilizing the electronic delivery system via the Clearing Service Provider's on-line system. Delivery of a vault receipt to the holder of the WDRs shall not constitute a guaranty by the Exchange of performance by the vault.~~

~~(c) — **Security Interest in Vault Receipts and WDRs**¹¹³~~

~~(i) — Each Clearing Member that has an interest in a vault receipt or a WDR hereby grants a valid and enforceable security interest (the "Exchange Lien") to the Exchange in all of such Clearing Member's vault receipts or WDRs to secure all charges or fees associated with the custody of such vault receipts or WDRs and the Gold underlying such vault receipts or WDRs.~~

* Related operational guidance contained in CFTC Rule 40.6 filing by NYSE Liffe US dated September 5, 2008. See Notice 8/2008.

¹¹³ Amendment adding subsection (c) to Rule 1408 effective March 30, 2009, pursuant to CFTC Rule 40.6 NYSE Liffe US filing dated March 26, 2009. See Notice 07/2009.

~~(ii) Each Clearing Member, by entering into the delivery process, understands that, pursuant to an Agreement for Clearing and Settlement Services, dated as of March 9, 2009, between OCC and the Exchange, the Exchange has agreed to maintain as agent on behalf of OCC as Clearing Service Provider any vault receipt or WDR with respect to which a selling Clearing Member has delivered to the Exchange a notice of intent to deliver such vault receipt or WDR in settlement of a Contract (a "Notice of Intent"), from the time of delivery of such Notice of Intent until 11:00 a.m., New York time (the "Cut Off Time"), on the date of settlement for such vault receipt or WDR, unless the Exchange has received notice from OCC of a default by the relevant selling or purchasing Clearing Member, in which case the Exchange shall continue to maintain such vault receipt or WDR for the benefit of OCC until notified otherwise by OCC and, subject to applicable law, shall deliver such vault receipt or WDR to OCC or its agent upon the instructions of OCC (the "Exchange Services"). Each Clearing Member hereby agrees to the Exchange performing such Exchange Services. Each Clearing Member further understands that the security interest granted by the selling Clearing Member and the purchasing Clearing Member to OCC in any vault receipt or WDR remains in effect from the time OCC receives (or is deemed to have received by the Rules of OCC) notice that a selling Clearing Member has delivered to the Exchange a Notice of Intent until settlement of the relevant Contract, notwithstanding the electronic book entry in the NYSE Liffe US Trading Platform in favor of the selling Clearing Member. Each Clearing Member also understands that the Exchange has waived its lien in respect of vault receipts or WDRs going to delivery from the date the Exchange provides OCC notice that a Notice of Intent has been delivered, until and including the Cut Off Time on the date on which settlement is supposed to occur (regardless of whether or not such settlement does in fact occur) (such period, the "Waiver Period"). Each Clearing Member hereby agrees that the Exchange Lien shall be immediately reinstated without further action after the Waiver Period; provided that, in the event that the Exchange has received notice from OCC of a default as described above, OCC shall have no responsibility for, and the Exchange's lien shall not be reinstated with respect to, any obligations of any person to the Exchange accruing prior to the Cut Off Time, and OCC shall be responsible to the Exchange, and the Exchange's lien shall attach, only with respect to storage charges accruing after OCC takes possession of the vault receipt or WDR and only with respect to such particular vault receipt or WDR. By going to delivery, each Clearing Member further represents and warrants that there are no liens, encumbrances on or defense to the relevant vault receipts or WDRs other than that of the Exchange and OCC specified in this Rule 1408.~~

1408. Deliveries

(a) Deliveries by Vault Receipts

Except as set forth in Rule 1408(b), deliveries of mini-sized gold may be made by vault receipts in accordance with Rules 1208A and/or 1208B, which vault receipts relate to gold that satisfies the requirements and contract specifications set forth in this Chapter.

(b) Timing of Delivery and Issuance of WDRs

(i) Deliveries of mini-sized gold may be made by delivery of WDRs.* Where mini-sized gold is sold for delivery in a specified month, delivery of the WDR with respect to such mini-sized gold may be made by the seller upon such day of the specified month as the seller may select. If the seller has not previously specified a day upon which to deliver, upon the third to the last business day of the delivery month a Notice of Intent shall be deemed to have been made by the seller and delivery must be made as set forth in paragraph (ii) of this Rule 1408(b).

(ii) In order for a WDR to be valid for delivery against a Futures, such WDR must satisfy the requirements and contract specifications set forth in this Chapter. Such WDR must have been issued and entered in the NYSE Liffe Guardian Delivery System before 12:00 p.m. New York time on the Seller's Notice Day; however, in the case of delivery on the last delivery day of the delivery month, such WDR must be issued and entered on the NYSE Liffe Guardian Delivery System before 11:00 a.m. New York time on the last Seller's Notice Day of such delivery month. If no WDR shall have been issued and entered by 11:00 a.m. New York time on the last Seller's Notice Day of the delivery month, the seller shall be deemed to be in violation of a Rule of the Exchange and subject to possible disciplinary proceedings under Chapter 7 of the Rules. Deliveries on gold mini-sized Futures shall, subject to Rule 1408(e), be made by electronic book entry in the NYSE Liffe Guardian Delivery System, reflecting the change in ownership interests in WDRs.

(iii) WDRs may not be cancelled for load-out. Upon the return of three (3) WDRs to the Exchange, and payment of all storage charges pertaining to the gold represented, for which the Exchange claims a lien, an electronic vault receipt will be delivered by the Exchange to the holder of the three (3) WDRs. Prior to the expiration of the Transition Period (as defined in Chapter 1), either a paper vault receipt or an electronic vault receipt will be delivered. Delivery of a vault receipt to the holder of the WDRs shall not constitute a guaranty by the Exchange of performance by the vault.

* Related operational guidance contained in CFTC Rule 40.6 filing by NYSE Liffe US-September 5, 2008. See Notice 8/2008.

(c) Endorsement of WDRs

(i) In order to effect a valid delivery with respect to a WDR, the person receiving delivery must be established in the NYSE Liffe Guardian Delivery System as the person to whom such WDR is transferred. Subject to the provisions of Rule 1408(d) hereof, which provides for the control in favor of the Clearing Service Provider, the person to whom such WDR is so delivered shall be deemed to have control of such WDR for purposes of these Rules and the UCC. Upon any such delivery, the transferor shall be deemed to warrant, to its transferee and each subsequent transferee of the WDR for delivery on Futures, and their respective immediate principals, the genuineness, validity, and worth of such WDR, the rightfulness and effectiveness of its transfer thereof. Such delivery shall also constitute a representation that all storage charges have been paid up to and including the business day following the day of delivery. Prepaid storage charges shall be charged to the buyer by the seller for a period extending beyond the business day following the day of delivery (but not in excess of one year) pro rata for the unexpired term and adjustments shall be made upon the invoice thereof. The intent of this Rule 1408(c)(i) is to comply with the requirements for a negotiable electronic document of title as set forth in Section 7-501(b) of the UCC.

(ii) Notwithstanding the foregoing, in no event shall the Exchange be deemed to have endorsed or made any representation or warranty with respect to any WDRs or Underlying Vault Receipts (other than any representation or warranty for the benefit of all Clearing Members holding WDRs at the time the Exchange requested a conversion of a paper vault receipt to an electronic vault receipt in accordance with Rule 1208A(a)(i)), and, in the event the Exchange shall be deemed for any reason to have endorsed or made any representation or warranty with respect to any WDRs or Underlying Vault Receipts, the Exchange shall have no liability to any person with respect thereto. In addition, each of the Exchange and each Clearing Member holding one or more WDRs at the time the Exchange requested a conversion of a paper vault receipt to an electronic vault receipt held in connection with the issuance of WDRs acknowledges that upon any such conversion so requested by the Exchange, pursuant to Section 7-105 of the UCC, the Exchange represents and warrants to all subsequent persons entitled under the electronic vault receipt created in substitution for such paper vault receipt held in connection with the issuance of WDRs that the Exchange is a person entitled under such paper vault receipt at the time the Exchange requested that such paper vault receipt be substituted for an electronic vault receipt in the NYSE Liffe Guardian Delivery System. Each Clearing Member holding WDRs at the time of any conversion requested by the Exchange of a paper vault receipt to an electronic vault receipt and the making by the Exchange of the representation and warranty in Section 7-105 of the UCC, agrees, regardless of whether such paper vault receipt is traceable to such WDR(s) held by such Clearing Member, that the Exchange is making such representation and warranty for its benefit and that such Clearing Member shall indemnify and hold harmless

the Exchange and each other Exchange Party from and against any Losses (as defined in Rule 415) incurred by or asserted against any Exchange Party arising out of, in connection with such representation or warranty.

(d) Security Interest in WDRs

(i) Each Clearing Member that has an interest in a WDR hereby grants a valid and enforceable security interest (the “Exchange Lien”) to the Exchange in all of such Clearing Member’s WDRs (and related Proportional Interest (as defined below) in Underlying Vault Receipts (as defined below)) to secure all charges or fees associated with the custody and maintenance of such WDRs and the gold underlying such WDRs. The Exchange Lien shall, in addition to being the security interest in such WDR, also constitute a security interest in a Proportional Interest of each Underlying Vault Receipt. “Proportional Interest” shall mean, with respect to any WDR and any time of calculation of the related Proportional Interest, the weight of gold specified on such WDR divided by the total weight of gold specified on all WDRs for mini-sized gold Futures recorded at such time in the books and records of the Exchange. Each Clearing Member represents to the Exchange with respect to each such WDR that it is fully authorized by the holder on whose behalf the Clearing Member is acting, if any, to grant a security interest to the Exchange pursuant to this Rule 1408(d) in such WDR

(ii) Each Clearing Member, by entering into the delivery process, understands that, pursuant to Clearing Service Agreement, the Exchange has agreed to maintain on behalf of the Clearing Service Provider, as the Clearing Service Provider and as secured party, any WDR (and related Proportional Interest in Underlying Vault Receipts) with respect to which a selling Clearing Member has delivered to the Exchange a Notice of Intent (or is deemed to have delivered a Notice of Intent under Rule 1408(b)), from the time of delivery of such Notice of Intent (or deemed receipt of such Notice of Intent, if applicable) until 11:00 a.m., New York time (the “Cut-Off Time”), on the date of settlement for such WDR, except that, if the Exchange has received notice from the Clearing Service Provider prior to the Cut-Off Time of a default by the selling or purchasing Clearing Member (a “Default Notice”), the Exchange shall continue to maintain such WDR (and, in respect of such WDR, a Proportional Interest in the Underlying Vault Receipts) for the benefit of the Clearing Service Provider as secured party until notified otherwise by the Clearing Service Provider and, subject to applicable law, shall deliver such WDR to the Clearing Service Provider or its agent upon the instructions of the Clearing Service Provider and otherwise in accordance with the Rules of the Exchange (the foregoing responsibilities in this clause (ii), and any related actions and obligations of the Exchange, the “Exchange Services”). From the time of delivery of a Notice of Intent (or deemed receipt of the Notice of Intent, if applicable) with respect to a WDR until the Cut-Off Time therefor (assuming no Default Notice has been delivered with respect thereto) or, if a Default Notice has been delivered, until such time as the Clearing Service Provider or its agent may transfer in the NYSE Liffe Guardian Delivery System the applicable WDR in accordance with the Rules of the Exchange and the Rules of the Clearing Service Provider, the Exchange shall have no obligation to any Clearing Member or any other person other than the Clearing Service Provider to comply with instructions with respect to such WDR (or

related Proportional Interest in Underlying Vault Receipts) from such Clearing Member or person. Each Clearing Member hereby agrees to the provisions relating to the Clearing Service Provider as set forth in this Rule 1408(d) and grants a valid and enforceable security interest to the Clearing Service Provider in all of such Clearing Member's WDRs to the extent provided in this Rule 1408(d). Each Clearing Member represents to the Exchange with respect to each such WDR that it is fully authorized by the holder on whose behalf the Clearing Member is acting, if any, to grant a security interest to the Clearing Service Provider pursuant to this Rule 1408(d) in such WDR.

(iii) To reflect the Clearing Service Provider's security interest during the delivery process, the Exchange shall include a notation in the electronic record relating to the WDR that it is "Pledged, Transferred and Held for OCC"¹¹⁴ or other Clearing Service Provider. This notation shall mean that such WDR is held by the Exchange for, pledged by the purchasing and selling Clearing Member to, and transferred to the Clearing Service Provider. This notation shall be removed upon completion of the delivery process assuming that the Exchange has not received a Default Notice. The Clearing Service Provider's security interest in a WDR shall represent a Proportional Interest in each Underlying Vault Receipt held by the Exchange in respect of all WDRs for 100 oz. gold Futures. With respect to the Underlying Vault Receipts relating to WDRs, the Exchange shall be established in the NYSE Liffe Guardian Delivery System as the person to whom such vault receipt is issued or transferred and with respect to electronic vault receipts, shall be deemed to have control of such electronic vault receipt for purposes of these Rules and the UCC. In the case of a default by a purchasing or selling Clearing Member in respect of a WDR, the Clearing Service Provider may only recover an Underlying Vault Receipt by delivering to the Exchange for exchange a number of WDRs corresponding to a full vault receipt, in accordance with the procedures set forth in the Rules of the Exchange.

(iv) Each Clearing Member hereby agrees to the Exchange performing the Exchange Services. Each Clearing Member further understands that the security interest granted by the selling Clearing Member and the purchasing Clearing Member to the Clearing Service Provider in any WDR (and related Proportional Interest in the Underlying Vault Receipts) shall commence from the date the Exchange receives a Notice of Intent (or such Notice of Intent is deemed to have been delivered to and received by the Exchange) and shall continue until settlement of the relevant Futures (unless a Default Notice has been delivered with respect to such Futures, in which case such security interest shall continue until satisfaction of obligations owed to the Clearing Service Provider by the selling and purchasing Clearing Members with respect to such Futures), notwithstanding the electronic book entry in the NYSE Liffe Guardian Delivery System in favor of the selling Clearing Member.

(v) Each Clearing Member also understands that the Exchange has subordinated its Exchange Lien in respect of WDRs (and related Proportional Interest in Underlying Vault Receipts) going to delivery from the date the Exchange provides the

¹¹⁴ Such notation will include a cross-reference to the phrase "Pledged to, Transferred to and Held for OCC."

Clearing Service Provider notice that a Notice of Intent has been delivered (or is deemed to have been delivered), until and including the Cut-Off Time on the date that settlement is supposed to occur (regardless of whether or not settlement does in fact occur) (such period, the "Vault Receipt Subordination Period"). Each Clearing Member hereby agrees that the Exchange Lien shall be immediately reinstated as first priority without further action after the Vault Receipt Subordination Period; provided that, in the event that the Exchange has received notice from the Clearing Service Provider of a default as described above, the Clearing Service Provider shall have no responsibility for, and the Exchange Lien shall not be reinstated as first priority with respect to, any obligations of any person to the Exchange accruing prior to the Cut-Off Time, and the Clearing Service Provider shall be responsible to the Exchange, and the Exchange Lien shall have a first priority security status, only with respect to storage charges accruing after the Clearing Service Provider gives notice of a default as described above and only with respect to such particular WDR.

(vi) By going to delivery, each Clearing Member further represents and warrants that there are no liens, encumbrances on or defense to the relevant WDRs other than that of the Exchange and the Clearing Service Provider specified in this Rule 1408.

1409. Storage Charges and Transfer Fees

Storage charges, ~~transfer fees and in and out charges~~ withdrawal fees, maximum storage rates, handling charges and any penalties for late storage payments, shall be set by each depository vault and the schedule of such charges shall be posted with the Exchange, which shall be notified by the depository vault at least 60 days in advance of any changes in the rate schedule. Except as otherwise provided, all such charges and fees shall remain at all times be the responsibility of the ~~seller~~ Clearing Member in whose name the WDR is maintained in the records of the NYSE Guardian Delivery System, including, for the avoidance of doubt, after a Notice of Intent has been delivered, the applicable selling Clearing Member, until payment is made.

1410. Cost of Inspection, Weighing, Storage and Delivery

All charges associated with the delivery of ~~€~~gold and all costs associated with inspections, weighing, and Exchange documentation, through the day of delivery, shall be paid by the delivering party. The delivering party shall pay storage charges through the business day following the day of delivery. The receivers shall pay all charges including storage charges incurred after the business day following the day of delivery.

A holder of an ~~Exchange approved~~ vault receipt for ~~€~~gold may request recertification at its expense at any time while the unit represented by such receipt is in the Exchange approved vault. Such recertification shall be made by an Exchange approved certifying authority or assayer, selected by such holder.

1411. Deposit of Gold with Vaults

No changes.

1412. Issuance of Vault Receipts

The Exchange and the Clearing Service Provider shall determine the electronic fields which are required to be completed in connection with the issuance of an electronic vault receipt that is deliverable in satisfaction of mini-sized ~~Gold~~ ~~Futures~~ ~~contracts~~.

1413. Payment

(a) Payment shall be made on the basis of the number of fine troy ounces of ~~Gold~~ contained and delivered. The fine ~~Gold~~ content of a bar for good delivery is calculated to 0.001 of a troy ounce by multiplying the gross weight and fineness as listed on the electronic vault receipt. Fineness in no case shall be more than 0.9999.

(b) Payment shall be made utilizing the electronic delivery system via the Clearing Service Provider's online system. Payment shall be made at the Clearing Service Provider's settlement time as defined in its rules for exchange transactions. ~~Thus, the cost of the delivery will~~ shall be debited or credited to a ~~Clearing firm's~~ Member's settlement account. Buyers obligated to accept delivery must take delivery and make payment and sellers obligated to make delivery must make delivery during the Clearing Service Provider's settlement process as defined in its rules for exchange transactions, on the day of delivery, except on banking holidays when delivery must be taken or made and payment made during the Clearing Service Provider's settlement process as defined in its rules for exchange transactions, or such other time designated by the Exchange, on the next banking business day.¹¹⁵

1414. Regularity of Vaults

Vaults under this Chapter 14 shall be governed by Rule 1214.

~~(d) Duties of Vault Operators~~

~~It shall be the duty of the operators of all regular vaults:~~

~~(iii) To accept Gold for delivery on NYSE Liffe US contracts, provided such Gold is ordered into the vault by a Clearing Member of the Exchange, and all space in such vaults is not already filled or contracted for.~~

~~(iv) To notify the Exchange of any change in the condition of their vaults.~~

~~(v) To release to the bearer of the receipt the bars covered by said receipt upon presentation of the receipt and payment of all storage and outloading charges no later than the business day following compliance with these provisions.~~

~~(vi) To keep stocks of Gold in storage in balance with Gold represented by its outstanding vault receipts.~~

¹¹⁵ Text of subsection (b) of Rule 1413 amended. Effective March 30, 2009, pursuant to CFTC Rule 40.6 filing by NYSE Liffe US dated March 26, 2009. See Notice 7/2009.

~~(d) — Conditions of Regularity~~

~~Gold may be delivered against a mini sized Gold contract from any vault designated by the Exchange specifically for the storage of Gold, and may not be delivered except from such vault. The following shall constitute the requirements for regularity, and by accepting a Declaration of Regularity the vault agrees to abide by these conditions:~~

~~(i) — The vault must notify the Exchange promptly of any material change in ownership or condition of its premises.~~

~~(ii) — The vault is required to submit a certified financial statement within 90 days of the firm's year end. A letter of attestation must accompany all financial statements signed by the Chief Financial Officer or if there is none, a general partner or executive officer.~~

~~(iii) — Such vault shall be provided with standard equipment and appliances for the convenient and safe storage of Gold and provide for proper security.~~

~~(iv) — The operator of such vault shall furnish to the Registrar all needed information to enable the Exchange to keep a correct record and account of all Gold received and delivered by the vault daily and of that remaining in store at the close of each week.~~

~~(v) — The operator of such vault shall accord every facility to the Exchange for the examination of its books or records for the purpose of ascertaining the stocks of Gold. The Exchange shall have the authority to employ experts to determine the quantity and quality of Gold in said vault.~~

~~(vi) — No vault operator shall engage in unethical or inequitable practices, or fail to comply with any laws, Federal or State, or Rules or Regulations promulgated under those laws.~~

~~(vii) — The operator shall make such reports, keep such records, and permit such vault visitation as the Exchange or the Commodity Futures Trading Commission may prescribe, and shall comply with all applicable rules. The vault must keep all such reports, books and records for a period of five years from the date thereof.~~

~~(viii) — The operator of such vault must give such bonds to the Exchange as may be required by the Exchange.~~

~~(ix) — The vault shall neither withdraw as a regular vault nor withdraw any regular capacity except after a sixty (60) day notice to the Exchange or having obtained the consent of the Exchange.~~

~~(x) — The vault shall notify the Exchange at least sixty (60) days in advance of any changes in its maximum storage rates, penalty for late storage payment and handling charges.~~

~~(xi) — The Exchange may determine not to approve vaults for regularity or increases in regular capacity of existing regular vaults, in its sole discretion, regardless of whether such vaults meet the preceding requirements and conditions. Some factors that the Exchange may, but is not required to, consider in exercising its discretion may include, among others, whether receipts issued by such vaults, if tendered in satisfaction of futures contracts, might be expected to adversely affect the price discovery function of mini sized Gold futures contracts or impair the efficacy of futures trading in mini sized Gold, or whether the currently approved regular capacity provides for an adequate deliverable supply.~~

~~(e) — **Revocation of Regularity**~~

~~Any regular vault may be declared by the Exchange to be irregular at any time if it does not comply with the conditions above set forth, or fails to carry out its prescribed duties. If the designation of a vault as regular shall be revoked a notice shall be posted on the Exchange website announcing such revocation and also the period of time, if any, during which the receipts issued by such vault shall thereafter be deliverable in satisfaction of futures contracts in mini sized Gold under the Exchange Rules.~~

~~By accepting a Declaration of Regularity the vault agrees, in the event of revocation or expiration or withdrawal of regularity, to bear the expenses of the transfer of Gold under bond to another regular vault satisfactory to the holders of its vault receipts.~~

SPECIAL NOTES RELATING TO CHAPTER 14

LICENSED DEPOSITORIES AND ASSAYERS FOR MINI-SIZED GOLD CONTRACTS

Depository	Location	Vault Number
Brinks Global Services USA, Inc A Division of Brinks, Inc.	652 Kent Avenue Brooklyn, NY 11211	4001
HSBC Bank USA	452 5th Avenue New York, NY 10018	4008
Scotia Mocatta Depository A Division of Bank of Nova Scotia	26 Broadway New York, NY 10004	3001
	230-59 International Airport Center Blvd., Bldg. C, Suite 120 Jamaica, NY 11412	3002
Manfra, Tordella & Brookes, Inc.	90 Broad St. New York, NY 10004	4500

ASSAYERS FOR MINI-SIZED GOLD CONTRACTS

Ledoux & Company
 359 Alfred Avenue
 Teaneck, NJ 07666
 (201) 837-7160

BRANDS APPROVED FOR DELIVERY AGAINST MINI-SIZED GOLD CONTRACTS

PRODUCER	REFINED AT	CODE	BRAND-MARKS
AGR-Joint-Venture	Perth, Australia	PMAU	THE PERTH MINT AUSTRALIA (with swan-motif-mint-mark-within eircle)
Argor, S.A.	Chiasso, Switzerland	ARGO	* ARGOR S.A. CHIASSO-ASA
Argor - Heraeus SA	Mendrisio, Switzerland	ARHE	Argor-HerAeus SA, A.H, Switzerland
ASARCO Incorporated	Amarillo, Texas	ASAT	ASARCO GOLD AMARILLO, TEXAS
Casa da Moeda do Brasil	Rio de Janeiro, Brazil	CASA	CASA-DA-MOEDA-DO-BRASIL- CMB
Compagnie des Metaux Precieux	Ivry, France	CMPP	* COMPAGNIE DES METAUX PRECIEUX PARIS (may also contain letters CMP)
	Ivry, France	SDBS	* SOCIETE DE BANQUE SUISSE
Companhia Real de Metais	Sao Paulo, Brazil	GRDM	GRM
Comptoir Lyon-Alemand-Louyet	Noisy le Sec, France	CLAL	COMPTOIR-LYON-ALEMAND, LOUYOT-PARIS (with Affineur Fondeur within octagon)
OMG AG & Co. KG	Hanau, Germany	DEGU	*DEGUSSA FEINGOLD (with 1/2 sun and 1/4 moon within diamond)
OMG AG & Co. KG	Burmington, Ontario	DECA	* DEGUSSA-CANADA-LTD. (with 1/2 sun and 1/4 moon within diamond)
OMG-Brasil Ltda.	Guarulhos, Brazil	DEBR	DEGUSSA S.A. (with 1/2 sun and 1/4 moon within diamond)
H. Drijfhout & Zoon's Edelmetaalbedrijven BV	Amsterdam, Netherlands	HDZA	H. DRIJFHOUT & ZOON- AMSTERDAM MELTERS (within octagon)
Engelhard Corporation			

	Carteret, N.J.	ENNE	*ENGELHARD (may also be ENGELHARD NEW JERSEY-U.S.A. or ENGELHARD U.S.A.)
	Carteret, N.J.	BAKE	* BAKER (within circle atop triangle)
	Chessington, England	ENCI	* ENGELHARD LONDON
	Thomastown, Australia	ENTH	* ENGELHARD AUSTRALIA
	Aurora, Ontario	ENAU	* ENGELHARD (with circle connected to 1/2-moon to left of name; may also be ENGELHARD INDUSTRIES OF CANADA LTD.)
Golden West Refining Corporation Limited, Handy & Harman Refining Group Inc.			
	Attleboro, Mass	GWHH	* HH HANDY & HARMAN REFINING GROUP
Handy & Harman	Attleboro, Mass	HAND	* HH HANDY & HARMAN
W.C. Heraeus, G.m.b.H.	Hanau, Germany	HERA	HERAEUS FEINGOLD (with Heraeus Edelmetalle GmbH Hanau encircling three roses)
Heraeus Incorporated	Newark, N.J.	HERI	HERAEUS FEINGOLD (with capital letter "E" preceding serial number)
Heraeus Ltd.	Kowloon, Hong Kong	HERH	HERAEUS FEINGOLD (with capital letter "H" preceding serial number)
Homestake Mining Company	Lead, South Dakota	HMCO	*HOMESTAKE MINING COMPANY (with HMC all within circle)
Johnson Matthey, Inc.	Winslow, New Jersey	MBUS	* MATTHEY BISHOP U.S.A. (within an oval)
Johnson Matthey Limited	Brampton, Ontario	JMMC	* JOHNSON MATTHEY & MALLORY CANADA (within an oval)
	Brampton, Ontario	JMCA	* JM (with crossed hammers)
	Brampton, Ontario	JMJM	JOHNSON-MATTHEY JM (with crossed hammers and assay stamp: J.M.-Ltd.-CANADA-ASSAY OFFICE)
Johnson Matthey Limited (Australia)	Kogarah, Australia	MGPS	* MATTHEY GARRETT PTY. SYDNEY REFINERS (within an oval)
Johnson Matthey Chemicals Ltd.	Royston, England	JMLO	JOHNSON MATTHEY LONDON (within an oval)
Johnson Matthey & Pauwels S.A.	Brussels, Belgium	JMPA	* JOHNSON MATTHEY & PAUWELS (within an oval)

Johnson-Matthey Refining, Inc.	Salt Lake City, Utah	JMRI	JOHNSON-MATTHEY JM (with crossed-hammers and assay stamp: J.M.R.I. U.S.A. ASSAY OFFICE)
Kennecott Utah Copper Corporation	Magna, Utah	KUAU	KUC
Metallurgie Hoboken Overpelt S.A.	Hoboken, Belgium	MHOV	* METALLURGIE HOBOKEN OVERPELT
n.v. Union Miniere s.a.— Business Unit Hoboken	Hoboken, Belgium	HOBQ	Hoboken 9999
Metalli Preziosi S.p.A.	Milan, Italy	MPSP	METALLI PREZIOSI S.p.A. MILANO-AFFINAZIONE (with MP within a circle)
Metalor Technologies USA Corp.	Attleborough, Mass.	MUST	METALOR® (with the “MUS” assay mark)
	Attleborough, Mass.	META	*METAUX-PRÉCIEUX SA METALOR-MP (with “MUS” Assay mark)
Metaux-Précieux S.A. Metalor	Neuchatel, Switzerland	MPSA	METAUX-PRÉCIEUX SA—NEUCHATEL (with MP within a circle)
	Neuchatel, Switzerland	SBCO	SWISS BANK CORPORATION
Mitsubishi Metal Corporation	Osaka, Japan	MMCO	* MITSUBISHI METAL CORPORATION (with three diamond mark within oval)
Mitsubishi Materials Corporation	Kagawa, Japan	MITS	Three diamonds forming a triangle
Noranda Mines Limited, CCR Division	Montreal East, Quebec	CCRL	* CANADIAN COPPER REFINERS LIMITED MONTREAL EAST, CANADA (within an oval)
Noranda Mines Limited, CCR Division	Montreal East, Quebec	NORA	* NORANDA MINES LIMITED—CCR, MONTREAL EAST, CANADA (within an oval)
Noranda Metallurgy Inc.—Copper	Montreal East, Quebec	NINC	NORANDA MINES Inc.—CCR, MONTREAL EAST, CANADA (within an oval)
Norddeutsche Affinerie AG	Hamburg, W. Germany	NAHA	NORDDEUTSCHE-AFFINERIE HAMBURG
PAMP, S.A.	Castel S. Pietro,	PAMP	PAMP SUISSE Produits Artistiques-Métaux-Précieux Switzerland
Rand Refinery Limited	Germiston Transvaal	RRSA	RAND REFINERY Ltd. SOUTH

			AFRICA (encircling picture of springbok)
Royal Canadian Mint	Ottawa, Canada	RCMI	ROYAL-CANADIAN-MINT (encircling a crown)
Sabin Metal Corporation	Scottsville, N.Y.	SABN	SMC
Schone Edelmetaal NV	Amsterdam, Netherlands	GSNV	GUARANTEED BY SCHONE N.V. AMSTERDAM
Sheffield Smelting Co. Ltd.	Sheffield, England	SSCL	* THE SHEFFIELD SMELTING CO. LTD. - LONDON & SHEFFIELD
Tanaka Kinzoku Kogyo K.K.	Ichikawa, Japan	TTME	TANAKA TOYOTA MELTERS
United States Metals Refining Co., division of Amax Copper, Inc.	Carteret, N.J.	DRW	*-DRW
U.S.S.R.	Moscow, U.S.S.R.	CCCP	CCCP (with hammer and sickle)
Valcambi, S.A.	Balerna, Switzerland	CRSU	CREDIT SUISSE

*-Denotes brand is no longer produced.

MINI-SIZED GOLD CHARGES

Vault	Withdrawal/Bar	Storage/Bar	Contract Size	Time Period
<u>HSBC</u>				
NYSE Liffe US Mini-sized Gold	\$8.00	\$4.00	1 kilo-bar (1/3-sized bar)	Monthly
<u>Scotia Mocatta</u>				
NYSE Liffe US Mini-sized Gold	\$10.00	\$5.00	1/3-sized bar Monthly	Monthly
<u>Exchange charges</u>				
NYSE Liffe US WDR-Gold	n/a	\$0.20	1/3-sized bar	Daily

CHAPTER 15
5,000 OZ. SILVER FUTURES

1501. Scope of Chapter

This chapter is limited in application to trading of 5,000 oz. ~~S~~silver ~~f~~utures. The procedures for trading, clearing, inspection, delivery and settlement of ~~5,000 oz. Silver futures~~, and any other matters not specifically covered herein shall be governed by the general Rules of the Exchange.

1502. Contract Specifications

The contract grade for delivery on ~~f~~utures made under these Rules shall be refined ~~S~~silver in a bar cast in a basic weight of 1,000 troy ounces (each bar may vary no more than 10 percent). The total aggregate weight of the bars underlying the vault receipt may not vary from 5,000 troy ounces by more than 6 percent. Such ~~S~~silver may not assay less than 999 fineness, and must be made up of one of the brands and markings officially listed by the Exchange as provided in Rule 1504, current at the date of delivery of such silver.¹¹⁶

1503. Trading Specifications

Trading in 5,000 oz. ~~S~~silver ~~f~~utures shall be conducted in the current calendar month and any subsequent months. The number of months open for trading at a given time shall be determined by the Exchange.

(a) Trading Schedule

The hours of trading in 5,000 oz. ~~S~~silver ~~f~~utures shall be determined by the Exchange. On the last day of trading in an expiring ~~f~~utures, the closing time for such ~~f~~utures shall be 1:25 p.m. New York time.

(b) Trading Unit

The unit of trading shall be five thousand troy ounces of contract grade ~~S~~silver.

(c) Price Increments

The minimum price fluctuation for 5,000 oz. ~~S~~silver ~~f~~utures shall be 10/100 of one cent per troy ounce (\$0.001), which is \$5.00 per contract.

(d) Reserved

(e) Position Limits

In accordance with Rule 420, Position Limits, no person shall own or control positions in excess of:

¹¹⁶ Amendments to the text of Rule 1502 (eliminating 1,100 troy ounce bar as deliverable grade) effective February 1, 2011, pursuant to CFTC Rule 40.6 filing by NYSE Liffe US dated September 9, 2010. See Notice 16/2010.

(i) 1,500 ~~f~~Futures net long or net short in the spot month.

(i) 6,000 ~~f~~Futures-equivalent contracts net long or net short in any single contract month excluding the spot month.

(ii) 6,000 ~~f~~Futures-equivalent contracts net long or net short in all months combined.

Refer to Rule 420 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

(f) Termination of Trading

No trades in 5,000 oz. ~~S~~silver ~~f~~Futures deliverable in the current month shall be made during the last two business days of that month. Any contracts remaining open after the last day of trading must be settled by delivery no later than the last business day of the delivery month.¹¹⁷

1504. Refiners, Vaults and Assayers

Exchange approved refiners, vaults, and assayers may be listed with the Exchange upon approval by the Exchange. The Exchange shall maintain and make available such lists. The addition of refiners and vaults shall be binding upon all contracts outstanding as well as those entered into after approval.

1505. Brands and Markings of Silver

Brands and markings deliverable in satisfaction of ~~f~~Futures shall be listed with the Exchange upon approval by the Exchange. The Exchange may require such sureties as it deems necessary. The Exchange shall make available a list of the brands and markings of ~~S~~silver bars which are deliverable. The addition of brands and markings shall be binding upon all such contracts outstanding as well as those entered into after approval.

If at any time a brand or marking fails to meet the requirements adopted by the Exchange or the metallurgical assay of any ~~S~~silver bars bearing a brand or marking on the official list depreciates below 999 fineness, the Exchange may exclude said brand or marking from the official list unless deliveries of bars bearing said brand or marking are accompanied by certificates of analysis of an official assayer showing a ~~S~~silver fineness of not less than 999, and such additional bond as the Exchange may deem necessary. Notice of such action shall be posted by the Exchange and the official list shall indicate the limitation upon deliveries of said brand or marking.

¹¹⁷ Section (f) of Rule 1503 amended. Effective March 30, 2009, pursuant to CFTC Rule 40.6 filing with CFTC dated February 18, 2009. See Notice 4/2009.

1506. Product Certification and Shipment

To be eligible for delivery on the Exchange, all Silver must be certified as to fineness and weight by an Exchange approved refiner, assayer, or other Exchange approved certifying authority and must be shipped directly from the Exchange approved refiner, assayer, or certifying authority via Exchange approved carriers to Exchange approved vaults.

If Silver is not continuously in the custody of an Exchange approved vault or carrier, the Exchange may require that it be recertified as to fineness and weight to be eligible for delivery.

The Exchange at its sole discretion shall have the authority at any time to have assayed any Silver bars covered by vault receipts delivered against futures contracts. In such an event, costs are to be borne by the Exchange.

1507. Delivery Points

Silver located at regular vaults at points approved by the Exchange may be delivered in satisfaction of futures contracts.

~~1508. Deliveries by Vault Receipts~~

~~(a) — Timing and Issuance of Vault Receipts~~

~~(i) — Where Silver is sold for delivery in a specified month, delivery of such Silver may be made by the seller upon such day of the specified month as the seller may select. If not previously delivered, delivery must be made upon the last business day of the month.~~

~~(ii) — In order to be valid for delivery against a futures contract, a vault receipt in electronic form must be entered on the NYSE Liffe Guardian Delivery System based on the deposit of a vault receipt in paper form issued in accordance with the requirements under Rule 1502. Such paper vault receipt must be issued and deposited with the Exchange's Central Depository before 12:00 p.m. New York time on seller's notice day, which is the second business day prior to the day of delivery; however, in the case of delivery on the last delivery day of the delivery month, such paper vault receipt must be issued before 11:00 a.m. New York time on seller's notice day. Deliveries on Silver futures contracts shall be made by book entry in the NYSE Liffe Guardian Delivery System, reflecting the change in ownership interests in vault receipts in paper form issued by vaults which have been approved and designated as regular vaults by the Exchange for the storage of Silver, using the electronic fields which the Exchange and the Clearing Service Provider require to be completed. Silver in bars must come to the regular vault directly from an approved source or from another regular vault~~

either on NYSE Liffe US or the COMEX Division of the New York Mercantile Exchange, Inc., by insured or bonded carrier.¹¹⁸

(b) — Endorsement of Vault Receipts

~~(i) — In order to effect a valid delivery, each vault receipt must be endorsed by the Clearing Member making the delivery; any transfer by electronic means of a vault receipt as set forth above in subsection (a) of this Rule 1508 constitutes an endorsement with respect to such vault receipt. In the event that a vault receipt is transferred outside of the NYSE Liffe Guardian Delivery System (an “Outside Transfer”), endorsement with respect to such Outside Transfer will be made physically on such vault receipt and, if such vault receipt is subsequently entered into the NYSE Liffe Guardian Delivery System, such endorsement will remain as a record with respect to such Outside Transfer.¹¹⁹ By any endorsement, the endorser shall be deemed to warrant, to his transferee and each subsequent transferee of the receipt for delivery on Exchange contracts, and their respective immediate principals, the genuineness, validity, and worth of such receipt, the rightfulness and effectiveness of his transfer thereof, and the quantity and quality of the Silver shown on the receipt. Such endorsement shall also constitute a representation that all storage charges have been paid up to and including the business day following the day of delivery. Prepaid storage charges shall be charged to the buyer by the seller for a period extending beyond the business day following the day of delivery (but not in excess of one year) pro rata for the unexpired term and adjustments shall be made upon the invoice thereof.~~

~~(ii) — In the event such Exchange Member or principal shall claim a breach of such warranty, and such claim relates to the quantity or quality of the Silver, the lot shall be immediately submitted for sampling and assaying to an assayer approved by the Exchange; the Silver must be shipped under bond, and at the owner’s expense, to the assayer. The expense of sampling and assaying shall, in the first instance, be borne by the claimant. If a deficiency in quantity or quality shall be determined by the assayer, the claimant shall have the right to recover the difference in the market value and all expenses incurred in connection with the sampling and assaying and any cost of replacement of the Silver. The claimant may, at his option, proceed directly against the original endorser of the vault receipt upon Exchange delivery, or against any endorser prior to claimant without seeking recovery from his immediate deliverer on the Exchange contract, and if the claim is satisfied by the original endorser of the vault receipt, or any other endorser, all the endorsers will be thereby discharged from liability to the claimant. If the claimant seeks recovery from any endorser and his claim is satisfied by such endorser, the party thus satisfying the claim will have a similar option to claim recovery directly from any endorser prior to him. Such claims as~~

¹¹⁸ Text of subsection (a)(ii) of Rule 1508 amended. Effective March 30, 2009, pursuant to CFTC Rule 40.6 NYSE Liffe US filing dated March 26, 2009. See Notice 07/2009.

¹¹⁹ Text of subsection (b)(i) to Rule 1508 amended. Effective March 30, 2009, pursuant to CFTC Rule 40.6 NYSE Liffe US filing dated March 26, 2009. See Notice 07/2009.

are in dispute between Members of the Exchange may in each case be submitted to arbitration under the Rules of the Exchange.

~~(iii) — The liability of an endorser of a vault receipt as provided herein shall not be deemed to limit the rights of such endorser against any person or party for whose account the endorser acted in making delivery on an Exchange contract. If it shall be determined in such arbitration proceeding that any endorser of a vault receipt or the person or party for whom such endorser acted was aware of the breach of warranty or was involved in a plan or arrangement with the original endorser (or his principal) to place such inferior Silver in store in a regular vault for use in deliveries upon Exchange contracts, such endorsers shall not be entitled to recover from any prior endorser for the breach of warranty.~~

~~(c) — **Security Interest in Vault Receipts**~~¹²⁰

~~(i) — Each Clearing Member that has an interest in a vault receipt or a WDR hereby grants a valid and enforceable security interest (the “Exchange Lien”) to the Exchange in all of such Clearing Member’s vault receipts or WDRs to secure all charges or fees associated with the custody of such vault receipts or WDRs and the Silver underlying such vault receipts or WDRs.~~

~~(ii) — Each Clearing Member, by entering into the delivery process, understands that, pursuant to an Agreement for Clearing and Settlement Services, dated as of March 9, 2009, between OCC and the Exchange, the Exchange has agreed to maintain as agent on behalf of OCC as Clearing Service Provider any vault receipt or WDR with respect to which a selling Clearing Member has delivered to the Exchange a notice of intent to deliver such vault receipt or WDR in settlement of a Contract (a “Notice of Intent”), from the time of delivery of such Notice of Intent until 11:00 a.m., New York time (the “Cut Off Time”), on the date of settlement for such vault receipt or WDR, unless the Exchange has received notice from OCC of a default by the relevant selling or purchasing Clearing Member, in which case the Exchange shall continue to maintain such vault receipt or WDR for the benefit of OCC until notified otherwise by OCC and, subject to applicable law, shall deliver such vault receipt or WDR to OCC or its agent upon the instructions of OCC (the “Exchange Services”). Each Clearing Member hereby agrees to the Exchange performing such Exchange Services. Each Clearing Member further understands that the security interest granted by the selling Clearing Member and the purchasing Clearing Member to OCC in any vault receipt or WDR remains in effect from the time OCC receives (or is deemed to have received by the Rules of OCC) notice that a selling Clearing Member has delivered to the Exchange a Notice of Intent until settlement of the relevant Contract, notwithstanding the electronic book entry in the NYSE Liffe US Trading Platform in favor of the selling Clearing Member. Each Clearing Member also understands that the Exchange has waived its lien in respect of vault~~

¹²⁰ Subsection (c) to Rule 1413 added. Effective March 30, 2009, pursuant to CFTC Rule 40.6 NYSE Liffe US filing dated March 26, 2009. *See* Notice 07/2009.

~~receipts or WDRs going to delivery from the date the Exchange provides OCC notice that a Notice of Intent has been delivered, until and including the Cut Off Time on the date that settlement is supposed to occur (regardless of whether or not settlement does in fact occur) (such period, the “Waiver Period”). Each Clearing Member hereby agrees that the Exchange Lien shall be immediately reinstated without further action after the Waiver Period; provided that, in the event that the Exchange has received notice from OCC of a default as described above, OCC shall have no responsibility for, and the Exchange’s lien shall not be reinstated with respect to, any obligations of any person to the Exchange accruing prior to the Cut Off Time, and OCC shall be responsible to the Exchange, and the Exchange’s lien shall attach, only with respect to storage charges accruing after OCC takes possession of the vault receipt or WDR and only with respect to such particular vault receipt or WDR. By going to delivery, each Clearing Member further represents and warrants that there are no liens, encumbrances on or defense to the relevant vault receipts other than that of the Exchange and OCC specified in this Rule 1508.~~

1509. A. Deliveries by Vault Receipts During the Transition Period^{121*}

(a) Conversion of Paper Vault Receipts to Electronic Vault Receipts

(i) Members may convert paper vault receipts to electronic vault receipts during the Transition Period, and paper vault receipts shall not be valid for delivery after 7:00 p.m. New York time on the last day of the Transition Period. Effective with the opening of the market for the trade date immediately following the last day of the Transition Period, paper vault receipts must be converted to electronic form prior to being valid for delivery against a Futures. The procedures for conversion are set forth in notices the Exchange may issue from time to time. Regular vaults agree to comply with the procedures set forth therein for conversion of vault receipts. Under the procedures, the Central Depository shall return paper vault receipts to the Originating Vault that issued such paper vault receipt. Upon instruction of the Clearing Member or the Exchange (in the case of vault receipts relating to WDRs or otherwise held by the Exchange), an Originating Vault shall create an electronic vault receipt in the NYSE Liffe Guardian Delivery System in substitution for the paper vault receipt, completing all relevant fields in accordance with the requirements of the NYSE Liffe Guardian Delivery System. By requesting any conversion, such Clearing Member represents and warrants to all subsequent persons entitled under the electronic vault receipt created in substitution for such paper vault receipt that the Clearing Member, or the holder on whose behalf the Clearing Member is acting, is a person

¹²¹ Rule 1508A will only be effective until the expiration of the Transition Period, after which time deliveries may only be effected in accordance with Rule 1508B, pursuant to CFTC Rule 40.6 NYSE Liffe US filing dated October 29, 2013.

* Supplemental guidance regarding creation and withdrawal of vault receipts available in CFTC Rule 40.6 filing by NYSE Liffe US dated November 16, 2009. Effective November 18, 2009. See Notice 25/2009.

entitled under the paper vault receipt at the time the Clearing Member requested that such paper vault receipt be substituted for an electronic vault receipt in the NYSE Liffe Guardian Delivery System. Any representation and warranty by the Exchange with respect to any conversion of vault receipts relating to any WDR requested by the Exchange shall be deemed made for the benefit of all Clearing Members holding WDRs at the time such conversion was requested by the Exchange. Each Originating Vault shall maintain appropriate and clearly defined back office procedures to ensure correct data entry into the NYSE Liffe Guardian Delivery System when issuing an electronic vault receipt on behalf of the requesting Clearing Member, shall use the same receipt number as used for associated paper vault receipts when converting to an electronic vault receipt, and shall verify the accuracy of each data entry made by the vault's personnel before uploading such information into the NYSE Liffe Guardian Delivery System. After creating the electronic vault receipt, the Originating Vault shall mark the paper vault receipt as follows: "An Electronic Receipt has been issued as a substitute for this Paper Receipt. This Paper Receipt is no longer valid for delivery." The Originating Vault shall maintain any paper vault receipt for which an electronic vault receipt is substituted on file for at least 5 years for recordkeeping purposes and to satisfy requirements of the Commission. The Originating Vault shall certify to the Exchange at the end of the Transition Period that all paper vault receipts submitted to such Originating Vault for conversion have been marked as required in this Rule 1508A(a)(i).

(ii) After a vault receipt is issued in the NYSE Liffe Guardian Delivery System, upon discovery of an error, the person discovering such error shall promptly notify the Exchange in writing and the Exchange shall make such corrections as soon as practical unless the vault receipt has been tendered for delivery on a Futures in which case the Exchange will not be able to make the corrections until after delivery is effected in accordance with the Rules or with the Clearing Service Provider's consent; provided that the Exchange shall be under no liability to warrant the accuracy or authenticity of the changes to the vault receipt.

(iii) Any vault receipt issued electronically in accordance with this Rule 1508A shall be a single authoritative copy of such electronic vault receipt. The Exchange shall maintain in the NYSE Liffe Guardian Delivery System a single authoritative copy of each electronic vault receipt in the name of the applicable Clearing Member specified therein and such single authoritative copy shall be unique and identifiable by a receipt number that shall not change, whether upon transfer of the electronic vault receipt or otherwise.

(iv) After 7:00 p.m. New York time on the date of expiration of the Transition Period, paper vault receipts shall not be valid for delivery against a Futures.

(v) The intent of this Rule 1508A is to satisfy the requirements of Section 7-106(b) of the UCC.

(b) Timing of Delivery and Issuance of Vault Receipt

(i) Where silver is sold for delivery in a specified month, delivery of such silver may be made by the seller upon such day of the specified month as the seller may select. If the seller has not previously specified a day upon which to deliver, upon the third to the last business day of the delivery month a Notice of Intent shall be deemed to have been made by the seller and delivery must be made as set forth in paragraph (ii) of this Rule 1508A(b).

(ii) During the Transition Period, delivery may be made using either a vault receipt in electronic form or in paper form, in each case satisfying the requirements and contract specifications set forth in this Chapter. In order for a paper vault receipt to be valid for delivery against a Futures such paper vault receipt must have been issued and deposited with either the Exchange's Central Depository or the Originating Vault and a corresponding electronic book-entry made in the NYSE Liffe Guardian Delivery System prior to the first day of the Transition Period. If delivery shall be upon an electronic vault receipt, such electronic vault receipt must have been issued and entered into the NYSE Liffe Guardian Delivery System in accordance with Rule 1508A(a) before 12:00 p.m. New York time on the Seller's Notice Day; however, in the case of delivery on the last delivery day of the delivery month, such electronic vault receipt must be issued and entered before 11:00 a.m. New York time on the last Seller's Notice Day. If no paper vault receipt valid for delivery has been entered into the NYSE Liffe Guardian Delivery System prior to the first day of the Transition Period or no electronic vault receipt has been issued and entered by 11:00 a.m. New York time on the last Seller's Notice day of such delivery month, the seller shall be deemed to be in violation of a Rule of the Exchange and subject to possible disciplinary proceedings under Chapter 7 of the Rules. In either case (whether delivery upon a paper vault receipt or an electronic vault receipt), deliveries on silver Futures shall, subject to Rule 1508A(d), be made by electronic book entry in the NYSE Liffe Guardian Delivery System reflecting the change in ownership interests in vault receipts in paper or electronic form, as the case may be, issued by vaults which have been approved and designated as regular vaults by the Exchange for the storage of silver, using the electronic fields which the Exchange or the Clearing Service Provider require to be completed. Silver in bars of Exchange approved brands must come to the regular vault directly from an Exchange approved source or from another regular vault either on NYSE Liffe US or the COMEX Division of the New York Mercantile Exchange, Inc., by insured or bonded carrier.

(c) Endorsement of Vault Receipts

(i) In order to effect a valid delivery with respect to a paper vault receipt, each vault receipt must be endorsed by the Clearing Member making the delivery; any transfer of a paper vault receipt by electronic book entry in the NYSE Liffe Guardian Delivery System as set forth above in subsection (b) of this Rule 1508A constitutes an endorsement of such paper vault receipt by the

Clearing Member making the delivery with respect to such paper vault receipt. In the event that a vault receipt is transferred outside of the NYSE Liffe Guardian Delivery System (an "Outside Transfer"), endorsement with respect to such Outside Transfer shall be deemed made by the Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) requesting such Outside Transfer with respect to such paper vault receipt. By any endorsement, the endorser shall be deemed to warrant, to its transferee and each subsequent transferee of the paper vault receipt for delivery on Exchange Futures, and their respective immediate principals, the genuineness, validity, and worth of such paper vault receipt, the rightfulness and effectiveness of its transfer thereof, and the quantity and quality of the silver shown on the paper vault receipt. Such endorsement shall also constitute a representation that all storage charges have been paid up to and including the business day following the day of delivery. Prepaid storage charges shall be charged to the buyer by the seller for a period extending beyond the business day following the day of delivery (but not in excess of one year) pro rata for the unexpired term and adjustments shall be made upon the invoice thereof. The intent of this Rule 1508A(c)(i) is to comply with the requirements for a negotiable tangible document of title as set forth in Section 7-501(a) of the UCC.

(ii) In the event such Clearing Member shall claim a breach of any warranty with respect to a delivery under subsection (i) of this Rule 1508A(c), and such claim relates to the quantity or quality of the silver, the lot shall be immediately submitted for sampling and assaying to an assayer approved by the Exchange. The expense of sampling and assaying, as well as any related expenses, including, without limitation, shipping of the silver under bond in the event that shipment to the assayer is required, shall, in the first instance, be borne by the claimant. If a deficiency in quantity or quality shall be determined by the assayer, the claimant shall have the right to recover the difference in the market value and all expenses incurred in connection with the sampling and assaying and any cost of replacement of the silver. The claimant may, at its option, proceed directly against the original endorser of the vault receipt upon delivery in accordance with the Rules of the Exchange and its procedures, or against any endorser prior to claimant without seeking recovery from its immediate deliverer on the Exchange contract, and if the claim is satisfied by the original endorser of the vault receipt, or any other endorser, all the endorsers shall be thereby discharged from liability to the claimant. If the claimant seeks recovery from any endorser and its claim is satisfied by such endorser, the party thus satisfying the claim shall have a similar option to claim recovery directly from any endorser prior to him. Such claims as are in dispute between Members of the Exchange may in each case be submitted to arbitration under the Rules of the Exchange. In no event shall the Exchange be considered an endorser with respect to any vault receipt.

(iii) In the case of a delivery of a paper vault receipt as set forth in subsection (i) of this Rule 1508A(c), the liability of an endorser of a paper vault receipt as provided herein shall not be deemed to limit the rights of such endorser

against any person or party for whose account the endorser acted in making delivery on an Exchange contract. If it shall be determined in such arbitration proceeding that any endorser of a paper vault receipt or the person or party for whom such endorser acted was aware of the breach of warranty or was involved in a plan or arrangement with the original endorser (or its principal) to place such inferior silver in store in a regular vault for use in deliveries upon Exchange contracts, such endorsers shall not be entitled to recover from any prior endorser for the breach of warranty.

(iv) In order to effect a valid delivery with respect to an electronic vault receipt, the person receiving delivery must be established in the NYSE Liffe Guardian Delivery System as the person to whom such electronic vault receipt is issued or transferred. Subject to the provisions of Rule 1508A(d) hereof, which provides for the control in favor of a Clearing Service Provider, the person to whom such electronic vault receipt is so delivered shall be deemed to have control of such electronic vault receipt for purposes of these Rules and the UCC. Upon any such delivery, the transferor shall be deemed to warrant, to the transferee and each subsequent transferee of the electronic vault receipt for delivery on Futures, and their respective immediate principals, the genuineness, validity, and worth of such electronic vault receipt, the rightfulness and effectiveness of its transfer thereof, and the quantity and quality of the silver shown on the electronic vault receipt. Such delivery shall also constitute a representation that all storage charges have been paid up to and including the business day following the day of delivery. Prepaid storage charges shall be charged to the buyer by the seller for a period extending beyond the business day following the day of delivery (but not in excess of one year) pro rata for the unexpired term and adjustments shall be made upon the invoice thereof. The intent of this Rule 1508A(c)(iv) is to comply with the requirements for a negotiable electronic document of title as set forth in Section 7-501(b) of the UCC.

(v) In the event such Clearing Member shall claim a breach of any warranty with respect to a delivery of an electronic vault receipt under subsection (iv) of this Rule 1508A(c), and such claim relates to the quantity or quality of the silver, the lot shall be immediately submitted for sampling and assaying to an assayer approved by the Exchange. The expense of sampling and assaying, as well as any related expenses, including, without limitation, shipping of the silver under bond in the event that shipment to the assayer is required, shall, in the first instance, be borne by the claimant. If a deficiency in quantity or quality shall be determined by the assayer, the claimant shall have the right to recover the difference in the market value and all expenses incurred in connection with the sampling and assaying and any cost of replacement of the silver. The claimant may, at its option, proceed directly against the original Transferor (as defined herein) of the vault receipt upon Exchange delivery, or against any Transferor prior to claimant without seeking recovery from its immediate deliverer on the Exchange contract, and if the claim is satisfied by the original Transferor of the vault receipt, or any other Transferor, all the Transferors shall be thereby

discharged from liability to the claimant. If the claimant seeks recovery from any Transferor and its claim is satisfied by such Transferor, the party thus satisfying the claim shall have a similar option to claim recovery directly from any Transferor prior to him. Such claims as are in dispute between Members of the Exchange may in each case be submitted to arbitration under the Rules of the Exchange. In no event shall the Exchange be considered a Transferor with respect to any electronic vault receipt. For purposes of this subsection (v), "Transferor" shall mean (x) in the case of a delivery of a vault receipt in paper form prior to the substitution of an electronic vault receipt for such paper vault receipt, an endorser, and (y) in the case of a delivery of a vault receipt in electronic form, a transferor.

(vi) In the case of a delivery of an electronic vault receipt as set forth in subsection (iv) of this Rule 1508A(c), the liability of a Transferor (as defined in subsection (v)) of an electronic vault receipt as provided herein shall not be deemed to limit the rights of such Transferor against any person or party for whose account the Transferor acted in making delivery on an Exchange contract. If it shall be determined in such arbitration proceeding that any Transferor of a electronic vault receipt or the person or party for whom such Transferor acted was aware of the breach of warranty or was involved in a plan or arrangement with the original Transferor (or its principal) to place such inferior silver in store in a regular vault for use in deliveries upon Exchange contracts, such Transferors shall not be entitled to recover from any prior Transferor for the breach of warranty.

(vii) Notwithstanding the foregoing, in no event shall the Exchange be deemed to have endorsed or made any representation or warranty with respect to any WDRs or Underlying Vault Receipts (other than any representation or warranty for the benefit of all Clearing Members holding WDRs at the time the Exchange requested a conversion of a paper vault receipt to an electronic vault receipt in accordance with Rule 1508A(a)(i)), and, in the event the Exchange shall be deemed for any reason to have endorsed or made any representation or warranty with respect to any WDRs or Underlying Vault Receipts, the Exchange shall have no liability to any person with respect thereto. In addition, each of the Exchange and each Clearing Member holding one or more WDRs at the time the Exchange requested a conversion of a paper vault receipt to an electronic vault receipt held in connection with the issuance of WDRs acknowledges that upon any such conversion so requested by the Exchange, pursuant to Section 7-105 of the UCC, the Exchange represents and warrants to all subsequent persons entitled under the electronic vault receipt created in substitution for such paper vault receipt held in connection with the issuance of WDRs that the Exchange is a person entitled under such paper vault receipt at the time the Exchange requested that such paper vault receipt be substituted for an electronic vault receipt in the NYSE Liffe Guardian Delivery System. Each Clearing Member holding WDRs at the time of any conversion requested by the Exchange of a paper vault receipt to an electronic vault receipt and the making by the Exchange of the representation and warranty in Section 7-105 of the UCC, agrees, regardless of whether such paper vault receipt is traceable to such WDR(s) held by such Clearing Member, that the Exchange is making such representation and warranty

for its benefit and that such Clearing Member shall indemnify and hold harmless the Exchange and each other Exchange Party from and against any Losses (as defined in Rule 415) incurred by or asserted against any Exchange Party arising out of, in connection with such representation or warranty.

(d) Security Interest in Vault Receipts

(i) Each Clearing Member that has an interest in a vault receipt hereby grants a valid and enforceable security interest (the “Exchange Lien”) to the Exchange in all of such Clearing Member’s vault receipts to secure all charges or fees associated with the custody and maintenance of such vault receipts and the silver underlying such vault receipts. Each Clearing Member represents to the Exchange with respect to each such vault receipt that it is fully authorized by the holder on whose behalf the Clearing Member is acting, if any, to grant a security interest in such vault receipts to the Exchange pursuant to this Rule 1508A(d).

(ii) Each Clearing Member, by entering into the delivery process, understands that, pursuant to the Clearing Service Agreement, the Exchange has agreed to maintain on behalf of the Clearing Service Provider, as the Clearing Service Provider and as secured party, any vault receipt, including any replacement vault receipt, with respect to which a selling Clearing Member has delivered to the Exchange a Notice of Intent or is deemed to have delivered a Notice of Intent under Rule 1508A(b)(i) and (ii), from the time of delivery of such Notice of Intent (or deemed receipt of such Notice of Intent, if applicable) until 11:00 a.m., New York time (the “Cut-Off Time”), on the date of settlement for such vault receipt, except that, if the Exchange has received notice from the Clearing Service Provider prior to the Cut-Off Time of a default by the selling or purchasing Clearing Member (a “Default Notice”), the Exchange shall continue to maintain such vault receipt for the benefit of the Clearing Service Provider as secured party until notified otherwise by the Clearing Service Provider and, subject to applicable law, shall deliver such vault receipt to the Clearing Service Provider or its agent upon the instructions of the Clearing Service Provider and otherwise in accordance with the Rules of the Exchange (the foregoing responsibilities in this clause (ii), and any related actions and obligations of the Exchange, the “Exchange Services”). From the time of delivery of a Notice of Intent (or deemed receipt of the Notice of Intent, if applicable) with respect to a vault receipt until the Cut-Off Time therefor (assuming no Default Notice has been delivered with respect thereto) or, if a Default Notice has been delivered, until such time as the Clearing Service Provider or its agent may transfer in the NYSE Liffe Guardian Delivery System the applicable vault receipt in accordance with the Rules of the Exchange and the Rules of the Clearing Service Provider, the Exchange shall have no obligation to any Clearing Member or any other person other than the Clearing Service Provider to comply with instructions with respect to such vault receipt from such Clearing Member or person. Each Clearing Member hereby agrees to the provisions relating to the Clearing Service Provider as set forth in this Rule 1508A(d) and grants a valid and enforceable security interest to the Clearing Service Provider in all of such Clearing Member’s vault

receipts to the extent provided in this Rule 1508A(d). Each Clearing Member represents to the Exchange that it is fully authorized by the holder on whose behalf the Clearing Member is acting, if any, to grant a security interest in such vault receipts to the Clearing Service Provider pursuant to this Rule 1508A(d).

(iii) In the case of an electronic vault receipt, to reflect the Clearing Service Provider's security interest during the delivery process, the Exchange shall include a notation in the electronic vault receipt that it is "Pledged, Transferred and Held for OCC"¹²² or other applicable Clearing Service Provider. This notation shall mean that such electronic vault receipt is held by the Exchange for, pledged by the purchasing and selling Clearing Members to, and transferred to the Clearing Service Provider. This notation shall be removed upon completion of the delivery process, assuming the Exchange has not received a Default Notice.

(iv) Each Clearing Member hereby agrees to the Exchange performing the Exchange Services. Each Clearing Member further understands that the security interest granted by the selling Clearing Member and the purchasing Clearing Member to the Clearing Service Provider in any vault receipt shall commence from the date the Exchange receives the Notice of Intent (or such Notice of Intent is deemed to have been delivered and received by the Exchange) and shall continue until settlement of the relevant Futures (unless a Default Notice has been delivered with respect to such Futures, in which case such security interest shall continue until satisfaction of obligations owed to the Clearing Service Provider by the selling and purchasing Clearing Members with respect to such Futures), notwithstanding the electronic book entry in the NYSE Liffe Guardian Delivery System in favor of the selling Clearing Member.

(v) Each Clearing Member also understands that the Exchange has subordinated its Exchange Lien in respect of vault receipts going to delivery from the date the Exchange provides the Clearing Service Provider notice that a Notice of Intent has been delivered (or is deemed to have been delivered), until and including the Cut-Off Time on the date that settlement is supposed to occur (regardless of whether or not settlement does in fact occur) (such period, the "Vault Receipt Subordination Period"). Each Clearing Member hereby agrees that the Exchange Lien shall be immediately reinstated as first priority without further action after the Vault Receipt Subordination Period; provided that, in the event that the Exchange has received notice from the Clearing Service Provider of a default as described above, the Clearing Service Provider shall have no responsibility for, and the Exchange Lien shall not be reinstated as first priority with respect to, any obligations of any person to the Exchange accruing prior to the Cut-Off Time, and the Clearing Service Provider shall be responsible to the Exchange, and the Exchange Lien shall have a first priority security status, only with respect to storage charges accruing after the Clearing Service Provider gives

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Such notation will include a cross-reference to the phrase "Pledged to, Transferred to and Held for OCC."

notice of a default as described above and only with respect to such particular vault receipt.

(vi) By going to delivery, each Clearing Member further represents and warrants that there are no liens, encumbrances on or defense to the relevant vault receipts other than that of the Exchange and the Clearing Service Provider specified in this Rule 1508A.

(e) Outside Transfer

(i) A paper vault receipt may be removed from the NYSE Liffe Guardian Delivery System only upon instructions of the Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) to the Exchange and the consent of the Exchange. Upon such request to remove a paper vault receipt, the Exchange shall make an electronic entry in the account of such Clearing Member to indicate that such receipt has been removed from the NYSE Liffe Guardian Delivery System and, in accordance with the rules and procedures of the Central Depository, the Originating Vault and the Exchange, the Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) may request that the Central Depository return such paper vault receipt to the Originating Vault and that the Originating Vault issue a vault receipt in such name as the Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) may designate. Each Originating Vault shall assist any Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) wishing to effect an Outside Transfer to do so in accordance with the conditions and agreements set forth in the agreement of regularity between the Exchange and such Originating Vault and the rules and procedures of such vault and the Rules of the Exchange and its procedures. If a Clearing Member wishes to re-enter into the NYSE Liffe Guardian Delivery System a vault receipt transferred outside the NYSE Liffe Guardian Delivery System pursuant to this Rule 1508A(e), the Clearing Member may request that an Originating Vault issue a new electronic vault receipt in accordance with Rule 1508B.

(ii) An electronic vault receipt may be cancelled in the NYSE Liffe Guardian Delivery System only upon instructions of the Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) to the Exchange and the consent of the Exchange. In each case, the Exchange shall mark such electronic vault receipt as "cancelled" in the NYSE Liffe Guardian Delivery System and, in accordance with the rules and procedures of the Originating Vault and the Rules of the Exchange and its procedures, the Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) may request that the Originating Vault issue a vault receipt in such name as the Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) may designate. Each Originating Vault shall assist any Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) wishing to effect an Outside Transfer to do so in accordance with the conditions and

agreements set forth in the Vault Regularity Agreement for such vault and the rules and procedures of such vault and the Rules of the Exchange and its procedures. If a Clearing Member wishes to re-enter into the NYSE Liffe Guardian Delivery System a vault receipt transferred outside the NYSE Liffe Guardian Delivery System pursuant to this Rule 1508A(e), the Clearing Member may request that a regular vault issue a new electronic vault receipt in accordance with Rule 1508B.

1508. B. Deliveries by Vault Receipts After Expiration of the Transition Period^{123*}

(a) Conversion of Vault Receipts and Issuance of Electronic Vault Receipts

(i) A Clearing Member for itself or on behalf of a holder of a vault receipt held outside the NYSE Liffe Guardian Delivery System may request at any time that an Originating Vault convert a paper vault receipt to an electronic vault receipt held through the NYSE Liffe Guardian Delivery System. Upon instruction of the Clearing Member or the Exchange (in the case of vault receipts relating to WDRs or otherwise held by the Exchange), an Originating Vault shall create an electronic vault receipt in the NYSE Liffe Guardian Delivery System in substitution for the vault receipt held outside the NYSE Liffe Guardian Delivery System.

(ii) By requesting such conversion, such Clearing Member represents and warrants to all subsequent persons entitled under the electronic vault receipt created in substitution for such vault receipt held outside that the Clearing Member, or the holder on whose behalf the Clearing Member is acting, is a person entitled under the vault receipt held outside the NYSE Liffe Guardian Delivery System at the time that the Clearing Member requested that such vault receipt be converted to or be substituted for an electronic vault receipt in the NYSE Liffe Guardian Delivery System. Any representation and warranty by the Exchange with respect to any conversion of vault receipts relating to any WDR requested by the Exchange shall be deemed made for the benefit of all Clearing Members holding WDRs at the time such conversion was requested by the Exchange.

(iii) Each Originating Vault shall maintain appropriate and clearly defined back office procedures to ensure correct data entry into the NYSE Liffe Guardian Delivery System when issuing an electronic vault receipt on behalf of the requesting Clearing Member, shall use the same receipt number as used for the associated paper vault receipts when converting to an electronic vault receipt, and shall verify the accuracy of each data entry made by the vault's personnel before uploading such information into the NYSE Liffe Guardian Delivery System. After creating the electronic vault receipt, if the associated receipt was a paper vault

¹²³ Rule 1508A will only be effective until the expiration of the Transition Period, after which time deliveries may only be effected in accordance with Rule 1508B, pursuant to CFTC Rule 40.6 NYSE Liffe US filing dated October 29, 2013.

* Supplemental guidance regarding creation and withdrawal of vault receipts available in CFTC Rule 40.6 filing by NYSE Liffe US dated November 16, 2009. Effective November 18, 2009. See Notice 25/2009.

receipt, the Originating Vault shall mark the paper vault receipt as follows: “An Electronic Receipt has been issued as a substitute for this Paper Receipt. This Paper Receipt is no longer valid for delivery.”

(iv) The Originating Vault shall maintain any paper vault receipt for which an electronic vault receipt is substituted on file for at least 5 years for recordkeeping purposes and to satisfy requirements of the Commission. The Originating Vault shall certify to the Exchange annually thereafter that all paper vault receipts submitted to such Originating Vault for conversion have been marked as required in this Rule 1508B(a)(iii) until such time as all paper vault receipts have been substituted for electronic vault receipts.

(v) After a vault receipt is issued in the NYSE Liffe Guardian Delivery System, upon discovery of an error, the person discovering such error shall promptly notify the Exchange in writing and the Exchange shall make arrangements such that corrections can be made as soon as practical unless the vault receipt has been tendered for delivery on a Futures in which case the Exchange will not be able to make the corrections until after delivery is effected in accordance with the Rules or with the Clearing Service Provider’s consent; provided that the Exchange shall be under no liability to warrant the accuracy or authenticity of the changes to the vault receipt.

(vi) Any vault receipt issued electronically in accordance with this Rule 1508B shall be a single authoritative copy of such electronic vault receipt. The Exchange shall maintain in the NYSE Liffe Guardian Delivery System a single authoritative copy of each electronic vault receipt in the name of the applicable Clearing Member specified therein and such single authoritative copy shall be unique and identifiable by a receipt number that shall not change, whether upon transfer of the electronic vault receipt or otherwise.

(vii) The intent of this Rule 1508B is to satisfy the requirements of Section 7-106(b) of the UCC.

(b) Timing of Delivery and Issuance of Vault Receipt

(i) Where silver is sold for delivery in a specified month, delivery of such silver may be made by the seller upon such day of the specified month as the seller may select. If the seller has not previously specified a day upon which to deliver, upon the third to the last business day of the delivery month a Notice of Intent shall be deemed to have been made by the seller and delivery must be made as set forth in paragraph (ii) of this Rule 1508B(b).

(ii) Paper vault receipts shall not be valid for delivery after 7:00 p.m. New York time on the last day of the Transition Period. In order for an electronic vault receipt to be valid for delivery against a Futures, such electronic vault receipt must satisfy the requirements and contract specifications set forth in this Chapter. Such electronic vault receipt must have been issued and entered in the NYSE

Liffe Guardian Delivery System in accordance with this Chapter before 12:00 p.m. New York time on the Seller's Notice Day; however, in the case of delivery on the last delivery day of the delivery month, such electronic vault receipt must be issued and entered before 11:00 a.m. New York time on the last Seller's Notice Day. If no electronic vault receipt shall have been issued and entered by 11:00 a.m. New York time on the last Seller's Notice Day of such delivery month, the seller shall be deemed to be in violation of a Rule of the Exchange and subject to possible disciplinary proceedings under Chapter 7 of the Rules.

(iii) Deliveries on silver Futures shall, subject to Rule 1508B(d), be made by electronic book entry in the NYSE Liffe Guardian Delivery System, reflecting the change in ownership interests in vault receipts issued by vaults which have been approved and designated as regular vaults by the Exchange for the storage of silver, using the electronic fields which the Exchange and the Clearing Service Provider require to be completed. Silver in bars of Exchange approved brands must come to the regular vault directly from an Exchange approved source or from another regular vault either on NYSE Liffe US or the COMEX Division of the New York Mercantile Exchange, Inc., by insured or bonded carrier.

(c) Endorsement of Vault Receipts

(i) In order to effect a valid delivery with respect to an electronic vault receipt, the person receiving delivery must be established in the NYSE Liffe Guardian Delivery System as the person to whom such electronic receipt is issued or transferred. Subject to the provisions of Rule 1508B(d) hereof, which provides for the control in favor of a Clearing Service Provider, the person to whom such electronic vault receipt is so delivered shall be deemed to have control of such electronic vault receipt for purposes of these Rules and the UCC. Upon any such delivery, the transferor shall be deemed to warrant, to its transferee and each subsequent transferee of the electronic vault receipt for delivery on Futures, and their respective immediate principals, the genuineness, validity, and worth of such electronic vault receipt, the rightfulness and effectiveness of its transfer thereof, and the quantity and quality of the silver shown on the electronic vault receipt. Such delivery shall also constitute a representation that all storage charges have been paid up to and including the business day following the day of delivery. Prepaid storage charges shall be charged to the buyer by the seller for a period extending beyond the business day following the day of delivery (but not in excess of one year) pro rata for the unexpired term and adjustments shall be made upon the invoice thereof. The intent of this Rule 1508B(c)(i) is to comply with the requirements for a negotiable electronic document of title as set forth in Section 7-501(b) of the UCC.

(ii) In the event such Clearing Member shall claim a breach of any warranty with respect to a delivery of an electronic vault receipt, and such claim relates to

the quantity or quality of the silver, the lot shall be immediately submitted for sampling and assaying to an assayer approved by the Exchange. The expense of sampling and assaying, as well as any related expenses, including, without limitation, shipping of the silver under bond in the event that shipment to the assayer is required, shall, in the first instance, be borne by the claimant. If a deficiency in quantity or quality shall be determined by the assayer, the claimant shall have the right to recover the difference in the market value and all expenses incurred in connection with the sampling and assaying and any cost of replacement of the silver. The claimant may, at its option, proceed directly against the original Transferor (as defined herein) of the vault receipt upon delivery in accordance with the Rules of the Exchange and its procedures, or against any Transferor prior to claimant without seeking recovery from its immediate deliverer on the Exchange contract, and if the claim is satisfied by the original Transferor of the vault receipt, or any other Transferor, all the Transferors shall be thereby discharged from liability to the claimant. If the claimant seeks recovery from any Transferor and its claim is satisfied by such Transferor, the party thus satisfying the claim shall have a similar option to claim recovery directly from any Transferor prior to him. Such claims as are in dispute between Members of the Exchange may in each case be submitted to arbitration under the Rules of the Exchange. In no event shall the Exchange be considered a Transferor with respect to any electronic vault receipt. For purposes of this subsection (ii), "Transferor" shall mean (x) in the case of a delivery of a vault receipt in paper form prior to the substitution of an electronic vault receipt for such paper vault receipt, an endorser, and (y) in the case of a delivery of a vault receipt in electronic form, a transferor.

(iii) In the case of a delivery of an electronic vault receipt as set forth in subsection (i) of this Rule 1508B(c), the liability of a Transferor (as defined in subsection (ii)) of an electronic vault receipt as provided herein shall not be deemed to limit the rights of such Transferor against any person or party for whose account the Transferor acted in making delivery on an Exchange contract. If it shall be determined in such arbitration proceeding that any Transferor of a vault receipt or the person or party for whom such Transferor acted was aware of the breach of warranty or was involved in a plan or arrangement with the original Transferor (or its principal) to place such inferior silver in store in a regular vault for use in deliveries upon Exchange contracts, such Transferors shall not be entitled to recover from any prior Transferor for the breach of warranty.

(iv) Notwithstanding the foregoing, in no event shall the Exchange be deemed to have endorsed or made any representation or warranty with respect to any WDRs or Underlying Vault Receipts (other than any representation or warranty for the benefit of all Clearing Members holding WDRs at the time the Exchange requested a conversion of a paper vault receipt to an electronic vault receipt in accordance with Rule 1508B(a)(i) and (ii)), and, in the event the Exchange shall be deemed for any reason to have endorsed or made any representation or warranty with respect to any WDRs or Underlying Vault Receipts, the

Exchange shall have no liability to any person with respect thereto. In addition, each of the Exchange and each Clearing Member holding one or more WDRs at the time the Exchange requested a conversion of a paper vault receipt to an electronic vault receipt held in connection with the issuance of WDRs acknowledges that upon any such conversion so requested by the Exchange, pursuant to Section 7-105 of the UCC, the Exchange represents and warrants to all subsequent persons entitled under the electronic vault receipt created in substitution for such paper vault receipt held in connection with the issuance of WDRs that the Exchange is a person entitled under such paper vault receipt at the time the Exchange requested that such paper vault receipt be substituted for an electronic vault receipt in the NYSE Liffe Guardian Delivery System. Each Clearing Member holding WDRs at the time of any conversion requested by the Exchange of a paper vault receipt to an electronic vault receipt and the making by the Exchange of the representation and warranty in Section 7-105 of the UCC, agrees, regardless of whether such paper vault receipt is traceable to such WDR(s) held by such Clearing Member, that the Exchange is making such representation and warranty for its benefit and that such Clearing Member shall indemnify and hold harmless the Exchange and each other Exchange Party from and against any Losses (as defined in Rule 415) incurred by or asserted against any Exchange Party arising out of, in connection with such representation or warranty.

(d) Security Interest in Vault Receipts

(i) Each Clearing Member that has an interest in a vault receipt hereby grants a valid and enforceable security interest (the "Exchange Lien") to the Exchange in all of such Clearing Member's vault receipts to secure all charges or fees associated with the custody and maintenance of such vault receipts and the silver underlying such vault receipts. Each Clearing Member represents to the Exchange with respect to each such vault receipt that it is fully authorized by the holder on whose behalf the Clearing Member is acting, if any, to grant a security interest in such vault receipts to the Exchange pursuant to this Rule 1508B(d).

(ii) Each Clearing Member, by entering into the delivery process, understands that, pursuant to the Clearing Service Agreement, the Exchange has agreed to maintain on behalf of the Clearing Service Provider, as the Clearing Service Provider and as secured party, any vault receipt, including any replacement vault receipt, with respect to which a selling Clearing Member has delivered to the Exchange a Notice of Intent or is deemed to have delivered a Notice of Intent under Rule 1508B(b)(i) and (ii), from the time of delivery of such Notice of Intent (or deemed receipt of such Notice of Intent, if applicable) until 11:00 a.m., New York time (the "Cut-Off Time"), on the date of settlement for such vault receipt, except that, if the Exchange has received notice from the Clearing Service Provider prior to the Cut-Off Time of a default by the selling or purchasing Clearing Member (a "Default Notice"), the Exchange shall continue to maintain such vault receipt for the benefit of the Clearing Service Provider as secured party until notified otherwise by the Clearing Service Provider and,

subject to applicable law, shall deliver such vault receipt to the Clearing Service Provider or its agent upon the instructions of the Clearing Service Provider and otherwise in accordance with the Rules of the Exchange (the foregoing responsibilities in this clause (ii), and any related actions and obligations of the Exchange, the “Exchange Services”). From the time of delivery of a Notice of Intent (or deemed receipt of the Notice of Intent, if applicable) with respect to a vault receipt until the Cut-Off Time therefor (assuming no Default Notice has been delivered with respect thereto) or, if a Default Notice has been delivered, until such time as the Clearing Service Provider or its agent may transfer in the NYSE Liffe Guardian Delivery System the applicable vault receipt in accordance with the Rules of the Exchange and the Rules of the Clearing Service Provider, the Exchange shall have no obligation to any Clearing Member or any other person other than the Clearing Service Provider to comply with instructions with respect to such vault receipt from such Clearing Member or person. Each Clearing Member hereby agrees to the provisions relating to the Clearing Service Provider as set forth in this Rule 1508B(d) and grants a valid and enforceable security interest to the Clearing Service Provider in all of such Clearing Member’s vault receipts to the extent provided in this Rule 1508B(d). Each Clearing Member represents to the Exchange with respect to each such vault receipt that it is fully authorized by the holder on whose behalf the Clearing Member is acting, if any, to grant a security interest in such vault receipts to the Clearing Service Provider pursuant to this Rule 1508B(d).

(iii) In the case of an electronic vault receipt, to reflect the Clearing Service Provider’s security interest during the delivery process, the Exchange shall include a notation in the electronic vault receipt that it is “Pledged, Transferred and Held for OCC”¹²⁴ or other applicable Clearing Service Provider. This notation shall mean that such electronic vault receipt is held by the Exchange for, pledged by the purchasing and selling Clearing Members to, and transferred to the Clearing Service Provider. This notation shall be removed upon completion of the delivery process, assuming the Exchange has not received a Default Notice.

(iv) Each Clearing Member hereby agrees to the Exchange performing the Exchange Services. Each Clearing Member further understands that the security interest granted by the selling Clearing Member and the purchasing Clearing Member to the Clearing Service Provider in any vault receipt shall commence from the date the Exchange receives a Notice of Intent (or such Notice of Intent is deemed to have been delivered and received by the Exchange) and shall continue until settlement of the relevant Futures (unless a Default Notice has been delivered with respect to such Futures in which case such security interest shall continue until satisfaction of obligations owed to the Clearing Service Provider by the selling and purchasing Clearing Members with respect to such Futures), notwithstanding the electronic book entry in the NYSE Liffe Guardian Delivery System in favor of the selling Clearing Member.

¹²⁴

Such notation will include a cross-reference to the phrase “Pledged to, Transferred to and Held for OCC.”

(v) Each Clearing Member also understands that the Exchange has subordinated its Exchange Lien in respect of vault receipts going to delivery from the date the Exchange provides the Clearing Service Provider notice that a Notice of Intent has been delivered (or is deemed to have been delivered), until and including the Cut-Off Time on the date that settlement is supposed to occur (regardless of whether or not settlement does in fact occur) (such period, the “Vault Receipt Subordination Period”). Each Clearing Member hereby agrees that the Exchange Lien shall be immediately reinstated as first priority without further action after the Vault Receipt Subordination Period; provided that, in the event that the Exchange has received notice from the Clearing Service Provider of a default as described above, the Clearing Service Provider shall have no responsibility for, and the Exchange Lien shall not be reinstated as first priority with respect to, any obligations of any person to the Exchange accruing prior to the Cut-Off Time, and the Clearing Service Provider shall be responsible to the Exchange, and the Exchange Lien shall have a first priority security status, only with respect to storage charges accruing after the Clearing Service Provider gives notice of a default as described above and only with respect to such particular vault receipt.

(vi) By going to delivery, each Clearing Member further represents and warrants that there are no liens, encumbrances on or defense to the relevant vault receipts other than that of the Exchange and the Clearing Service Provider specified in this Rule 1508B.

(e) Outside Transfer

(iii) An electronic vault receipt may be cancelled in the NYSE Liffe Guardian Delivery System only upon instructions of the Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) to the Exchange and with consent of the Exchange. In each case, the Exchange shall mark such electronic vault receipt as “cancelled” in the NYSE Liffe Guardian Delivery System and, in accordance with the rules and procedures of the Originating Vault and the Rules of the Exchange and its procedures, the Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) may request that the Originating Vault issue a vault receipt in such name as the Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) may designate. Each Originating Vault shall assist any Clearing Member (or the Clearing Service Provider if a Default Notice has been delivered) wishing to effect an Outside Transfer to do so in accordance with the conditions and agreements set forth in the Vault Regularity Agreement for such vault and the rules and procedures of such vault and the Rules of the Exchange and its procedures. If a Clearing Member wishes to re-enter into the NYSE Liffe Guardian Delivery System a vault receipt transferred outside the NYSE Liffe Guardian Delivery System pursuant to this Rule 1508B(e), the Clearing Member may request that a regular vault issue a new electronic vault receipt in accordance with Rule 1508B.

1509. Storage Charges and Transfer Fees

Storage charges, ~~transfer fees and in and out charges~~ withdrawal fees, maximum storage rates, handling charges and any penalties shall be set by each depository vault and the schedule of such charges shall be posted with the Exchange, which shall be notified by the depository vault at least 60 days in advance of any changes in the rate schedule. Except as otherwise provided, all such charges and fees with respect to any silver shall ~~remain at all times be~~ the responsibility of the ~~seller~~ Clearing Member in whose name the vault receipt is maintained in the records of the NYSE Guardian Delivery System, including, for the avoidance of doubt, after a Notice of Intent has been delivered, the applicable selling Clearing Member, until payment is made.

1510. Cost of Inspection, Weighing, Storage and Delivery

All charges associated with the delivery of ~~S~~silver and all costs associated with inspections, weighing, and Exchange documentations, through the day of delivery, shall be paid by the delivering party. The delivering party shall pay storage charges through the business day following the day of delivery. The receivers shall pay all charges including storage charges incurred after the business day following the day of delivery.

A holder of an ~~Exchange approved~~ vault receipt for ~~S~~silver may request recertification at its expense at any time while the unit represented by such receipt is in the Exchange approved vault. Such recertification shall be made by an Exchange approved certifying authority or assayer, selected by such holder.

1511. Deposit of Silver with Vaults

No changes.

1512. Issuance of Vault Receipts

The Exchange and the Clearing Service Provider shall determine the electronic fields which are required to be completed in connection with the issuance of an electronic vault receipt that is deliverable in satisfaction of ~~S~~silver ~~f~~utures ~~c~~ontracts.

1513. Payment

Payment shall be made utilizing the electronic delivery system via the Clearing Service Provider's online system. Payment shall be made at the Clearing Service Provider's settlement time as defined in its rules for exchange transactions. ~~Thus~~ ~~the cost of the delivery will~~ shall be debited or credited to a ~~e~~Clearing firm's Member's settlement account. Buyers obligated to accept delivery must take delivery and make payment and sellers obligated to make delivery must make delivery during the Clearing Service Provider's settlement process as defined in its rules for exchange transactions, on the day of delivery, except on banking holidays when delivery must be taken or made and payment made during the Clearing Service Provider's

settlement process as defined in its rules for exchange transactions, or such other time designated by the Exchange, on the next banking business day.¹²⁵

1514. Regularity of Vaults

(a) Duties of Vault Operators

It shall be the duty of the operators of all regular vaults:

(i) To accept ~~S~~silver for delivery ~~on NYSE Liffe US contracts, in connection with the Exchange's Ssilver fFutures, provided such Ssilver is ordered into the vault by a Clearing Member of the Exchange, and all space in such vaults is not already filled or contracted for.~~

(ii) To immediately notify the Exchange in writing of any change in the condition of their vaults.

(iii) To release to the bearer of the receipt Ssilver held by it against a valid vault receipt only upon receipt of consent from the Exchange and in accordance with any instructions from the Exchange and only to such person or entity that is a representative of, in the case of electronic vault receipts, the Clearing Member specified in the relevant electronic vault receipt and, in the case of a paper receipt, the person identified by the Exchange as the owner or owner's representative thereof; provided, however, that the Vault agrees that for so long as an electronic vault receipt is marked with notation that it is "Pledged, Transferred and Held for OCC"¹²⁶ or other Clearing Service Provider, the vault shall release silver only as instructed by the Clearing Service Provider (or the Exchange on the Clearing Service Provider's behalf) and not release silver for delivery to any person or entity other than as instructed by the Clearing Service Provider.

(iv) To keep stocks of ~~S~~silver in storage in balance with ~~S~~silver represented by its outstanding vault receipts.

(b) Conditions of Regularity

Silver may be delivered against a ~~S~~silver Futures ~~contract~~ from any vault designated by the Exchange specifically for the storage of ~~S~~silver, and may not be delivered except from such designated vaults. In consideration of the Exchange approving the application of a vault for a declaration of regularity, the vault agrees to abide by the requirements and conditions for regularity, which requirements and conditions shall be set out in an executed agreement of regularity between the Exchange and such vault (a "Vault Regularity Agreement").

¹²⁵ Text of subsection (b) of Rule 1513 amended. Effective March 30, 2009, pursuant to CFTC Rule 40.6 filing by NYSE Liffe US dated March 26, 2009. See Notice 7/2009.

¹²⁶ Such notation will include a cross-reference to the phrase "Pledged to, Transferred to and Held for OCC."

The following shall constitute the requirements for regularity, and by accepting a Declaration of Regularity the vault agrees to abide by these conditions:

~~(i) The vault must notify the Exchange promptly of any material change in ownership or the condition of its premises.~~

~~(ii) The vault is required to submit a certified financial statement within 90 days of the firm's year end. A letter of attestation must accompany all financial statements signed by the Chief Financial Officer or if there is none, a general partner or executive officer.~~

~~(iii) Such vault shall be provided with standard equipment and appliances for the convenient and safe storage of Silver and provide for proper security.~~

~~(iv) The operator of such vault shall furnish to the Registrar all needed information to enable the Exchange to keep a correct record and account of all Silver received and delivered by the vault daily and of that remaining in store at the close of each week.~~

~~(v) The operator of such vault shall accord every facility to the Exchange for the examination of its books or records for the purpose of ascertaining the stocks of Silver. The Exchange shall have the authority to employ experts to determine the quantity and quality of Silver in said vault.~~

~~(vi) No vault operator shall engage in unethical or inequitable practices, or fail to comply with any laws, Federal or State, or Rules or Regulations promulgated under those laws.~~

~~(vii) The operator shall make such reports, keep such records, and permit such vault visitation as the Exchange or the Commodity Futures Trading Commission may prescribe, and shall comply with all applicable rules. The vault must keep all such reports, books and records for a period of five years from the date thereof.~~

~~(viii) The operator of such vault must give such bonds to the Exchange as may be required by the Exchange.~~

~~(ix) The vault shall neither withdraw as a regular vault nor withdraw any regular capacity except after a sixty (60) day notice to the Exchange or having obtained the consent of the Exchange.~~

~~(x) The vault shall notify the Exchange at least sixty (60) days in advance of any changes in its maximum storage rates, penalty for late storage payment and handling charges.~~

~~(xi) The Exchange may determine not to approve vaults for or increases in regular capacity of existing regular vaults, in its sole discretion;~~

~~regardless of whether such vaults meet the preceding requirements and conditions. Some factors that the Exchange may, but is not required to, consider in exercising its discretion may include, among others, whether receipts issued by such vaults, if tendered in satisfaction of futures contracts, might be expected to adversely affect the price discovery function of Silver futures contracts or impair the efficacy of futures trading in Silver, or whether the currently approved regular capacity provides for an adequate deliverable supply.~~

(c) Revocation of Regularity

Any regular vault may be declared by the Exchange to be irregular at any time if it does not comply with the conditions above set forth, or fails to carry out its prescribed duties. If the designation of a vault as regular shall be revoked a notice shall be posted on the Exchange website announcing such revocation and also the period of time, if any, during which the receipts issued by such vault shall thereafter be deliverable in satisfaction of ~~futures contracts in Silver~~ under the Rules of the Exchange.

By accepting a ~~Declaration of Regularity~~ each vault agrees, in the event of revocation of regularity ~~or expiration or withdrawal of regularity or notice of termination of the relevant Vault Regularity Agreement by the vault pursuant to the terms of such Vault Regularity Agreement,~~ to bear the expenses of the transfer of silver under bond to another regular vault capable of receiving such a transfer as approved by the Exchange.

(d) No Liability of the Exchange or any of its Affiliates

The Exchange or any of its Affiliates shall have no responsibility or liability to any Clearing Member, or the holder on whose behalf a Clearing Member is acting, with respect to any failure or mistake of an Originating Vault or the Central Depository with respect to such vault's obligations under these Rules or under a Vault Regularity Agreement, including without limitation, incorrect entry of data relating to any silver deposited with such vault.

(e) Financing Statement

The Exchange is authorized to file a precautionary Uniform Commercial Code financing statement specifying a vault as debtor and the Exchange as secured party, on behalf of itself and its Clearing Members, which financing statement shall identify that the vault holds silver as warehouseman, the right to which silver is evidenced by paper vault receipts or electronic vault receipts issued by the vault and which financing statement shall specify the "bailor/bailee" designation in the appropriate box on such financing statement.

SPECIAL NOTICES RELATING TO CHAPTER 15

**LICENSED DEPOSITORIES AND ASSAYERS
FOR 5,000 OUNCE SILVER CONTRACTS**

Depository	Location	Vault Number
Brinks Global Services USA, Inc. A Division of Brinks, Inc.	652 Kent Avenue Brooklyn, NY 11211	4001
Delaware Depository Service Company	3601 North Market Street Wilmington, DE 19802	4014
	4200 Governor Printz Blvd. Wilmington, DE 19802	4200
HSBC Bank USA	452 5 th Avenue New York, NY 10018	4008
	425 Sawmill River Road Ardsley, NY 10502	4100
Scotia Mocatta Depository A Division of Bank of Nova Scotia	26 Broadway New York, NY 10004	3201
	232 59 International Airport Center Blvd. Bldg. C, Suite 120 Jamaica, NY 11412	3202
<p>LICENSED ASSAYER FOR 5,000 OUNCE SILVER</p> <p>Ledoux & Company 359 Alfred Avenue Teaneck, NJ 07666 Orders: NJ (201) 837-7160</p>		

BRANDS APPROVED FOR DELIVERY AGAINST NYSE LIFFE US 5,000 OUNCE SILVER CONTRACTS

PRODUCER	REFINED AT	COMPUTER CODE	BRAND MARKS
The Anaconda Company	Perth Amboy, N.J.	UMCO	*UMS CO.
ASARCO Incorporated	Amarillo, Texas	ASAT	ASARCO SILVER - AMARILLO, TEXAS
	Baltimore, MD	ASBA	*ASARCO BALTIMORE, MARYLAND
	Perth Amboy, N.J.	ASCP	*ASARCO, PERTH AMBOY, N.J.
	Perth Amboy, N.J.	ASPA	*ASARCO PERTH AMBOY, NEW JERSEY
	Selby, CA	SGSR	*SELBY GOLD & SILVER REFINERY, SAN FRANCISCO, CAL.
Britannia Refined Metals Co.	Northfleet, England	BLCO	BLCO.
Broken Hill Associated Smelters Pty. Ltd.	Port Pirie, Australia	BHAS	BHAS
The Bunker Hill Company	Kellogg, Idaho	HILL	*BUNKER HILL

PRODUCER	REFINED AT	COMPUTER CODE	BRAND MARKS
Cerro de Pasco Corporation	La Oroya, Peru	CDPP	*C de P-PERU
Cominco Ltd.	Trail, British Columbia	TADA	TADANAC
Compania de Real Monte y Pachuca	Pachuca, Mexico	RDMM	R-del M
Comptoir Lyon-Alemand Louyot	Noisy le Sec, France	CLAP CLAL	*COMPTOIR LYON-ALEMAND, LOUYOT & CIE PARIS-COMPTOIR-LYON-ALEMAND, LOUYOT-PARIS
OMG AG & Co. KG	Hanau, Germany	DEGU	*DEGUSSA (with 1/2 sun and 1/4 moon within diamond)
OMG AG & Co. KG	South Plainfield, N.J.	METZ	*DEGUSSA (with 1/2 sun and 1/4 moon within diamond, also Metz est. 1921)
Dowa Mining Co. Ltd.	Kosaka City, Japan	DOWA	DOWA (with crossed hammers within circle)
Empresa Minera del Peru S.A.	La Oroya, Peru	CPPE	CP-PERU
Engelhard Corporation	Chessington, England Carteret, N.J.	ENCI ENNE	*ENGELHARD LONDON *ENGELHARD
Engelhard Corporation	Ivy, France	ECMP	*ENGELHARD (with Compagnie-Des Metaux-Precieux-Paris within an oval)
Furukawa-Metals Co., Ltd.	Nikko City, Japan	TRIA	OPEN TRIANGLE (like letter A, brand name "Yamaichi")
Golden West Refining Corporation Limited, Handy & Harman Refining Group Inc.	Attleboro, Mass.	GWHH	*HH HANDY & HARMAN REFINING GROUP
Handy & Harman	Attleboro, Mass. Fairfield, Conn.	HAND HARM	*HH HANDY & HARMAN SILVER *HH HANDY & HARMAN SILVER (with capital letter F bars produced at Fairfield, Conn.)
INCO Limited	Sudbury, Ontario	ORCO	ORC
Industrial Minera Mexico, S.A.	Monterey, Mexico Monterey, Mexico	ASMO IMMM	*ASARCO-MONTERREY IMM-MONTERREY
Johnson-Matthew Limited	Brampton, Ontario Brampton, Ontario Brampton, Ontario Brampton, Ontario	JMJM JMCO JMMG JMLT	*JOHNSON-MATTHEW JM (with crossed hammers and assay stamp: JM LTD-CANADA-ASSAY OFFICE) *JM (with crossed hammers) *J.M. & M. Ltd JM and crossed hammers in diamond surrounded by JOHNSON MATTHEW CANADA

PRODUCER	REFINED AT	COMPUTER CODE	BRAND MARKS
Johnson-Matthew Chemicals Ltd.	Royston, England Royston, England	JMLO JMCF	JOHNSON MATTHEW LONDON *JMCF
Johnson-Matthew Refining, Inc.	Salt Lake City, Utah	JMRI	JOHNSON MATTHEW JM (with crossed hammers and assay stamp: J.M.R.I. U.S.A. ASSAY OFFICE)
Kam-Kotia Mines Ltd.	Cobalt, Ontario	CRKO	*CRK
Kennecott Corporation	Magma, Utah	KUEU	KUE
Metalli-Preziosi S.p.A.	Milan, Italy	MPSP	METALLI PREZIOSI S.p.A. MILANO (with MP)
n.v. Union Miniere s.a. Business Unit Hoboken	Hoboken, Belgium Hoboken, Belgium	MHOV hobn	*HOBOKEN 999.7+ HOBOKEN 999+
Metalor Technologies USA Corp.	N. Attleboro, Mass. N. Attleboro, Mass.	MUST META	METALOR® (with "MUS" assay mark) *METAUX PRECIEUX SAMETALOR (in a circle with letters MUS in center)
Metalor Precieux SA Metalor	Neuchatel, Switzerland	MPOR	METAUX PRECIEUX SA METALOR (in a circle with letters MP in center)
Met-Mex Penoles, SA de CV	Monterrey, Mexico Torreon, Mexico	MPSA POPM	*METALURGICA MEXICANA PENOLE S.A. PRODUCT OF PENOLES MEXICO
Mitsubishi Materials Corporation	Kagawa, Japan	DIAM	Three diamonds forming a triangle
No. 1 Mining Corporation	Namtu, Burma	BRMA	BURMA MINES
Noranda Metallurgy Inc. Copper	Montreal-East, Quebec	CCRL	CCR CANADA
Norddeutsche Affinerie A.G.	Hamburg, W. Germany	NAHA	NORDEUTSCHE AFFINERIE HAMBURG
PAMP S.A.	Castel San Pietro, Switzerland	PAMP	PAMP
PGP Industries, Inc.	Duncan, South Carolina	PGPI	PGP
Rand Refinery Limited	Germiston, Transvaal	RRSA	RAND REFINERY LTD. (with RR Ltd. on underside)
Rudarsko-Metalursko-Hernijski Kombinatski Zavod Rrepea	Zvecan, Yugoslavia	TREP	TREPCA
Sabin Metal Corporation	Scottsville, N.Y.	SABN	SMC
Sheffield Smelting Co. Ltd.	Sheffield, England	SSCL	*THE SHEFFIELD SMELTING CO. LTD.

PRODUCER	REFINED AT	COMPUTER CODE	BRAND MARKS
United States Assay Office	Denver, Colorado	USDE	*SEAL OF UNITED STATES (with year and location of production)
	New York, New York	USNY	
	Philadelphia, Pa.	USPH	
	San Francisco, Cal.	USSE	
United States Metals Refining Co., division of Amax Copper, Inc.	Carteret, N.J.	DRW	*DRW
	U.S. Smelting, Refining & Mining East Chicago, IN.	USSC	*USSCO
Zaklady Metalurgiczne Trzebinia	Trzebinia, Poland	ZTMP	ZTM

*Denotes brands are no longer produced.

SILVER CHARGES

Vault	Withdrawal/ Receipt	Storage/ Receipt	Contract Size	Time Period
<u>HSBC</u>				
COMEX Silver	\$25.00	\$30.00	5,000 fine troy ounces (5 bars)	Monthly
NYSE Liffe US Silver	\$15.00	\$20.00	5,000 fine troy ounces (5 bars)	Monthly
<u>ScotiaMocatta</u>				
COMEX Silver	\$20.00	\$24.00	5,000 fine troy ounces (5 bars)	Monthly
<u>Brinks</u>				
COMEX Silver	\$20.00	\$24.00	5,000 fine troy ounces (5 bars)	Monthly
<u>Delaware Depository</u>				
COMEX Silver	\$20.00	\$24.00	5,000 fine troy ounces (5 bars)	Monthly
NYSE Liffe US Silver	\$20.00	\$24.00	5,000 fine troy ounces (5 bars)	Monthly

Note: The storage rate for Silver is per 5,000 ounce receipt regardless of the number of bars bundled.

Chapter 17
MINI-SIZED SILVER FUTURES

1701. Scope of Chapter

This chapter is limited in application to trading of mini-sized Silver futures. The procedures for trading, clearing, inspection, delivery and settlement, and any other matters not specifically covered herein shall be governed by the general Rules of the Exchange.

1702. Contract Specifications

The contract grade for delivery on Futures made under these Rules shall be refined Silver in a bar cast in a basic weight of 1,000 troy ounces (each bar may vary no more than 10 percent). Such Silver may not assay less than 999 fineness, and must be made up of one of the brands and markings officially listed by the Exchange as provided in Rule 1705, current at the date of delivery of such silver.¹²⁷

1703. Trading Specifications

Trading in mini-sized Silver futures shall be conducted in the current calendar month and any subsequent months. The number of months open for trading at a given time shall be determined by the Exchange.

(a) Trading Schedule

The hours of trading in mini-sized Silver futures shall be determined by the Exchange. On the last day of trading in an expiring futures, the closing time for such Futures shall be 1:25 p.m. New York time.

(b) Trading Unit

The unit of trading for mini-sized silver Futures shall be one thousand troy ounces of contract grade Silver.

(c) Price Increments

The minimum price fluctuation for mini-sized Silver futures shall be 10/100 of one cent per troy ounce \$0.001 which is \$ 1.00 per contract.

(d) Reserved

(e) Position Limits

¹²⁷ Amendments to the text of Rule 1502 (eliminating 1,100 troy ounce bar as deliverable grade) effective February 1, 2011, pursuant to CFTC Rule 40.6 filing by NYSE Liffe US dated September 9, 2010. See Notice 16/2010.

In accordance with Rule 420, Position Limits, no person shall own or control positions in excess of:

- (i) 1,500 ~~contracts~~ Futures net long or net short in the spot month.
- (ii) 1,500 ~~Futures-equivalent~~ contracts net long or net short in any single contract month excluding the spot month.
- (iii) 3,000 ~~Futures-equivalent~~ contracts net long or net short in all months combined.

Refer to Rule 420 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

(f) **Termination of Trading**

No trades in mini-sized Silver ~~Futures~~ deliverable in the current month shall be made during the last two business days of that month. Any contracts remaining open after the last day of trading must be settled by delivery no later than the last business day of the delivery month¹²⁸

1704. Refiners, Vaults and Assayers

Exchange approved refiners, vaults, and assayers may be listed with the Exchange upon approval by the Exchange. The Exchange shall maintain and make available such lists. The addition of refiners and vaults shall be binding upon all contracts outstanding as well as those entered into after approval.

1705. Brands and Markings of Silver

Brands and markings deliverable in satisfaction of ~~Futures~~ contracts shall be listed with the Exchange upon approval by the Exchange. The Exchange may require such sureties as it deems necessary. The Exchange shall make available a list of the brands and markings of Silver bars which are deliverable. The addition of brands and markings shall be binding upon all such contracts outstanding as well as those entered into after approval.

If at any time a brand or marking fails to meet the requirements adopted by the Exchange or the metallurgical assay of any Silver bars bearing a brand or marking on the official list depreciates below 999 fineness, the Exchange may exclude said brand or marking from the official list unless deliveries of bars bearing said brand or marking are accompanied by certificates of analysis of an official assayer showing a Silver fineness of not less than 999, and such additional bond as the Exchange may deem necessary. Notice of such action shall be posted by the Exchange and the official list shall indicate the limitation upon deliveries of said brand or marking.

¹²⁸ Section (f) of Rule 1703 amended. Effective March 30, 2009, pursuant to CFTC Rule 40.6 filing with CFTC dated February 18, 2009. See Notice 4/2009.

1706. Product Certification and Shipment

To be eligible for delivery on the Exchange, all ~~S~~silver must be certified as to fineness and weight by an Exchange approved refiner, assayer, or other Exchange approved certifying authority and must be shipped directly from the Exchange approved refiner, assayer, or certifying authority via Exchange approved carriers to Exchange approved vaults.

If ~~S~~silver is not continuously in the custody of an Exchange approved vault or carrier, the Exchange may require that it be recertified as to fineness and weight to be eligible for delivery.

The Exchange at its sole discretion shall have the authority at any time to have assayed any ~~S~~silver bars covered by vault receipts delivered against ~~f~~Futures contracts. In such an event, costs are to be borne by the Exchange.

1707. Delivery Points

Silver located at regular vaults at points approved by the Exchange may be delivered in satisfaction of ~~f~~Futures contracts.

~~1708. Deliveries~~

~~(a) Deliveries by Vault Receipts~~

~~(i) Where Silver is sold for delivery in a specified month, delivery of such Silver may be made by the seller upon such day of the specified month as the seller may select. If not previously delivered, delivery must be made upon the last business day of the month.~~

~~(ii) In order to be valid for delivery against a futures contract, a vault receipt in electronic form must be entered on the NYSE Liffe Guardian Delivery System based on the deposit of a vault receipt in paper form issued in accordance with the requirements under Rule 1702. Such paper vault receipt must be issued before 12:00 p.m. New York time on seller's notice day, which is the second business day prior to the day of delivery; however, in the case of delivery on the last delivery day of the delivery month, such paper vault receipt must be issued before 11:00 a.m. New York time on seller's notice day. Deliveries on mini-sized Silver futures contracts shall be made by book entry in the NYSE Liffe Guardian Delivery System, reflecting the change in ownership interests in vault receipts in paper form issued by vaults which have been approved and designated as regular vaults by the Exchange for the storage of Silver, using the electronic fields which the Exchange and the Clearing Service Provider require to be completed.¹²⁹ Silver in bars must come to the regular vault directly from an approved source or from another regular vault either on NYSE Liffe US or the COMEX Division of the New York Mercantile Exchange, Inc., by insured or bonded carrier.~~

¹²⁹ Text of subsection (a)(ii) to Rule 1708 amended. Effective March 30, 2009, pursuant to CFTC Rule 40.6 NYSE Liffe US filing dated March 26, 2009. See Notice 07/2009.

~~(iii) — In order to effect a valid delivery, each vault receipt must be endorsed by the Clearing Member making the delivery; any transfer by electronic means of a vault receipt as set forth above in sub-section (a) of this Rule 1708 constitutes an endorsement with respect to such vault receipt. In the event that a vault receipt is delivered and a transfer of such vault receipt subsequently occurs off of the NYSE Liffe US Trading Platform (an “Outside Transfer”), endorsement with respect to such Outside Transfer will be made on the face of the vault receipt and, if such vault receipt is subsequently entered into the NYSE Liffe US Trading Platform, such endorsement will remain as a record with respect to such Outside Transfer.¹³⁰ By any endorsement, the endorser shall be deemed to warrant, to his transferee and each subsequent transferee of the receipt for delivery on Exchange contracts, and their respective immediate principals, the genuineness, validity, and worth of such receipt, the rightfulness and effectiveness of his transfer thereof, and the quantity and quality of the Silver shown on the receipt. Such endorsement shall also constitute a representation that all storage charges have been paid up to and including the business day following the day of delivery. Prepaid storage charges shall be charged to the buyer by the seller for a period extending beyond the business day following the day of delivery (but not in excess of one year) pro rata for the unexpired term and adjustments shall be made upon the invoice thereof.~~

~~(iv) — In the event such Exchange Member or principal shall claim a breach of such warranty, and such claim relates to the quantity or quality of the Silver, the lot shall be immediately submitted for sampling and assaying to an assayer approved by the Exchange; the Silver must be shipped under bond, and at the owner’s expense, to the assayer. The expense of sampling and assaying shall, in the first instance, be borne by the claimant. If a deficiency in quantity or quality shall be determined by the assayer, the claimant shall have the right to recover the difference in the market value and all expenses incurred in connection with the sampling and assaying and any cost of replacement of the Silver. The claimant may, at his option, proceed directly against the original endorser of the vault receipt upon Exchange delivery, or against any endorser prior to claimant without seeking recovery from his immediate deliverer on the Exchange contract, and if the claim is satisfied by the original endorser of the vault receipt, or any other endorser, all the endorsers will be thereby discharged from liability to the claimant. If the claimant seeks recovery from any endorser and his claim is satisfied by such endorser, the party thus satisfying the claim will have a similar option to claim recovery directly from any endorser prior to him. Such claims as are in dispute between Members of the Exchange may in each case be submitted to arbitration under the Rules of the Exchange.~~

~~(v) — The liability of an endorser of a vault receipt as provided herein shall not be deemed to limit the rights of such endorser against any person or party for whose account the endorser acted in making delivery on an Exchange~~

¹³⁰ Text of subsection (a)(iii) to Rule 1708 amended. Effective March 30, 2009, pursuant to CFTC Rule 40.6 NYSE Liffe US filing dated March 26, 2009. See Notice 07/2009.

contract. If it shall be determined in such arbitration proceeding that any endorser of a vault receipt or the person or party for whom such endorser acted was aware of the breach of warranty or was involved in a plan or arrangement with the original endorser (or his principal) to place such inferior Silver in store in a regular vault for use in deliveries upon Exchange contracts, such endorsers shall not be entitled to recover from any prior endorser for the breach of warranty.

(b) — Deliveries by Silver Warehouse Depository Receipts

(i) — Deliveries of NYSE Liffe US mini-sized Silver may be made by delivery of WDRs.^{*} In order to effect a valid delivery, each WDR must be endorsed by the Clearing Member making the delivery; any transfer by electronic means of a WDR in the NYSE Liffe Guardian Delivery System constitutes an endorsement with respect to such WDR. Such endorsement shall constitute a warranty of the genuineness of the WDR and of good title thereto, but shall not constitute a guaranty, by an endorser, of performance by the vault. Such endorsement shall also constitute a representation that all storage charges have been paid on the Silver covered by the WDR, in accordance with Rule 1709.¹³¹

(ii) — WDRs may not be cancelled for load-out. Upon return of a WDR to the Exchange, and payment of all storage charges pertaining to the silver represented, for which the Exchange claims a lien, a registered vault receipt in electronic form will be delivered by the Exchange to the holder of the WDR, utilizing the electronic delivery system via the Clearing Service Provider's on-line system. Delivery of a vault receipt to the holder of the WDR shall not constitute a guaranty by the Exchange of performance by the vault.¹³²

(c) — Security Interest in Vault Receipts and WDRs¹³³

(i) — Each Clearing Member that has an interest in a vault receipt or a WDR hereby grants a valid and enforceable security interest (the "Exchange Lien") to the Exchange in all of such Clearing Member's vault receipts or WDRs to secure all charges or fees associated with the custody of such vault receipts or WDRs and the Silver underlying such vault receipts or WDRs.

(ii) — Each Clearing Member, by entering into the delivery process, understands that, pursuant to an Agreement for Clearing and Settlement Services, dated as of March 9, 2009, between OCC and the Exchange, the Exchange has agreed to maintain as agent on behalf of OCC as Clearing Service Provider any vault receipt or WDR with respect to which a selling Clearing Member has

* Related operational guidance contained in CFTC Rule 40.6 filing by NYSE Liffe dated September 5, 2008. See Notice 8/2008.

¹³¹ Amendment to text of subsection (b)(i) to Rule 1708. Effective March 30, 2009, pursuant to CFTC Rule 40.6 NYSE Liffe US filing dated March 26, 2009. See Notice 07/2009.

¹³² *Id.*

¹³³ Amendment, adding Subsection (c) to Rule 1708. Effective March 30, 2009, pursuant to CFTC Rule 40.6 NYSE Liffe US filing dated March 26, 2009. See Notice 07/2009.

~~delivered to the Exchange a notice of intent to deliver such vault receipt or WDR in settlement of a Contract (a “Notice of Intent”), from the time of delivery of such Notice of Intent until 11:00 a.m., New York time (the “Cut Off Time”), on the date of settlement for such vault receipt or WDR, unless the Exchange has received notice from OCC of a default by the relevant selling or purchasing Clearing Member, in which case the Exchange shall continue to maintain such vault receipt or WDR for the benefit of OCC until notified otherwise by OCC and, subject to applicable law, shall deliver such vault receipt or WDR to OCC or its agent upon the instructions of OCC (the “Exchange Services”). Each Clearing Member hereby agrees to the Exchange performing such Exchange Services. Each Clearing Member further understands that the security interest granted by the selling Clearing Member and the purchasing Clearing Member to OCC in any vault receipt or WDR remains in effect from the time OCC receives (or is deemed to have received by the Rules of OCC) notice that a selling Clearing Member has delivered to the Exchange a Notice of Intent until settlement of the relevant Contract, notwithstanding the electronic book entry in the NYSE Liffe US Trading Platform in favor of the selling Clearing Member. Each Clearing Member also understands that the Exchange has waived its lien in respect of vault receipts or WDRs going to delivery from the date the Exchange provides OCC notice that a Notice of Intent has been delivered, until and including the Cut Off Time on the date on which settlement is supposed to occur (regardless of whether or not such settlement does in fact occur) (such period, the “Waiver Period”). Each Clearing Member hereby agrees that the Exchange Lien shall be immediately reinstated without further action after the Waiver Period; provided that, in the event that the Exchange has received notice from OCC of a default as described above, OCC shall have no responsibility for, and the Exchange’s lien shall not be reinstated with respect to, any obligations of any person to the Exchange accruing prior to the Cut Off Time, and OCC shall be responsible to the Exchange, and the Exchange’s lien shall attach, only with respect to storage charges accruing after OCC takes possession of the vault receipt or WDR and only with respect to such particular vault receipt or WDR. By going to delivery, each Clearing Member further represents and warrants that there are no liens, encumbrances on or defense to the relevant vault receipts or WDRs other than that of the Exchange and OCC specified in this Rule 1708.~~

1708. Deliveries

(a) Deliveries by Vault Receipts

Except as set forth in Rule 1708(b), deliveries of mini-sized silver may be made by vault receipts in accordance with Rules 1508A and/or 1508B, which vault receipts relate to silver that satisfies the requirements and contract specifications set forth in this Chapter.

(b) Timing of Delivery and Issuance of WDRs

(i) Deliveries of mini-sized silver may be made by delivery of WDRs.* Where mini-sized silver is sold for delivery in a specified month, delivery of the WDR with respect to such mini-sized silver may be made by the seller upon such day of the specified month as the seller may select. If the seller has not previously specified a day upon which to deliver, upon the third to the last business day of the delivery month a Notice of Intent shall be deemed to have been made by the seller and delivery must be made as set forth in paragraph (ii) of this Rule 1708(b).

(ii) In order for a WDR to be valid for delivery against a Futures, such WDR must satisfy the requirements and contract specifications set forth in this Chapter. Such WDR must have been issued and entered in the NYSE Liffe Guardian Delivery System before 12:00 p.m. New York time on the Seller's Notice Day; however, in the case of delivery on the last delivery day of the delivery month, such WDR must be issued and entered on the NYSE Liffe Guardian Delivery System before 11:00 a.m. New York time on the last Seller's Notice Day of such delivery month. If no WDR shall have been issued and entered by 11:00 a.m. New York time on the last Seller's Notice Day of the delivery month, the seller shall be deemed to be in violation of a Rule of the Exchange and subject to possible disciplinary proceedings under Chapter 7 of the Rules. Deliveries on silver mini-sized Futures shall, subject to Rule 1708(e), be made by electronic book entry in the NYSE Liffe Guardian Delivery System, reflecting the change in ownership interests in WDRs.

(iii) WDRs may not be cancelled for load-out. Upon the return of five (5) WDRs to the Exchange, and payment of all storage charges pertaining to the silver represented, for which the Exchange claims a lien, an electronic vault receipt will be delivered by the Exchange to the holder of the five (5) WDRs. Prior to the expiration of the Transition Period (as defined in Chapter 1), either a paper vault receipt or an electronic vault receipt will be delivered. Delivery of a vault receipt to the holder of the WDRs shall not constitute a guaranty by the Exchange of performance by the vault.

(c) Endorsement of WDRs

(i) In order to effect a valid delivery with respect to a WDR, the person receiving delivery must be established in the NYSE Liffe Guardian Delivery System as the person to whom such WDR is transferred. Subject to the provisions of Rule 1708(d) hereof, which provides for the control in favor of the Clearing Service Provider, the person to whom such WDR is so delivered shall be deemed to have control of such WDR for purposes of these Rules and the UCC. Upon any such delivery, the transferor shall be deemed to warrant, to its

*Related operational guidance contained in CFTC Rule 40.6 filing by NYSE Liffe US-September 5, 2008. See Notice 8/2008.

transferee and each subsequent transferee of the WDR for delivery on Futures, and their respective immediate principals, the genuineness, validity, and worth of such WDR, the rightfulness and effectiveness of its transfer thereof. Such delivery shall also constitute a representation that all storage charges have been paid up to and including the business day following the day of delivery. Prepaid storage charges shall be charged to the buyer by the seller for a period extending beyond the business day following the day of delivery (but not in excess of one year) pro rata for the unexpired term and adjustments shall be made upon the invoice thereof. The intent of this Rule 1708(c)(i) is to comply with the requirements for a negotiable electronic document of title as set forth in Section 7-501(b) of the UCC.

(ii) Notwithstanding the foregoing, in no event shall the Exchange be deemed to have endorsed or made any representation or warranty with respect to any WDRs or Underlying Vault Receipts (other than any representation or warranty for the benefit of all Clearing Members holding WDRs at the time the Exchange requested a conversion of a paper vault receipt to an electronic vault receipt in accordance with Rule 1508A(a)(i)), and, in the event the Exchange shall be deemed for any reason to have endorsed or made any representation or warranty with respect to any WDRs or Underlying Vault Receipts, the Exchange shall have no liability to any person with respect thereto. In addition, each of the Exchange and each Clearing Member holding one or more WDRs at the time the Exchange requested a conversion of a paper vault receipt to an electronic vault receipt held in connection with the issuance of WDRs acknowledges that upon any such conversion so requested by the Exchange, pursuant to Section 7-105 of the UCC, the Exchange represents and warrants to all subsequent persons entitled under the electronic vault receipt created in substitution for such paper vault receipt held in connection with the issuance of WDRs that the Exchange is a person entitled under such paper vault receipt at the time the Exchange requested that such paper vault receipt be substituted for an electronic vault receipt in the NYSE Liffe Guardian Delivery System. Each Clearing Member holding WDRs at the time of any conversion requested by the Exchange of a paper vault receipt to an electronic vault receipt and the making by the Exchange of the representation and warranty in Section 7-105 of the UCC, agrees, regardless of whether such paper vault receipt is traceable to such WDR(s) held by such Clearing Member, that the Exchange is making such representation and warranty for its benefit and that such Clearing Member shall indemnify and hold harmless the Exchange and each other Exchange Party from and against any Losses (as defined in Rule 415) incurred by or asserted against any Exchange Party arising out of, in connection with such representation or warranty.

(d) **Security Interest in WDRs**

(i) Each Clearing Member that has an interest in a WDR hereby grants a valid and enforceable security interest (the "Exchange Lien") to the Exchange in all of such Clearing Member's WDRs (and related Proportional Interest (as defined below) in Underlying Vault Receipts (as defined below)) to

secure all charges or fees associated with the custody and maintenance of such WDRs and the silver underlying such WDRs. The Exchange Lien shall, in addition to being the security interest in such WDR, also constitute a security interest in a Proportional Interest of each Underlying Vault Receipt. “Proportional Interest” shall mean, with respect to any WDR and any time of calculation of the related Proportional Interest, the weight of silver specified on such WDR divided by the total weight of silver specified on all WDRs for mini-sized silver Futures recorded at such time in the books and records of the Exchange. Each Clearing Member represents to the Exchange with respect to each such WDR that it is fully authorized by the holder on whose behalf the Clearing Member is acting, if any, to grant a security interest to the Exchange pursuant to this Rule 1708(d) in such WDR.

(ii) Each Clearing Member, by entering into the delivery process, understands that, pursuant to Clearing Service Agreement, the Exchange has agreed to maintain on behalf of the Clearing Service Provider, as the Clearing Service Provider and as secured party, any WDR (and related Proportional Interest in Underlying Vault Receipts) with respect to which a selling Clearing Member has delivered to the Exchange a Notice of Intent (or is deemed to have delivered a Notice of Intent under Rule 1708(b)), from the time of delivery of such Notice of Intent (or deemed receipt of such Notice of Intent, if applicable) until 11:00 a.m., New York time (the “Cut-Off Time”), on the date of settlement for such WDR, except that, if the Exchange has received notice from the Clearing Service Provider prior to the Cut-Off Time of a default by the selling or purchasing Clearing Member (a “Default Notice”), the Exchange shall continue to maintain such WDR (and, in respect of such WDR, a Proportional Interest in the Underlying Vault Receipts) for the benefit of the Clearing Service Provider as secured party until notified otherwise by the Clearing Service Provider and, subject to applicable law, shall deliver such WDR to the Clearing Service Provider or its agent upon the instructions of the Clearing Service Provider and otherwise in accordance with the Rules of the Exchange (the foregoing responsibilities in this clause (ii), and any related actions and obligations of the Exchange, the “Exchange Services”). From the time of delivery of a Notice of Intent (or deemed receipt of the Notice of Intent, if applicable) with respect to a WDR until the Cut-Off Time therefor (assuming no Default Notice has been delivered with respect thereto) or, if a Default Notice has been delivered, until such time as the Clearing Service Provider or its agent may transfer in the NYSE Liffe Guardian Delivery System the applicable WDR in accordance with the Rules of the Exchange and the Rules of the Clearing Service Provider, the Exchange shall have no obligation to any Clearing Member or any other person other than the Clearing Service Provider to comply with instructions with respect to such WDR (or related Proportional Interest in Underlying Vault Receipts) from such Clearing Member or person. Each Clearing Member hereby agrees to the provisions relating to the Clearing Service Provider as set forth in this Rule 1708(d) and grants a valid and enforceable security interest to the Clearing Service Provider in all of such Clearing Member’s WDRs to the extent provided in this Rule 1708(d). Each Clearing Member represents to the Exchange with

respect to each such WDR that it is fully authorized by the holder on whose behalf the Clearing Member is acting, if any, to grant a security interest to the Clearing Service Provider pursuant to this Rule 1708(d) in such WDR.

(iii) To reflect the Clearing Service Provider's security interest during the delivery process, the Exchange shall include a notation in the electronic record relating to the WDR that it is "Pledged, Transferred and Held for OCC"¹³⁴ or other Clearing Service Provider. This notation shall mean that such WDR is held by the Exchange for, pledged by the purchasing and selling Clearing Member to, and transferred to the Clearing Service Provider. This notation shall be removed upon completion of the delivery process assuming that the Exchange has not received a Default Notice. The Clearing Service Provider's security interest in a WDR shall represent a Proportional Interest in each Underlying Vault Receipt held by the Exchange in respect of all WDRs for 5,000 oz. silver Futures. With respect to the Underlying Vault Receipts relating to WDRs, the Exchange shall be established in the NYSE Liffe Guardian Delivery System as the person to whom such vault receipt is issued or transferred and with respect to electronic vault receipts, shall be deemed to have control of such electronic vault receipt for purposes of these Rules and the UCC. In the case of a default by a purchasing or selling Clearing Member in respect of a WDR, the Clearing Service Provider may only recover an Underlying Vault Receipt by delivering to the Exchange for exchange a number of WDRs corresponding to a full vault receipt, in accordance with the procedures set forth in the Rules of the Exchange.

(iv) Each Clearing Member hereby agrees to the Exchange performing the Exchange Services. Each Clearing Member further understands that the security interest granted by the selling Clearing Member and the purchasing Clearing Member to the Clearing Service Provider in any WDR (and related Proportional Interest in the Underlying Vault Receipts) shall commence from the date the Exchange receives a Notice of Intent (or such Notice of Intent is deemed to have been delivered to and received by the Exchange) and shall continue until settlement of the relevant Futures (unless a Default Notice has been delivered with respect to such Futures, in which case such security interest shall continue until satisfaction of obligations owed to the Clearing Service Provider by the selling and purchasing Clearing Members with respect to such Futures), notwithstanding the electronic book entry in the NYSE Liffe Guardian Delivery System in favor of the selling Clearing Member.

(v) Each Clearing Member also understands that the Exchange has subordinated its Exchange Lien in respect of WDRs (and related Proportional Interest in Underlying Vault Receipts) going to delivery from the date the Exchange provides the Clearing Service Provider notice that a Notice of Intent has been delivered (or is deemed to have been delivered), until and including the Cut-Off Time on the date that settlement is supposed to occur (regardless of whether or not settlement does in fact occur) (such period, the "Vault Receipt

¹³⁴ Such notation will include a cross-reference to the phrase "Pledged to, Transferred to and Held for OCC."

Subordination Period”). Each Clearing Member hereby agrees that the Exchange Lien shall be immediately reinstated as first priority without further action after the Vault Receipt Subordination Period; provided that, in the event that the Exchange has received notice from the Clearing Service Provider of a default as described above, the Clearing Service Provider shall have no responsibility for, and the Exchange Lien shall not be reinstated as first priority with respect to, any obligations of any person to the Exchange accruing prior to the Cut-Off Time, and the Clearing Service Provider shall be responsible to the Exchange, and the Exchange Lien shall have a first priority security status, only with respect to storage charges accruing after the Clearing Service Provider gives notice of a default as described above and only with respect to such particular WDR.

(vi) By going to delivery, each Clearing Member further represents and warrants that there are no liens, encumbrances on or defense to the relevant WDRs other than that of the Exchange and the Clearing Service Provider specified in this Rule 1708.

1709. Storage Charges and Transfer Fees

Storage charges, ~~transfers and in-and-out charges~~ withdrawal fees, maximum storage rates, handling charges and any penalties, shall be set by each depository vault and the schedule of such charges shall be posted with the Exchange, which shall be notified by the depository vault at least 60 days in advance of any changes in the rate schedule. Except as otherwise provided, all such charges and fees shall at all times be the responsibility of the ~~seller Clearing Member in whose name the WDR is maintained in the records of the NYSE Guardian Delivery System, including, for the avoidance of doubt, after a Notice of Intent has been delivered, the applicable selling Clearing Member,~~ until payment is made.

1710. Cost of Inspection, Weighing, Storage and Delivery

All charges associated with the delivery of ~~S~~silver and all costs associated with inspections, weighing, and Exchange documentations, through the day of delivery, shall be paid by the delivering party. The delivering party shall pay storage charges through the business day following the day of delivery. The receivers shall pay all charges including storage charges incurred after the business day following the day of delivery.

A holder of an ~~Exchange approved~~ vault receipt for ~~S~~silver may request recertifications at ~~his~~ its expense at any time while the unit represented by such receipt is in the Exchange approved vault. Such recertification shall be made by an Exchange approved certifying authority or assayer, selected by such holder.

1711. Deposit of Silver with Vaults

No Changes.

1712. Issuance of Vault Receipts

The Exchange and the Clearing Service Provider shall determine the electronic fields which that are required to be completed in connection with the issuance of an electronic vault receipt that is deliverable in satisfaction of mini-sized ~~S~~silver ~~f~~utures ~~c~~ontracts.

1713. Payment

Payment shall be made utilizing the electronic delivery system via the Clearing Service Provider's online system. Payment ~~will~~ shall be made at the Clearing Service Provider's settlement time as defined in its rules for exchange transactions. ~~Thus, the~~ cost of the delivery shall be debited or credited to a ~~e~~Clearing firm's Member's settlement account. Buyers obligated to accept delivery must take delivery and make payment and sellers obligated to make delivery must make delivery during the Clearing Service Provider's settlement process as defined in its rules for exchange transactions, on the day of delivery, except on banking holidays when delivery must be taken or made and payment made during the Clearing Service Provider's settlement process as defined in its rules for exchange transactions, or such other time designated by the Exchange, on the next banking business day.¹³⁵

1714. Regularity of Vaults

Vaults under this Chapter 17 shall be governed by Rule 1514.

~~(a) — Duties of Vault Operators~~

~~It shall be the duty of the operators of all regular vaults:~~

~~(i) — To accept Silver for delivery on NYSE Liffe US contracts, provided such Silver is ordered into the vault by a Clearing Member of the Exchange, and all space in such vaults is not already filled or contracted for.~~

~~(ii) — To notify the Exchange of any change in the condition of their vaults.~~

~~(iii) — To release to the bearer of the receipt the bars covered by said receipt upon presentation of the receipt and payment of all storage and outloading charges no later than the business day following compliance with these provisions.~~

~~(iv) — To keep stocks of Silver in storage in balance with Silver represented by its outstanding vault receipts.~~

~~(c) — Conditions of Regularity~~

¹³⁵ Text of subsection (b) of Rule 1713 amended. Effective March 30, 2009, pursuant to CFTC Rule 40.6 filing by NYSE Liffe US dated March 26, 2009. *See* Notice 7/2009.

~~Silver may be delivered against a Silver contract from any vault designated by the Exchange specifically for the storage of Silver, and may not be delivered except from such vault. The following shall constitute the requirements for regularity, and by accepting a Declaration of Regularity the vault agrees to abide by these conditions:~~

~~(i) The vault must notify the Exchange promptly of any material change in ownership or the condition of its premises.~~

~~(ii) The vault is required to submit a certified financial statement within 90 days of the firm's year end. A letter of attestation must accompany all financial statements signed by the Chief Financial Officer or if there is none, a general partner or executive officer.~~

~~(iii) Such vault shall be provided with standard equipment and appliances for the convenient and safe storage of Silver and provide for proper security.~~

~~(iv) The operator of such vault shall furnish to the Registrar all needed information to enable the Exchange to keep a correct record and account of all Silver received and delivered by the vault daily and of that remaining in store at the close of each week.~~

~~(v) The operator of such vault shall accord every facility to the Exchange for the examination of its books or records for the purpose of ascertaining the stocks of Silver. The Exchange shall have the authority to employ experts to determine the quantity and quality of Silver in said vault.~~

~~(vi) No vault operator shall engage in unethical or inequitable practices, or fail to comply with any laws, Federal or State, or Rules or Regulations promulgated under those laws.~~

~~(vii) The operator shall make such reports, keep such records, and permit such vault visitation as the Exchange or the Commodity Futures Trading Commission may prescribe, and shall comply with all applicable rules. The vault must keep all such reports, books and records for a period of five years from the date thereof.~~

~~(viii) The operator of such vault must give such bonds to the Exchange as may be required by the Exchange.~~

~~(ix) The vault shall neither withdraw as a regular vault nor withdraw any regular capacity except after a sixty (60) day notice to the Exchange or having obtained the consent of the Exchange.~~

~~(x) The vault shall notify the Exchange at least sixty (60) days in advance of any changes in its maximum storage rates, penalty for late storage payment and handling charges.~~

~~(xi) The Exchange may determine not to approve vaults for regularity or increases in regular capacity of existing regular vaults, in its sole discretion, regardless of whether such vaults meet the preceding requirements and conditions. Some factors that the Exchange may, but is not required to, consider in exercising its discretion may include, among others, whether receipts issued by such vaults, if tendered in satisfaction of futures contracts, might be expected to adversely affect the price discovery function of mini-sized Silver futures contracts or impair the efficacy of futures trading in mini-sized Silver, or whether the currently approved regular capacity provides for an adequate deliverable supply.~~

~~(d) — **Revocation of Regularity**~~

~~Any regular vault may be declared by the Exchange to be irregular at any time if it does not comply with the conditions above set forth, or fails to carry out its prescribed duties. If the designation of a vault as regular shall be revoked a notice shall be posted on the Exchange website announcing such revocation and also the period of time, if any, during which the receipts issued by such vault shall thereafter be deliverable in satisfaction of futures contracts in mini-sized Silver under the Rules.~~

~~By accepting a Declaration of Regularity the vault agrees, in the event of revocation or expiration or withdrawal of regularity, to bear the expenses of the transfer of Silver under bond to another regular vault satisfactory to the holders of its vault receipts.~~

SPECIAL NOTICES RELATING TO CHAPTER 17

LICENSED DEPOSITORIES AND ASSAYERS FOR MINI-SIZED SILVER

Depository	Location	Vault Number
BRINKS GLOBAL SERVICES USA, INC. A DIVISION OF BRINKS, INC.	652 Kent Avenue Brooklyn, NY 11211	4001
DELAWARE DEPOSITORY SERVICE COMPANY, LLC	3601 North Market Street Wilmington, DE 19802	4014
	4200 Governor Printz Blvd. Wilmington, DE 19802	4200
HSBC BANK USA	452 5 th Avenue New York, NY 10018	4008
	425 Sawmill River Road Ardsley, NY 10502	4100
SCOTIA-MOCATTA DEPOSITORY, A DIVISION OF THE BANK OF NOVA SCOTIA	26 Broadway New York, NY 10004	3201
	232-59 International Airport Center Blvd. Bldg. C, Suite 120 Jamaica, NY 11412	3202
<p>LICENSED ASSAYER FOR 5,000 OUNCE SILVER</p> <p>Ledoux & Company 359 Alfred Avenue Teaneck, NJ 07666 Orders: NJ (201) 837-7160</p>		

BRANDS APPROVED FOR DELIVERY AGAINST MINI-SIZED SILVER CONTRACTS

PRODUCER	REFINED AT	COMPUTER CODE	BRAND MARKS
The Anaconda Company	Perth Amboy, N.J.	UMCO	*UMS CO
ASARCO Incorporated	Amarillo, Texas	ASAT	ASARCO SILVER — AMARILLO, TEXAS
	Baltimore, MD	ASBA	*ASARCO BALTIMORE, MARYLAND
	Perth Amboy, N.J.	ASCP	*AS & R CO. PERTH AMBOY, N.J.
	Perth Amboy, N.J.	ASPA	*ASARCO PERTH AMBOY, NEW JERSEY
	Selby, CA	SGSR	*SELBY GOLD & SILVER REFINERY, SAN FRANCISCO, CAL.
Britannia Refined Metals Co.			

PRODUCER	REFINED AT	COMPUTER CODE	BRAND MARKS
Broken Hill Associated Smelters Pty. Ltd.	Northfleet, England	BLCO	BLCo.
	Port Pirie, Australia	BHAS	BHAS
The Bunker Hill Company	Kellogg, Idaho	HILL	*BUNKER HILL
Cerro de Pasco Corporation	La Oroya, Peru	CDPP	*C de P PERU
Cominco Ltd.	Trail, British Columbia	TADA	TADANAG
Compania de Real Monte y Pachuca	Pachuca, Mexico	RDMM	R del M
Comptoir Lyon Aлеманд Louyot	Noisy le Sec, France	CLAP	*COMPTOIR LYON ALEMAND, LOUYOT & CIE PARIS
		CLAL	COMPTOIR LYON ALEMAND, LOUYOT PARIS
OMG AG & Co. KG	Hanau, Germany	DEGU	*DEGUSSA (with 1/2 sun and 1/4 moon within diamond)
OMG AG & Co. KG	South Plainfield, N.J.	METZ	*DEGUSSA (with 1/2 sun and 1/4 moon within diamond, also Metz est. 1921)
Dowa Mining Co. Ltd.	Kosaka City, Japan	DOWA	DOWA (with crossed hammers within circle)
Empresa Minera del Peru S.A.	La Oroya, Peru	CPPE	CP PERU
Engelhard Corporation	Chessington, England	ENCI	*ENGELHARD LONDON
	Carteret, N.J.	ENNE	*ENGELHARD
Engelhard Corporation	Ivy, France	ECMP	*ENGELHARD (with Compagnie Des Metaux Precieux Paris within an oval)
Furukawa Metals Co., Ltd.	Nikko City, Japan	TRIA	OPEN TRIANGLE (like letter A; brand name "Yamaichi")
Golden West Refining Corporation Limited, Handy & Harman Refining Group Inc.			
	Attleboro, Mass.	GWHH	*HH HANDY & HARMAN REFINING GROUP
Handy & Harman	Attleboro, Mass.	HAND	*HH HANDY & HARMAN SILVER
	Fairfield, Conn.	HARM	*HH HANDY & HARMAN SILVER (with capital letter F bars produced at Fairfield, Conn.)
INCO Limited	Sudbury, Ontario	ORCO	ORC
Industrial Minera Mexico, S.A.			

PRODUCER	REFINED AT	COMPUTER CODE	BRAND MARKS
	Monterrey, Mexico	ASMO	*ASARCO-MONTERREY
	Monterrey, Mexico	IMMM	IMM-MONTERREY
Johnson-Matthew Limited	Brampton, Ontario	JMJM	*JOHNSON-MATTHEW JM (with crossed hammers and assay stamp: JM LTD-CANADA-ASSAY OFFICE)
	Brampton, Ontario	JMCO	*JM (with crossed hammers)
	Brampton, Ontario	JMMC	*J.M. & M. Ltd
	Brampton, Ontario	JMLT	JM and crossed hammers in diamond surrounded by JOHNSON MATTHEW-CANADA
Johnson-Matthew Chemicals Ltd.	Royston, England	JMLO	JOHNSON-MATTHEW LONDON
	Royston, England	JMCF	*JMCF
Johnson-Matthew Refining, Inc.	Salt Lake City, Utah	JMRI	JOHNSON-MATTHEW-JM (with crossed hammers and assay stamp: J.M.R.I.-U.S.A.-ASSAY OFFICE)
Kam-Kotia Mines Ltd.	Cobalt, Ontario	CRKO	*CRK
Kennecott Corporation	Magma, Utah	KUEU	KUE
Metalli-Preziosi S.p.A.	Milan, Italy	MPSP	METALLI-PREZIOSI S.p.A. MILANO (with MP)
n.v. Union-Miniere s.a.-Business Unit Hoboken	Hoboken, Belgium	MHOV	*HOBOKEN-999.7+
	Hoboken, Belgium	hobn	HOBOKEN 999+
Metalor-Technologies USA Corp.	N. Attleboro, Mass.	MUST	METALOR® (with "MUS" assay mark)
	N. Attleboro, Mass.	META	*METAUX-PRECIEUX SAMETALOR (in a circle with letters MUS in center)
Metalor-Precieux SA Metalor	Neuchatel, Switzerland	MPOR	METAUX-PRECIEUX SA METALOR (in a circle with letters MP in center)
Met-Mex Penoles, SA de CV	Monterrey, Mexico	MPSA	*METALURGICA MEXICANA PENOLES S.A.
	Torreón, Mexico	POPM	PRODUCT OF PENOLES MEXICO
Mitsubishi Materials Corporation	Kagawa, Japan	DIAM	Three diamonds forming a triangle
No. 1 Mining Corporation	Namtu, Burma	BRMA	BURMA-MINES
Noranda Metallurgy Inc.-Copper	Montreal East, Quebec	CCRI	CCR-CANADA
Norddeutsche Affinerie A.G.			

PRODUCER	REFINED AT	COMPUTER CODE	BRAND MARKS
	Hamburg, W. Germany	NAHA	NORDEUTSCHE AFFINERIE HAMBURG
PAMP S.A.	Castel San Pietro, Switzerland	PAMP	PAMP
PGP Industries, Inc.	Duncan, South Carolina	PGPI	PGP
Rand Refinery Limited	Germiston, Transvaal	RRSA	RAND REFINERY LTD. (with RR Ltd. On underside)
Rudarsko Metalursko Hernijski Kombinat, Trepea Zvecan, Yugoslavia		TREP	TREPCA
Sabin Metal Corporation	Scottsville, N.Y.	SABN	SMC
Sheffield Smelting Co. Ltd.	Sheffield, England	SSCL	*THE SHEFFIELD SMELTING CO. LTD.
United States Assay Office	Denver, Colorado	USDE	*SEAL OF UNITED STATES (with year and location of production)
	New York, New York	USNY	
	Philadelphia, Pa.	USPH	
	San Francisco, Cal.	USSF	
United States Metals Refining Co., division of Amax Copper, Inc.	Carteret, N.J.	DRW	*DRW
U.S. Smelting, Refining & Mining	East Chicago, In.	USSC	*USSCO
Zakłady Metalurgiczne Trzebinia	Trzebinia, Poland	ZTMP	ZTM

*Denotes brands are no longer produced.

MINI-SIZED SILVER CHARGES

Vault	Withdrawal/ Receipt	Storage/ Receipt	Contract Size	Time Period
<u>HSBC</u> NYSE Liffe US Mini-sized Silver	\$15.00	\$4.00	1,000 fine troy ounces (1 bar)	Monthly
<u>Delaware Depository</u> NYSE Liffe US Mini-sized Silver	\$13.00	\$3.70	1,000 fine troy ounces (1 bar)	Monthly
NYSE Liffe US Mini Silver (as of 1/1/08)	\$20.00	\$5.00	1,000 fine troy ounces (1 bar)	Monthly
<u>Exchange charges</u> NYSE Liffe US WDR — Silver	n/a	\$4.00	1000 troy ounces	Monthly