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By Electronic Mail

March 9, 2011

Mr. David A. Stawick
Office of the Secretariat
Commodity Futures Trading Commission
1155 21st Street, N.W.
Washington, D.C. 20581

**Re: NYSE Liffe U.S. – Addition of Position Accountability Provision and
Technical Definitions**

Dear Mr. Stawick:

I am the Chief Regulatory Officer of NYSE Liffe US LLC (“NYSE Liffe US” or the “Exchange”). Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (the “Act”), and U.S. Commodity Futures Trading Commission Regulations (the “Regulations”) Section 40.6, I enclose a Cover Sheet for NYSE Liffe US Submission 2015-105 and NYSE Liffe US Notice 03\2011 which announces the addition of a position accountability provision to NYSE Liffe US Rule 420.

NYSE Liffe US hereby certifies that this notice complies with the Commodity Exchange Act and regulations thereunder.

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

Yours Truly,

Karl D. Cooper

Enclosures



NYSE LIFFE U.S. NOTICE No. 03/2011

ISSUE DATE: March 9, 2011
EFFECTIVE DATE: March 10, 2011

NYSE Liffe U.S.- Addition of Position Accountability Provision and Technical Definitions

Summary

This Notice announces the addition of a position accountability provision, which will apply to those Contracts as directed by the Exchange, including Interest Rate Futures contracts. Additionally, certain technical amendments are being added to Chapter 1 of the Rules.

1. Introduction

NYSE Liffe US Rule 420 provides authority to the Exchange to set position limits and to grant certain exemptions from such limits for particular Contracts. NYSE Liffe US (the "Exchange") is adding position accountability provisions to Rule 420.

2. New Rule 420(h) - Position Accountability

- 2.1 New Rule 420(h) provides that the Exchange may establish a position accountability level for any Contract. Positions in such Contracts that exceed the position accountability levels may be required to provide information relating to such positions, including: (1) the nature and size of the position; (2) the trading strategy employed with respect to the position; and (3) hedging information, if applicable.
- 2.2 Position accountability levels are set for each Contract and are listed in the notice announcing the listing of the particular Contract or the individual Contract specification.
- 2.3 Similarly to the position limit provision, in determining whether position accountability applies to a particular position, all positions in all accounts in which the person controls, directly or indirectly, trading shall be included, regardless of whether such account or accounts are proprietary in nature or held on behalf of customers. Furthermore, positions held by two or more persons acting pursuant to an express or implied agreement or understanding will be treated as if such positions were held by a single person.

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

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- 2.4 A person that holds or controls aggregate positions in excess of position accountability levels will be deemed to have consented to comply with any order of the Exchange, including: (1) a prohibition on further increasing the position; (2) compliance with a prospective limit; or (3) the reduction of any open position which exceeds accountability levels.
- 2.5 It should be noted that Rule 420(i) provides that a clearing member that carries positions for a person who is subject to Rule 420 shall be responsible to effect the timely compliance with any order issued pursuant to Rule 420.

3. New Definitions

- 3.1 The Exchange is adding new definitions for the terms “FICC” which means the Fixed Income Clearing Corporation and “NYPC” which means the New York Portfolio Clearing, LLC. The Exchange is also making some technical corrections to Chapter 1.

4. Blacklined Version of Rules

- 4.1 A blacklined version of the affected rules setting forth language added as underscored and language deleted in strikeout text as a result of the above-described amendments is attached in Appendix A.

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

Market Regulation Department +1 212 656 4300

NLMktReg@nyx.com

**Appendix to Notice XX/2011
Amendments to Chapter 1 Rules**

CHAPTER 1

DEFINITIONS AND INTERPRETATION

125. Exchange

The term "Exchange" means NYSE Liffe, US LLC, a Delaware limited liability company,...

128. FICC

The term "FICC" means the Fixed Income Clearing Corporation.

136. NYPC

The term "NYPC" means the New York Portfolio Clearing Corporation.

137. NYSE Liffe US

The term "NYSE Liffe US" means NYSE Liffe, US LLC.

Amendments to Chapter 4 Rules

420. Position Limits and Position Accountability

(a) Position limits shall be as established by the Exchange from time to time. Such position limits may be specific to a particular Contract or delivery month or may be established on an aggregate basis among Contracts or delivery months. Except as specified in paragraphs (b) and (c) below, no Person shall control, or trade in, any number of Contracts (in combination of Futures and Options on Futures (converted to Futures equivalents)) that exceed any position limits so established by the Exchange. Except as specified in paragraphs (b) and (c) below, no Person shall be permitted to enter into any transaction on the Exchange that would cause such Person to exceed any position limits.

(b) Upon application to the Market Regulation Department in accordance with paragraph (d) below, qualified hedge transactions shall automatically be exempt from the position limits that would otherwise apply. For purposes of this Rule 420, the term "qualified hedge transaction" shall include any transaction or position in a particular Contract that represents a substitute for transactions to be made or positions to be taken at a later time in the Commodity underlying such Contract, provided the transaction entered into

or position taken on the Exchange is economically appropriate to reduce risks arising from: *

(i) any potential change in the value of assets that a Person owns, produces, manufactures, processes or merchandises or anticipates owning, producing, manufacturing, processing or merchandising;

(ii) any potential change in the amount of liabilities that a Person owes or anticipates incurring;

(iii) any potential change in the value of services that a Person provides, purchases or anticipates providing or purchasing; or

(iv) any other good cause shown, as determined by the Exchange in its sole discretion.

(c) On the basis of an application to the Market Regulation Department in accordance with paragraph (d) below, and such supplemental information as the Market Regulation Department may request, the Exchange will determine whether to approve a particular transaction as an arbitrage or spread transaction. In granting any such approval, the Exchange may impose such limitations as it may deem necessary or appropriate in light of the liquidity of the markets involved and the Person's financial condition and business circumstances. Subject to any such limitations, transactions approved in accordance with the immediately preceding sentence shall be exempt from the position limits that would otherwise apply.

(d) Any application for an exemption from position limits for a hedging, arbitrage or spread transaction must be made by the relevant Person to the Market Regulation Department in such form, and within such time limits, as the Exchange may from time to time prescribe. Without limiting the generality of the foregoing, any such application must include the following:

(i) If a qualified hedge transaction, an arbitrage transaction or a spread transaction, a representation that such transaction or position constitutes a qualified hedge transaction, an arbitrage or a spread transaction, as the case may be, and is not used in an attempt to violate or avoid any Rule of the Exchange;

(ii) If a qualified hedge transaction, a representation that such transaction or position is necessary or advisable as an integral part of the business of such Person, which representation shall also include a description of such business;

(iii) If an arbitrage or spread transaction, an undertaking that the prospective arbitrageur or spreader will specify the extent of the Person's current or planned activity in the cash market underlying the Contract for which such exemption is requested;

(iv) If an arbitrage or spread transaction, a representation that the positions involved are moved in an orderly manner and not initiated or

* Related information regarding applications for hedge exemptions available at CFTC Rule 40.6 filing by NYSE Liffe US dated September 3, 2008. See Notice 3/2008.

liquidated in a manner calculated to cause unreasonable price fluctuations or unwarranted price changes;

(v) A representation that such Person has complied with any applicable federal requirement relating to hedging, arbitrage or spread transactions, as the case may be, and has obtained any necessary approvals from the Commission;

(vi) A schedule of the maximum number of Contracts, long and short, that such Person intends to enter into for hedging, arbitrage or spread transaction purposes, as the case may be;

(vii) An agreement that such Person will comply with any additional limits on its trading as the Exchange may from time to time impose; and

(viii) An agreement by such Person to promptly submit a supplemental statement explaining any change in circumstances that may affect the nature of its positions.

(e) In determining whether any Person has exceeded the position limits established by the Exchange or whether the position accountability provisions of paragraph (h) apply to any Person's positions, all positions in accounts for which such Person, by power of attorney or otherwise, directly or indirectly controls trading (whether on a proprietary basis or on behalf of Customers or Noncustomers) shall be included. Position limits or position accountability shall apply to positions held by two or more Person acting pursuant to an express or implied agreement or understanding in the same manner as if such positions were held by a single Person.

(f) The Exchange shall have the authority to review and rescind any exemption granted by it pursuant to paragraph (d) above at any time in its sole discretion.

(g) For purposes of paragraph (e) above, "control" exists when the Person in question makes investment decisions for the account or accounts in question or materially influences, directly or indirectly, the actions of any Person who makes such investment decisions. In addition, "control" will be presumed to exist in the following circumstances:

(i) Among all parties to a joint account who have authority to act on behalf of such account;

(ii) Among all general partners to a partnership account;

(iii) If a Person (A) holds an ownership interest of 10 percent or more in the Person holding the account or accounts in question, or (B) shares in 10 percent or more of the profits or losses related to such account or accounts;

(iv) If the Persons holding the account or accounts in question have common directors or management; or

(v) If a Person has the authority to execute transactions in the account or accounts in question.

Any presumption of control on the basis of the foregoing circumstances can be rebutted by proving that such circumstances do not exist or by showing other circumstances which negate the presumption of control. Initial determinations of "control" shall be made by the President or his or her designee.

(h) The Exchange may establish a position accountability level for any Contract. At any time, the Market Regulation Department may require a person who owns or controls positions in Contracts traded on the Exchange that exceed such position accountability levels to provide information relating to such person's position.

(i) Upon request by the Market Regulation Department, such person shall provide information relating to the positions owned or controlled by that person including, but not limited to;

(A) the nature and size of the position,

(B) the trading strategy employed with respect to the position, and

(C) hedging information, if applicable.

If the person from whom such information is requested fails to provide the information as directed, the Market Regulation Department may order the reduction of such position.

(ii) A person who exceeds position accountability levels as a result of maintaining positions at more than one clearing firm shall be deemed to have waived confidentiality regarding the person's position and the identity of the clearing members at which the positions are maintained.

(iii) A person who holds or controls aggregate positions in excess of specified position accountability levels shall be deemed to have consented to comply with any order of the Exchange which may include, but is not limited to, a prohibition on the further increase of the position, compliance with any prospective limit, or the reduction of any open position which exceeds position accountability levels. Any order to reduce an open position shall be issued by the Chief Regulatory Officer or the Chief Regulatory Officer's designee if such action is necessary to maintain an orderly market in the sole discretion of the Chief Regulatory Officer or the Chief Regulatory Officer's designee.

(i) A clearing member that carries positions for a person who is subject to this rule shall be responsible for taking reasonable and diligent actions to effect the timely compliance with any order issued pursuant to this rule upon notification of such order by the Market Regulation Department.

(j) All positions must be initiated and liquidated in an orderly manner.