



NYSE LIFFE US NOTICE No. 12/2013

ISSUE DATE: June 13, 2013

EFFECTIVE DATE: July 1, 2013

Designated Market Maker Program for Mini MSCI Index Futures

Summary

This Notice announces the introduction of a new Designated Market Maker (“DMM”) program for mini MSCI Emerging Markets, mini MSCI EAFE, mini MSCI Pan-Euro, mini MSCI World, mini MSCI Emerging Markets Latin America, mini MSCI Canada, and mini MSCI USA Index Futures (collectively “mini MSCIs”). Under the program, the Exchange offers incentives to Market Maker (“MMs”) to post two-sided quotations and provide liquidity in mini MSCIs. The term of the DMM program will be July 1, 2013, through December 31, 2013.

1. Introduction

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

2. New Designated Market Maker Program

- 2.1 After considering the performance of the MMs participating in the mini MSCIs DMM programs referenced above, which expire on June 30, 2013, the Exchange has determined to appoint a core group of firms to participate in a new DMM program for one or more mini MSCIs for a new term, commencing July 1, 2013, and continuing through December 31, 2013.
- 2.2 All MM appointments remain subject to the terms of a contractual agreement between the Exchange and each MM. Under the terms of the agreements, each MM represents

that its market making activity will comply with all applicable provisions of the Commodity Exchange Act, the rules and regulations of the Commodity Futures Trading Commission and the Rules of the Exchange. The Exchange will continue to monitor each MM's performance of market making activity under the contract and may adjust benefits otherwise due under the agreement and/or terminate the agreement if it determines the MM has failed to perform its obligations as a MM under the agreement. Please see Attachment 1 for further details.

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

New York Office
Chicago Office

+1 212 656 4300
+1 312 442 7730

nyseliffeus@nyx.com

Attachment 1

Designated Market Maker Program for mini MSCIs July 1, 2013 – December 31, 2013

Product(s)

- mini MSCI Emerging Markets (EM) Index Futures
- mini MSCI EAFE Index Futures
- mini MSCI Pan-Euro Index Futures
- mini MSCI World Index Futures
- mini MSCI Emerging Markets Latin America Index Futures
- mini MSCI Canada Index Futures
- mini MSCI USA Index Futures

Eligible Participants

- Market Participants with a valid Designated Market Making Agreement.

Hours

- European Trading Session: 3:00 a.m. – 9:00 a.m. New York Time (NYT)
- US Trading Session: 8:00 a.m. – 4:30 p.m. (NYT)

Program Term

- July 1, 2013 – December 31, 2013

Obligations

- A market participant that is registered as a MM in this program must be in full compliance with Exchange rules and with the DMM Agreement
- Post two-sided markets at contracted bid/offer spread and size for a substantial percentage of Trading Session.

Incentives

- mini MSCI Emerging Markets (EM) Index Futures
- mini MSCI EAFE Index Futures

European hours:

- Rebate of Exchange fees for volume traded before 8:00 a.m. NYT; otherwise reduced Exchange fees

U.S. hours:

- Reduced Exchange fees

Calendar Roll Bonus (mini MSCI EM and mini MSCI EAFE Futures only)

Additional bonus for the top three in calendar roll spread volume traded in the central order book during September 2013 and December 2013 Calendar Rolls subject to a minimum number of explicit calendar spreads between the first and second expiry

months traded in the central order book. (EFRP and block transactions are excluded from the calendar roll bonus pool).

- mini MSCI Pan-Euro Index Futures
- Waiver of Exchange fees
- Monthly pro-rata share of capped portion of Exchange fee revenue in the contract

- mini MSCI World Index Futures
- mini MSCI Emerging Markets Latin America Index Futures
- mini MSCI Canada Index Futures
- mini MSCI USA Index Futures

European hours (mini MSCI World Index only):

- Waiver of Exchange fees
- Monthly pro-rata share of capped portion of Exchange fee revenue in the contract

U.S. hours:

- A pro rata share of gross exchange fee revenues, with those participants acting as MM in all four products receiving an additional pro rata share in each product.
- Additional pro rata share for any product in which a DMM maintains a certain amount of open interest for a substantial portion of any calendar month

Monitoring and Termination Status

NYSE Liffe US will monitor MM activity on an ongoing basis, and retains the right to revoke market making status if NYSE Liffe US concludes from its review that a program participant is not complying with the market-making obligations of the program.