



## NYSE LIFFE US NOTICE No. 14/2013

ISSUE DATE: July 10, 2013  
EFFECTIVE DATE: July 25, 2013

### **Introduction of Lead Market Maker Program in Futures on Mortgage-Backed Securities DTCC GCF Repo Index®**

#### **Summary**

This Notice announces the establishment of a Lead Market Maker Program in Futures on the Mortgage-Backed Securities DTCC GCF Repo Index® and the appointment of a Lead Market Maker in Futures on the Mortgage-Backed Securities DTCC GCF Repo Index®.

#### **1. Introduction**

- 1.1 NYSE Liffe US Notice [No. 47/2012](#) announced the appointment of market makers (“MMs”) to participate in the Exchange’s General DMM Program in Futures on DTCC GCF Repo Index™ Products (“GCF Futures”) commencing with the January 16, 2013 Trading Session and continuing through the June 30, 2013 Trading Session.
- 1.2 NYSE Liffe US Notice [No. 13/2013](#) announced the extension of the Exchange’s General DMM Program in Futures on DTCC GCF Repo Index™ Products (“GCF Futures”) commencing with the July 1, 2013 Trading Session and continuing through the December 31, 2013 Trading Session.

#### **2. Introduction of Lead Market Maker in Futures on the Mortgage-Backed Securities DTCC GCF Repo Index®**

- 2.1 In addition to the General DMM Program, and based on the liquidity needs of the market, the Exchange has determined to introduce a Lead Market Maker (“LMM”) Program in the Exchange’s Mortgage-Backed Securities DTCC GCF Repo Index® Futures.
- 2.2 The Exchange will introduce the LMM Program in the Mortgage-Backed Securities DTCC GCF Repo Index® commencing with the July 25, 2013 Trading Session and continuing through the August 1, 2014 trading session.
- 2.3 This Notice informs Members of the appointment of a LMM in Futures on the Mortgage-Backed Securities DTCC GCF Repo Index®.
- 2.4 The LMM appointment is subject to the terms of a contractual agreement between the Exchange and the LMM. Under the terms of the agreements, the LMM represents

that its market making activity will comply with all applicable provisions of the Commodity Exchange Act, the regulations of the Commodity Futures Trading Commission and the Rules of the Exchange. The Exchange will monitor the LMM'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 LMM has failed to perform its obligations as a LMM under the agreement.

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

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## **Attachment 1**

### **Introduction of a Lead Market Maker (“LMM”) Program in Futures on the Mortgage-Backed Securities DTCC GCF Repo Index®**

#### **Participant Eligibility**

- Any Market Participant

#### **Program Hours**

- 8am-5pm ET

#### **Program Term**

- July 25, 2013-August 1, 2014

#### **Obligations**

- The Market Participant that is registered as the LMM in this program must be in full compliance with Exchange rules
- Post bids and offers at contracted bid/ask spreads and sizes in Futures on the Mortgage-Backed Securities DTCC GCF Repo Index® during designated Program Hours set forth above under normal market conditions to be determined by contract with individual market maker

#### **Incentives**

- Waiver of Exchange fees for trades executed in the central order book.
- Revenue share of exchange fees generated by trading in Futures on the Mortgage-Backed Securities DTCC GCF Repo Index® up to a cap.

#### **Monitoring and Termination Status**

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