

-----Original Message-----

**From:** Leppard, Marc [mailto:marc.leppard@theipe.com]

**Sent:** Wednesday, February 18, 2004 12:57 PM

**To:** Adriance, Riva

**Cc:** Raislerk@Sullcrom.com; Wilson, Alice

**Subject:** RE: ICE ECE Petition

Riva

Hopefully the below will make this simpler. I have paraphrased the relevant elements to make the similarities more evident and this also hopefully deals with your questions. On the locals, we do have the capability to set min. financial standing requirements for both locals and Individual participants - at the moment no levels have been set by the Board as we feel that this is an issue more for the clearing firms. On that basis, I am happy if you want to leave out reference to the min. financial standards in your petition - however the power is there in the rules.

If you have any more questions, I will be out of the office the rest of this week but contactable through my secretary, Alice Wilson and next week I will be in Singapore - again contactable through my secretary.

With regards  
Marc

I. IPE Broker:

- a) An applicant for Floor Member of the IPE must:
  - Ensure that it organizes and controls itself in a responsible manner,
  - Have adequate internal record-keeping
  - Have adequate arrangements to ensure that its staff and directors are fit and proper, adequately trained and properly supervised
  - Have well-defined procedures for ensuring compliance with the regulations
  - Meet minimum financial standing requirements;
  - be a clearing member or be accepted for such membership, or be a party to or satisfy the IPE that it will become a party to a clearing agreement;
  - have the appropriate licences, authorizations and consents or benefits from available exclusions under the UK Financial Services and Markets Act 2000 to act as a Floor Member
- b) An applicant for General Participant membership of the IPE must:
  - be able to demonstrate, to the satisfaction of the IPE, that the applicant is fit and proper to be a Member ;
  - Ensure that it organizes and controls itself in a responsible manner,
  - Have adequate internal record-keeping
  - Have adequate arrangements to ensure that its staff and directors, agents and representatives are fit and proper, adequately trained and properly supervised (NB for General Participants we have also extended this to include agents and representatives - because of the capability for an affiliate of a member firm to register one of its employees as an RI of an IPE member - we ask the IPE member to take responsibility for this as if that person was his employee)
  - Have well-defined procedures for ensuring compliance with the regulations
  - satisfy the minimum financial standing requirements;
  - be a clearing member or be accepted for such membership, or be a party to, or satisfy the IPE that it will become a party to a clearing agreement with a clearing member;

- hold all necessary licenses, authorizations and consents or benefits from available exclusions, so as to allow such person to carry on business as a Participant on the Platform in accordance with all applicable laws and regulation

## II. IPE Local Member

a) An applicant for IPE Local Member must:

- be able to demonstrate to the satisfaction of the IPE that the applicant is fit and proper to be a Member and will comply with the regulations,
- meets the minimum financial requirements set by the Exchange and
- must be registered with the IPE and have passed the Registered Floor Trader (RFT) examination.
- Satisfy the IPE that it will become a party to a clearing agreement with a clearing member

b) An applicant for Individual Participant (IP) membership of the IPE must:

- be able to demonstrate, to the satisfaction of the IPE that the applicant is fit and proper to be a Member and will comply with the Regulations ;
- meets any minimum financial requirements set by the Exchange
- must register with the Exchange a Responsible Individual (who will be the same person as the IP) who must be adequately trained
- satisfy the IPE that it will become a party to a clearing agreement with a clearing member.

-----Original Message-----

**From:** Raisler, Kenneth [mailto:Raislerk@sullcrom.com]

**Sent:** Monday, February 09, 2004 2:56 PM

**To:** jwebb@cftc.gov

**Cc:** gay.hueyevans@fsa.gov.uk; richard.spencer@theice.com; David Goone; Leppard, Marc; radriance@cftc.gov

**Subject:** ICE ECE Petition

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"MMS <theipe.com>" made the following annotations on 17/02/2004 17:13:59

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