



TRADITION SEF, Inc.

Scot J. Halvorsen
Senior Regulatory Counsel and Secretary
Legal Department

By Electronic Mail

January 12, 2016

Assistant Secretary of the Commission for FOIA Matters
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

**Re: Tradition SEF, Inc. – FOIA Confidential Treatment Request.
Tradition SEF Submission No. CFTC 2016-02.**

Dear Secretary:

By e-mail dated today, January 12, 2016, Tradition SEF, Inc. (the "Submitter"), pursuant to Part 40 of the Commodity Futures Trading Commission's (the "Commission") regulations, submitted its Trad-X Interest Rate Swap Trading Platform Supplement and Volbroker Currency Options Trading Platform Supplement (collectively, the "Platform Supplements") attached hereto as Exhibit A (the "Confidential Information") to the Secretary of the Commission and staff of the Division of Market Oversight in connection with a Swap Execution Facility ("SEF") rule submission made pursuant to Commission Rule 40.6.

Pursuant to Commission Rules 40.8 and 145.9(d), the Submitter requests confidential treatment of certain Confidential Information contained on the Platform Supplements attached hereto as Exhibit A to this request on the grounds that disclosure of the Confidential Information would reveal confidential commercial information of the Submitter. The provisions of the Platform Supplements that confidential treatment is requested are clearly marked as "Redacted – Confidential Treatment Requested" on Exhibit A and the applicable text is stricken on the publically available versions. The redacted versions of the Platform Supplements will be publicly available on Tradition SEF's website.

With respect to the Trad-X Interest Rate Swap Trading Platform Supplement, the provisions for which confidential treatment is requested describe the Submitter's credit (Risk Limit) allocation methods and credit (Risk Limit) management and default trading size terms on the platform to perform pre-trade credit checks for cleared IRS trades. These processes are proprietary to Submitter's platform and represent commercial methodologies that provide value and differentiate the Submitter from its competitors. Credit (Risk Limit) allocation on a SEF is a function of the interaction between the SEF platform and the systems of Futures Commission Merchants (FCMs) that clear trades on a SEF platform on behalf of participants and customers through a Designated Clearing Organization (DCO). When a SEF provides an efficient credit (Risk Limit) mechanism to FCMs for credit management purposes, it increases the probability

that such FCM will make credit available to other SEF participants. As such, it increases the SEF's volume and client base.

With respect to the Volbroker Currency Options Trading Platform Supplement, the provisions for which confidential treatment is requested describe the platform's currency option RFQ process named "VolCall" in Section 2 of Appendix 3 (Financial Products Tradeable on the Platform: Currency Options "VolCall"). This process is proprietary to the Submitter's platform and it describes methodologies that provide value and differentiate the Submitter from its competitors.

Pursuant to Commission Rule 145.9(d)(5) the Submitter requests that confidential treatment of the Confidential Information be maintained until further notice from the Submitter. The Submitter requests that the Commission notify it immediately after receiving any request under the Freedom of Information Act ("FOIA") or any other court order, subpoena or summons for the Confidential Information. The Submitter specifically notes that it does not waive in any manner its rights under Section 8(f) of the Commodity Exchange Act to receive a copy of any subpoena or summons for the Confidential Information prior to the Commission's disclosure of such information pursuant to such subpoena or summons. Finally, the Submitter requests that the Commission notify it in the event that the Commission intends to disclose the Confidential Information to Congress or any federal or state governmental agency or department.

Should you require additional information related to this submission, please contact the undersigned at 212-377-2337 or scot.halvorsen@tradition.com. Please reference Tradition SEF Submission No. CFTC 2016-02 in any related correspondence.

Sincerely,

A handwritten signature in blue ink, appearing to read "Scot J. Halvorsen", is written over a horizontal line.

Scot J. Halvorsen
Senior Regulatory Counsel and Secretary

Exhibit A

Confidential Information

1. Tradition SEF Trad-X Interest Rate Swap Trading Platform Supplement (identifying redactions)
2. Tradition SEF Volbroker Currency Options Trading Platform Supplement (identifying redactions)