THOMSON REUTERS SWAP EXECUTION FACILITY (SEF) LLC

RULEBOOK

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~~November 7, 2014~~

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(III) TO PERMIT THE SEF AND ANY REGULATORY SERVICES PROVIDER AUTHORIZED TO ACT ON BEHALF OF THE SEF TO ACCESS ANY AND ALL INFORMATION RELEVANT TO ACTIVITIES RELATED TO THE SEF BUSINESS;

(IV) TO ASSIST THE SEF IN COMPLYING WITH ITS LEGAL AND REGULATORY OBLIGATIONS, COOPERATE WITH THE SEF AND THE CFTC IN ANY INQUIRY, INVESTIGATION, AUDIT, EXAMINATION OR PROCEEDING; AND

(V) THAT THE SEF IS AUTHORIZED TO PROVIDE INFORMATION REGARDING PARTICIPANT TO THE REGULATORY SERVICES PROVIDER, THE CFTC OR ANY SELF-REGULATORY ORGANIZATION.

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Chapter 1 Definitions

Rule 101 Definitions

When used in this Rulebook the following terms shall have the respective meanings as follows:

"***Account Manager***" means a Person other than an individual that acts as an agent to buy or sell Swaps on the Platform in the name or on behalf of another Person. An Account Manager may also be a Participant.

"***Affected Person***" means a SEF applicant whose admission application is declined or is conditioned or a Person whose status as a Participant is terminated, in each case as set forth in SEF Rule 302(g).

"***Affiliate***" means, with respect to any Person, any Person who, directly or indirectly through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such other Person.

"***Applicable Law***" means any foreign, federal (including the CFTC), state or other law, rule, regulation, interpretation or action of relevant regulatory organizations (including the National Futures Association) or self-regulatory organizations applicable to the access to and use of the Platform, including the conduct of Swaps through the Platform.

"***Authorized Person***" means an employee or other person under Participant's control designated by Participant or one of Participant's administrators to be able to access and use the Platform and SEF Services on Participant's behalf pursuant to Rule 306.A. An Authorized Person can also mean a computer or system accessing the SEF via a program interface on behalf of such Participant.

"***Authorized Representative***" means any Person who is authorized by a Participant to represent the Participant in SEF matters pursuant to Rule 306.B.

"***Block Trade***" means a privately negotiated Swap that (i) meets the criteria set forth in Rule 602 and (ii) is executed off of the Platform pursuant to the SEF Rules and Applicable Law.

"***Board***" means the Board of Directors of the SEF, which manages the SEF and is constituted from time to time in accordance with the SEF LLC Agreement.

"***Business Day***" means a day on which the SEF is open for trading.

"***CFTC***" or "***Commission***" means the U.S. Commodity Futures Trading Commission or any successor regulatory body.

"***CFTC Regulations***" means the rules and regulations promulgated by the CFTC, as amended, as well as any guidance, no-action letters or other form of interpretation issued by the CFTC.

"***Chief Compliance Officer***" means the individual appointed by the Board as the SEF's Chief Compliance Officer.

"***Chief Executive Officer***" means the individual appointed by the Board as the SEF's Chief Executive Officer.

"***CICI***" means a CFTC Interim Compliant Identifier.

"***Clearing Member***" means a member of a Clearing House that is authorized to clear trades in any or all Swaps for a Participant or its Clients or Customers. A Clearing Member is typically a futures commission merchant.

"***Clearing House***" or "***Derivatives Clearing Organization***" means a derivatives clearing organization as defined in CFTC Regulation § 1.3(d), or any successor regulation thereto. To the extent that the SEF designates multiple clearing organizations to provide clearing services at any given time, the term Clearing Houses shall refer to any clearing organization designated to provide such services with respect to the Contract or Clearing Member in question.

"***Clearing House Rules***" means the Certificate of Incorporation, By-laws, rulebook, compliance manual, policies and procedures, and any rule, interpretation, stated policy, or instrument corresponding to any of the foregoing, however denominated in each case as adopted or amended from time to time by a Clearing House, setting out the rights, obligations and rules of conduct for participation in the Clearing House.

"***Client***" means a Person that granted in writing (either stand-alone or as part of a broader instrument) to an Account Manager investment authority to enter Orders and execute Swaps on behalf of and in the name of such Person.

"***Commodity Exchange Act***" or "***CEA***" means the Commodity Exchange Act, as amended from time to time.

"***Commodity Interest***" has the meaning ascribed to it in CFTC Regulation § 1.3(yy).

"***Confirmation Data***" has the meaning ascribed to it in CFTC Regulation § 45.3(c), or any successor regulation thereto.

"***Continuation Data***" means the data required to be reported to a Swap Data Repository in CFTC Regulation § 45.3(b), or any successor regulation thereto.

"***Contract***" means any Swap, contract, agreement, or transaction approved for trading on the Platform pursuant to the SEF Rules.

"***Contract Market***" has the meaning ascribed to it in CFTC Regulation § 1.3(h), or any successor regulation thereto.

"***Control***" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of securities, by contract, or otherwise. The terms "controlling" or "controlled" shall have meanings correlative to the foregoing.

"***Creation Data***" has the meaning ascribed to the term "Required swap creation data" in CFTC Regulation § 45.1.

"***CTI Code***" means a customer type indicator code.

"***Customer***" has the meaning set forth in CFTC Regulation § 1.3(k).

"***Customer Account***" means an account carried by a Participant or Clearing Member on behalf of a Customer.

"***Director***" means any member of the Board.

"***Disciplinary Action***" means a disciplinary proceeding, summary imposition of fines, summary suspension or other summary action.

"***Disciplinary Panel***" means the panel appointed by the Board at the recommendation of the Chief Compliance Officer to act in an adjudicative role and fulfill various adjudicative responsibilities and duties described in Chapter 10.

"***Eligible Contract Participant***" shall have the meaning set forth in Section 1a(18) of the CEA and the CFTC's rules and regulations promulgated thereunder.

"***Emergency***" means an occurrence or circumstance which, in the opinion of Board, requires immediate action, and which threatens, or may threaten, the fair and orderly trading in, or the settlement or integrity of, any Contract, including, without limitation, the actions in accordance with Rule 209.

"***Emergency Rules***" means temporary emergency procedures and rules implemented pursuant to Rule 209.

"***End-User***" mean a Participant that is not a "financial entity" as defined in CEA Section 2(h)(7)(C)(i), is using the Transaction to hedge or mitigate commercial risk as defined in CFTC Regulation § 39.6(c), and provides or causes to be provided to a registered Swap Data Repository or, if no registered Swap Data Repository is available, the Commission, the information specified in CFTC Regulation § 39.6(b), or any successor regulation thereto.

"***End-User Exception***" means the exception to the clearing requirement under CEA Section 2(h)(7)(A), as amended from time to time.

"***Execution***" means, with respect to a Contract, an agreement by the counterparties (whether orally, in writing, electronically, or otherwise) to the terms of the Contract that legally binds the counterparties to such terms under Applicable Law.

"***FXall Group***" means FXall Alliance Inc. and its affiliates.

"***Futures Commission Merchant***" has the meaning set forth in Section 1a(28) of the CEA and the CFTC's rules and regulations promulgated thereunder.

"***Government Agency***" means any governmental entity (including the United States, a State, or a foreign government).

"***Hearing Panel***" means the Disciplinary Panel responsible for adjudicating disciplinary cases pursuant to a notice of charges authorized by a Review Panel.

"***Interested Person***" has the meaning attributed to such term in Rule 210(a).

"***Intermediary Agreement***" means an agreement between a Participant and a Customer or Client of such Participant that contains such terms as may from time to time be prescribed by the SEF, including those terms set forth in SEF Rule 301(b).

"***Legal Entity Identifier***" means the unique alphanumeric code issued to Participant by a CFTC-designated utility or a registered Swap Data Repository, as set forth in 17 C.F.R. § 45.6 or any successor regulation thereto.

"***Market Regulation Department***" means the Chief Compliance Officer and the individuals under the supervision of the Chief Compliance Officer who are responsible for enforcing these SEF Rules and conducting investigations of alleged violations of these Rules. As the term is used herein, the Market Regulation Department includes: (i) the SEF's compliance staff dedicated to enforcing the SEF Rules and performing services directly related to the SEF's compliance with Applicable Law; (ii) employees of other divisions of the SEF or its Affiliates who have certain regulatory responsibilities with respect to the SEF; and (iii) the staff of the Regulatory Services Provider providing services to the Company pursuant to a Regulatory Services Agreement.

"***Major Swap Participant***" shall have the meaning set forth in Section 1a(33) of the CEA and the CFTC's rules and regulations promulgated thereunder.

"***NFA***" means the National Futures Association.

"***NFA Arbitration Program***" means the arbitration program established by the NFA designed for disputes between and among SEF Participants.

"***Notice to Participants***" means a communication sent by or on behalf of the SEF to all Participants as described in Rule 309.

"***Obligation***" means all obligations of a Participant as set forth in the SEF Rules, all rules adopted by the SEF in this Rulebook, the User Agreement, all Notices to Participants published by the SEF, interpretations, orders, procedures, resolutions, advisories, statements of policy, decisions, notices, manuals, directives of the SEF, and other requirements implemented by the SEF under the SEF Rules, including each term of a Contract, as well as any contractual obligations between a Clearing Member or Participant, Account Manager, and the SEF, including the Participant Documentation and all amendments thereto.

"***Officer***" has the meaning attributed to such term in Rule 203.

"***Option***" has the meaning set forth in Section 1a(36) of the CEA and the CFTC's rules and regulations promulgated thereunder.

"***Order***" means either a bid or an offer for a Contract.

"***Participant***" means a Person that has agreed to the terms of these SEF Rules, the User Agreement, any Applicable Laws and regulations, and any and all other documents referenced herein, all as may be amended from time to time, and who has completed the User Agreement.

Participants shall be granted Trading Privileges under the SEF Rules and shall be deemed to be members of the SEF for purposes of the CEA. The term Participant includes Authorized Person(s).

"***Participant Documentation***" means the agreements (together with any applicable schedules, exhibits or appendices thereto required by the SEF) in form and substance acceptable to the SEF, that are required to be executed and delivered to the SEF before a Person may access the Platform, including, but not limited to the User Agreement as applicable and amended from time to time by the SEF.

"***Permitted Transactions***" means any Transaction that is not subject to the trade execution requirement in Section 2(h)(8) of the CEA as well as any Transaction executed on the Platform where one of the counterparties properly elects to use the End-User Exception.

"***Person***" means a natural person or a juridical entity.

"***Platform***" means the interactive electronic trading facility and interface operated by or on behalf of the SEF as a Swap Execution Facility, including all components thereof, on and through which Participant may (i) submit Transaction Data to one or more other Participants and (ii) initiate and enter into Swaps. The Platform includes the SEF RFQ Platform, the SEF RFS Platform, and the SEF Central Limit Order Book.

"***Primary Economic Terms***" has the meaning ascribed to it by CFTC Regulation § 45.1, or any successor regulation thereto.

"***Proprietary Account***" has the meaning ascribed to it by CFTC Regulation § 1.3(y), or any successor regulation thereto.

"***Registered Entity***" means (1) a board of trade designated as a contract market under section 5 of the CEA; (2) a Derivatives Clearing Organization; (3) a board of trade designated as a contract market under section 5f of the CEA; (4) a Swap Execution Facility registered under section 5h of the CEA; (5) a Swap Data Repository registered under section 21 of the CEA; and (6) with respect to a contract that the CFTC determines is a significant price discovery contract, any electronic trading facility on which the contract is executed or traded.

"***Regulatory Oversight Committee***" means the committee of the Board constituted in accordance with Rule 207.

"***Regulatory Services Agreement***" means the agreement(s) between the SEF and the Regulatory Services Provider whereby certain functions mandated under the CEA, such as market surveillance and trade practice surveillance, are performed by to the Regulatory Services Provider.

"***Regulatory Services Provider***" means the organization, if any, which provides regulatory services to the SEF pursuant to a Regulatory Services Agreement.

"***Reporting Counterparty***" has the meaning ascribed to it by CFTC Regulation § 45.1, or any successor regulation thereto.

"***Reporting Party***" has the meaning ascribed to it by CFTC Regulation § 43.2, or any successor regulation thereto.

"***Required Number***" means (i) prior to October 2, 2014, no less than two (2) potential Counterparties and (ii) thereafter, no less than three (3) potential Counterparties.

"***Required Transactions***" means any Transaction involving a Swap which is subject to the clearing requirement of Section 2(h)(1) of the CEA and which has been "made available to trade" by any Swap Execution Facility or Contract Market, provided that Required Transactions do not include Permitted Transactions.

"***Review Panel***" means the Disciplinary Panel responsible for determining whether a reasonable basis exists for finding a violation of the SEF Rules, and for authorizing the issuance of notices of charges against Persons alleged to have committed violations if the Review Panel believes that the matter should be adjudicated.

"***SEF"*** or ***"the SEF***" means Thomson Reuters (SEF) LLC, or any successor thereto, a Self-Regulatory Organization registered with the CFTC as a Swap Execution Facility.

"***SEF Activity***" means business for which a Participant, Clearing Member, Customer or Client is subject to the SEF Rules or which is purportedly conducted subject to the SEF Rules, including but not limited to the Execution of any Contract on the Platform.

"***SEF LLC Agreement"*** means the Limited Liability Company Agreement of the Thomson Reuters SEF LLC, dated as of March 1, 2013, as the same may be amended from time to time.

"***SEF Confirmation***" has the meanings attributed to such term in Rule 404(a).

"***SEF Official***" means any Director or Officer of, or individual employed directly by, the SEF, the Regulatory Services Provider or any individual rendering similar services to the SEF under an administrative or similar agreement.

"***SEF Participant Application***" means the User Agreement, onboarding form, and any other agreements or information that are required to be executed and delivered to the SEF before a Person may access the Platform.

"***SEF Proceeding***" and "***SEF Proceedings***" have the meanings attributed to such terms in Rule 210(a).

"***SEF Rules***" means all rules adopted, all Notices to Participants published by the SEF, the User Agreement, interpretations, orders, resolutions, advisories, statements of policy, decisions, manuals and directives of the SEF, and all amendments thereto.

"***Self-Regulatory Action***" has the meaning attributed to such term in Rule 210(a).

"***Self-Regulatory Organization***" shall, unless otherwise provided, have the meaning attributed to such term in CFTC Regulation § 1.3(ee), or any successor regulation thereto, and, in addition, shall include a Swap Execution Facility, Contract Market, Derivatives Clearing Organization, and registered futures association, such as the NFA.

"***Swap***" or "***Swaps***" shall have the meaning set forth in Section 1a(47) of the CEA and the CFTC's rules and regulations promulgated thereunder.

"***Swap Data Repository***" shall have the meaning set forth in Section 1a(48) of the CEA and the CFTC's rules and regulations promulgated thereunder.

"***Swap Dealer***" shall have the meaning ascribed to it by CFTC Regulation § 1.3(ggg), or any successor regulation thereto.

"***Swap Execution Facility***" shall have the meaning set forth in Section 1a(50) of the CEA and the CFTC's rules and regulations promulgated thereunder.

"***Swap Execution Facility Addendum***" means the addendum to the relevant agreement that Participant has entered into with a member of the FXall Group or Thomson Reuters Group which sets forth certain rights and obligations of the Participant and the SEF.

"***Technology Services Agreement***" means the agreement(s) between the SEF and the Technology Services Provider whereby technology services are provided to the SEF.

"***Technology Services Provider***" means the organization, if any, which provides technology services to the SEF pursuant to a Technology Services Agreement

"***Terms Incorporated by Reference***" has the meaning attributed to such term in Rule 404(a).

"***Thomson Reuters Group***" means Reuters Transaction Services Limited and its affiliates.

"***Trade Communication***" has the meaning attributed to such term in Rule 404(a).

"***Trading Hours***" means, for any Business Day, the hours during which Orders may be placed on Platform, as shall be established, and may be revised from time to time, by the SEF pursuant to SEF Rule 903.

"***Trading Privileges***" means the rights granted to a Participant to transmit Orders for a Contract through the Platform.

"***Transaction***" means any purchase or sale of any Contract made on the Platform or pursuant to the SEF Rules.

"***Transaction Data***" means, with respect to a Participant, data submitted by that Participant related to requests for quotes, offers, bids, pricing, matching, netting, settlement and similar data submitted through the Platform to one or more counterparties, as well as information that such Participant may upload to the Platform with respect to Transactions conducted otherwise than through the use of the Platform's functionality, and messages sent in respect thereof.

"***U.S. Person***" means a U.S. person as defined in the Commodity Exchange Act and the applicable regulations promulgated from time to time in connection therewith, or, in each case, under any interpretation issued in connection therewith or successor statute or rule.

"***Unique Product Identifier***" shall have the meaning ascribed to it by CFTC Regulation § 45.7, or any successor regulation thereto.

"***Unique Swap Identifier***" shall have the meaning ascribed to it by CFTC Regulation § 45.5, or any successor regulation thereto.

"***User Agreement***" means the relevant agreement that Participant has entered into with a member of the FXall Group or Thomson Reuters Group, as amended by the Swap Execution Facility Addendum. For the purposes of the User Agreement with a member of the FXall Group, any reference to the "System" in the User Agreement shall include the SEF.

"***User ID***" means a unique user identification number given to each Participant and each Authorized Person to enable such Participant or Authorized Person to access and use the Platform.

"***Valuation Data***" has the meaning ascribed to it in CFTC Regulation § 45.1, or any successor regulation thereto.

"***Wash Transaction***" means a transaction entered into, or purported to be entered into, where the person knows or reasonably should know that the purpose of the order is to avoid taking a bona fide market position exposed to market risk.

"***written***" or "***writing***" means printing, lithography, photography, and other modes of representing or reproducing words or data in a visible form, including electronic transmissions.

Rule 102 Rules of Construction

The following rules of construction shall apply to the SEF Rules:

(a) the headings are for convenience only and do not affect the construction of the SEF Rules;
(b) all references to time are to local time in New York, New York except where expressly provided otherwise;
(c) words denoting a singular number include the plural number where the context permits and vice versa;
(d) where the context permits or requires, any pronoun shall include the corresponding masculine, feminine and neuter forms;
(e) references to statutory provisions include those provisions as amended from time to time, and any rules or regulations promulgated thereunder;
(f) references to regulatory rulemakings, including but not limited to the CFTC Regulations, include those provisions as amended from time to time.

Chapter 2 SEF Ownership and Governance

Rule 201 Ownership

The SEF is a Delaware limited liability company. The management and operation of the SEF is governed by the SEF LLC Agreement. Thomson Reuters (Markets) LLC owns all of the equity interest in the SEF.

Rule 202 Board

(a) The Board shall manage the day to day business operations of the SEF in accordance with the SEF LLC Agreement and Applicable Law. The Board has the power and authority to call for review, and to affirm, modify, suspend or overrule any and all decisions and actions of standing committees or special committees of the Board or any panel of the Officers related to the day to day business operations of the SEF.

(b) The Board may act only by the decision of an absolute majority in number of the Directors, either by vote at a meeting or by written consent without a meeting, or as otherwise set forth in the SEF LLC Agreement.

(c) Each Director is entitled to indemnification pursuant to the SEF LLC Agreement with respect to matters relating to the SEF or otherwise relating to Thomson Reuters (Markets) LLC.

(d) Each Director shall satisfy all fitness standards and otherwise meet all the requirements to serving as a director of a Swap Execution Facility under the CEA and CFTC Regulations.

(e) The compensation of the non-executive members of the Board shall not be linked to the business performance of the SEF.

(f) The Board shall have procedures, as may be further set forth in policies that the SEF may adopt, to remove a member from the Board where the conduct of such member is likely to be prejudicial to the sound and prudent management of the SEF.

Rule 203 Officers

(a) The Board shall appoint a Chief Executive Officer, a Chief Compliance Officer, and such other officers of the SEF (all of the foregoing, collectively, the “Officers”) as it may deem necessary or appropriate from time to time, in accordance with the SEF LLC Agreement.

(b) Any Officer may also be a director, officer, partner or employee of the SEF or any of its Affiliates.

(c) The Officers shall have such powers and duties in the management of the SEF as the Board may prescribe from time to time.

(d) Each Director and Officer is entitled to indemnification pursuant to the SEF LLC Agreement with respect to matters relating to the SEF or otherwise relating to Thomson Reuters (Markets) LLC.

Rule 204 Qualifications of Directors, Disciplinary Panel Members, Committee Members and Officers

(a) A Director or Officer must meet the qualifications set forth from time to time in the SEF LLC Agreement.

(b) An individual may not serve as a Director, or serve on a committee established by the Board or a Disciplinary Panel if the individual:

(1) within the prior three (3) years has been found, by a final decision in any action or proceeding brought in a court of competent jurisdiction, the CFTC, or any Self-Regulatory Organization, to have committed a disciplinary offense;

(2) within the prior three (3) years has entered into a settlement agreement in which any of the findings or, in the absence of such findings, any of the acts charged, included a disciplinary offense;

(3) is currently suspended from trading on a Contract Market, is suspended or expelled from membership in a Self-Regulatory Organization, is serving any sentence or probation, or owes any portion of a fine or penalty related to either:

i. a finding of a disciplinary offense by a final decision in any action or proceeding brought in a court of competent jurisdiction, the CFTC, or any Self-Regulatory Organization; or

ii. a settlement agreement in which any of the findings or, in the absence of such findings, any of the acts charged included a disciplinary offense;

(4) is currently subject to an agreement with the CFTC or Self-Regulatory Organization not to apply for registration with the CFTC or for membership in the Self-Regulatory Organization;

(5) is currently, or within the past three (3) years has been, subject to a revocation or suspension of registration by the CFTC;

(6) has been convicted of a felony listed in section 8a(2)(D)(ii) through (iv) of the CEA; or

(7) is currently subject to a denial, suspension or disqualification from serving on a disciplinary committee, arbitration panel or governing board of any self-regulatory organization as that term is defined in section 3(a)(26) of the Securities Exchange Act of 1934.

(c) Any Director, Officer, member of a committee established by the Board, any member of a Disciplinary Panel, any individual nominated to serve in any such role, or any individual authorized by a Hearing Panel to take summary action shall immediately notify the Chief Executive Officer if such individual meets one or more of the criteria in Rule 204(b).

(d) For purposes of Rule 204(b), the terms “disciplinary offense,” “final decision,” and “settlement agreement” have the meanings set forth in CFTC Regulation § 1.63(a) or any successor regulation.

Rule 205 Chief Compliance Officer

(a) The Chief Compliance Officer shall have the following duties:

(1) Overseeing and reviewing the SEF's compliance with Section 5h of the CEA and any related rules adopted by the CFTC;

(2) In consultation with the Board, resolving any conflicts of interest that may arise including:

i. Conflicts between business considerations and compliance requirements;

ii. Conflicts between business considerations and the requirement that the SEF provide fair, open, and impartial access as set forth in CFTC Regulation § 37.202 or any successor regulation; and;

iii. Conflicts between the SEF's management and members of the Board;

(3) Establishing and administering written policies and procedures reasonably designed to prevent violation of the CEA and any rules adopted by the CFTC;

(4) Taking reasonable steps to ensure compliance with the CEA and CFTC regulations;

(5) Establishing procedures for the remediation of noncompliance issues identified by the Chief Compliance Officer through a compliance office review, look-back, internal or external audit finding, self-reported error, or validated complaint;

(6) Establishing and following appropriate procedures for the handling, management response, remediation, retesting, and closing of noncompliance issues;

(7) Establishing and administering a compliance manual designed to promote compliance with the applicable laws, rules, and regulations and a written code of ethics designed to prevent ethical violations and to promote honesty and ethical conduct;

(8) Supervising the SEF's self-regulatory program with respect to trade practice surveillance; market surveillance; real-time market monitoring; compliance with audit trail requirements; enforcement and disciplinary proceedings; audits, examinations, and other regulatory responsibilities with respect to Participants, Customers and Clients (including ensuring compliance with, if applicable, financial integrity, financial reporting, sales practice, recordkeeping, and other requirements); and

(9) Supervising the effectiveness and sufficiency of any regulatory services provided to the SEF by the Regulatory Services Provider or other Registered Entity in accordance with CFTC Regulation § 37.204 or any successor regulation.

(b) The Chief Compliance Officer shall have the authority and resources to develop and enforce policies and procedures necessary to fulfill the duties set forth herein as well as set forth in the CEA and CFTC regulations.

(c) The Chief Compliance Officer shall report directly to the Board, and the Board shall approve the compensation of the Chief Compliance Officer.

(d) The Chief Compliance Officer shall have the authority to inspect the books and records of all Participants and the authority to require any Participant to appear before him or her and produce its books and records and answer questions regarding alleged violations of the SEF Rules, at the time, place and in the manner it designates. The Regulatory Services Provider may also perform these functions on behalf of the Chief Compliance Officer.

(e) The Chief Compliance Officer may not be disqualified from registration pursuant to Sections 8a(2) or 8a(3) of the CEA.

(f) The Chief Compliance Officer shall annually prepare and sign a report pursuant to the requirements in Section 37.1501(e) and 37.1501(f) which shall contain a description of: (i) the compliance of the SEF with the CEA; and (ii) the policies and procedures, including the code of ethics and conflict of interest policies, of the SEF. Such annual report shall include a certification that, under penalty of law, it is accurate and complete and be submitted to the CFTC.

(g) If the Chief Compliance Officer is removed from his or her post, the SEF shall notify the CFTC of the newly appointed Chief Compliance Officer within two business days.

Rule 206 Standing Committees

(a) The Board shall initially have one standing committee: the Regulatory Oversight Committee. The Board may from time to time constitute and appoint in accordance with the SEF LLC Agreement such additional standing committees of the Board as it may from time to time deem necessary or advisable.

(b) Each member of such standing committees must be a Director, one of whom the Board shall designate as the chairperson of each standing committee.

(c) Each standing committee shall assist in the supervision, management and control of the affairs of the SEF within its particular area of responsibility, subject to the authority of the Board.

(d) Subject to the authority of the Board, each standing committee shall determine the manner and form in which its proceedings shall be conducted. Each standing committee may act only by the decision of an absolute majority in number of the members of such committee, by vote at a meeting or by unanimous written consent without a meeting. The Board has the authority to overrule the decisions of a standing committee.

Rule 207 Regulatory Oversight Committee

(a) The Regulatory Oversight Committee of the Board shall consist of at least two Directors appointed from time to time by the Board. In the event of a tie between the two Directors, the Chief Compliance Officer may vote on any matter for which she/he does not have a potential or actual conflict of interest.

(b) Each member of the Regulatory Oversight Committee shall serve for a term of two calendar years from the date of their appointment or for the remainder of their term as a Director, and until the due appointment of his or her successor, or until his or her earlier resignation or removal, with or without cause, as a member of the Regulatory Oversight Committee or as a Director. A member of the Regulatory Oversight Committee may serve for multiple terms.

(c) The Regulatory Oversight Committee shall oversee the SEF's regulatory program on behalf of the Board. The Board shall delegate sufficient authority, dedicate sufficient resources, and allow sufficient time for the Regulatory Oversight Committee to fulfill its mandate. It shall make such recommendations to the Board as will, in its judgment; best promote the interests of the SEF. The Regulatory Oversight Committee shall also have such other powers and perform such other duties as set forth in the SEF Rules and as the Board may delegate to it from time to time.

(d) Without limiting the generality of the foregoing, the Regulatory Oversight Committee shall have authority to:

(1) Monitor the regulatory program of the SEF for sufficiency, effectiveness, and independence;

(2) Oversee all facets of the regulatory program, including:

i. Trade practice and market surveillance; audits, examinations, and other regulatory responsibilities with respect to Participants (including compliance with, if applicable, financial integrity, financial reporting, sales practice, recordkeeping, and other requirements); and the conduct of investigations;

ii. Reviewing the size and allocation of the regulatory budget and resources, and the number, hiring, termination, and compensation of regulatory personnel;

iii. Reviewing the performance of the Chief Compliance Officer and making recommendations with respect to such performance to the Board;

iv. Recommending changes that would ensure fair, vigorous, and effective regulation; and

v. Reviewing all regulatory proposals prior to implementation and advising the Board as to whether and how such changes may impact regulation.

(e) The Regulatory Oversight Committee reports to the Board.

Rule 208 Additional Board Committees and SEF Panels

(a) In addition to the standing committees described in Rule 206, the Board may from time to time constitute and appoint, in accordance with the SEF LLC Agreement, special committees of the Board and designate their composition, responsibilities and powers. Each member of such special committees must be a Director.

(b) The SEF may create panels of the SEF, for such purposes as may from time to time be necessary or advisable. Members of each such panel may be Directors or Participants (if individuals) or any of a Participant's Authorized Persons (if an entity) or such other individuals as may be qualified to serve on such panel.

(c) Except as otherwise specifically provided in the SEF Rules, the members of any additional committee or panel shall be appointed as determined by the Board. The Board shall designate the chairperson of such additional committee or panel.

(d) Each additional committee or panel shall assist in the supervision, management and control of the affairs of the SEF within its particular area of responsibility.

(e) Subject to the authority of the Board, each additional committee or panel shall determine the manner and form in which its proceedings shall be conducted. Each additional committee or panel may act only by the decision of an absolute majority in number of the members of such committee or panel, either by vote at a meeting or by unanimous written consent without a meeting.

Rule 209 Emergency Rules

(a) During an Emergency, the SEF may implement Emergency Rules, subject to the applicable provisions of the CEA and CFTC Regulations. Pursuant to the Emergency Rules, the SEF will have the authority to intervene as necessary to maintain markets with fair and orderly trading and to prevent or address manipulation or disruptive trading practices, whether the need for intervention arises exclusively from the SEF's market or as part of a coordinated, cross-market intervention.

Emergency Rules may require or authorize the SEF, the Board, any committee of the Board, the Chief Executive Officer, the Chief Compliance Officer, or any other Officer to take actions necessary or appropriate to respond to the Emergency, including, but not limited to, the following actions:

(1) imposing or modifying position limits,
(2) imposing or modifying price limits;
(3) imposing or modifying intraday market restrictions;
(4) imposing special margin requirements;
(5) ordering the liquidation or transfer of open positions in any Contract;
(6) ordering the fixing of a settlement price;
(7) extending or shortening the expiration date or the Trading Hours;
(8) suspending or curtailing trading in any Contract;
(9) transferring customer Contracts and the margin, or altering any Contract's settlement terms or conditions; or
(10) if applicable, providing for the carrying out of such actions through its agreements with the Regulatory Services Provider.

(b) Before any Emergency Rule may be adopted and enforced, a required vote of the Regulatory Oversight Committee must approve the enforcement of such Emergency Rule at a duly convened meeting. Directors may attend such a meeting by teleconference. If the Chief Executive Officer or Chief Compliance Officer determines that Emergency Rules must be implemented with respect to an Emergency before a meeting of the Regulatory Oversight Committee can reasonably be convened, then the Chief Executive Officer or Chief Compliance Officer shall have the authority, without Board or Committee action, to implement any Emergency Rules with respect to such Emergency that he or she deems necessary or appropriate to respond to such Emergency. In such circumstances, the Chief Executive Officer or Chief Compliance Officer must convene a meeting as soon as practicable.

(c) Whenever the SEF, the Board, any committee of the Board, the Chief Executive Officer or Chief Compliance Officer takes actions necessary or appropriate to respond to an Emergency, a duly authorized person of the SEF, where possible, will post an announcement in a Notice to Participants. When the Board, any committee of the Board, the Chief Executive Officer or the Chief Compliance Officer determines that the Emergency has been reduced sufficiently to allow the SEF to resume normal functioning, any such actions responding to an Emergency will be terminated.

(d) In situations where a Swap is traded on more than one Swap Execution Facility, emergency action to liquidate or transfer open interest must be directed, or agreed to, by the CFTC or CFTC staff, and the SEF will use reasonable efforts to coordinate with any Derivatives Clearing Organization that has cleared the Swap and any other Swap Execution Facilities where such Swap is traded prior to mandating the liquidation or transfer of such Swap.

(e) The SEF will use reasonable efforts to notify the CFTC prior to implementing, modifying or terminating an Emergency Rule. If such prior notification is not possible or practicable, the SEF will notify the CFTC at the earliest possible time after implementation, modification or termination, but in no event more than twenty-four hours after implementation, modification or termination.

(f) Upon taking any action in response to an Emergency, the SEF will document the decision-making process related to such action. Information on any regulatory action taken pursuant to the Emergency Rules will be included in a submission of a certified rule to the CFTC. All such documentation will be kept for at least five years, two years in a readily accessible location, following the date on which the Emergency ceases to exist or to affect the SEF, and all such documentation will be provided to the CFTC upon request.

(g) Upon taking any action in response to an Emergency, the SEF will promptly notify the CFTC of

the SEF's exercise of the Emergency Rules, explaining its decision-making process, the reasons for using its emergency authority, and how conflicts of interest were minimized, including the extent to which the SEF considered the effect of its emergency action on the underlying markets and on markets that are linked or referenced to the contracts traded on its facility, including similar markets on other trading venues.

Rule 210 Conflicts of Interest and Misuse of Material, Non-Public Information

(a) A Director, Officer, Disciplinary Panel member or other Person authorized to exercise the SEF's authority concerning any inquiry, investigation, disciplinary proceeding, summary suspension, or other summary actions (any such action, a "***SEF Proceeding***" and, collectively, "***SEF Proceedings***"), or Emergency actions taken pursuant to Rule 209 or emergency disciplinary action taken pursuant to Rule 1014 (each such SEF Proceeding or Emergency action, a "***Self-Regulatory Action***") who knowingly has a "material conflict of interest" between his or her position as a Director, Officer, panel member or exercise of authority concerning a Self-Regulatory Action and his or her personal interests (each, an "***Interested Person***") may not participate in any deliberations or vote of the Board Committee, panel or exercise any authority with respect to such Self-Regulatory Action involving his or her personal interest, except as described in Rule 210(d).

(b) For purposes of Rule 210(a), a "material conflict of interest" means a Director, Officer, Disciplinary Panel Member or other Person:

(1) being named as a respondent or potential respondent in the Self-Regulatory Action;

(2) being an employer, employee, fellow employee or an Affiliate of a respondent or potential respondent in the Self-Regulatory Action;

(3) having any significant, ongoing business relationship with a respondent or potential respondent in the Self-Regulatory Action;

(4) having a family relationship with a respondent or potential respondent in a Self-Regulatory Action (including the individual's spouse, co-habitator, former spouse, parent, step-parent, child, step-child, sibling, step-brother, step-sister, grandparent, grandchild, uncle, aunt, nephew, niece, father-in-law, mother-in-law, brother-in-law or sister-in-law);

(5) having a direct and substantial financial interest in the result of the deliberations or vote based upon either exchange or non-exchange positions (as referenced in Section 1.69 of the CFTC Regulations), other than a direct or indirect equity or other interest in Thomson Reuters (Markets) LLC, that could reasonably be expected to be affected by the action. A direct and substantial financial interest includes positions in Contracts in accounts of, controlled by, or affiliated with the Interested Person or in any other types of direct and substantial financial positions of the Interested Person that are reasonably expected to be affected by the deliberations or vote; and/or

(6) any other circumstance that gives rise to a conflict between the Director's, Officer's, Disciplinary Panel Member's or Other Person's exercise of authority concerning any Self-Regulatory Action and his or her personal interests.

(c) Before considering any Self-Regulatory Action, an Interested Person must disclose in writing to the Board the material facts concerning his or her relationship or interest in the matter.

(d) Any Interested Person who would be required otherwise to abstain from deliberations and voting pursuant to Rule 210(a) as a result of having a direct and substantial financial interest in

the result of the deliberations and vote may participate in deliberations, prior to a vote on the matter, if:

(1) the material facts about the Interested Person's financial interest in the matter are disclosed or known to the Board, Committee, of Disciplinary Panel;

(2) the Board, Committee, of Disciplinary Panel determines that the participation by the Interested Person would be consistent with the public interest; and

(3) a majority of the Directors (excluding any Interested Persons) vote to allow the Interested Person to participate in deliberations on the matter.

(e) If a determination is made pursuant to Rule 210(d) that an Interested Person may participate in deliberations prior to a vote, then the minutes of the meeting of the Board or committee thereof will reflect the determination and the reasons for the determination.

(f) If a determination is made that all Directors are Interested Persons with respect to a matter subject to a vote by the Board, the Chief Executive Officer will appoint a panel of individuals who are not Interested Persons with respect to such matter, which will have the same authority and powers over such matter that the Board would have if the Directors were not Interested Persons with respect to such matter.

(g) No Director, Officer or member of any committee or panel established by the Board shall use or disclose for any purpose other than the performance of his or her official duties and responsibilities as a Director, Officer or committee or panel member any material, non-public information obtained as a result of the individual's duties and responsibilities as a Director, Officer or committee or panel member. No Director, Officer or committee or panel member shall, directly or indirectly, disclose or use at any time, either during his or her association with the SEF or thereafter, any confidential information of which the Board member or committee or panel member becomes aware. Each Director, Officer or committee or panel member in possession of confidential information shall take all appropriate steps to safeguard the information and to protect it against disclosure, misuse, espionage, loss and theft.

(h) Notwithstanding Rule 210(g), a Director, Officer or committee or panel member may disclose confidential information if required by Applicable Law or a court order to be revealed to the United States Department of Justice or the CFTC.

(i) For the purposes of Rule 210(g), the terms "material information" and "non-public information" shall each have the meaning set forth in CFTC Regulation § 1.59(a) or any successor regulation.

Rule 211 Information-Sharing Agreements

(a) The SEF may enter into information-sharing agreements or other arrangements or procedures to coordinate surveillance with other markets on which financial instruments related to the Contracts trade. As part of any information-sharing agreements or other arrangements or procedures adopted pursuant to this Rule, the SEF may:

(1) provide market surveillance reports to the CFTC, any Government Agency with jurisdiction over the SEF or, as necessary for the SEF to comply with its SRO obligations, to other markets;

(2) share information and documents concerning current and former Participants with the CFTC, any Government Agency with jurisdiction over the SEF or, as necessary for the SEF to comply with its SRO obligations, to other markets;

(3) share information and documents concerning ongoing and completed investigations with the CFTC, any Government Agency with jurisdiction over the SEF or, as necessary for the SEF to comply with its SRO obligations to other markets; and/or

(4) require its current or former Participants to provide information and documents to the SEF at the request of the CFTC, any Government Agency with jurisdiction over the SEF or, as necessary for the SEF to comply with its SRO obligations, other markets.

(b) The SEF may enter into any information sharing arrangement with any Person or body (including, without limitation, the CFTC, the NFA, any Self-Regulatory Organization, any exchange, market, or clearing organization, or foreign regulatory authority) if the SEF considers such arrangement to be in furtherance of the SEF's purpose or duties under the SEF Rules or any law or regulation.

(c) The SEF may disclose to any Person or entity information concerning or associated with a Participant or other Person that the SEF believes is necessary and appropriate in exercising a legal or regulatory function, whether or not a formal arrangement governing the disclosure exists or a request for information was made.

Rule 212 Services Agreement with a Regulatory Services Provider

(a) The SEF may choose to contract with a Regulatory Services Provider, for the provision of services to assist in complying with the core principles, as approved by the Commission. If the SEF chooses to contract with a Regulatory Services Provider, it will ensure that the Regulatory Services Provider has the capacity and resources necessary to provide timely and effective regulatory services, including adequate staff and automated surveillance systems.

(b) If the SEF chooses to contract with a Regulatory Services Provider, the SEF will at all times remain responsible for the performance of any regulatory services received, for compliance with the SEF's obligations under the CEA and Commission regulations, and for the Regulatory Services Provider's performance on its behalf.

(c) If the SEF chooses to contract with a Regulatory Services Provider, the SEF will retain exclusive authority in all substantive decisions made by its Regulatory Services Provider, including but not limited to decisions involving the cancellation of trades, the issuance of disciplinary charges against Participants or market participants, and denials of access to the trading platform for disciplinary reasons. The SEF shall document any instances where its actions differ from those recommended by its Regulatory Services Provider, including the reasons for the course of action recommended by the Regulatory Service Provider and the reasons why the SEF chose a different course of action.

Rule 213 Services Agreement with a Technology Services Provider

(a) The SEF may contract with a Technology Services Provider to provide certain technology services to the SEF pursuant to a Technology Services Agreement. In accordance with a Technology Services Agreement, a Technology Services Provider may perform certain functions under the SEF Rules and the SEF may provide information to the Technology Services Provider in connection with the performance by the Technology Services Provider of those functions.

(b) The SEF shall retain ultimate decision-making authority with respect to any functions that are contracted to a Technology Services Provider.

Chapter 3 Participants

Rule 301 Criteria for Becoming a Participant

(a) To be eligible for admission as a Participant of the SEF, an applicant must demonstrate to the satisfaction of the SEF that it:

(1) is an Eligible Contract Participant (which may be demonstrated through a representation);

(2) is of good reputation and business integrity;

(3) maintains adequate financial resources and credit;

(4) is of the age of majority in the individual's state of residence (if an individual);

(5) is validly organized, in good standing, and authorized by its governing body and, if relevant, documents of organization, to trade Contracts (if an entity);

(6) has not filed for bankruptcy;

(7) is not prohibited from using the services of the SEF for any reason whatsoever;

(8) holds all registrations required under Applicable Law, including any Swap Dealer, Major Swap Participant, Introducing Broker, Futures Commission Merchant, commodity pool operator, commodity trading advisor, associated person registration, as applicable;

(9) is not subject to statutory disqualification under Section 8a(2) of the CEA;

(10) consents to the SEF's jurisdiction pursuant to Rule 311; and

(11) satisfies any other criteria that the SEF may require from a Participant.

If a Participant's status as an Eligible Contract Participant changes, such Participant must immediately notify the SEF of such change.

(b) No Participant, including a Participant that is an Account Manager, shall carry an account for a Customer or enter an Order in the name of or on behalf of a Client unless the Participant has entered into an Intermediary Agreement with such Customer or Client, which must, at a minimum:

(1) contain a representation from the Customer or Client that the Customer or Client is an Eligible Contract Participant at the time of execution of any Swap on or subject to the rules of the SEF;

(2) contain a requirement that each Customer or Client become a Participant or consent to the jurisdiction of the SEF in connection with and with respect to any Swap executed for or on behalf of such Customer or Client on or subject to the rules of the SEF; and

(3) obligate the Customer or Client to provide the SEF and its agents, including its Regulatory Services Provider, access to all books and records, staff and other information necessary for monitoring and enforcement of the SEF Rules.

(c) Once admitted, the Participant shall continue to comply with all applicable eligibility criteria in

Rule 301(a).

(d) Each Participant that is not an Account Manager must either be a Clearing Member or establish a clearing relationship with a Clearing Member, and each Participant that is an Account Manager must ensure that each of its Clients has established a clearing relationship with a Clearing Member; provided, however, that such requirements shall not apply if a Participant or Client, as the case may be: (i) (A) qualifies as an End-User, or (B) otherwise transacts in Swaps on the Platform that are not required to be cleared, and (ii) does not clear or intend to clear any Swaps executed on the Platform.

(e) Each Participant that is not an Account Manager must disclose to the SEF the Clearing Members with which it has clearing relationships, if any, and shall immediately notify the SEF if it ceases to be a clearing customer of any Clearing Member.

(f) Each Participant that is an Account Manager must disclose to the SEF the Clearing Members with which its Clients have clearing relationships, if any, and shall immediately notify the SEF if it ceases to be a clearing customer of any Clearing Member.

(g) Participants and Clients that do not have a relationship with a Clearing Member as set forth in the SEF Rule 301(d) are prohibited from entering Orders or causing Orders to be entered for Required Transactions on the Platform.

(h) Participant understands that the SEF may restrict, suspend or terminate Participant's access to the Platform at the direction of the Clearing Member.

(i) The SEF may allow, deny, suspend, or permanently bar Participant's access to the Platform pursuant to disciplinary measures or emergency action, or for any other reason at the sole discretion of the SEF or its Regulatory Service Provider.

Rule 302 Participant Application Process

(a) Any Person who desires to become a Participant shall:

(1) enter into a User Agreement or Swap Execution Facility Addendum;

(2) establish a clearing relationship with a Clearing Member, except as provided in the SEF Rule 301(d);

(3) enter into an agreement to clear with a Clearing House, if applicable;

(4) agree to abide by the SEF Rules and Applicable Law;

(5) provide such information and documentation as may be requested by the SEF pertaining to the Participant or the Participant's Clients if Participant is an Account Manager, and follow the procedures established by the SEF for admission; and,

(6) if Participant is organized or located outside of the United States, enter into a written agreement acceptable to the SEF appointing a third party as its U.S. agent for service of process for purposes of CFTC Regulation 15.05, and shall provide the SEF with a copy of the agreement.

(b) In considering an application from a potential Participant, the SEF may require additional information from the applicant, or conduct an investigation to verify information submitted by the applicant, or both.

(c) In determining whether to admit an applicant as a Participant, the SEF will evaluate, among

other things, the applicant's disciplinary history and financial and operational soundness.

(d) If the SEF decides to admit an applicant as a Participant, it shall promptly notify the applicant and state in such notice the date on which the applicant shall become a Participant.

(e) The SEF may deny, condition or terminate Participant status of any Person:

(1) If such Person is unable to satisfactorily demonstrate its ability to satisfy the eligibility criteria to become or remain a Participant;

(2) If such Person is unable to satisfactorily demonstrate its capacity to adhere to all applicable SEF Rules;

(3) If such Person would bring the SEF into disrepute as determined by the SEF in its sole discretion; or,

(4) for such other cause as the SEF may reasonably determine.

(f) If the SEF has a Regulatory Service Provider pursuant to Rule 212, the SEF shall nonetheless retain exclusive authority over decisions to deny access to the SEF.

(g) If the SEF decides to decline or condition an application for admission as a Participant, or terminate a Person's status as a Participant, the SEF shall promptly notify such Person (the "***Affected Person***") thereof in a writing sent to the address provided by the applicant in the SEF Participant Application form or maintained in the SEF registry of Participants. Such Affected Person may, within seven (7) calendar days, request in writing that the SEF provide the reasons for the denial, conditioning or termination of Participant status. Within fourteen (14) calendar days after receiving such written request, the SEF shall send a written response to the Affected Person setting forth the reasons for the denial, conditioning or termination. Within fourteen (14) calendar days of receiving the SEF's written response, the Affected Person may request in writing that the Board reconsider the determination.

(h) Within twenty-eight (28) calendar days of receiving any request for reconsideration, the Board shall either confirm, reverse or modify the denial, conditioning or termination of the Affected Person as a Participant, and shall promptly notify the Affected Person accordingly in writing. The Board may, within its discretion, schedule a hearing (in-person or by teleconference); request additional information from the Affected Person; or, establish any other process that it believes is necessary and appropriate to consider the request for reconsideration.

(i) The Board's decision is the final action of the SEF and is not subject to appeal within the SEF.

Rule 303 Trading Privileges of a Participant

(a) A Participant must execute such Participant Documentation as required from time to time by the SEF, and such Participant Documentation must remain in effect for the Participant to maintain its Trading Privileges.

(b) Admission as a Participant only entitles the Participant to the Trading Privileges and does not confer any right of ownership in, or right to attend or vote at meetings of, the SEF, or right to share in the profits, of the SEF. A Participant may not transfer or assign its status as a Participant without the prior written consent of the SEF, and any purported transfer or assignment without the SEF's prior consent is not binding on the SEF.

Rule 304 Access to the Platform

(a) The SEF may at any time revoke, suspend, limit, condition, restrict or qualify a Participant's Trading Privileges and/or ability to access the Platform, if in the sole discretion of the SEF or its Regulatory Service Provider, such action is in the best interests of the SEF.

(b) A Clearing Member may at any time revoke the authorization of any Participant guaranteed by it with or without prior notice to such Participant. For purposes of the relationship between the relevant Clearing Member and the SEF, and the obligations of such Clearing Member to the SEF, any such revocation shall become effective upon the time that such authorization is removed from the Platform's systems. Upon such revocation, the Participant subject thereto may be prohibited from engaging in Required Transactions until such Participant obtains another guarantee from a Clearing Member.

Rule 305 Dues, Assessments and Fees

(a) The SEF shall have the authority to set the amounts and times of payment for any dues, assessments or fees to be paid by Participants. These dues, assessments or fees may include, but not be limited to, the Platform fees, clearing fees, brokerage fees, transaction surcharges, and the fees described in Rules 401(a)(5) and 402(a)(7).

(b) Each Participant agrees to pay such dues, assessments, and fees as are published by the SEF from time to time. Each Participant agrees to pay such dues, assessments, and fees when due.

(c) If a Participant fails to pay when due any such dues, assessments or fees levied on such Participant, and such payment obligation remains unsatisfied for thirty (30) days after its due date, the SEF may suspend, revoke, limit, condition, restrict or qualify the Participant's Trading Privileges and/or ability to otherwise access the Platform as it deems necessary or appropriate.

(d) The SEF may modify or amend such dues, assessments, or fees as are published by the SEF through a Notice to Participants as described in Rule 309, and any such amendment shall be applicable to and binding on the Participant and shall be effective twenty-five (25) calendar days after the later of the date that it is posted on the SEF website and is transmitted to Participants; provided, however, that notwithstanding any provision in the User Agreement, a Participant may terminate its membership in the SEF by providing written notice to the SEF that it objects to a modification or amendment of the SEF's dues, assessments or fees within thirty (30) calendar days of the effective date of any such modification or amendment. Any termination under this Rule 305(d) will become effective fifteen (15) calendar days after such written notice is received by the SEF. Any Participant that terminates its membership under this Rule 305(d) shall remain responsible for any dues, assessments, fees and Obligations applicable to any Transactions effected or activity conducted prior to any such termination, and Rule 931 shall survive any such termination.

Rule 306 Participant Representatives

Rule 306.A Authorized Persons

(a) Each Participant who is not a natural person shall designate an Authorized Person(s) by listing such Authorized Persons on the SEF Participant Application or by otherwise providing the SEF with the information requested in the SEF Participant Application related to Authorized Persons. Participant must designate an Authorized Person prior to permitting such Authorized Person to access the Platform and agrees to notify the SEF of any change in its Authorized Persons.

(b) Any person who is an Authorized Person must: (i) utilize the Participant's Legal Entity Identifier

or CICI for all activities on the Platform; and (ii) utilize the User ID provided by the SEF to such Authorized Person.

Rule 306.B Authorized Representatives

(a) Authorized Representatives will represent the Participant before the SEF and its committees and receive notices on behalf of such Participant.

(b) Authorized Representatives shall be empowered by the Participant to act on its behalf, and the SEF shall be entitled to rely on the actions of Authorized Representatives as binding on the Participant, unless and until Participant has notified the SEF that such Authorized Representative's designation has been revoked

(c) Each Participant must provide the SEF with current contact and other requested information for each of its Authorized Representatives so that the SEF is able to immediately contact such Authorized Representatives.

Rule 307 Identification of Authorized Persons

(a) Each person trading on behalf of a Participant shall be identified to the SEF by Participant's Legal Entity Identifier and shall be subject to the SEF Rules; *provided, however*, that if the CFTC has not yet designated the procedures for obtaining a Legal Entity Identifier, Participant shall be identified to the SEF by Participant's CICI. It is the duty of the Participant to ensure that Legal Entity Identifiers or CICIs are current and accurate at all times. Participant shall not use, and the SEF may deny Participant access to, the Platform at any time that Participant has, or is required by CFTC regulations to have, a Legal Entity Identifier or CICI if Participant does not have such a Legal Entity Identifier or CICI, as the case may be, or has not notified the SEF in writing of such Legal Entity Identifier or CICI.

(b) Each Participant and each Authorized Person will also individually receive a User ID and a corresponding password to enable such Participant or Authorized Person to access and use the Platform. Each individual must use a Legal Entity Identifier or CICI and User ID to access the Platform. In no event may a Person enter an Order or permit the entry of an Order by an individual using User ID other than the individual's own User ID.

(c) Upon becoming aware of any improper access to or use of the Platform, Participant shall immediately notify the SEF and shall immediately terminate such Person's access to and use of the Platform. Participant shall be responsible for, and shall take and maintain appropriate steps to ensure, the security of Participant's (and Participant's Authorized Persons') use of the Platform.

Rule 308 Recording of Communications

The SEF or the Regulatory Services Provider may record conversations and retain copies of electronic communications between SEF Officials, on one hand, and Participants and their Authorized Persons, on the other hand. Any such recordings may be retained by the SEF or the Regulatory Services Provider in such manner and for such periods of time as the SEF may deem necessary or appropriate. The SEF or Regulatory Services Provider will retain such recording in compliance with CFTC Regulations. The Regulatory Services Provider will have access to such recordings to the extent required to perform certain regulatory services to the SEF pursuant to the Regulatory Services Agreement. Participants hereby consent to such recordings.

Rule 309 Notices to Participants

(a) The SEF shall publish and transmit a Notice to Participants with respect to each addition to, modification of, or clarification of, the SEF Rules or of any action to implement any of the SEF Rules. A Notice to Participants shall be posted on the SEF's website and transmitted to Participants via an electronic mail distribution or through any other electronic or digital communications system not prohibited by Applicable Law in order to enable each Participant to become aware of and familiar with, and to implement any necessary preparatory measures to be taken by it with respect to, such addition or modification, prior to the effective date thereof.

(b) Any Notice to Participants published and transmitted in accordance with Rule 309(a) shall also be deemed to have been made to all Account Managers, Clients, Customers, Authorized Representatives and Authorized Persons.

Rule 310 Communications between the SEF and Participants

(a) Each Participant must provide the SEF with its current electronic mail address and telephone number and the electronic mail address and telephone number of any of its Authorized Persons, and immediately (and in any event within 24 hours) update this information whenever it changes.

(b) All communications made to Participants shall also be deemed to have been made to all Authorized Representatives and Authorized Persons, and all communications made to an Authorized Representative or Authorized Person shall also be deemed to have been made to Participant.

Rule 311 Application of the SEF Rules and Jurisdiction

(a) By becoming a Participant, accessing the Platform or entering any Order or submitting any Contract into the Platform, whether directly or through an intermediary, and without any need for any further action, undertaking or agreement, a Participant and its Authorized Person(s), and the Clients and Customers of any Participant agree:

(1) to be bound by, and comply with, the SEF Rules and obligations and Applicable Law, in each case to the extent applicable to it;

(2) to become subject to the jurisdiction of the SEF with respect to any and all matters arising from, related to, or in connection with, the status, actions or omissions of such Person;

(3) to permit the SEF and any Regulatory Services Provider authorized to act on behalf of the SEF to access any and all information relevant to activities related to the SEF business;

(4) to assist the SEF in complying with its legal and regulatory obligations, cooperate with the SEF and the CFTC in any inquiry, investigation, audit, examination or proceeding; and

(5) that the SEF is authorized to provide information regarding Participant to the Regulatory Services Provider, the CFTC or any Self-Regulatory Organization.

(b) Any Participant whose Trading Privileges and/or ability otherwise to access the Platform are revoked or terminated shall remain bound by the SEF Rules and Applicable Law, in each case to the extent applicable to it, and subject to the jurisdiction of the SEF with respect to any and

all matters arising from, related to, or in connection with, the status, actions or omissions of such Participant prior to such revocation or termination.

Rule 312 Description of Participant's Status

A Participant shall ensure that the form, content and context of any description of the Participant's status on the SEF to Customers is not inconsistent with, and does not misrepresent, the Participant's capacity on the SEF under the SEF Rules or the Participant's registration, if any, under the CEA, or under any other Applicable Law.

Rule 313 Death or Dissolution of a Participant

All rights and privileges of a Participant terminate upon, and all obligations of a Participant shall survive, the death or incapacity of the Participant (if an individual) or the dissolution of the Participant (if an entity).

Rule 314 Withdrawal of Participant

(a) To withdraw from the SEF, a Participant must notify the SEF following the procedures established by the SEF. Except as otherwise required by law or regulation or by request or order of a Government Agency, such withdrawal will be effective immediately upon receipt of the withdrawal by the SEF.

(b) Upon the effectiveness of the withdrawal of a Participant, all rights and privileges of such Participant terminate (including, without limitation, the Trading Privileges and ability to access the Platform) immediately. The SEF may suspend Trading Privileges prior to termination if necessary to appropriately effectuate termination. The accepted withdrawal of a Participant shall not affect the rights of the SEF under the SEF Rules or relieve the former Participant of its Obligations under the SEF Rules, to perform all contracts involving any Contracts entered into by such, or to pay any the SEF fees, costs, or charges incurred, before the withdrawal. Notwithstanding the accepted withdrawal of a Participant, the withdrawn Participant remains subject to the SEF Rules, the Obligations and the jurisdiction of the SEF for acts done and omissions made while a Participant, and must cooperate in any SEF Proceeding under Chapter 10 as if the withdrawn Participant were still a Participant.

Rule 315 Compliance with the CEA

(a) All Participants and all Clients and Customers of any Participant that is an Account Manager shall comply with the provisions of the CEA and CFTC Regulations, including the filing of reports, maintenance of books and records, and permitting inspection and visitation by duly authorized representatives of the CFTC or Department of Justice.

Chapter 4 SEF Services

Rule 401 Real-Time Public Reporting

(a) In General.

(1) CFTC Regulation Part 43, which sets forth the rules regarding real-time reporting, requires certain transaction data to be reported to a Swap Data Repository as soon as technologically practicable after Execution.

(2) The responsibilities for real-time reporting pursuant to CFTC Regulation Part 43 will vary depending on whether or not the Transaction is executed on or pursuant to the SEF Rules.

(3) Participant or Participant's counterparty must transmit all data required to be reported under CFTC Regulation Part 43 for any Block Trades to the SEF as soon as technologically practicable after Execution, but in any event before the times set forth in CFTC Regulation § 43.5(d), or any successor regulation thereto.

(4) For Transactions executed on the Platform or pursuant to the SEF Rules, including Block Trades, the SEF will fulfill the real-time reporting obligations in CFTC Regulation Part 43. The SEF may enter into contractual relationships with third party service providers to transmit the Swap transaction and pricing data to a Swap Data Repository.

(5) The SEF shall have the authority to charge fees for the transmission of transaction and pricing data to a real-time disseminator for Transactions executed on the Platform or pursuant to the rules of the SEF; provided, however, that such fees shall be equitable and non-discriminatory.

(b) Pursuant to CFTC Regulation § 43.3(b), or any successor regulation thereto, the SEF will report all transaction and pricing data for Transactions executed on the Platform or pursuant to the SEF Rules as soon as technologically practicable after Execution to a registered Swap Data Repository for public dissemination.

(c) Pursuant to CFTC Regulation § 43.4(f)(2), or any successor regulation thereto, the SEF will report the actual notional or principal amount for all Swaps executed on or pursuant to the rules of the SEF, including those of any Block Trade, to a registered Swap Data Repository. However, this amount may be rounded or capped by such Swap Data Repository prior to public dissemination.

(d) The SEF will not disclose transaction or pricing data for any Transactions to the general public prior to the public dissemination of such data. However, the SEF may permit Participants and any market participants subscribing to the SEF for information services to access such data after or at the same time that the SEF transmits such data to a registered Swap Data Repository pursuant to Rule 401(b).

(e) Real-time dissemination of Block Trades will be done in accordance with Rule 602.

Rule 402 Regulatory Reporting

(a) Reporting Creation Data.

(1) CFTC Regulation Part 45, which sets forth the rules regarding regulatory reporting, requires Creation Data for any Transaction to be reported to a Swap Data Repository

after Execution. Creation Data includes the Primary Economic Terms and Confirmation Data.

(2) The responsibilities for regulatory reporting pursuant to CFTC Regulation § 45.3, or any successor regulation thereto, will vary depending on whether or not the Transaction is executed on or pursuant to the SEF Rules and whether or not the Transaction is cleared.

(3) Participant or Participant's counterparty must transmit all data required to be reported under CFTC Regulation Part 45 for any Block Trades to the SEF as soon as technologically practicable after Execution.

(4) If both counterparties are Swap Dealers, or both counterparties are Major Swap Participants, or both counterparties are neither Swap Dealers nor Major Swap Participants that are financial entities as defined in CEA section 2(h)(7)(C), or both counterparties are neither Swap Dealers nor Major Swap Participants and neither counterparty is a financial entity as defined in CEA section 2(h)(7)(C), then the seller of risk in the currency which is first, when sorted alphabetically by ISO code, would bear responsibility to report the trade.

(5) For Transactions executed on the Platform or pursuant to the SEF Rules, including Block Trades, the SEF will report the Primary Economic Terms and Confirmation Data to a Swap Data Repository. The SEF may enter into contractual relationships with third party service providers to transmit the Primary Economic Terms and Confirmation Data to such Swap Data Repository.

(6) Participant must provide the SEF with sufficient information to enable the SEF to report all Creation Data, including without limitation:

i. The Legal Entity Identifier or CICI of the Participant;

ii. A yes/no indication of whether Participant is a Swap Dealer with respect to the product with respect to which the Order is placed;

iii. A yes/no indication of whether Participant is a Major Swap Participant with respect to the product with respect to which the Order is placed.

iv. A yes/no indication of whether Participant is a financial entity as defined in CEA section (2)(h)(7)(C);

v. A yes/no indication of whether Participant is a U.S. Person;

vi. If applicable, an indication that Participant will elect the End-User Exception for any Swap resulting from the order;

vii. If the Transaction will be allocated:

1. An indication that the Transaction will be allocated.

2. The Legal Entity Identifier or CICI of the agent.

3. An indication of whether the Swap is a post-allocation swap.

4. If the swap is a post-allocation swap, the Unique Swap Identifier of the original Transaction between the Reporting Counterparty and the agent.

(7) The SEF shall have the authority to charge fees for any services provided pursuant to this Rule 402; provided, however, that such fees shall be equitable and non-discriminatory.

(b) Reporting Continuation Data.

(1) CFTC Regulation Part 45 requires Continuation Data to be reported to a Swap Data Repository during the life of any Transaction. Continuation Data includes life-cycle event data or state data, each as defined in CFTC Regulation § 45.1, or any successor regulation thereto, and Valuation Data.

(2) Pursuant to CFTC Regulation § 45.4(b), Continuation Data for any cleared Transaction will be reported to the relevant Swap Data Repository by the relevant Derivatives Clearing Organization, except that the Reporting Counterparty will also be responsible for reporting Valuation Data to the relevant Swap Data Repository if the Reporting Counterparty is a Swap Dealer or Major Swap Participant.

(3) Pursuant to CFTC Regulation § 45.4(c), Continuation Data for any uncleared Transaction, whether or not the Transaction is executed on a Swap Execution Facility, will be reported to the relevant Swap Data Repository by the Reporting Counterparty.

(4) The SEF will have no obligation to fulfill any requirements to report Continuation Data for any Participant, including Valuation Data.

(5) If the SEF fulfills any requirements to report Continuation Data for any Participant that is a Reporting Counterparty, such Participant will at all times remain responsible for the performance of any and all regulatory reporting requirements imposed on such Participant under CFTC Regulation Part 45.

Rule 403 Maintenance of Books and Records by the SEF

(a) The SEF shall keep, or cause to be kept, complete and accurate books and records of all activities relating to the business of the SEF, including a complete audit trail for all Swaps executed on or subject to the rules of the SEF, investigatory files, and disciplinary files, and all books and records required to be maintained pursuant to the CEA and CFTC Regulations.

(b) The SEF shall retain all such books and records for at least five (5) years. All records relating to Swaps shall be kept for at least five (5) years following final termination of the Swap. Records relating to Swaps shall be readily accessible via real time electronic access by the SEF throughout the life of the Swap and for two (2) years following the final termination of the Swap, and shall be retrievable by the SEF within three (3) business days through the remainder of the period following final termination of the Swap during which it is required to be kept. All books and records kept pursuant to this Rule 403 shall be reported to the CFTC as requested by the CFTC and shall be open to inspection and examination by the CFTC.

Rule 404 Transaction Confirmations

(a) The economic terms specific to the Transaction agreed to by the Participants on the SEF shall be reflected by the SEF in a written communication (the “Trade Communication”) sent to the applicable Participants.

(1) For an uncleared Transaction:

i. The Trade Communication, together with the documents and agreements (including, without limitation, ISDA master agreements, other master

agreements, terms supplements, master confirmation agreements, and incorporated industry definitions) governing such Transaction existing at the time of such commitment to which the applicable Participants are party (the "Terms Incorporated by Reference") shall, taken together, comprise all of the terms of such Transaction and constitute a confirmation for purposes of CFTC Regulation § 37.6(b) and shall be deemed to be the "SEF Confirmation".

ii. In satisfaction of the obligations imposed on the SEF under CFTC Regulation § 37.6(b): (i) each Trade Communication is deemed to incorporate the Terms Incorporated by Reference set forth in this Rule 404, and (ii) the participants hereby agree that the provisions of Rule 404(c) shall govern any conflicting terms.

iii. In the event of any conflict between (x) the Trade Communication and (y) the Terms Incorporated by Reference, the Trade Communication shall prevail to the extent of any inconsistency.

(2) For a cleared Transaction, the Trade Communication shall constitute a confirmation for purposes of CFTC Regulation § 37.6(b) and shall be deemed to be the "SEF Confirmation".

(b) A SEF Confirmation shall be deemed to be a binding and fully enforceable confirmation of the Transaction between such parties.

(c) A SEF Confirmation shall be deemed to be fully, and mutually executed by the parties, "signed" and "in writing" for any and all purposes, and the resulting SEF Confirmation shall constitute the controlling confirmation with respect to the applicable Transaction.

(d) Participant agrees not to contest the legally binding nature or enforceability of any Transaction entered into or negotiated on the Platform and further agrees not to contest or assert any defense to the validity or enforceability of any Transaction on the basis that such Transaction was executed or negotiated electronically or on the basis of any law requiring agreements to be in writing or to be signed by the parties. Participant hereby waives any and all right to assert any such claims.

(e) Participant agrees to use commercially reasonable efforts to promptly review all SEF Confirmations and to reconcile any data or other discrepancies. Any discrepancies, errors or omission with respect to SEF Confirmations shall be resolved as provided in the SEF Rules.

Rule 405 Audit Trail Program

(a) The SEF's audit trail permits it to track customer orders from the time of receipt through fill, allocation, or other disposition, and includes both order and trade data. The audit trail program includes all original source documents and an electronic transaction history database. The electronic transaction history database includes a history of all indications of interest, requests for quotes, orders, and trades entered into the Platform, including all orders and trades, and order modifications and cancellations. An adequate transaction history database also includes:

(1) All data that is input into the trade entry or matching system for the transaction to match and clear;

(2) Customer type indicator code;

(3) Timing and sequencing data adequate to reconstruct trading; and

(4) Identification of each account to which fills are allocated.

(b) The SEF will enforce its audit trail and recordkeeping requirements through at least annual reviews of all Participants to verify their compliance with the SEF's audit trail and recordkeeping requirements. Such reviews will include, but are not limited to, reviews of randomly selected samples of front-end audit trail data for order routing systems; a review of the process by which user identifications are assigned and user identification records are maintained; a review of usage patterns associated with user identifications to monitor for violations of user identification rules; and reviews of account numbers and customer type indicator codes in trade records to test for accuracy and improper use.

(c) The SEF's audit trail enforcement program will identify Participants that have failed to maintain high levels of compliance with such requirements and will sanction Participants for deficiencies. Sanctions will not include more than one warning letter for the same violation of audit trail or recordkeeping requirements within a rolling twelve month period.

Rule 406 Monitoring of Trading and Trade Processing

The SEF will monitor trading on the Platform in order to prevent manipulation, price distortion, and disruptions of the delivery or cash settlement process through surveillance, compliance, and disciplinary practices and procedures, including through the real-time monitoring of trading, and comprehensive trade reconstruction.

Rule 407 Use of Participant Proprietary Data

The SEF shall not use for business or marketing purposes any proprietary data or personal information it collects or receives, from or on behalf of any Person, for the purposes of fulfilling the SEF's regulatory responsibilities; provided, however, that the SEF, or the Regulatory Service Provider on behalf of the SEF, may share such information with one or more Swap Execution Facilities, designated contract markets, or the CFTC for regulatory purposes as required under Applicable Law.

Rule 408 Publication of Trading Information

The SEF will publish trading information as required by CEA Section 5h(f)(9) and Parts 16 and 37 of CFTC Regulations.

Chapter 5 Obligations of Participants

Rule 501 Duties and Responsibilities of Participants

(a) Each Participant shall (and shall cause all of its Authorized Persons and Clients or Customers, if applicable to):

(1) use the Platform in a responsible manner and not for any improper purpose;

(2) use the Platform only to conduct SEF Activity;

(3) conduct all SEF Activity in a manner consistent with SEF Rules and Obligations;

(4) comply with all SEF Rules and Obligations and act in a manner consistent with each SEF Rule and Obligation;

(5) comply with all rules of the Regulatory Service Provider, if any, to the extent applicable to it, and act in a manner consistent with the rules of the Regulatory Service Provider, if any, to the extent applicable;

(6) observe high standards of integrity, market conduct, commercial honor, fair dealing, and just and equitable principles of trade while conducting or attempting to conduct any SEF Activity, or any aspect of any business connected with or concerning the SEF;

(7) not knowingly mislead or conceal any material fact or matter in any dealings or filings with the SEF or in response to any SEF Proceeding;

(8) employ practices to monitor and enforce compliance with risk limits; and

(9) keep, or cause to be kept, complete and accurate books and records, including, without limitation, all books and records of its SEF Activity and his or her activity in the underlying commodity and related derivatives markets, and all books and records required to be maintained pursuant to the CEA, the CFTC Regulations or the SEF Rules, for the period required by Applicable Law, and make such books and records available for inspection by a representative of the SEF, the Regulatory Service Provider or the CFTC.

(b) Each Participant shall:

(1) be fully liable for all trading losses, all Orders, all transactions in Contracts effected by such Participant, all transactions effected on the Platform and for any use of the Platform made by Participant or the Participant's Authorized Persons, and all trades even if the Orders received via the Platform: (1) were entered as a result of a failure in the security controls and/or credit controls, other than due to the gross negligence of the SEF; or (2) were entered by an unknown or unauthorized user;

(2) be responsible for promptly informing the SEF of any material changes to the information provided to the SEF by the Participant pursuant to Rule 301.

Rule 502 Required Disclosures to the SEF

(a) Each Participant shall immediately notify the Market Regulation Department upon becoming aware of any of the following events, in each case, with respect to the Participant's status which relates to or may affect its participation or conduct on the SEF:

(1) any material change to the contact information provided to the SEF;

(2) any damage to, or failure or inadequacy of, the systems, facilities or equipment of the Participant to effect transactions pursuant to the SEF Rules or to timely perform the Participant's financial obligations under or in connection with Contracts;

(3) any refusal of admission, or involuntary withdrawal of the Participant for membership in, any Self-Regulatory Organization, Contract Market or Derivatives Clearing Organization;

(4) any expulsion, suspension or fine in excess of $25,000, cease and desist order, denial of trading privileges, censure or other sanction or remedy (whether through an adverse determination, voluntary settlement or otherwise) imposed on the Participant by any Self- Regulatory Organization, Contract Market or Derivatives Clearing Organization registered with the CFTC or, with respect to SEF Activity, any relevant Government Agency;

(5) any indictment or conviction of, or any confession of guilt or plea of guilty or nolo contendere by, the Participant (or, if the Participant is an entity, by any of its principals or senior officers) for any felony or misdemeanor involving, arising from, or related to, the purchase or sale of any commodity, swap, Futures contract, Option, security, securities futures product or other financial instrument, or involving or arising from fraud or moral turpitude;

(6) the Participant becoming the subject of a petition for bankruptcy;

(7) the appointment of a receiver, trustee or administrator for the Participant;

(8) the presentment of a petition, or the passing of a resolution, for the winding-up of Participant;

(9) the commencement of proceedings for the dissolution of Participant; or

(10) the occurrence of an event of insolvency with respect to the Participant.

Rule 503 Inspections by the SEF

(a) The SEF (or the Regulatory Services Provider or other authorized representative) shall have the right with such prior reasonable advance notice as is practicable under the circumstances, in connection with determining whether all SEF Rules and Obligations are being, will be, or have been complied with by the Participant, to:

(1) inspect systems, equipment and software operated by the Participant in connection with SEF Activity, wherever located;

(2) access such systems, equipment, software, and the premises on which such systems, equipment, and software are located, any data related to SEF Activity stored in any such system or equipment, during the regular business hours and the Trading Hours of the SEF, without prior notice to Participants; and/or

(3) copy or reproduce any data to which the SEF has access under this Rule 503.

(b) The Market Regulation Department may require a Participant to furnish (periodically or on a particular occasion) information concerning the Participant's SEF Activity. Such information includes but is not limited to, the Participant's open trading positions or Contracts to which the Participant is a party.

(c) The Market Regulation Department may examine (periodically or on a particular occasion) the books and records of any Participant or any Customer or Client of a Participant that relate to SEF Activity.

(d) Each Participant shall provide the Regulatory Services Provider with the same access to their books and records and offices as they are required to provide the SEF under the SEF Rules and Applicable Law.

(e) The SEF shall provide information in its possession to the CFTC or the Regulatory Services Provider upon request. The SEF shall also share information with other regulatory organizations, data repositories, and reporting services as required by the CFTC or as otherwise necessary and appropriate to fulfill its self-regulatory and reporting responsibilities. Appropriate information-sharing agreements can be established with such entities or the CFTC can act in conjunction with the SEF to carry out such information sharing.

Rule 504 Minimum Requirements for Participants

(a) Each Participant shall comply with the provisions of Applicable Law, including but not limited to the rules and regulations of any Government Agency that are imposed on a Participant relating to minimum financial requirements (if applicable), reporting and recordkeeping requirements, and any mandatory clearing requirements.

(b) Transactions executed on or through the Platform must be cleared through a CFTC-registered Derivatives Clearing Organization unless:

(1) The Transaction is exempted from clearing under Section 2(h)(7) of the CEA; or

(2) The Transaction is not a Required Transaction.

(c) Each Participant who is a Swap Dealer or Major Swap Participant shall be responsible for compliance with any mandatory trading requirements under CEA Section 2(h)(8) and CFTC regulations thereunder.

(d) For Transactions that are executed on or subject to the rules of the SEF, if such Transaction is not cleared by a Derivatives Clearing Organization and is not required to be cleared, each Participant party must have entered into an agreement governing the execution and settlement of the Swap with the prospective counterparty to such Swap prior to placing such Order.

(e) A copy of any notice or written report that a Participant is required to file with the CFTC pursuant to CFTC Regulation § 1.12, or any successor regulation thereto, shall be concurrently provided to the SEF.

(f) A Participant who violates any CEA provision or CFTC Regulation referred to in this Rule 504 shall be deemed to have also violated this Rule 504.

Rule 505 Recordkeeping Requirements

(a) <u>In General</u>.

(1) Each Participant must maintain or cause to be maintained records for all books and records required to be maintained in accordance with Applicable Law, including the SEF Rule 501(a)(9).

(b) <u>Bunched Orders and Orders Eligible for Post Execution Allocation</u>.

(1) Bunched Orders must be allocated and recorded in accordance with CFTC Regulation § 1.35(b)(5), or any successor regulation thereto, and the NFA's Interpretative Notice related to Compliance Rule 2-10 or any successor regulations.

(c) Records of Underlying Commodity Activity and Related Transactions.

(1) As required by CFTC Regulation § 37.404, each Participant must keep records of its trading on the SEF, including records of its activity in the commodity underlying any Swap and trading on related derivatives markets and make such records available, upon request, to the SEF and the CFTC.

Rule 506 Confidentiality of Financial and Other Information

All information and data obtained or received by the Market Regulation Department from inspections of accounting and other records, quarterly balance sheets and declarations or reports on financial condition will be treated as confidential by the SEF; however, this Rule 506 does not supplant Rules 210, 1003(c), 1201(e), or any other requirement of Applicable Law.

Rule 507 Authority to Report

Whenever the SEF learns that Participant has failed to file any notice or written report required by CFTC Regulation § 1.12, or any successor regulation thereto, the SEF will immediately report this failure to the CFTC. The SEF may impose such conditions or restrictions on the business and operations of Participant that has failed to file any such notice or written report as the SEF may deem necessary or appropriate for the protection of Customers, other Participants, or the SEF.

Rule 508 Brokers and Account Managers

(a) No Participant acting as a broker or Account Manager shall carry an account for a Customer or enter an Order in the name of or on behalf of a Client unless the Participant has entered into a written agreement with the Customer or Client containing such terms as may from time to time be prescribed in these SEF Rules, including without limitation, those rules contained in SEF Rule 301(b).

(b) No Participant shall engage in soliciting or accepting an Order for the Contract for a Participant, Customer or Client unless the Participant has entered into a written agreement with the Participant, Customer or Client obtaining such terms as may from time to time be prescribed in these SEF Rules.

Rule 509 Treatment of Customer Funds and Securities

Each Participant that is required to be registered with any Government Agency, including the CFTC and the U.S. Securities and Exchange Commission or any Self-Regulatory Organization, shall comply with the provisions of Applicable Law, including but not limited to the rules and regulation such Government Agency imposes on a Participant relating to the treatment of Customer funds and the maintenance of books and records with respect thereto. Any Participant that violates any of the aforementioned Government Agency Regulations shall be deemed to have violated this Rule 509.

Rule 510 Disclosure Requirements; Know Your Counterparty Requirements

(a) Each Participant must comply with all disclosure requirements set forth in applicable CFTC Regulations and rules of the Regulatory Service Provider, if any. Any such disclosure may be combined with a disclosure regarding the existence of financial interests held by the Participant in the SEF or any other Swap Execution Facility.

(b) Participants that are Swap Dealers or Major Swap Participants shall verify that each potential counterparty is an Eligible Contract Participant with respect to each Swap as provided in Subpart H of Part 23 of the CFTC Regulations, or any successor regulations related to external business conduct standards for Swap Dealers and Major Swap Participants.

(c) Participants that are Futures Commission Merchants must verify that each of their Customers are Eligible Contract Participants.

(d) Participants that are Account Managers must verify that each of their Clients is Eligible Contract Participants.

Rule 511 Information Regarding Orders

(a) The SEF will make information regarding Orders (including prices bid or offered), trades and any other matters it may deem appropriate available to Participants and other Persons at such times and in such manner (whether through the Platform, a ticker, financial information services or otherwise) as it may consider necessary or advisable from time to time.

(b) Each Participant or other Person receiving any such information through the Platform may redistribute such information only to such extent and in such manner as may be permitted by the SEF from time to time.

Rule 512 Customer Type Indicator (CTI) Codes

(a) Each Participant must identify each transaction executed on the Platform on the record of transactions submitted to the SEF with the correct CTI Code. The CTI Codes are as follows:

(1) CTI 1- Transactions initiated and executed by a Participant for his own account, for an account he controls or for an account in which he has ownership or financial interest.

(2) CTI 2- Transactions executed for the proprietary account of a Clearing Member or non-Clearing member firm.

(3) CTI 3- Transactions where an individual Participant or Authorized Person executes for the personal account of another individual Participant, for an account the other individual Participant controls or for an account in which the other individual Participant has ownership or financial interest.

(4) CTI 4- Any transaction not meeting the definition of CTI 1, 2 or 3.

Rule 513 Canceled Trades & Amended Trade Information

Transactions executed on or pursuant to Rules of the SEF which are canceled or amended by a

Participant must be reported to the SEF by the reporting party immediately upon canceling or amending such transactions (according to procedures of the SEF, as may be amended from time to time), so that the SEF may accurately amend the audit trail and report trade information according to Part 16 of CFTC Regulations.

Chapter 6 Supported Transactions

Rule 601 General

(a) The SEF supports both Permitted Transactions and Required Transactions through the execution methods detailed in Chapter 7.

(b) If one or both of the counterparties to a transaction elects to use the End-User Exception detailed in Rule 801, the party electing to use the End-User Exception must notify the SEF of such election as required by SEF Rule 402(a)(6) and the transaction shall be treated as a Permitted Transaction.

Rule 602 Block Trades

(a) The SEF shall set the minimum block sizes for all Swaps listed on the Platform, which shall be equal to or greater than the appropriate minimum block sizes established by CFTC Regulation § 43.6. The SEF will publish these minimum block sizes on its website.

(b) The SEF will publish the list of contracts for which it permits and facilitates the bilateral trading and execution of Block Trades on its website.

(c) The following shall govern Block Trades:

(1) Each counterparty to a Block Trade (or a Person, Customer or Client on whose behalf a Block Trade is executed) must be an Eligible Contract Participant.

(2) Parties to a Swap of a large notional value must elect to have the Swap treated as a Block Trade in order for the Swap to constitute a Block Trade pursuant to this Chapter 6.

(3) A Block Trade must be for a quantity that is at or in excess of the applicable minimum threshold. Orders may not be aggregated for different accounts in order to achieve the minimum transaction size unless done by a Person who:

(a) Is either: (i) a commodity trading advisor registered under Section 4n of the CEA, or exempt from registration under the CEA, or a principal thereof, who has discretionary trading authority or directs client accounts, (ii) is an investment adviser who has discretionary trading authority or directs client accounts and satisfies the criteria of CFTC Regulation § 4.7(a)(2)(v), or (iii) is a non-U.S. person, as defined in CFTC rules, regulations and/or interpretations who performs a similar role or function as the persons described in Rule 602(c)(3)(a)(i) or (ii) and is subject as such to foreign regulation; and

(b) Has more than $25,000,000 in total assets under management.

(4) A broker for a Customer shall not execute any order by means of a Block Trade for a Customer unless such Customer has specified that the order be executed as a Block Trade. Such instruction or consent may be provided in the power of attorney or similar document by which the Customer provides the broker with discretionary trading authority or the authority to direct the trading in its account.

(5) The price at which a Block Trade is executed must be fair and reasonable in light of (i) the size of the Block Trade, (ii) the prices and sizes of other transactions in the same

Contract at the relevant time, (iii) the prices and sizes of transactions in other relevant markets at the relevant time, and (iv) the circumstances of the markets or the Participants to the Block Trade.

(6) One of the counterparties or the broker of one of the Persons party to the Block Trade must ensure that each Block Trade is reported to the SEF within the time limit set forth in Rule 401(a)(3).

(7) Block Trades must be reported to the SEF in accordance with the SEF approved reporting method and must include all of the data required by CFTC Regulations Part 43 and 45. The SEF will transmit Block Trade transaction and pricing data to a Swap Data Repository as soon as technologically practicable after receipt of such data. CFTC Regulations prohibit any Swap Data Repository from publicly disseminating this data until the expiration of certain time delays as specified in CFTC Regulation § 43.5, or any successor regulation thereto.

(8) An executed Block Trade must become a part of the SEF's audit trail.

Chapter 7 Execution Methods

Rule 701 General

Transactions executed on the SEF must be executed either on the SEF Central Limit Order Book ("CLOB"), the SEF RFQ Platform ("RFQ Platform"), or the SEF RFS Platform ("RFS Platform") pursuant to this chapter.

Rule 702 Central Limit Order Book ("CLOB")

(a) The CLOB is an anonymous electronic price-time priority central limit order book in which Participants trade against firm quotes posted by other Participants. If there are multiple bids and offers that have the same price, the earliest to arrive in the CLOB will be the bid or offer to which the order is matched. If the order exceeds the quantity of the bid or offer, the Participant may be filled at the next, best bid or offer for their order.

(b) Orders submitted as Required Transactions can only match with quotes for Required Transactions posted by Participants who have common clearing arrangements. Both counterparties must have available credit.

(c) Orders submitted as Permitted Transactions can only match with quotes for Permitted Transactions posted by Participants who have bilateral settlement arrangements with the order submitters and where credit is available.

Rule 703 Request For Quote Platform ("RFQ Platform")

(a) Both Required and Permitted Transactions may be negotiated by Participants and their Counterparties by use of the RFQ Platform. Through the RFQ Platform, Participants can transmit a request for a quote ("RFQ") to buy or sell a specific instrument to other Participants, to which all such Participants may respond.

(b) An RFQ for a Required Transaction must be submitted to no less than the Required Number of other Participants who are not affiliated with or controlled by the RFQ requester and are not affiliated with or controlled by each other.

(c) An RFQ for a Required Transaction may be sent to any or all Counterparties with whom the Participant has a common clearing arrangement and where both counterparties have available credit.

(d) An RFQ for a Permitted Transaction may be sent to any Counterparty with whom the Participant has an agreement governing the execution and settlement of Swaps.

(e) Negotiation Process

(1) The negotiation process on the RFQ Platform is initiated by entry of an RFQ by an RFQ requester on the Platform. An RFQ acts as a non-binding solicitation of a non-binding quote and provides essential economic terms sufficient for any RFQ requester's counterparty to formulate a responsive quote.

(2) In response to an RFQ, any potential counterparty receiving an RFQ may reply with a responsive quote. For Required Transactions, any firm bids or offers resting on the Central Limit Order Book Platform will be communicated to the RFQ requester along with any responsive quotes.

(3) In the event that a responsive quote is acceptable to the requestor, the requestor can accept the quote and a request to deal will be sent to the responder. If the responder accepts the request, a legally enforceable transaction arises and the RFQ process concludes. If the responder rejects the request, the RFQ process concludes and no transaction arises.

(4) For a Required Transaction, if any resting bid or offer from the CLOB is acceptable to the RFQ requester, the RFQ requester may issue an acceptance and if the match is completed on the CLOB, a legally enforceable transaction arises and the RFQ process concludes.

(5) In the event that the initial responsive quote from the counterparty or any resting bid or offer from the CLOB is not acceptable to the RFQ requester, the RFQ responders may continue sending responsive quotes until an acceptance is issued or the RFQ process is terminated without a transaction.

Rule 704 Request For Stream Platform ("RFS Platform")

(a) Both Required and Permitted Transactions may be negotiated by Participants and their Counterparties by use of the RFS Platform. Through the RFS Platform, Participants can transmit a request for a stream ("RFS") subscription to buy or sell a specific instrument from other Participants, to which all such Participants may respond.

(b) A RFS subscription for a Required Transaction must be submitted to no less than the Required Number of other Participants who are not affiliated with or controlled by the RFS requester and are not affiliated with or controlled by each other.

(c) An RFS for a Required Transaction may be sent to any or all Counterparties with whom the Participant has a common clearing arrangement.

(d) An RFS for a Permitted Transaction may only be sent to a Counterparty with whom the Participant has a bilateral settlement arrangement.

(e) In response to an RFS stream subscription, any potential Counterparty receiving an RFS may reply with a responsive stream of quotes. For Required Transactions, any firm bids or offers resting on the Central Limit Order Book Platform will be communicated to the RFS requester along with any responsive quotes.

(f) Negotiation Process

(1) Once the requestor has completed the subscription process, the requestor may submit a limit order to the RFS Platform. If the limit order is marketable it will be sent to the Counterparty of the requestor's choice, or if the requestor elects to have the RFS Platform choose, the RFS Platform will send the order to the responder with the best price. If the limit order is not marketable, it will be held in the RFS platform until the requestor cancels the order or the order becomes marketable.

(2) In the event that a marketable limit order is sent to a responder, the responder can choose to accept or reject the order. If the responder accepts the order, a legally enforceable transaction arises and the RFS process for this order concludes. If the responder rejects the order, the RFS process for this order concludes.

(3) For a Required Transaction, if any resting bid or offer from the CLOB is acceptable to the RFS requester, the RFS requester may issue an acceptance and if a match is completed, a legally enforceable transaction arises and the RFS process for this order concludes.

(4) The requestor will continue to receive streaming quotes from a responder until such time as the requestor unsubscribes from the responder's stream or the responder stops sending quotes.

Rule 705 Confirmation Procedures and Records.

(a) Each completed Transaction shall be confirmed by a SEF Confirmation to each Participant party thereto by technical means as specified in the SEF Rules and in the form and format set forth in Rule 404.

(1) The SEF shall retain a record of each Transaction in electronic form on the Platform for at least five (5) years. Records relating to Swaps shall be readily accessible via real time electronic access by the SEF throughout the life of the Swap and for two (2) years following the final termination of the Swap, and shall be retrievable by the SEF within three (3) business days through the remainder of the period following final termination of the Swap during which it is required to be kept.

(b) Required Transactions shall be submitted for clearing according to Rule 801 unless they are eligible for the End-User Exception and one Counterparty properly elects such End-User Exception.

Rule 706 Legal Certainty for SEF Trades.

A transaction entered into on or pursuant to the SEF Rules shall not be void, voidable, subject to rescission, otherwise invalidated, or rendered unenforceable as a result of:

(a) a violation by the SEF of the provisions of Section 5h of the CEA or CFTC Regulations;

(b) any CFTC proceeding to alter or supplement a Rule, term, or condition under Section 8a(7) of the CEA or to declare an emergency under Section 8a(9) of the CEA; or

(c) any other proceeding the effect of which is to:

(1) alter or supplement a specific term or condition or trading rule or procedure; or

(2) require the SEF to adopt a specific term or condition, trading rule or procedure, or to take or refrain from taking a specific action.

Chapter 8 Clearing

Rule 801 Clearing Required

(a) All Participants must clear all Contracts which are required to be cleared under CEA Section 2(h)(1) and CFTC Regulation § 39.5, or any successor regulation thereto; provided, however, that the clearing requirement in this Rule 801 will not apply if at least one Participant party to a Transaction is an End-User and that party elects the End-User Exception.

(b) Each Participant shall be responsible for determining whether any Swap it enters into is subject to the mandatory clearing requirements of Section 2(h)(1) of the Commodity Exchange Act.

(c) Each Participant shall be responsible for determining whether an exemption from clearing is available, and, if Participant and its counterparty opt against clearing pursuant to an applicable exemption, Participant shall make all necessary elections and provide all necessary notifications to the SEF to establish that the Swap is exempted from the clearing requirement; provided, however, that the SEF shall have no responsibility for evaluating the validity of such exemption, and no conclusion as to such exemption should be made as a result of the SEF allowing a transaction to proceed on the Platform.

(d) Each Participant will only execute a Swap subject to the mandatory clearing requirement on the Platform if Participant has delivered, or causes to be delivered, to the SEF all information necessary to permit the SEF to submit the Swap for clearing. Each Participant, that is not a direct Clearing Member, executing Required Transactions or executing Permitted Transactions that are intended to be cleared must have in place appropriate arrangements for the clearance of Swaps executed on the SEF by the Participant through one or more Clearing Members, and provide, or cause to be provided, appropriate evidence thereof to the SEF pursuant to the provisions of the SEF Rules.

(e) All Participants that are not direct Clearing Members executing Required Transactions or executing Permitted Transactions that are intended to be cleared must be guaranteed by a Clearing Member that assumes responsibility for clearing any transactions executed by the Participant on the SEF that have satisfied the Clearing Member's credit limits and risk controls. Such guarantee is effective only until such time that the Clearing House accepts the transaction. With respect to transactions given up to other Clearing Members, such guarantee is effective only until such time that the other Clearing Member accepts the trade. A trade given up to another Clearing Member will be deemed to have been accepted by such Clearing Member if the trade is not rejected by the close of business on the business day that the trade is executed. The acceptance of a trade by a Clearing Member shall not relieve any Participant or Clearing Member of the duty to act in accordance with the SEF Rules.

(f) Clearing Members that are Participants shall assist the SEF in any investigation into potential violations of the SEF Rules or the CEA which occur with respect to a Participant guaranteed by such Clearing Member or a Customer of such Clearing Member. Such assistance must be timely and may include, but not be limited to, requiring any Participant or Customer to produce documents, to answer questions from the SEF, and/or to appear in connection with an investigation. Upon request by the SEF, Clearing Members that are Participants shall suspend or terminate a Participant's or Customer's access if the SEF determines that the actions of the Participant or Customer threaten the integrity or liquidity of any Contract or violate any the SEF Rule or the CEA, or if the Participant or Customer fails to cooperate in an investigation.

(g) If a Clearing Member that is a Participant has actual or constructive notice of a violation of the SEF Rules in connection with the use of the SEF by a Participant or Customer for which it has authorized a direct connection and the Clearing Member fails to terminate the connection, the Clearing Member may be found to have committed an act detrimental the SEF.

(h) The SEF shall submit each Swap that is required to be or is intended to be cleared to the applicable Clearing House. If a Swap is submitted for clearing and is rejected or fails to clear for any reason, then such swap shall be void *ab initio*; provided, however, that Swaps originally executed without an intent to clear shall not be void *ab initio* if they are subsequently submitted for clearing and fail to clear for any reason.

(i) Any agreement between two Participants that governs swaps that are submitted for clearing and fail to clear, including a breakage agreement, shall be inapplicable to Required Transactions and Permitted Transaction that are intended to be cleared and which are executed on or pursuant to the rules of the SEF.

(j) Unless otherwise required under Applicable Law, the SEF shall be under no obligation to ensure that Swaps are successfully cleared and shall have no liability with respect to a Swap that fails to clear for any reason.

Rule 802 Clearing House Rules

(a) The clearing services provided by a Clearing House with respect to any Contract, and the rights and obligations of purchasers and sellers under cleared Contracts (including without limitation rights and obligations in respect of clearing and settlement, variation payments and performance at maturity), shall be governed by the Clearing House Rules, as applicable.

(b) The Clearing House Rules shall prevail in the event of any conflict or inconsistency between the SEF Rules and the Clearing House Rules with respect to any Clearing Member responsibilities or obligations under the Clearing House Rules.

Rule 803 Substitution and Novation

For a Transaction that is both executed and submitted to a Clearing House on the current business date at prevailing market prices, and in accordance with the rules governing such Transaction, the Clearing House shall, through the process of novation, be substituted as, and assume the position of, seller to the buyer and buyer to the seller of the relevant number of Contracts once the Transaction is accepted at the Clearing House; provided, however, that the timing of the clearing guarantee for Transactions involving initial mark-to-market amounts above a specified threshold, and for Transactions that are not both executed and submitted to the Clearing House on the current business date, shall be subject to terms specified in the Clearing House manual of operations.

Chapter 9 Trading Practices and Business Conduct

Rule 901 Scope

This Chapter 9 applies to all transactions in Contracts, except as otherwise specifically provided herein.

Rule 902 Procedures

(a) With respect to trading on or though the Platform, the SEF may adopt, without limitation, procedures relating to transactions in Contracts and trading on the Platform, including procedures to:

(1) disseminate the prices of bids and offers on, and trades in, Contracts;

(2) record Contracts and SEF Activity;

(3) perform market surveillance and regulation on matters affecting Contracts and SEF Activity;

(4) establish limits on the number and/or size of Orders that may be submitted by a Participant through the Platform;

(5) establish limits on the number of Contracts that may be held by a Customer or Participant;

(6) establish a limit on the maximum daily price fluctuations for any Contract and provide for any related restriction or suspension of trading in the Contract; and

(7) require a suspended or expelled Participant, or a Participant with restricted trading rights, to have Contracts executed for the Participant to reduce or eliminate any open position or exposure to price changes for the Participant in any Contract.

(b) The SEF may, in its discretion and at any time, amend any procedures adopted pursuant to Rule 902(a), and will publish the amendments in a Notice to Participants or in any other manner determined appropriate by the SEF.

Rule 903 Business Days and Trading Hours

Except as provided in Rule 209 with respect to Emergencies, the SEF shall determine and publish a Notice to Participants listing the Business Days and Holidays of the SEF and the Trading Hours for each Contract.

Rule 904 Rule Violations

It shall be a violation for a Participant to violate any SEF Rule or any agreement made with the SEF, or to engage in fraud, dishonorable or dishonest conduct, or in conduct which is inconsistent with just and equitable principles of trade.

Rule 905 Fraudulent Acts Prohibited

No Participant shall engage in any fraudulent act or engage in any scheme to defraud, deceive, trick or mislead in connection with or related to any SEF Activity.

Rule 906 Fictitious, Wash or Non-Competitive Transactions Prohibited

No Participant shall create, place or accept fictitious transactions, Wash Transactions, or non-competitive transactions except, in the case of non-competitive transactions, as otherwise authorized by the SEF Rules, or execute any such Order with knowledge of its nature as a fictitious transaction, Wash Transaction, or non-competitive transaction. No person shall place or accept to buy and sell orders in the same Unique Swap Identifier, where the person knows or reasonably should know that the purpose of the orders is to avoid taking a bona fide market position exposed to market risk. Buy and sell Orders for different accounts with common beneficial ownership that are entered with the intent to negate market risk or price competition shall also be deemed to violate the prohibition on Wash Transactions. Additionally, no Person shall knowingly execute or accommodate the Execution of such Orders by direct or indirect means.

Rule 907 Market Disruption Prohibited

Orders entered into the Platform for the purpose of upsetting the equilibrium of the market in any Contract or creating a condition in which prices do not or will not reflect fair market values are prohibited, and any Participant who makes or assists in entering any such Order with knowledge of the purpose thereof or who, with such knowledge, in any way assists in carrying out any plan or scheme for the entering of any such Order, will be deemed to have engaged in an act detrimental to the SEF.

Rule 908 Market Manipulation Prohibited

(a) No Participant shall attempt to manipulate or manipulate the market in any Contract; provided, however, that nothing in this Rule 908 shall be construed to require any Person to disclose to another Person non-public information that may be material to the market price, rate, or level of a particular transaction, except as necessary to make any statement made to the other Person in or in connection with the transaction not misleading in any material respect.

(b) A Participant shall violate this Rule 908 for such person directly or indirectly, in connection with any Contract in interstate commerce to intentionally or recklessly:

(1) Use or employ, or attempt to use or employ, any manipulative device, scheme, or artifice to defraud;

(2) Make, or attempt to make, any untrue or misleading statement of a material fact or to omit to state a material fact necessary in order to make the statements made not untrue or misleading;

(3) Engage, or attempt to engage, in any act, practice, or course of business, which operates or would operate as a fraud or deceit upon any Person; or,

(4) Deliver or cause to be delivered, or attempt to deliver or cause to be delivered, for transmission through the mails or interstate commerce, by any means of communication whatsoever, a false or misleading or inaccurate report concerning market information or conditions that affect or tend to affect the price of any Contract in

interstate commerce, knowing, or acting in reckless disregard of the fact that such report is false, misleading or inaccurate; provided, however, that no violation of this Rule 908 shall exist where the Participant mistakenly transmits, in good faith, false or misleading or inaccurate information to a price reporting service.

(c) No Participant shall directly or indirectly, manipulate or attempt to manipulate the price of any Swap, or of any Contract in interstate commerce.

Rule 909 Disruptive Trading Practices Prohibited

(a) No Participant shall engage in any trading, practice, or conduct that constitutes a "disruptive trading practice," which includes, but is not limited to, engaging in conduct that:

(1) Violates bids or offers; or

(2) Is, is of the character of, or is commonly known to the trade as, "spoofing" (bidding or offering with the intent to cancel the bid or offer before execution).

Rule 910 Abusive Trading Practices Prohibited

No Participant shall engage in any abusive trading practice, including front-running, Wash Transactions, pre-arranged trading (except with regard to Block Trades), fraudulent trading or money passes.

Rule 911 Prohibition of Misstatements

No Participant shall make any knowing misstatement of a material fact to the SEF, any SEF Official, any Board committee or SEF panel, or the Regulatory Services Provider.

Rule 912 Acts Detrimental to Welfare of the SEF Prohibited

No Participant shall engage in any act that is detrimental to the SEF.

Rule 913 Adherence to Law

No Participant shall engage in conduct that is a violation of the CEA or CFTC Regulations.

Rule 914 Supervision

A Participant shall establish, maintain and administer reasonable supervisory procedures to monitor the compliance of Authorized Persons with the SEF Rules and any applicable provisions of the CEA or CFTC and such Participant may be held accountable for the actions of such Authorized Persons.

Rule 915 Misuse of the Platform

Misuse of the Platform is strictly prohibited. It shall be deemed an act detrimental to the SEF to permit unauthorized use of the Platform, to assist any Person in obtaining unauthorized access to the Platform, to trade on the Platform without a User Agreement or, for Required Transactions,

without an established account with a Clearing Member, to alter the equipment associated with the Platform (except with the SEF's consent), to interfere with the operation of the Platform, to intercept or interfere with information provided thereby, or in any way to use the Platform in a manner contrary to the SEF Rules.

Rule 916 Withholding Orders Prohibited

Any Participant entering Orders on the Platform shall not withhold or withdraw from the market any Order, or any part of an Order, for the benefit of any Person other than for the Customer for whom the Participant is placing the Order.

Rule 917 Priority of Customers' Orders

No Participant shall enter an Order into the Platform for his own account, an account in which he has a direct or indirect financial interest or an account over which he has discretionary trading authority, including, without limitation, an Order allowing discretion as to time and price, when such Participant is in possession of any un-submitted Customer Order based on the same Contract and with the same fixing date or expiration date and that the Platform is capable of accepting.

Rule 918 Handling of Customer Orders

(a) No Participant in possession of a Customer Order shall knowingly trade ahead of a Customer Order or take, directly or indirectly, the opposite side of such Order for its own account, an account in which it has a direct or indirect financial interest, or an account over which it has discretionary trading authority.

(b) No Participant in possession of a Customer Order shall engage in accommodation trading or improper cross-trading.

(c) Exceptions. The restriction in this Rule 918 shall not apply to the following:

(1) Transactions executed pursuant to SEF Rule 602 (Block Trades); or

(2) Transactions executed pursuant to SEF Rule 920 (15 Second Rule).

Rule 919 Disclosing Orders Prohibited

No Participant shall disclose another Customer's Order to buy or sell except to a designated SEF Official or the CFTC, and no Participant shall solicit or induce another Participant to disclose Order information. No Person shall take action or direct another to take action based on non-public Order information, however acquired. The mere statement of opinions or indications of the price at which a market may open or resume trading does not constitute a violation of this rule.

Rule 920 15 Second Rule

For Required Transactions, a Participant that is a broker, dealer or Account Manager which seeks to execute against a Customer or Client's Order or execute two Customers or Clients against each other through the SEF Order Book, following some form of pre-arrangement or pre-negotiation of such orders, must expose one side of the potential transaction to other Participants for at least a 15 seconds before the second side of the potential transaction, whether for the Participant's own account or for the account of a second Customer or Client, is submitted for execution. If the Order

is not executed by another Participant after 15 seconds, the Participant displaying the one side of the transaction may execute the other side of the transaction against its own, or against another Client or Customer's Order.

Rule 921 Pre-arranged and Noncompetitive Trades Prohibited

(a) No Person shall pre-arrange any purchase or sale or noncompetitively execute any transaction, except in accordance with Section (b).

(b) The foregoing restriction shall not apply to Transactions executed pursuant to SEF Rule 602 (Block Trades), and, for the avoidance of doubt, does not prohibit communications necessary to effect any RFQ Transaction pursuant to SEF Rule 703 or any RFS Transaction pursuant to Rule 704.

Rule 922 Responsibility For Customer Orders

(a) Standard of Responsibility.

(1) A Participant shall exercise due diligence in the handling and execution of Customer Orders. Failure to act with due diligence shall constitute negligence. In the case of a dispute as to whether a Participant has exercised due diligence, the appropriate arbitration or disciplinary committee is authorized to determine whether the Participant was negligent and, if so, whether an adjustment is due to the Customer.

(2) A Participant is prohibited from directly or indirectly guaranteeing the execution of an Order or any of its terms such as the quantity or price. A Participant may only report an execution that has been effected through the Platform or has been executed under Chapter 7. This Rule 922(a) shall not be construed to prevent a Participant from assuming or sharing in the losses resulting from an error or the mishandling of an Order provided such action is done in accordance with the SEF Rules as well as Applicable Law.

(b) Liability for Negligence. A Participant may not be held responsible for executing a Customer Order or failing to execute a Customer Order unless such Participant was negligent. A Participant may not compel an adjustment from another Participant in the absence of a bona-fide dispute regarding negligence. Participants shall document all adjustments and shall make and retain a record which contains the date the adjustment was received, the name of the Participant making the adjustment, the account to which the adjustment was credited, the amount of the adjustment, the Order number and the reason for the adjustment. Such records must be provided to the Market Regulation Department upon request.

Rule 923 Discretionary Orders

No Participant shall submit a discretionary order to the Platform for any account of another Person, without the prior specific written consent of such other Person to the exercise of such discretion.

Rule 924 Position Limits

(a) The SEF may establish position limits for any Swap.

(b) Except as otherwise provided by these SEF Rules, no Person, including a Participant, may hold or control a position in excess of such position limits, and a Participant may not maintain a position in excess of such position limits for a Client or Customer if such Participant knows, or

with reasonable care should know, that such position will cause such Client or Customer to exceed the applicable position limits.

(c) Position limits shall apply to (i) all positions in accounts for which any Person, by power of attorney or otherwise, directly or indirectly holds positions or controls trading, and (ii) positions held by two or more Persons acting pursuant to an express or implied agreement or understanding, as if the positions were held by, or the trading of the positions were done by, a single Person.

Rule 925 Exemptions from Position Limits

The SEF may grant exemptions from position limits under Rule 924 for bona fide hedging positions and risk management positions and otherwise on good cause shown and to the extent permitted by Applicable Law. Any Person seeking an exemption from the position limits referred to in Rule 924 must file an application with the SEF in the manner and within the time limits prescribed by the SEF. The SEF shall notify the applicant whether the exemption has been approved and whether the SEF has imposed any limitations or conditions on the exemption. The decision of the SEF shall be final.

Rule 926 Position Accountability

(a) The SEF may establish a position accountability level for any Swap. Any Person, including a Participant, who owns or controls Swaps in excess of the applicable position accountability level shall provide to the SEF at its request any information regarding the nature of the position, trading strategy or hedging activities, if applicable, and if ordered by the SEF, shall liquidate any or all of the positions, or not increase the size of any such position.

(b) For purposes of this Rule, all positions in accounts for which a Person, by power of attorney or otherwise, directly or indirectly controls trading shall be included with the positions held by such Person. The provisions of this Rule shall apply to positions held by two or more Persons acting pursuant to an express or implied agreement or understanding, as if the positions were held by a single Person.

Rule 927 Platform Access Restrictions

All individuals entering Customer Orders in other than a clerical capacity must have appropriate industry registration. Customer Orders may be entered only from the premises of an entity registered to conduct Customer business.

Rule 928 Pre-Execution Credit Checks

Pre-execution credit checks will be performed for: (i) Required Transactions, (ii) Permitted Transactions that are intended to be cleared and (iii) Permitted Transactions executed on the Order Book. Clearing Members have the ability to set credit limits for the cleared Swaps that their clients enter into on the Platform. If a credit check fails, a trade is not permitted.

Rule 929 Risk Controls for Trading

(a) The SEF reserves the right to modify, adjust, or cancel any Transaction, including Block Trades, that it determines in its sole discretion to be unlawful, off market, the result of error, or otherwise incompatible with these SEF Rules, the User Agreement, or the efficient and secure operation of the SEF, including, but not limited to, excessive electronic traffic sent by any Participant, to the SEF.

(b) The SEF reserves the right to modify, adjust, or cancel any Transaction, including Block Trades, when such action is necessary to mitigate market disrupting events caused by the improper or erroneous use of the Platform or by system defects.

(c) Notwithstanding any other provisions of this Rule, the SEF may modify or adjust trade prices or cancel any trade if the SEF determines that allowing the trade to stand as executed may have a material, adverse effect on the integrity of the market.

(d) The SEF shall have the right to take any action to reduce the potential of market disruption, including but not limited to, market restrictions that pause or halt trading in market conditions prescribed by the SEF if such action is in the best interest of the swap markets.

Rule 930 [Reserved]

Rule 931 LIMITATION OF LIABILITY, NO WARRANTIES

(a) NEITHER THE SEF (INCLUDING ITS SUBSIDIARIES AND AFFILIATES AND ANY CONTRACTORS PROVIDING SERVICES TO THE SEF), NOR ANY OF THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, CONSULTANTS, AND LICENSORS (THE “DISCLAIMING PARTY” OR “DISCLAIMING PARTIES”) SHALL BE LIABLE TO ANY PERSON FOR ANY LOSSES, DAMAGES, COSTS OR EXPENSES (INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, LOSS OF USE, AND DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES), ARISING FROM:

(1) ANY FAILURE, MALFUNCTION, FAULT IN DELIVERY, DELAY, OMISSION, SUSPENSION, INACCURACY, INTERRUPTION, TERMINATION, OR ANY OTHER EVENT, IN CONNECTION WITH THE FURNISHING, PERFORMANCE, OPERATION, MAINTENANCE, USE OF OR INABILITY TO USE ALL OR ANY PART OF ANY OF THE SYSTEMS AND SERVICES OF THE PLATFORM, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS AND SERVICES, INCLUDING WITHOUT LIMITATION ELECTRONIC ORDER ENTRY/DELIVERY, TRADING THROUGH ANY ELECTRONIC MEANS, ELECTRONIC COMMUNICATION OF MARKET DATA OR INFORMATION, WORKSTATIONS USED BY PARTICIPANTS, PRICE REPORTING SYSTEMS AND ANY AND ALL TERMINALS, COMMUNICATIONS NETWORKS, CENTRAL COMPUTERS, SOFTWARE, HARDWARE, AND FIRMWARE RELATING THERETO; OR

(2) ANY FAILURE OR MALFUNCTION, FAULT IN DELIVERY, DELAY, OMISSION, SUSPENSION, INACCURACY, INTERRUPTION OR TERMINATION, OR ANY OTHER EVENT, OF ANY SYSTEM OR SERVICE OF THE SEF, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES, CAUSED BY ANY THIRD PARTIES INCLUDING, BUT NOT LIMITED TO, INDEPENDENT SOFTWARE VENDORS AND NETWORK PROVIDERS; OR

(3) ANY ERRORS OR INACCURACIES IN INFORMATION PROVIDED BY THE SEF OR ANY OF THE SEF’S SYSTEMS, SERVICES OR FACILITIES; OR

(4) ANY UNAUTHORIZED ACCESS TO OR UNAUTHORIZED USE OF ANY OF THE SEF’S SYSTEMS, SERVICES, EQUIPMENT OR FACILITIES BY ANY PERSON.

THE FOREGOING LIMITATION OF LIABILITY SHALL APPLY WHETHER A CLAIM ARISES IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, CONTRIBUTION OR OTHERWISE AND WHETHER THE CLAIM IS BROUGHT DIRECTLY OR AS A THIRD PARTY CLAIM. THE FOREGOING LIMITATION OF LIABILITY SHALL BE SUBJECT TO THE CEA AND REGULATIONS THEREUNDER. THE LIMITATION OF LIABILITY CONTAINED IN

SUBSECTION (a) OF THIS RULE 931 SHALL NOT APPLY TO THE SEF IN INSTANCES WHERE A DISCLAIMING PARTY HAS BEEN FINALLY ADJUDICATED TO HAVE ENGAGED IN GROSS NEGLIGENCE OR WILLFUL OR WANTON MISCONDUCT.

(b) NOTWITHSTANDING SUBSECTION (a), (e), OR (f) OF THIS RULE 931, IN NO EVENT SHALL ANY PERSON BRING ANY LEGAL ACTION (WHETHER IN TORT, NEGLIGENCE, OR BREACH OF CONTRACT) FOR ANY LOSSES DAMAGES, COSTS OR EXPENSES INCLUDING, BUT NOT LIMITED TO LOSS OF PROFITS, LOSS OF USE, DIRECT, SPECIAL, PUNITIVE, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, ARISING FROM THE USE OF THE PLATFORM.

(c) THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS (INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE OR USE) PROVIDED BY THE DISCLAIMING PARTY OR DISCLAIMING PARTIES RELATING TO ANY SYSTEMS OR SERVICES OF THE SEF OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES, INCLUDING THE SEF PLATFORM.

(d) ANY DISPUTE ARISING OUT OF THE USE OF SYSTEMS OR SERVICES OF THE SEF OR SERVICES, EQUIPMENT, OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES IN WHICH THE DISCLAIMING PARTY OR DISCLAIMING PARTIES IS A PARTY SHALL BE ARBITRATED PURSUANT TO CHAPTER 11. ANY ARBITRATION SHALL BE BROUGHT WITHIN THE PERIOD PRESCRIBED BY CHAPTER 11. ANY OTHER ACTIONS, SUITS OR PROCEEDINGS AGAINST THE DISCLAIMING PARTY OR DISCLAIMING PARTIES MUST BE BROUGHT WITHIN TWO (2) YEARS FROM THE TIME THAT A CAUSE OF ACTION HAS ACCRUED. THIS PARAGRAPH (d) SHALL IN NO WAY BE CONSTRUED TO LIMIT A PARTY'S OBLIGATION TO ARBITRATE ITS CLAIM OR TO CREATE A CAUSE OF ACTION AND SHALL NOT AUTHORIZE AN ACTION THAT WOULD OTHERWISE BE PROHIBITED BY THE SEF RULES. IF FOR ANY REASON, A COURT OF COMPETENT JURISDICTION FINDS THAT A DISPUTE IS NOT ARBITRABLE, SUCH DISPUTE MAY ONLY BE LITIGATED IN THE COUNTY OF NEW YORK IN THE STATE OF NEW YORK AND WILL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO ANY PROVISIONS OF NEW YORK LAW THAT WOULD APPLY THE SUBSTANTIVE LAW OF A DIFFERENT JURISDICTION.

(e) THE SEF MAY, IN ITS SOLE DISCRETION, ASSUME RESPONSIBILITY FOR DIRECT, OUT-OF-POCKET LOSSES DIRECTLY CAUSED BY THE NEGLIGENCE OF A DISCLAIMING PARTY OR PARTIES AND/OR ORDER STATUS ERRORS PROVIDED BY THE SEF OR A SEF SYSTEM, EQUIPMENT, SERVICE OR FACILITY. NOTWITHSTANDING THE ABOVE, i) THE SEF'S TOTAL COMBINED AGGREGATE OBLIGATIONS SHALL NOT EXCEED $10,000 FOR ALL LOSSES FROM ALL CAUSES SUFFERED ON A SINGLE DAY; $25,000 FOR ALL LOSSES SUFFERED FROM ALL CAUSES IN A SINGLE CALENDAR MONTH; AND $500,000 FOR ALL LOSSES FROM ALL CAUSES SUFFERED IN A SINGLE CALENDAR YEAR. ANY DISPUTED CLAIM PURSUANT TO THIS PARAGRAPH (e) MUST BE ARBITRATED PURSUANT TO CHAPTER 11.

(f) IN NO EVENT SHALL THE SEF'S TOTAL COMBINED AGGREGATE LIABILITY FOR ALL CLAIMS ARISING OUT OF ANY FAILURES, MALFUNCTIONS, FAULTS IN DELIVERY, DELAYS, OMISSIONS, SUSPENSIONS, INACCURACIES, INTERRUPTIONS, TERMINATIONS, OR ANY OTHER CAUSES, IN CONNECTION WITH THE FURNISHING, PERFORMANCE, OPERATION, MAINTENANCE, USE OF OR INABILITY TO USE ALL OR ANY PART OF ANY OF THE SEF'S SYSTEMS OR SERVICES, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS AND SERVICES, OR THE NEGLIGENCE OF THE SEF STAFF EXCEED $500,000 IN ANY GIVEN CALENDAR YEAR. IF THE NUMBER OF ALLOWED CLAIMS ARISING OUT OF ANY FAILURES OR MALFUNCTIONS ON A SINGLE DAY OR SINGLE MONTH CANNOT BE FULLY SATISFIED BECAUSE OF THE ABOVE DOLLAR LIMITATIONS, ALL SUCH CLAIMS SHALL BE LIMITED TO A *PRO RATA* SHARE OF THE MAXIMUM AMOUNT FOR THE RESPECTIVE PERIOD.

Chapter 10 Disciplinary Rules

Rule 1001 General

(a) All Participants, Account Managers, Authorized Persons, Authorized Representatives, Clients, Customers and Clearing Members (collectively "SEF Market Participants") shall be subject to the SEF's jurisdiction. All SEF Market Participants are subject to this Chapter 10 if they, or with respect to a Participant, any other Person using its Legal Entity Identifier or CICI, are alleged to have violated, to have aided and abetted a violation, to be violating, or to be about to violate, any SEF Rule or any provision of Applicable Law for which the SEF possesses disciplinary jurisdiction.

(b) The Market Regulation Department has the authority to: (i) initiate and conduct inquiries and investigations; (ii) prepare investigative reports and make recommendations concerning initiating disciplinary proceedings; and (iii) prosecute alleged violations within the SEF's disciplinary jurisdiction.

(c) Each SEF Market Participant: (i) is obligated to appear and testify and respond in writing to interrogatories within the time period required by the Market Regulation Department in connection with: (A) any Obligation; (B) any inquiry or investigation; or (C) any preparation by and presentation during a Disciplinary Action; (ii) is obligated to produce all books, records, papers, documents or other tangible evidence in its, his or her possession, custody or control within the time period required by the Market Regulation Department in connection with: (A) any Obligation; (B) any inquiry or investigation; or (C) any preparation by and presentation during a Disciplinary Action; and (iii) may not impede or delay any Disciplinary Action.

(d) The SEF, through the Market Regulation Department, will promptly prosecute possible rule violations within the SEF's disciplinary jurisdiction.

(e) The SEF, through the Regulatory Services Provider, if any, and the Disciplinary Panel, will conduct inquiries, investigations, disciplinary proceedings, summary impositions of fines, summary suspensions or other summary actions in accordance with this Chapter 10.

(f) No SEF Official or Officer will interfere with or attempt to influence the process or resolution of any inquiry, investigation, or disciplinary proceeding. No Director will interfere with or attempt to influence the process or resolution of any Disciplinary Action except to the extent provided under the SEF Rules.

(g) Any SEF Market Participant may be represented by counsel during any Disciplinary Action pursuant to this Chapter 10.

(h) Participant Liability – Individual and Joint Liability/Controlling Person Liability.

(1) The SEF may hold a Participant liable for, and impose sanctions against such Participant, for such Participant's own acts and omissions that constitute a violation as well as for the acts and omissions of each (A) Authorized Person authorized by such Participant, (B) other Person using a Legal Entity Identifier or CICI of such Participant or (C) other agent or representative of such Participant, in each case, that constitute a violation as if such violation were that of the Participant.

(2) The SEF may hold an Authorized Person liable for, and impose sanctions against such Authorized Person for such Authorized Person's own acts and omissions that constitute a violation as well as or for the acts and omissions of any other agent or representative of such Authorized Person that constitute a violation as if such violation were that of the Authorized Person.

(3) The SEF may hold a Clearing Member liable for, and impose sanctions against such Clearing Member for such Clearing Member's own acts and omissions that constitute a violation as well as or for the acts and omissions of any agent or representative of such Clearing Member that constitute a violation as if such violation were that of the Clearing Member.

(i) *Ex Parte* Communications.

(1) A Person subject to a disciplinary proceeding (and any counsel or representative of such Person) and the Market Regulation Department (and any counsel or representative of the Market Regulation Department) shall not knowingly make or cause to be made an *ex parte* communication relevant to the merits of a disciplinary proceeding to any member of the Disciplinary Panel hearing such proceeding.

(2) Members of a Disciplinary Panel shall not knowingly make or cause to be made an *ex parte* communication relevant to the merits of a disciplinary proceeding to any Person subject to such proceeding (and any counsel or representative of such Person) and the Market Regulation Department (and any counsel or representative of the Market Regulation Department).

(3) Any Person who receives, makes or learns of any communication that is prohibited by this rule shall promptly give notice of such communication and any response thereto to the Market Regulation Department and all parties to the proceeding to which the communication relates.

(4) A Person shall not be deemed to have violated this rule if the Person refuses an attempted communication concerning the merits of a proceeding as soon as it becomes apparent the communication concerns the merits.

Rule 1002 Investigations and Investigation Reports

(a) Procedures.

(1) The SEF's Market Regulation Department shall initiate an investigation upon the receipt of a request from the CFTC or upon the discovery or receipt of information that, in the judgment of the Market Regulation Department, indicates a possible basis for finding that a violation has occurred or will occur.

(2) Absent mitigating circumstances, a Market Regulation Department investigation must be completed no later than twelve (12) months after the date that such investigation is opened. If a Market Regulation Department investigation will take longer than twelve (12) months to complete, the Market Regulation Department must explain the reasons in writing to the Chief Compliance Officer.

(b) Investigation Reports.

(1) If the Market Regulation Department determines that a reasonable basis exists for finding a violation of the SEF Rules or Applicable Law, the Market Regulation Department must submit a written report to the Review Panel, which shall include: a summary of the complaint, if any; a description of the SEF Market Participant's disciplinary history (including warning letter); the relevant facts; the Market Regulation Department's analysis and conclusions; and a recommendation as to whether Disciplinary Action should be pursued.

(2) If the Market Regulation Department determines that no reasonable basis exists for finding a violation of the SEF Rules or Applicable Law, the Market Regulation Department must nonetheless submit a written report to the Chief Compliance Officer, which shall include: the reason the investigation was initiated; a summary of the complaint, if any; the relevant facts; Market Regulation Department's analysis and conclusions; and if applicable, any recommendation that a disciplinary committee issue a warning letter. If the Market Regulation Department recommends that a warning letter be issued to a SEF Market Participant~~ or Authorized Person~~, the investigation report shall include a copy of the letter as well as the ~~Participant or Authorized Person's~~SEF Market Participant's disciplinary history at the SEF, including copies of warning letters.

(c) Warning Letters.

(1) After conducting an investigation pursuant to Rule 1002(a), the Market Regulation Department may recommend to the Chief Compliance Officer that the SEF issue a warning letter to a SEF Market Participant. Upon such recommendation, the Chief Compliance Officer may issue a warning letter to any SEF Market Participant. A warning letter is not a penalty or an indication that a finding of a violation has been made.

Rule 1003 Disciplinary Panels

(a) Disciplinary Panel Composition.

(1) The SEF, through the Regulatory Services Provider, if any, shall have a Review Panel and a Hearing Panel (collectively, the "Disciplinary Panel").

(2) All information, records, materials and documents provided to the Disciplinary Panels and all deliberations, testimony, information, records, materials and documents related thereto shall be treated as non-public and confidential and shall not be disclosed, except as necessary to further an investigation or as required by law.

(b) Review Panel. The Review Panel is responsible for determining whether a reasonable basis exists for finding a violation of the SEF Rules, and for authorizing the issuance of notices of charges against Persons alleged to have committed violations if the Review Panel believes that the matter should be adjudicated.

(c) Hearing Panel. The Hearing Panel is responsible for adjudicating disciplinary cases pursuant to a notice of charges authorized by a Review Panel. No member of a Hearing Panel may have a financial, personal, or other direct interest in the matter under consideration.

Rule 1004 Review of Investigatory Report

(a) Within thirty (30) days of receiving a completed investigation report pursuant to Rule 1002, a Review Panel must take one of the following actions:

(1) If the Review Panel determines that additional investigation or evidence is needed, it must promptly direct the Market Regulation Department to conduct further investigation.

(2) If the Review Panel determines that no reasonable basis exists for finding a violation or that prosecution is otherwise unwarranted, it may direct that no further action be taken. Such determination must be in writing, and must include a written statement setting forth the facts and analysis supporting the decision.

(3) If the Review Panel determines that a reasonable basis exists for finding a violation and adjudication is warranted, it must direct that the person or entity alleged to have committed the violation be served with a notice of charges and must proceed in accordance with the rules of this section.

Rule 1005 Notice of Charges

(a) If the Review Panel directs that a respondent be served with a notice of charges pursuant to Rule 1004(a)(3), the Market Regulation Department shall prepare and serve a notice of charges.

(b) A notice of charges will state the acts, conduct, or practices in which the respondent is alleged to have engaged; state the rule, or rules, alleged to have been violated (or about to be violated); advise the respondent that he is entitled, upon request, to a hearing; prescribe the period within which a hearing on the charges may be requested, which shall not be less than twenty (20) days; advise the respondent that he has the right to be represented by legal counsel or any other representative of its choosing in all succeeding stages of the disciplinary process; advise the respondent that any failure to request a hearing within the period stated, except for good cause, will be deemed to constitute a waiver of the right to a hearing; and advise the respondent that any allegation in the notice of charges that is not expressly denied will be deemed to be admitted.

(c) Any notice of charges or other documents to be served pursuant to this Chapter 9 may be served upon the respondent and service shall be deemed complete either personally or by leaving the same at his or her place of business; by deposit in the United States mail, postage prepaid, via registered or certified mail addressed to the respondent at the address as it appears on the books and records of the SEF; or via electronic mail to the electronic mail address as it appears on the books and records of the SEF.

(d) Upon being served with a notice of charges, a respondent will have the right to be represented by legal counsel or any other representative of its choosing in all succeeding stages of the disciplinary process.

Rule 1006 Answer to Notice of Charges

(a) In General. If the respondent determines to answer a notice of charges, the respondent must, in writing:

(1) specify the allegations that the respondent denies or admits;

(2) specify the allegations that the respondent does not have sufficient information to either deny or admit;

(3) specify any specific facts that contradict the notice of charges;

(4) specify any affirmative defenses to the notice of charges; and

(5) sign and serve the answer on the Chief Compliance Officer.

(b) Failure to Respond.

(1) Any failure by the respondent to timely serve an answer to a notice of charges will be deemed to be an admission to the allegations in such notice. Any failure by the respondent to answer one or more allegations in a notice of charges will be deemed to be an admission of that allegation or those allegations. Any allegation in a notice of

charges that the respondent fails to expressly deny will be deemed to be admitted. A general denial by the respondent, without more, will not satisfy the requirements of paragraph (a) above.

(2) If a respondent admits to allegations through such a failure to respond, the Hearing Panel shall impose appropriate sanctions.

(3) Before imposing sanctions pursuant to Rule 1006(b)(2), the Hearing Panel will notify the respondent in writing of any sanction to be imposed and advise the respondent that it may request a hearing on such sanction within a specified period of time. If a respondent fails to request a hearing within twenty (20) days after being served with such notice, the respondent will be deemed to have accepted the sanction.

(c) Denial of Charges and Right to Hearing.

(1) If a respondent requests a hearing on a charge that is denied pursuant to Rule 1006(a), or on a sanction set by the Hearing Panel pursuant to Rule 1006(b)(3), the respondent shall be entitled to a hearing in accordance with Rule 1009.

(2) Except for good cause shown, the hearing will be concerned only with those charges denied and/or sanctions set by the Hearing Panel under Rule 1006(b)(3) for which a hearing has been requested.

Rule 1007 Settlements

(a) A respondent or potential respondent may at any time propose in writing an offer of settlement related to anticipated or instituted disciplinary proceedings.

(b) Any offer of settlement should contain proposed findings and sanctions and be signed by the respondent or potential respondent and submitted to the Disciplinary Panel presiding over the matter.

(c) A respondent or potential respondent may offer to settle disciplinary proceedings without admitting or denying the findings contained in the order of the disciplinary proceedings but must accept the jurisdiction of the SEF over it and over the subject matter of the proceedings and consent to the entry of the findings and sanctions imposed.

(d) If a respondent or potential respondent submits an offer of settlement in accordance with paragraph (a) above, the Market Regulation Department will forward the offer to the Hearing Panel with a recommendation on whether to accept or reject the offer. If the Market Regulation Department and Hearing Panel agree to accept the offer of settlement, then the offer of settlement shall be accepted. If applicable, the Hearing Panel's decision must include a statement that the respondent has accepted the sanctions imposed without either admitting or denying the rule violations.

(e) Upon accepting any offer of settlement, the Hearing Panel shall issue a written decision specifying the rule violations it has reason to believe were committed, including the basis or reasons for the panel's conclusions, and any sanction to be imposed, which must include full customer restitution where customer harm is demonstrated.

(f) If an offer of settlement is accepted by the Hearing Panel, the respondent's submission of the offer will be deemed to constitute a waiver of the right to notice, opportunity for a hearing and review and appeal under the SEF Rules.

(g) If the offer of settlement is not accepted or is withdrawn by the respondent or potential respondent, the matter will proceed as if the offer had not been made and the offer and all

documents relating to it will not become part of the record. Neither a respondent or potential respondent nor the Hearing Panel may use an unaccepted offer of settlement as an admission or in any other manner at a hearing of, or appeal from, disciplinary proceedings.

Rule 1008 Respondent Review of Evidence

(a) Prior to the commencement of a hearing, each respondent will be given the opportunity to review all books, records, documents, papers, transcripts of testimony and other tangible evidence in the possession or under the control of the SEF that the Market Regulation Department will use to support the allegations and proposed sanctions in the notice of charges or which the chair of the Hearing Panel deems relevant to the disciplinary proceedings. Notwithstanding the foregoing, no respondent will have the right to review, and the SEF will have no obligation to disclose, any information protected by attorney-client privilege.

(b) If any books, records, documents, papers, transcripts of testimony, or other tangible evidence contain information that could adversely affect the competitive position of the Person providing the information or if such information might compromise other investigations being conducted by the Market Regulation Department, the Market Regulation Department may redact, edit or code such information before furnishing it to the respondent.

(c) Notwithstanding anything in paragraph (b) above to the contrary, the Market Regulation Department:

(1) will not redact, edit or code competitive or investigative information contained in documents in a manner that would impair the respondent's ability to defend against the allegations or proposed sanctions in the notices of charges; and

(2) will provide the respondent with access to the information and portions of the documents that the Market Regulation Department intends to rely on to support the allegations or proposed sanctions in the notice of charges.

(d) For purposes of this Rule 1008, information that could adversely affect competitive positions include positions in Contracts currently held, trading strategies employed in establishing or liquidating positions, the identity of any SEF Market Participant, and the personal finances of the Person providing the information.

Rule 1009 Hearings

Hearings shall be conducted pursuant to the procedures of the Regulatory Services Provider, if any, or through the procedures below.

(a) Hearing Procedures

(1) A hearing shall be fair, shall be conducted before members of the disciplinary panel, and shall be promptly convened after reasonable notice to the respondent.

(2) If the respondent has requested a hearing, a copy of the hearing shall be made and shall become a part of the record of the proceeding. The record shall not be required to be transcribed unless:

i. The transcript is requested by CFTC staff or the respondent; or

ii. The decision is reviewed by the CFTC.

In all other instances, a summary record of a hearing will be prepared.

(3) After reasonable notice to each respondent, the Hearing Panel will promptly convene a hearing to conduct the disciplinary proceedings with respect to such respondent. Parties to a disciplinary proceeding include each respondent and the Market Regulation Department.

(4) The chair of the Hearing Panel may continue, adjourn or otherwise conduct the hearing, as he or she may deem appropriate. The chair of the Hearing Panel will determine all procedural and evidentiary matters, including the admissibility and relevance of any evidence proffered. In determining procedural and evidentiary matters, the chair of the Hearing Panel will not be bound by any evidentiary or procedural rules or law. Once admitted during the hearing, the Hearing Panel may consider, and attach the weight it believes appropriate to, evidence or other materials.

(5) Except for procedural and evidentiary matters decided by the chair of the Hearing Panel pursuant to paragraph (3), unless each respondent otherwise consents, the entire Hearing Panel must be present during the entire hearing and any related deliberations.

(b) Conducting Hearings.

(1) At a hearing conducted in connection with any disciplinary proceedings, the Market Regulation Department will present its case supporting the allegations and proposed sanctions in the notice of charges to the Hearing Panel. If a respondent has timely filed an answer to the notice of charges in accordance with Rule 1006, the respondent is entitled to attend and participate in the hearing.

(2) At a hearing conducted in connection with any disciplinary proceedings, the Hearing Panel or the Market Regulation Department and each respondent may:

i. present evidence and facts determined relevant and admissible by the chair of the Hearing Panel;

ii. call and examine witnesses; and

iii. cross-examine witnesses called by other parties.

(3) If the respondent fails to file an answer, has filed a general denial, or if any or all of the allegations in the notice of charges are not expressly denied in the respondent's answer, the chair of the Hearing Panel may limit evidence concerning any allegations not expressly denied in determining the sanctions to impose. If a respondent fails to file an answer but appears at the hearing, the respondent may not participate in the hearing (by calling or cross-examining witnesses, testifying in defense, presenting evidence concerning the notice of charges, or otherwise) unless the Hearing Panel determines that the respondent had a compelling reason for failing to timely file an answer. If the Hearing Panel determines that the respondent had a compelling reason for failing to timely file an answer, the Hearing Panel will adjourn the hearing and direct the respondent to promptly file a written answer in accordance with Rule 1006.

(4) Any Person entitled, or required or called upon, to attend a hearing before a Hearing Panel pursuant to paragraph (b)(2) above will be given reasonable notice, confirmed in writing, specifying the date, time and place of the hearing, and the caption of the disciplinary proceedings. All SEF Market Participants (that are individuals) that are called as witnesses are required to appear at the hearing and, where applicable, produce evidence. The Market Regulation Department will make reasonable efforts to secure the presence of all other Persons called as witnesses whose testimony would be relevant.

(5) If during any disciplinary proceeding, the Hearing Panel determines that a reasonable basis exists to believe that the respondent violated or is about to violate a Rule of the SEF or a provision of Applicable Law other than the violations alleged in the notice of charges, the Hearing Panel may consider those apparent violations after providing the respondent with an opportunity to answer the additional allegations in accordance with Rule 1006. In connection with considering apparent violations pursuant to this paragraph (b)(5), the Hearing Panel may request that the Market Regulation Department provide the Hearing Panel with any additional information related to the violations at issue.

(6) The SEF will arrange for an audio recording of every hearing conducted in connection with disciplinary proceedings to be created, which shall become a part of the record. At the direction of the CFTC or the request of the respondent, the SEF will arrange for the recording to be accurately transcribed. If the respondent requests a copy of all or portions of the recording of a hearing, the chair of the Hearing Panel may within his or her sole discretion require the respondent to pay the costs for transcribing the recording of the hearing.

(c) The Hearing Panel may summarily impose sanctions on any SEF Market Participant that impedes or delays the progress of a hearing.

(d) No interlocutory appeals of rulings of any Hearing Panel or chair of the Hearing Panel are permitted.

Rule 1010 Decision of Hearing Panel

The decision of the Hearing Panel shall be made pursuant to the procedures of the Regulatory Services Provider, if any, or through the procedures below.

(a) As promptly as reasonable following a hearing, the Hearing Panel will issue a written order rendering its decision based on the weight of the evidence contained in the record of the disciplinary proceedings. A decision by a majority of the Hearing Panel will constitute the decision of the Hearing Panel.

(b) The SEF will serve a copy of the order of the disciplinary proceedings on the respondent and the Market Regulation Department. The order will include:

(1) the notice of charges or summary of the allegations;

(2) the answer, if any, or a summary of the answer;

(3) a brief summary of the evidence introduced at the hearing or, where appropriate, incorporation by reference of the Investigation Report;

(4) findings of fact and conclusions concerning each allegation, including a complete explanation of the evidentiary and other basis for such findings and conclusions with respect to each allegation;

(5) each specific Rule of the SEF and provision of Applicable Law that the respondent is found to have violated; and

(6) the imposition of sanctions, if any, including the basis for such sanctions and the effective date of each sanction.

Rule 1011 Sanctions

(a) After notice and opportunity for hearing in accordance with the SEF Rules, the SEF will impose sanctions if any SEF Market Participant or other Person using the Participant's Legal Entity Identifier or CICI is found to have violated or to have attempted to violate a Rule of the SEF or provision of Applicable Law for which the SEF possesses disciplinary jurisdiction. All sanctions, including sanctions imposed pursuant to an accepted settlement offer, must take into account the respondent's disciplinary history. In the event of demonstrated customer harm, any sanction must also include full customer restitution, except where the amount of restitution or to whom it should be provided cannot be reasonably determined. The SEF may impose one or more of the following sanctions or remedies: (1) censure; (2) limitation on Trading Privileges, ability to otherwise access the Platform, and/or other activities, functions or operations; (3) suspension of Trading Privileges and/or ability to otherwise access the Platform; (4) fine (subject to paragraph (b) below); (5) restitution or disgorgement; (6) termination of Trading Privileges and/or ability to otherwise access the Platform; or (7) any other sanction or remedy deemed to be appropriate.

(b) The SEF may impose a fine for each violation of a Rule of the SEF or a provision of Applicable Law. If a fine or other amount is not paid within 30 days of the date that it becomes payable, then interest will accrue on the sum from the date that it became payable at the quoted prime rate plus three (3) percent. The SEF has sole discretion to select the bank on whose quotations to base the prime rate. Participant will be responsible for paying any fine or other amount imposed on, but not paid by, any of its Authorized Persons or Authorized Representatives.

Rule 1012 No Right to Appeal

All decisions of a Disciplinary Panel, including summary impositions of fines and other summary actions are final and are not subject to appeal under the SEF Rules.

Rule 1013 Summary Fines for Violations of the SEF Rules Regarding Timely Submission of Records

(a) The Chief Compliance Officer or Market Regulation Department may summarily impose a fine for violations of rules relating to the timely submission of accurate records required for clearing or verifying each day's transactions.

(b) The Chief Compliance Officer or Market Regulation Department will give notice of any summary fine imposed pursuant to this Rule 1013, which shall include:

(1) the violations of the SEF Rules for which the fine is being imposed;

(2) the date of the violation for which the fine is being imposed; and,

(3) the amount of the fine.

(c) In lieu of a summary fine, the Chief Compliance Officer may issue a warning letter for first-time violations or violators pursuant to Rule 1002(c), provided that no more than one warning letter may be issued per rolling 12-month period for the same violation by the same Person.

(d) Any Person subject to a summary fine may challenge such summary fine by denying the charges and filing a request for a hearing pursuant to Rule 1006(c).

Rule 1014 Emergency Summary Suspensions and Other Summary Actions

(a) Notwithstanding anything in the SEF Rules to the contrary, the Chief Compliance Officer may, after consultation with the Market Regulation Department, if practicable, summarily suspend, revoke, limit, condition, restrict or qualify a SEF Market Participant's Trading Privileges and/or ability to otherwise access the Platform; provided, however, that the Chief Compliance Officer may only summarily suspend a SEF Market Participant's Trading Privileges or the trading privileges of any Participant's Authorized Persons if the Chief Compliance Officer reasonably believes that:

(1) such Person is subject to statutory disqualification from registration as provided in CEA Section 8a(2) or (3);

(2) such Person has failed to pay applicable fees, costs, charges, fines or arbitration awards; or

(3) immediate action is necessary to protect the public or the best interests of the SEF.

(b) Whenever practicable, the SEF shall provide prior written notice to the party against whom any action in accordance with paragraph (a) shall be taken. If prior notice is not practicable, the SEF will give notice at the earliest possible opportunity to the respondent against whom the action is brought.

(c) Any action taken in accordance with paragraph (a) will become final upon the expiration of 20 days after the notice of action is served on the respondent.

(d) At the request of the SEF, a respondent against whom a summary action is brought pursuant to this Rule 1014 must provide books and records over which the respondent has access or control and must furnish information to, or appear or testify before, the SEF in connection with the enforcement of any Rule of the SEF.

Rule 1015 Rights and Responsibilities after Suspension or Termination

(a) When a SEF Market Participant's Trading Privileges and/or ability to otherwise access the Platform are suspended for a period of 12 months or less, none of its rights (including the right to hold oneself out to the public as a Participant, enter Orders into the Platform and receive Participant rates for fees, costs, and charges and deposit margin at Participant levels) will apply during the period of the suspension, except for the right of the Participant in question to assert claims against others as provided in the SEF Rules. Any such suspension will not affect the rights of creditors under the SEF Rules or relieve the SEF Market Participant in question of its, his or her obligations under the SEF Rules to perform any Contracts entered into before the suspension, or for any the SEF fees, costs, or charges incurred during the suspension. The SEF may discipline a suspended SEF Market Participant under this Chapter 10 for any violation of a Rule of the SEF or provision of Applicable Law committed by the SEF Market Participant before, during or after the suspension.

(b) When a Participant's Trading Privileges and/or ability to otherwise access the Platform are terminated, all of its related rights will terminate, except for the right of the Participant in question to assert claims against others, as provided in the SEF Rules. Any such termination will not affect the rights of creditors under the SEF Rules. A terminated Participant may only seek to be reinstated by applying for Trading Privileges pursuant to Rule 302.

(c) The SEF will not consider the application of a terminated Participant if such Participant, as the case may be, continues to fail to appear at disciplinary proceedings without good cause or

continues to impede the progress of disciplinary proceedings.

(d) A suspended or terminated SEF Market Participant remains subject to the SEF Rules and the jurisdiction of the SEF for acts and omissions prior to the suspension of termination, and must cooperate in any inquiry, investigation, disciplinary proceeding, summary suspension or other summary action as if the suspended or terminated SEF Market Participant still had Trading Privileges or ability to otherwise access the Platform.

(e) In the event of the suspension or revocation of a Participant's Trading Privileges and/or ability to otherwise access the Platform, the SEF shall seek to facilitate the transfer of any Customer Accounts held by such Participant to other Participants with Trading Privileges and/or ability to otherwise access the Platform.

Rule 1016 Notice to the Respondent, the Regulatory Services Provider and the Public

The SEF will provide written notice of disciplinary proceedings to the parties, the Regulatory Services Provider, and the CFTC to the extent such notice is required by the Regulatory Services Provider and/or the CFTC.

Chapter 11 Arbitration Rules

Rule 1101 Disputes Subject to Arbitration

(a) Mandatory Arbitration of Disputes.

(1) It is contrary to the objectives and policy of the SEF for Participants to litigate SEF-related disputes. Participants must arbitrate all disputes between or among themselves, or against the SEF, that relate to or arise out of any transaction on or subject to the SEF Rules that are based upon facts and circumstances that occurred at a time when the parties were Participants, other than disputes between a Participant and Clearing Member relating to a Contract that fails to clear. Such arbitrations will be conducted pursuant to the NFA Arbitration Program.

(2) Notwithstanding the foregoing, this Rule 1101 does not require an employee of a Participant to submit to arbitration any claim that includes allegations of a violation of federal, state or local employment discrimination, sexual harassment, wage payment or benefits laws.

(b) Claims Against a Clearing House.

Claims against a Clearing House must be pursued pursuant to the rules of the Clearing House.

(c) Permissive Arbitrations.

The following may be submitted for arbitration through the National Futures Association Arbitration Program:

(1) claims of a Customer or Client that is not a Participant against a Participant that relate to or arise out of any Transaction on or subject to the SEF Rules, including any disputes brought under Rule 922(a);

(2) claims between a Participant and Clearing Member relating to a Contract that fails to clear; and

(3) at the discretion of the Chief Compliance Officer, any claim involving the interests of the SEF, its Participants, their business relations or trading in general not otherwise arbitrable under these rules, provided the parties have consented to such arbitration.

(d) Waiver of Any Objection to Jurisdiction.

Any Person who is not a Participant who submits a claim or grievance to arbitration or any Person who appeals any arbitration decision, or who takes any steps therein, shall be conclusively presumed to have voluntarily recognized and agreed to the jurisdiction of the NFA to hear and determine the claim or appeal.

Rule 1102 Initiating an Arbitration Claim

(a) A claimant may initiate a claim by submitting the required documents and fees to the NFA Arbitration Program. A claimant shall provide notice of such arbitration claim to the SEF.

(b) An arbitration arising from or in connection with the SEF Rules must be brought to arbitration through by the NFA Arbitration Program or another arbitration program permitted by the CFTC

Regulations within two (2) years from the occurrence of the event giving rise to the dispute.

(c) Each party to the dispute will bear its own costs and expenses in connection with any arbitration hereunder, as well as an equal share of the administrative fees and the fees of the arbitrator; provided, however, that the arbitrator will be entitled to include in any award a full reimbursement for the prevailing party's costs and expenses, such party's share of the administrative fees and the fees of the arbitrator, or any combination of any or all of the above. In the event that this Rule 1102 is held to be unenforceable in connection with any dispute, (i) exclusive jurisdiction for any such dispute will reside in any state or federal court sitting in the New York, NY metropolitan area, (ii) the SEF and the Participant involved in the dispute will be presumed to have submitted to the personal jurisdiction of any such court, and (iii) an action to enforce any judgment or decision of such court may be brought in the same court or in any other court with jurisdiction or venue.

Chapter 12 Miscellaneous

Rule 1201 SEF Personnel: Trading and Misuse of Material, Non-Public Information

(a) Except as provided by Rules 1201(b) and 1201(c), Officers and SEF employees are prohibited from:

(1) Trading, directly or indirectly, in any Commodity Interest traded on the SEF;

(2) Trading, directly or indirectly, in any related Commodity Interest;

(3) Trading, directly or indirectly, in a Commodity Interest traded on other Swap Execution Facilities or any Designated Contract Markets, or cleared by a Derivatives Clearing Organizations if the Officer or employee has access to material, non-public information concerning such Commodity Interest; and

(4) Trading, directly or indirectly, in a Commodity Interest traded on or cleared by a linked exchange if the employee has access to material, non-public information concerning such commodity interest.

(b) The Chief Compliance Officer may exempt, in whole or in part, an Officer or SEF employee from the prohibitions of Rule 1201(a), if such Officer or SEF employee applies in writing for an exemption and demonstrates to the satisfaction of the Chief Compliance Officer that the Officer or SEF employee meets all of the following criteria:

(1) the Officer or SEF employee does not have access to material, non-public information in the course of his or her employment;

(2) the Officer or SEF employee agrees to provide the SEF with account statements and other documents relevant to the Officer's or SEF employee's buying and selling of Contracts directly or indirectly; and

(3) the Officer or SEF employee agrees to inform the Chief Compliance Officer in writing of any material change that may affect the Officer's or SEF employee's qualification for an exemption within one (1) Business Day of the change.

(c) With the Chief Compliance Officer's written approval, Rule 1201(a) does not prohibit an Officer or SEF employee from participating in a pooled investment vehicle or other investment vehicle whose investments are directed by a third-party advisor if the Officer or SEF employee has no direct or indirect control over transactions executed by the investment vehicles.

(d) SEF Officials, employees, agents and independent contractors of the SEF are prohibited from disclosing material, non-public information obtained as a result of his or her employment, agency relationship or engagement with the SEF where the SEF Official, agent or independent contractor expected or should have reasonably expected that the information disclosed may assist a Person in trading any Contract, any Contract traded on another exchange, or any related underlying commodity or security.

(e) Rule 1201(d) shall not prohibit a SEF Official, agent or independent contractor of the SEF from disclosing material, non-public information while discharging his or her official duties and responsibilities, including disclosures to another Self-Regulatory Organization, linked exchange, court of competent jurisdiction, or a representative of any agency or department of the federal or state government.

(f) For the purposes of this Rule 1201, the terms “material information,” “non-public information,” “linked exchange,” and “pooled investment vehicle” each shall have the meaning set forth in CFTC Regulation § 1.59(a), or any successor regulation thereto.

Rule 1202 No Endorsement of Opinions, Research or Recommendations

Any opinions, research or recommendations appearing on the Platform are not the SEF’s opinions, research or recommendations, and the SEF does not endorse them or any content provided by third parties.

Rule 1203 Not a Party

The SEF is not directly or indirectly a party to or participant in any trade or Swap executed on or pursuant to the rules of the SEF.

Rule 1204 No Advice

The SEF is not providing and shall not provide any financial, legal, tax, advisory, consultative or business services to Participant, or advice on structuring transactions or drafting or negotiating transaction documentation. Participant should seek its own legal, tax, financial and other advice when structuring, negotiating and/or documenting transactions.

Rule 1205 Gifts and Gratuities

Except as permitted in writing by the Chief Executive Officer, no Participant shall, directly or indirectly, give or permit to be given anything of value, including gifts and gratuities, in excess of one hundred dollars ($100) per individual per year to a SEF Official or employee.

Rule 1206 Market Data and Intellectual Property

(a) Subject to each Participant's rights in Participant’s own data as set forth in the Participant Documentation, the SEF shall have a non-exclusive, royalty free, worldwide, perpetual license to any Participant’s Transaction Data, to use, distribute, or disclose for the benefit of the SEF and shall own all rights, title and interest in and to all intellectual property and other proprietary rights (including all copyright, patent, trademark or trade secret rights) in all derivative works based on Transaction Data to the extent that such derived data is truly a derivative of the Transaction Data.

(b) Participant shall not, without the SEF’s prior written consent, directly or indirectly, sell, redistribute, or facilitate redistribution of, all or any portion of the Transaction Data to any third party; provided, however, that such consent shall not be required for (i) redistributing, or facilitating the redistribution of Transaction Data, (ii) copying, reproduction or re-transmission of information that is generally available to the public free of charge, (iii) use of any part of the data on the Platform for administrative, regulatory or reporting purposes of the Participant, (iv) the solicitation and entry of orders for trades on the Platform, or (v) the provision of indicative valuations to Participant’s counterparties.

(c) Notwithstanding Rule 1206(b), any Transaction Data that Participant generates and provides to the SEF in connection with Transactions shall be treated as the non-exclusive property of Participant and the SEF, each of whom shall have the right to use, sell, retransmit and/or

redistribute such Transaction Data; provided, however, that the SEF shall not use (or permit other parties to use) Transaction Data to replicate or reverse engineer Participant's trading strategies and shall not sell, retransmit or redistribute Transaction Data unless such Transaction Data is anonymized, except in each case as required by Applicable Law and/or any agreements that the SEF has entered into with Derivatives Clearing Organization(s).

(d) The SEF will not use for business or marketing purposes any proprietary data or personal information collected or received from or on behalf of any Person for the purpose of fulfilling the SEF's regulatory obligations.

(e) The SEF may share such proprietary data or personal information with one or more registered entities (as such term is defined in CFTC Regulations) (e.g., SDR, Derivatives Clearing Organization, etc.) in accordance with Applicable Law.

(f) Each Participant, and other Persons affiliated with the Participant hereby acknowledges and agrees that the SEF may disclose and disseminate Creation Data pursuant to these Rules.

(g) Each Participant, and other Persons affiliated with any of the foregoing hereby acknowledges and agrees that the SEF owns and shall retain all right, title and interest in and to the SEF, all components thereof, including without limitation all related applications, all application programming interfaces, user interface designs, software and source code and any and all intellectual property rights therein, including, without limitation all registered or unregistered, as applicable copyright, trade mark, service mark, trade secret, trade name, data or database rights, design rights, moral rights, inventions, whether or not capable or protection by patent or registration, rights in commercial information or technical information, including know-how, research and development data and manufacturing methods, patent, and other intellectual property and ownership rights, including applications for the grant of any of the same, in or to the SEF and all other related proprietary rights of the SEF and/or any of its affiliates (together, with any and all enhancements, corrections, bug fixes, updates and other modifications to any of the foregoing and any and all data or information of any kind transmitted by means of any of the foregoing, "Proprietary Information"). Each Participant, on behalf of itself and each of its affiliates and other Persons affiliated with any of the foregoing, further acknowledges and agrees that the Proprietary Information is the exclusive, valuable and confidential property of the SEF. Each Participant acknowledges and agrees that it shall not, and shall not permit its affiliates and other Persons affiliated with any of the foregoing to, reverse engineer, copy, bug fix, correct, update, transfer, reproduce, republish, broadcast, create derivative works based on or otherwise modify, in any manner, all or any part of the SEF or the Proprietary Information. Each Participant further agrees to, and agrees to cause each of its affiliates and other Persons affiliated with any of the foregoing to, keep the Proprietary Information confidential and not to transfer, rent, lease, loan, sell or distribute, directly or indirectly, all or any portion of the SEF or any Proprietary Information.

Rule 1207 Extension or Waiver of Rules

If necessary and expedient, the SEF may, in its sole discretion, waive, or extend the time period for performing, any act or acts designated by the SEF Rules, but only to the extent such waiver or extension is not inconsistent with the CEA or the CFTC Regulations.

Rule 1208 Effect of Amendment, Repeal or New Rule

(a) These SEF Rules may be modified or amended by the SEF by posting such amendments to the SEF website, and any such amendment shall be applicable to and binding and shall be effective when posted.

(b) If an amendment or repeal of a SEF Rule or adoption of a new SEF Rule does not materially

change the terms or conditions of a Contract and does not affect the value of open Contracts as determined by the Board in its sole discretion, then the effective date of any amendment or repeal of a SEF Rule or adoption of a new SEF Rule relating to Contracts is binding on all Contracts entered into before and after the effective date of such amendment, repeal or adoption.

(c) If an amendment or repeal of a SEF Rule or adoption of a new SEF Rule materially changes the terms or conditions of a Contract or affects the value of open Contracts as determined by the Board in its sole discretion, then the amendment, repeal or new SEF Rule is binding only on Contracts listed for trading after the effective date of such amendment, repeal or adoption, and Contracts listed as of the effective date of such amendment, repeal or adoption with no open positions then in existence, unless otherwise specifically provided by the Board.

Rule 1209 Governing Law, Jurisdiction and Dispute Resolution

(a) The law of the State of New York governs the SEF Rules.

(b) Any dispute between the SEF and a Participant arising from or in connection with the SEF Rules will be settled by arbitration pursuant to Chapter 11. All Participants unconditionally and irrevocably waive any and all right to trial by jury in connection with any such dispute.

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