

February 19, 2020



BY ELECTRONIC SUBMISSION

Christopher J. Kirkpatrick
Office of the Secretariat
U.S. Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: SwapEx CFTC Submission 01-20: Certification Pursuant to Commission Rule 40.6 – Rule Amendments

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c) of the Commodity Exchange Act (the “Act”) and Section 40.6(a) of the regulations of the Commodity Futures Trading Commission (the “CFTC” or “Commission”), SwapEx, LLC (“SwapEx”, or the “Company”) hereby notifies the Commission that it has amended its Rulebook and that it is certifying those amendments. The Rulebook has been amended to add rules aligning with the regulations issued by the Monetary Authority of Singapore (“MAS”) exempting certain derivatives trading venues regulated by the CFTC from the requirement to be a MAS-authorized approved exchange or recognized market operator. The amended Rulebook will become effective on March 5, 2020.

A concise explanation of the amendments to the Rulebook and their compliance with applicable provisions of the Act, including core principles and the Commission’s regulations, is attached hereto as Exhibit A. A clean copy of the amended Rules is attached hereto as Exhibit B, and a copy of the Rules marked to show changes against the version submitted to the Commission as part of the Rule certification on December 31, 2018, is attached hereto as Exhibit C. SwapEx hereby certifies that: (i) the amended Rulebook complies with the Act and the Commission’s regulations thereunder, and (ii) a notice and copy of this submission is being concurrently posted on SwapEx’s web site. There were no substantive opposing views to the amendments to the Rulebook.

If you have questions, please contact the undersigned at (212) 339-1583 or sspaner@statestreet.com.

Sincerely,

A handwritten signature in cursive script that reads "Shelley Spaner".

Shelley Spaner
Chief Compliance Officer
Encl. (Exhibits A, B and C)

Exhibit A

Explanation of Amendments to SwapEx Rulebook

Capitalized terms used but not defined herein have the meanings assigned to them in the Rulebook.

Amendment	Explanation
<p><u>Rule 302</u></p> <p>Amended to (1) add a new subsection (a)(3) to require any Participant who accesses, or whose Authorized Users access, the Trading System from Singapore to represent that such Participant is an accredited investor, an expert investor or an institutional investor as those terms are defined in the Securities and Futures Act of Singapore and (2) renumber subsequent subsections of the rule</p>	<p>Rule added to align with the requirements under regulations issued by the Monetary Authority of Singapore (“MAS”) exempting certain derivatives trading venues regulated by the CFTC from the requirement to be a MAS-authorized approved exchange or recognized market operator</p>
<p><u>Rule 304</u></p> <p>Amended to (1) add a new subsection (c)(4) to require any Authorized Trade who accesses, or whose Authorized Users access, the Trading System from Singapore to represent that such Authorized Trader is an accredited investor, an expert investor or an institutional investor as those terms are defined in the Securities and Futures Act of Singapore and (2) renumber subsequent subsections of the rule</p>	<p>Rule added to align with the requirements under regulations issued by the Monetary Authority of Singapore (“MAS”) exempting certain derivatives trading venues regulated by the CFTC from the requirement to be a MAS-authorized approved exchange or recognized market operator</p>

Exhibit B

Rulebook (clean)

Rule 302. Participant Eligibility Requirements

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

(1) is an Eligible Contract Participant, and, if applicable, is in compliance with CFTC Regulation 1.17;

(2) is located in, and will access and use the Trading System and permit its Authorized Users to access and use the Trading System solely from, the United States or a jurisdiction in which the Company is permitted by Applicable Law to offer the Trading System and, if the applicant or any of its Authorized Traders is organized or established under the laws of a country other than the United States or intends to access and use the Trading System or permits their respective Authorized Users to access and use the Trading System from a jurisdiction other than the United States, the applicant shall submit, upon request by the Company, an opinion of appropriately qualified and reputable outside counsel on home country law and, if applicable, other relevant non-domestic law, in form and substance acceptable to the Company;

(3) is, if such Participant or its Authorized User accesses the Trading System from Singapore, an accredited investor, an expert investor or an institutional investor as these terms are defined in the Securities and Futures Act of Singapore;

(4) has all registrations, licenses and consents required by its constituent documents and by Applicable Law to trade Contracts on the Trading System and is not subject to any trading ban, prohibition or suspension issued by the CFTC or by any Self-Regulatory Organization that is subject to the CFTC's oversight, including the NFA;

(5) with respect to Contracts that are to be cleared by a Derivatives Clearing Organization, (i) is a member of a Derivatives Clearing Organization that is authorized to clear Contracts for its own account and, if applicable, for the account(s) of its Customers, Authorized Traders and its and their Customers or (ii) has delivered to the Company evidence satisfactory to the Company, in its sole discretion, that at least one Clearing Firm has agreed to accept Contracts for clearing into the account of such Participant and/or, if applicable, its Authorized Traders and its and/or their Customers; and

(6) is of good reputation and business integrity, maintains adequate financial resources and credit, and satisfies such other criteria as the Company may establish from time to time.

(b) Once admitted, a Participant shall continue to comply with all applicable eligibility criteria in Rule 302(a) and shall provide the Company with such information in relation thereto as the Company may require.

(c) Each Participant shall immediately notify the Company in writing if it ceases to meet any of the requirements of Rule 302(a).

...

Rule 304. Participant Eligibility Requirements

(a) A Participant may grant permission to one or more Authorized Traders to enter Orders and Indications of Interest, originate and respond to Requests for Quotes, and otherwise access the Trading System in accordance with the criteria and procedures established by the Company.

(b) By agreeing to act as an Authorized Trader, such Person agrees to be bound by the duties and responsibilities of an Authorized Trader under the Rules and other Company Requirements and to be subject to, and comply with, the Rules.

(c) An Authorized Trader must at all times:

(1) be an Eligible Contract Participant;

(2) if applicable, be in compliance with CFTC Regulation 1.17;

(3) be located in and access and use the Trading System, and permit its Authorized Users to access and use the Trading System, solely from within the United States or a jurisdiction in which the Company is permitted by Applicable Law to offer the Trading System;

(4) be, to the extent such Authorized Trader or its Authorized Users accesses the Trading System from Singapore, an accredited investor, an expert investor or an institutional investor as these terms are defined in the Securities and Futures Act of Singapore;

(5) ensure that activity conducted under the User IDs assigned to it and its Authorized Users complies with the Rules;

(6) have the authority, at the Company's request, to adjust or withdraw any Order or Request for Quote submitted under such User IDs;

(7) have and maintain all necessary regulatory approvals and/or licenses to operate as an Authorized Trader and not be subject to any trading ban, prohibition or suspension issued by the CFTC or by any Self-Regulatory Organization that is subject to CFTC oversight, including the NFA; and

(8) agree to such other terms and conditions as may be established by the Company from time to time.

(d) The Company will promptly notify a Participant in writing of its approval, or refusal to approve, the designation of an Authorized Trader. The Company may, in its sole discretion, revoke or suspend the designation of an Authorized Trader, and shall promptly notify the Participant in writing of such action in accordance with procedures established by the Company.

(e) Each Authorized Trader shall immediately notify the Company in writing if it ceases to meet any of the requirements of Rule 304(c). Participant shall notify the Company in writing if it becomes aware that any of its Authorized Traders ceases to meet any of the requirements of Rule 304(c).

(f) A Participant that seeks to terminate the designation of an Authorized Trader shall notify the Company in writing, providing such information as the Company may require. The Company shall terminate the Trading Privileges of such Authorized Trader and its Authorized Users in accordance with procedures established by the Company.

Exhibit C

Rulebook (redline)

Rule 302. Participant Eligibility Requirements

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

(1) is an Eligible Contract Participant, and, if applicable, is in compliance with CFTC Regulation 1.17;

(2) is located in, and will access and use the Trading System and permit its Authorized Users to access and use the Trading System solely from, the United States or a jurisdiction in which the Company is permitted by Applicable Law to offer the Trading System and, if the applicant or any of its Authorized Traders is organized or established under the laws of a country other than the United States or intends to access and use the Trading System or permits their respective Authorized Users to access and use the Trading System from a jurisdiction other than the United States, the applicant shall submit, upon request by the Company, an opinion of appropriately qualified and reputable outside counsel on home country law and, if applicable, other relevant non-domestic law, in form and substance acceptable to the Company;

(2)(3) is, if such Participant or its Authorized User accesses the Trading System from Singapore, an accredited investor, an expert investor or an institutional investor as these terms are defined in the Securities and Futures Act of Singapore;

(3)(4) has all registrations, licenses and consents required by its constituent documents and by Applicable Law to trade Contracts on the Trading System and is not subject to any trading ban, prohibition or suspension issued by the CFTC or by any Self-Regulatory Organization that is subject to the CFTC's oversight, including the NFA;

(4)(5) with respect to Contracts that are to be cleared by a Derivatives Clearing Organization, (i) is a member of a Derivatives Clearing Organization that is authorized to clear Contracts for its own account and, if applicable, for the account(s) of its Customers, Authorized Traders and its and their Customers or (ii) has delivered to the Company evidence satisfactory to the Company, in its sole discretion, that at least one Clearing Firm has agreed to accept Contracts for clearing into the account of such Participant and/or, if applicable, its Authorized Traders and its and/or their Customers; and

(5)(6) is of good reputation and business integrity, maintains adequate financial resources and credit, and satisfies such other criteria as the Company may establish from time to time.

(b) Once admitted, a Participant shall continue to comply with all applicable eligibility criteria in Rule 302(a) and shall provide the Company with such information in relation thereto as the Company may require.

(c) Each Participant shall immediately notify the Company in writing if it ceases to meet any of the requirements of Rule 302(a).

...

Rule 304. Participant Eligibility Requirements

(a) A Participant may grant permission to one or more Authorized Traders to enter Orders and Indications of Interest, originate and respond to Requests for Quotes, and otherwise access the Trading System in accordance with the criteria and procedures established by the Company.

(b) By agreeing to act as an Authorized Trader, such Person agrees to be bound by the duties and responsibilities of an Authorized Trader under the Rules and other Company Requirements and to be subject to, and comply with, the Rules.

(c) An Authorized Trader must at all times:

(1) be an Eligible Contract Participant;

(2) if applicable, be in compliance with CFTC Regulation 1.17;

(3) be located in and access and use the Trading System, and permit its Authorized Users to access and use the Trading System, solely from within the United States or a jurisdiction in which the Company is permitted by Applicable Law to offer the Trading System;

(4) be, to the extent such Authorized Trader or its Authorized Users accesses the Trading System from Singapore, an accredited investor, an expert investor or an institutional investor as these terms are defined in the Securities and Futures Act of Singapore;

(4)(5) ensure that activity conducted under the User IDs assigned to it and its Authorized Users complies with the Rules;

(5)(6) have the authority, at the Company's request, to adjust or withdraw any Order or Request for Quote submitted under such User IDs;

(6)(7) have and maintain all necessary regulatory approvals and/or licenses to operate as an Authorized Trader and not be subject to any trading ban, prohibition or suspension issued by the CFTC or by any Self-Regulatory Organization that is subject to CFTC oversight, including the NFA; and

(7)(8) agree to such other terms and conditions as may be established by the Company from time to time.

(d) The Company will promptly notify a Participant in writing of its approval, or refusal to approve, the designation of an Authorized Trader. The Company may, in its sole discretion, revoke or suspend the designation of an Authorized Trader, and shall promptly notify the Participant in writing of such action in accordance with procedures established by the Company.

(e) Each Authorized Trader shall immediately notify the Company in writing if it ceases to meet any of the requirements of Rule 304(c). Participant shall notify the Company in writing if it becomes aware that any of its Authorized Traders ceases to meet any of the requirements of Rule 304(c).

(f) A Participant that seeks to terminate the designation of an Authorized Trader shall notify the Company in writing, providing such information as the Company may require. The Company shall terminate the Trading Privileges of such Authorized Trader and its Authorized Users in accordance with procedures established by the Company.