



GTX SEF, LLC  
Bedminster One  
135 Route 202/206  
Bedminster, NJ 07921

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August 21, 2017

**Via Electronic Filing**

Assistant Secretary of the Commission for FOI,  
Privacy and Sunshine Acts Compliance  
U.S. Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, DC 20581

**Re: FOIA Confidential Treatment Request of Appendix A**

Dear Assistant Secretary:

GTX SEF LLC (“GTX”), hereby requests that the U.S. Commodity Futures Trading Commission (the “Commission”) accord confidential treatment under the Freedom of Information Act (the “FOIA”) to the attached appendix (“Appendix A”) which was submitted to the Commission on this date. This request pertains to all material segregated in Appendix A, and an additional redacted version of Appendix A is included with this submission. GTX requests that confidential treatment be afforded as long as the Commission retains Appendix A. In accordance with the Commission’s FOIA regulations, Appendix A bears the designation “Confidential Treatment Requested by GTX SEF LLC”.

This request for confidential treatment under the FOIA is made pursuant to Commission Regulations 40.8 and 145.9(d), as Appendix A contains information that would reveal the trade secrets or confidential commercial or financial information of GTX and its affiliates. As required by Commission Regulation 40.8(c)(1), GTX has submitted, together with this request, a detailed written justification in support of the confidentiality of Appendix A.

This request shall not be construed as a waiver of any protection from disclosure or confidential treatment under Commission Regulations or any other protection from disclosure or confidential treatment accorded by law, and GTX will rely on and invoke any such confidentiality protection with respect to Appendix A. GTX requests that the Commission advise the undersigned, its representative, in advance of any disclosure of Appendix A pursuant to the FOIA so that this request for confidential treatment may be further substantiated. GTX further requests that if any of the Confidential Information is to be disclosed to Congress or any other federal or state governmental agency or department, a request for confidential treatment be made by the Commission on GTX’s behalf, or that we be permitted to make such a request directly.



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Should you have any further questions or comments, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Alex Bobinski'. The signature is fluid and cursive.

Alexander Bobinski  
Chief Compliance Officer



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## APPENDIX A

### Confidential Treatment Requested by GTX SEF LLC

August 21, 2016

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Assistant Secretary of the Commission for FOI,  
Privacy and Sunshine Acts Compliance  
U.S. Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W. Washington, DC 20581

#### **Re: FOIA Detailed Written Justification**

Dear Assistant Secretary:

GTX SEF LLC submits the following detailed written justification for confidential treatment of the attached appendix ("Appendix A1") under the Freedom of Information Act ("FOIA") and pursuant to U.S. Commodity Futures Trading Commission ("Commission") Regulations 40.8 and 145.9(d), as Appendix A-1 contains information that would reveal the trade secrets or confidential commercial or financial information of GTX SEF LLC ("GTX") and its affiliates.

Under Exemption 4 of FOIA, the general test for determining whether commercial information is exempt from disclosure is whether release of the information would "cause substantial harm to the competitive positions of the person from whom the information was obtained." Acumenics Research & Tech. v. Dep't of Justice, 843 F.2d 800, 807 (4th Cir. 1988) (quoting National Parks & Conservation Ass'n v. Morton, 498 F.2d 765, 770 (D.C. Cir. 1974)). There is no requirement to demonstrate actual competitive harm, rather "[a]ctual competition and the likelihood of substantial competitive injury is all that need to be shown." Gulf & Western Indus., Inc. v. United States, 615 F.2d 527, 530 (D.C. Cir. 1979). Information is considered confidential where (i) there is actual competition in the relevant market, and (ii) disclosure is likely to cause substantial competitive injury. Id. With regard to proof of potential injury, evidence demonstrating the potential for economic harm is sufficient, and neither the Commission nor the courts must conduct a sophisticated economic analysis to determine the likely effects of disclosure. Utah v. Bahe et al., 256 F.3d 967, 970 (10th Cir. 2001); Public Citizen Health Research Group v. Food & Drug Admin., 704 F.2d 1280, 1291 (D.C. Cir. 1983).



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The information contained in Appendix A-1 includes non-public information regarding pricing, business structure and financial incentives relating GTX. GTX believes that disclosure of this information would provide its competitors with valuable insights regarding GTX's clients, access to its products, and how GTX operates and funds its business. Disclosure of such information would allow other swap execution facilities insight into the strengths and weaknesses of GTX which could be used to achieve a competitive advantage. Disclosure of Appendix A-1 would thus result in precisely the type of competitive harm to GTX that the provisions of FOIA and 17 C.F.R. § 145.9(d)(ii) are designed to prevent. See National Parks & Conservation Ass'n v. Kleppe, 547 F.2d 673, 684 (D.C. Cir. 1976) (prohibiting disclosure where it would "provide competitors with valuable insights into the operational strengths and weaknesses" of a company). Disclosure of the Confidential Information would provide GTX's competitors with an informational windfall at GTX's expense that they are not entitled to under FOIA. See Worthington Compressors, Inc. v. Costle, 662 F.2d 45, 52 (D.C. Cir. 1981) ("as a matter basic to our free enterprise system, private business information should be afforded appropriate protection, at least from competitors"). Therefore, the Confidential Information is the type of information that the provisions of FOIA and Commission Regulation 145.9(d)(ii) are designed to protect from disclosure.

For the foregoing reasons, GTX respectfully requests that the Commission maintain the confidential privilege afforded to this type of information and refrain from releasing Appendix A as such action could prove harmful to GTX.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Alex Bobinski'.

Alexander Bobinski  
Chief Compliance Officer



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## APPENDIX A – 1

### Dues, Fees and Other Charges

GTX SEF, LLC (“GTX SEF”) will not charge any dues or membership fees.

A commission fee per USD \$1 million notional traded will be charged to each participant executing a transaction with GTX SEF according to the applicable schedule set forth below:

#### Liquidity Provider

Total Monthly Volume in USD Millions	Fee Per \$1 Million
Less than 2,000	\$8.00
From 2,000 up to 8,000	\$5.00
Greater than 8,000	\$3.00

#### Liquidity Consumer

Total Monthly Volume in USD Millions	Fee Per \$1 Million
Less than 1,000	\$12.00
From 1,000 up to 2,000	\$8.00
Greater than 2,000	\$4.00

For calculation purposes, all fees shall commence on the first calendar trading day of the month and end on the last calendar trading day of the month. At the outset of each new calendar month, the accumulated volume is reset to zero. The fees set forth above shall be calculated on a tiered basis. As such, once a new volume tier is reached, only the volume exceeding the previous tier is charged the reduced rate noted above.

Liquidity consumers will be charged a minimum monthly fee of USD \$2,000 in the event actual monthly commissions incurred in any given month do not exceed that threshold.

The USD equivalent notional value of the transactions shall be used for any transaction in a currency pair in which U.S. dollars are the base currency.



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GTX SEF shall convert all amounts denominated in currencies other than U.S. dollars to U.S. dollars using a commercially reasonable exchange rate.

Each participant will be charged a non-recurring initial set-up and configuration fee of \$4,500.00 in the first month. Any associated regulatory, reporting and/or clearing fees will be previously disclosed and passed through to the participant.



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## APPENDIX A – 1

### Dues, Fees and Other Charges

[REDACTED]