

**UNITED STATES OF AMERICA**  
**Before the**  
**COMMODITY FUTURES TRADING COMMISSION**

---

In the Matter of the Application of  
Tradition SEF, Inc. for  
Registration as a Swap Execution Facility

---

**ORDER OF REGISTRATION**

Tradition SEF, Inc. (“Tradition”) has submitted to the Commodity Futures Trading Commission (“Commission” or “CFTC”), pursuant to Section 5h of the Commodity Exchange Act (“Act”), 7 U.S.C. § 7b-3, and Commission Regulation 37.3(b), 17 C.F.R. § 37.3(b), an application for registration as a swap execution facility, which includes submissions dated September 9, 2013 through January 20, 2016.

Having reviewed Tradition’s application, the Commission HEREBY ORDERS that, pursuant to Section 5h of the Act and Commission Regulation 37.3(b)(6)(i), Tradition is granted registration as a swap execution facility, subject to the terms and conditions specified herein:

(1) Tradition shall comply with all representations and submissions made by Tradition in support of its application for registration as a swap execution facility, as shown in the application record;

(2) Tradition shall comply with all provisions of the Act and all requirements set forth in the Commission’s regulations, as may be amended or adopted from time to time, that are applicable to swap execution facilities, *provided that*:

(a) As prior relief granted by Commission staff pursuant to Commission Regulation 140.99 remains in effect:

- i. In lieu of complying with the specific requirements of Commission Regulations 37.9(a)(2) and 37.203(a) that are addressed in CFTC Letter No. 15-24, Tradition shall comply with the terms and conditions of CFTC Letter No. 15-24, for the duration set forth therein;
- ii. In lieu of complying with the specific requirements of Commission Regulations 37.6(b), 37.1000, 37.1001, 45.2(a) and 45.3(a) that are addressed in CFTC Letter No. 15-25, Tradition shall comply with the terms and conditions of CFTC Letter No. 15-25, for the duration set forth therein;
- iii. In lieu of complying with the specific requirements of Commission Regulation 43.2 that are addressed in CFTC Letter No. 15-60, Tradition shall comply with the terms and conditions of CFTC Letter No. 15-60, for the duration set forth therein;
- iv. In lieu of complying with the specific requirements of Commission Regulations 37.205(a) and 37.205(b)(2) that are addressed in CFTC Letter No. 15-68, Tradition shall comply with the terms and conditions of CFTC Letter No. 15-68 for the duration set forth therein; and
- v. In lieu of complying with the specific requirements of Commission Regulations 37.3(a)(2) and 37.9 that are addressed in CFTC Letter No. 15-55, Tradition shall, for the duration set forth therein, comply with the terms and conditions of CFTC Letter No. 15-55, and shall, in accordance with such terms and conditions, facilitate the execution of a swap that is subject to the trade execution requirement set forth in section 2(h)(8) of the Act, and is a component of a MAT/New

Issuance Bond Package Transaction, MAT/Futures Package Transaction, MAT/Non-MAT Uncleared Package Transaction, MAT/Non-Swap Instruments Package Transaction or MAT/Non-CFTC Swap Package Transaction, as each such term is defined in CFTC Letter No. 15-55, through any method of execution offered by Tradition, subject to and in compliance with Tradition's rules, policies and procedures; and

(b) When any form of voice functionality is used in the process of communicating or executing swap transactions on or pursuant to the rules of Tradition, in lieu of conducting surveillance of the audit trail data for such transactions in accordance with the electronic analysis capability requirements of Commission Regulation 37.205(b)(3), Tradition shall conduct such surveillance in accordance with the terms and conditions of the voice audit trail surveillance program that Tradition has implemented, and has undertaken to continue to implement, in connection with its application for registration as a swap execution facility, as shown in the application record. Tradition shall conform such voice audit trail surveillance program to comply with (i) any written request by Commission staff, and (ii) any amendment to, or other modification of, the requirements of Commission Regulation 37.205(b)(3), as they pertain to the surveillance of audit trail data for swap transactions that are communicated or executed using voice functionality. Subject to any such amendment to, or modification of, the requirements of Commission Regulation 37.205(b)(3), each annual compliance report that is required to be prepared for Tradition pursuant to Commission Regulation 37.1501(e), and submitted to the Commission pursuant to Commission Regulation 37.1501(f), shall include a description of the efforts made by Tradition, during the time period covered by the report, to pursue

technology that would enable the surveillance of audit trail data, for swap transactions that are communicated or executed using voice functionality, to be conducted in accordance with the electronic analysis capability requirements of Commission Regulation 37.205(b)(3); and

(3) Tradition shall be responsible for compliance with the terms and conditions of this Order of Registration, with respect to all regulatory services performed by any third party service provider on behalf of Tradition, within or outside of the jurisdiction of the United States.

Issued in Washington, D.C. on this 22nd day of January, 2016.

By the Commission

  
\_\_\_\_\_  
Christopher J. Kirkpatrick  
Secretary of the Commission