

## Exhibit L: Part 37 Regulations Compliance Checklist

Rules/Compliance Manual Parts marked with a \* in the Support box indicates the language of the regulation is tracked in both the Rulebook and the Compliance Manual, and the inclusion of both the Compliance Manual reference and the Rule are only intended as reinforcement of compliance with the applicable Part 37 Regulation.

Part 37 Commission regulation	Support
<p><b>§ 37.3 Requirements and procedures for registration:</b>            (a) <i>Requirements for registration.</i>            (1) Any person operating a facility that offers a trading system or platform in which more than one market participant has the ability to execute or trade swaps with more than one other market participant on the system or platform shall register the facility as a SEF under this part or as a DCM under part 38 of this chapter.            (2) <i>Minimum trading functionality.</i> A SEF shall, at a minimum, offer an Order Book as defined in paragraph (a)(3) of this section.            (3) <i>Order book</i> means:            (i) An electronic trading facility, as that term is defined in section 1a(16) of the Act;            (ii) A trading facility, as that term is defined in section 1a(51) of the Act; or            (iii) A trading system or platform in which all market participants in the trading system or platform have the ability to enter multiple bids and offers, observe or receive bids and offers entered by other market participants, and transact on such bids and offers.            (4) A SEF is not required to provide an order book under this section for transactions defined in § 37.9(d)(2), (3), and (4), except that a SEF must provide an order book under this section for Required Transactions that are components of transactions defined in § 37.9(d)(2), (3), and (4) of this part when such Required Transactions are not executed as components of transactions defined in § 37.9(d)(2), (3), and (4).</p>	<p><b>§ 37.3(a)(1):</b> SEF Application</p>
	<p><b>§ 37.3 (a)(2):</b> Rule 522A; also see Rulebook Chapter 1, Definitions - “Order Book”</p>
	<p><b>§ 37.3 (a)(3):</b> [Definition – no SEF requirement included]</p>
	<p><b>§ 37.3 (a)(4):</b> Rule 540A - No Required Transactions will be executed on the SEF Platform.</p>
<p><b>§ 37.4 Procedures for listing products and implementing rules.</b>            (a) An applicant for registration as a SEF may submit a swap's terms and conditions prior to listing the product as part of its application for registration.</p>	<p><b>§ 37.4(a):</b> Rule 541</p>

<p>(b) Any swap terms and conditions or rules submitted as part of a SEF's application for registration shall be considered for approval by the Commission at the time the Commission issues the SEF's order of registration.</p>	<p>§ 37.4(b): Requirement for Commission action, rather than SEF.</p>
<p>(c) After the Commission issues the order of registration, a SEF shall submit a swap's terms and conditions, including amendments to such terms and conditions, new rules, or rule amendments pursuant to the procedures under part 40 of this chapter.</p>	<p>§ 37.4(c): Rule 541</p>
<p>(d) Any swap terms and conditions or rules submitted as part of an application to reinstate the registration of a dormant SEF, as defined in §40.1 of this chapter, shall be considered for approval by the Commission at the time the Commission approves the dormant SEF's reinstatement of registration.</p>	<p>§ 37.4(d): Requirement for Commission action, rather than SEF.</p>
<p><b>§ 37.6 Enforceability:</b>  (a) A transaction executed on or pursuant to the rules of a SEF shall not be void, voidable, subject to rescission, otherwise invalidated, or rendered unenforceable as a result of:  (1) A violation by the SEF of the provisions of section 5h of the Act or this part;</p>	<p>§ 37.6(a): Rule 317</p> <p>§ 37.6(a)(1): Rule 317(a)</p>
<p><b>§ 37.6 Enforceability:</b>  (a) (2) Any Commission proceeding to alter or supplement a rule, term, or condition under section 8a(7) of the Act or to declare an emergency under section 8a(9) of the Act; or</p>	<p>§ 37.6(a)(2): Rule 317(b)</p>
<p><b>§ 37.6 Enforceability:</b>  (a) (3) Any other proceeding the effect of which is to:  (i) Alter or supplement a specific term or condition or trading rule or procedure; or  (ii) Require a SEF to adopt a specific term or condition, trading rule or procedure, or to take or refrain from taking a specific action.</p>	<p>§ 37.6(a)(3): Rule 317(c)</p>

<p><b>§ 37.6 Enforceability:</b>  (b) A SEF shall provide each counterparty to a transaction that is executed on or pursuant to the rules of the SEF with a written record of all of the terms of the transaction which shall legally supersede any conflicting terms of a previous agreement and serve as a confirmation of the transaction. The confirmation of all terms of the transaction shall take place as soon as technologically practicable after execution; provided that specific customer identifiers for accounts included in bunched orders involving swaps need not be included in confirmations provided by a SEF if the applicable requirements of §1.35(b)(5) of this chapter are met.  (1) For a confirmation of an uncleared swap transaction, the SEF may satisfy the requirements of this paragraph (b) by incorporating by reference terms from underlying, previously negotiated agreements governing such transaction between the counterparties, without obtaining such incorporated agreements, except as otherwise necessary to fully perform its operational, risk management, governance, or regulatory functions, or any requirements under this part.</p>	<p><b>§ 37.6(b):</b> Rule 523; also see Rulebook Chapter 1, Definitions - “Confirmation”</p>
<p><b>§ 37.7 Prohibited use of data collected for regulatory purposes.</b>  A 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 purpose of fulfilling its regulatory obligations; <i>provided, however</i>, that a SEF may use such data or information for business or marketing purposes if the person from whom it collects or receives such data or information clearly consents to the SEF’s use of such data or information in such manner. A SEF shall not condition access to its market(s) or market services on a person’s consent to the SEF’s use of proprietary data or personal information for business or marketing purposes. A SEF, where necessary for regulatory purposes, may share such data or information with one or more SEFs or DCMs registered with the Commission.</p>	<p><b>§ 37.7:</b> Rule 804</p>

<p><b>§ 37.8 Boards of trade operating both a DCM and SEF:</b>  (a) An entity that intends to operate both a DCM and a SEF shall separately register the two entities pursuant to the DCM designation procedures set forth in part 38 of this chapter and the SEF registration procedures set forth in this part. On an ongoing basis, the entity shall comply with the core principles for DCMs under section 5(d) of the Act and the regulations under part 38 of this chapter and the core principles for SEFs under section 5h of the Act and the regulations under this part.</p>	<p><b>§ 37.8:</b> Not applicable, as REsurety will only operate as a SEF.</p>
<p><b>§ 37.8 Boards of trade operating both a DCM and SEF:</b>  (b) A board of trade, as defined in section 1a(6) of the Act, that operates both a DCM and a SEF and that uses the same electronic trade execution system for executing and trading swaps on the DCM and on the SEF shall clearly identify to market participants for each swap whether the execution or trading of such swaps is taking place on the DCM or on the SEF.</p>	<p><b>§ 37.8(b):</b> Not applicable, as REsurety will only operate as a SEF.</p>
<p><b>§ 37.9 Methods of execution for required and permitted transactions:</b>  (a) <i>Execution methods for required transactions.</i>  (1) <i>Required transaction</i> means any transaction involving a swap that is subject to the trade execution requirement in section 2(h)(8) of the Act.  (2) <i>Execution methods.</i>  (i) Each Required Transaction that is not a block trade as defined in §43.2 of this chapter shall be executed on a SEF in accordance with one of the following methods of execution:  (A) An Order Book as defined in §37.3(a)(3); or  (B) A Request for Quote System, as defined in paragraph (a)(3) of this section, that operates in conjunction with an Order Book as defined in §37.3(a)(3).</p>	<p><b>§ 37.9(a)(1):</b> [Definition, nothing required.]</p> <p><b>§ 37.9(a)(2)(i):</b> Rule 540(a) - No Required Transactions will be executed on, or pursuant to the rules of, the SEF, as there are currently no Required Transactions included within the Other Commodity Asset Class. Rule 320(d) – REsurety Markets does not allow Block Trades to be executed on its SEF Platform.</p> <p><b>§ 37.9(a)(2)(i)(A):</b> Rule 540(a) - No Required Transactions will be executed on, or pursuant to the rules of, the SEF, as there are currently no Required Transactions included within the Other Commodity Asset Class.</p> <p><b>§ 37.9(a)(2)(i)(B):</b> Rule 540(a) - No Required Transactions will be executed on, or pursuant to the rules of, the SEF, as there are currently no Required Transactions included within the Other Commodity Asset Class.</p>

<p>(2)(ii) In providing either one of the execution methods set forth in paragraph (a)(2)(i)(A) or (B) of this section, a SEF may for purposes of execution and communication use any means of interstate commerce, including, but not limited to, the mail, internet, email, and telephone, provided that the chosen execution method satisfies the requirements provided in §37.3(a)(3) for Order Books or in paragraph (a)(3) of this section for Request for Quote Systems.</p>	<p><b>§ 37.9(a)(2)(ii):</b> Rules 522; also see Rulebook Chapter 1, Definitions - “Direct Bid or Offer Function,” “Order Book,” and “RFQ Function”.</p>
<p><b>§ 37.9 Methods of execution for required and permitted transactions:</b>  (3) <i>Request for quote system</i> means a trading system or platform in which a market participant transmits a request for a quote to buy or sell a specific instrument to no less than three market participants in the trading system or platform, to which all such market participants may respond. The three market participants shall not be affiliates of or controlled by the requester and shall not be affiliates of or controlled by each other. A SEF that offers a request for quote system in connection with Required Transactions shall provide the following functionality:  (3)(i) At the same time that the requester receives the first responsive bid or offer, the SEF shall communicate to the requester any firm bid or offer pertaining to the same instrument resting on any of the SEF's Order Books, as defined in §37.3(a)(3);  (3)(ii) The SEF shall provide the requester with the ability to execute against such firm resting bids or offers along with any responsive orders; and  (3)(iii) The SEF shall ensure that its trading protocols provide each of its market participants with equal priority in receiving requests for quotes and in transmitting and displaying for execution responsive orders.</p>	<p><b>§ 37.9(3):</b> Rule 522.C; also see Rulebook Chapter 1, Definitions – “RFQ” or “Request for Quote”</p> <p><b>§ 37.9(3)(i):</b> Rule 540(a) – No Required Transactions will be executed on, or pursuant to the rules of, the SEF, as there are no Requested Transactions within the Other Commodity Asset Class.</p> <p><b>§ 37.9(3)(ii):</b> Rule 540(a) – No Required Transactions will be executed on, or pursuant to the rules of, the SEF, as there are no Requested Transactions within the Other Commodity Asset Class.</p> <p><b>§ 37.9(3)(iii):</b> Rule 540(a) – No Required Transactions will be executed on, or pursuant to the rules of, the SEF, as there are no Requested Transactions within the Other Commodity Asset Class.</p>
<p><b>§37.9 Methods of execution for required and permitted transactions.</b>  (b) <i>Time delay requirement for required transactions on an order book—</i>  (1) <i>Time delay requirement.</i> A SEF shall require that a broker or dealer who seeks to either execute against its customer's order or execute two of its customers' orders against each other through the SEF's Order Book, following some form of pre-arrangement or pre-negotiation of such orders, be subject to at least a 15 second time</p>	<p><b>§ 37.9(b)(1):</b> Rule 540(a) – No Required Transactions will be executed on, or pursuant to the rules of, the SEF, as there are no Requested Transactions within the Other Commodity Asset Class.</p>

<p>delay between the entry of those two orders into the Order Book, such that one side of the potential transaction is disclosed and made available to other market participants before the second side of the potential transaction, whether for the broker's or dealer's own account or for a second customer, is submitted for execution.</p>	
<p><b>§37.9 Methods of execution for required and permitted transactions.</b>  <b>(b) Time delay requirement for required transactions on an order book—</b>  <b>(2) Adjustment of time delay requirement.</b>  A SEF may adjust the time period of the 15 second time delay requirement described in paragraph (b)(1) of this section, based upon a swap's liquidity or other product-specific considerations; however, the time delay shall be set for a sufficient period of time so that an order is exposed to the market and other market participants have a meaningful opportunity to execute against such order.</p>	<p><b>§ 37.9(b)(2):</b> Rule 540(a) – No Required Transactions will be executed on, or pursuant to the rules of, the SEF, as there are no Requested Transactions within the Other Commodity Asset Class.</p>
<p><b>§37.9 Method of execution for required and permitted transactions.</b>  <b>(c) Execution methods for permitted transactions.</b>  <b>(1) Permitted transaction</b> means any transaction not involving a swap that is subject to the trade execution requirement in section 2(h)(8) of the Act.  <b>(2) Execution methods.</b> A SEF may offer any method of execution for each Permitted Transaction.</p>	<p><b>§ 37.9(c)(1):</b> [Definition, nothing required.]</p> <hr/> <p><b>§ 37.9(c)(2):</b> Rule 522(a)</p>
<p><b>§37.9 Method of execution for required and permitted transactions.</b>  <b>(d) Exceptions to required methods of execution for package transactions.</b>  <b>(1)</b> For purposes of this paragraph, a package transaction consists of two or more component transactions executed between two or more counterparties where:  <b>(i)</b> At least one component transaction is a Required Transaction;  <b>(ii)</b> Execution of each component transaction is contingent upon the execution of all other component transactions; and</p>	<p><b>§ 37.9(d):</b> Rule 540(a) – No Required Transactions will be executed on, or pursuant to the rules of, the SEF, as there are no Requested Transactions within the Other Commodity Asset Class.</p>

<p>(iii) The component transactions are priced or quoted together as one economic transaction with simultaneous or near-simultaneous execution of all components.</p> <p>(2) A Required Transaction that is executed as a component of a package transaction that includes a component swap that is subject exclusively to the Commission’s jurisdiction, but is not subject to the clearing requirement under section 2(h)(1)(A) of the Act, may be executed on a SEF in accordance with paragraph (c)(2) of this section as if it were a Permitted Transaction;</p> <p>(3) A Required Transaction that is executed as a component of a package transaction that includes a component that is not a swap, as defined under section 1a(47) of the Act, may be executed on a SEF in accordance with paragraph (c)(2) of this section as if it were a Permitted Transaction. This provision shall not apply to:</p> <p>(i) A Required Transaction that is executed as a component of a package transaction in which all other non-swap components are U.S. Treasury securities;</p> <p>(ii) A Required Transaction that is executed as a component of a package transaction in which all other non-swap components are contracts for the purchase or sale of a commodity for future delivery;</p> <p>(iii) A Required Transaction that is executed as a component of a package transaction in which all other non-swap components are agency mortgage backed securities; and</p> <p>(iv) A Required Transaction that is executed as a component of a package transaction that includes a component transaction that is the issuance of a bond in a primary market.</p> <p>(4) A Required Transaction that is executed as a component of a package transaction that includes a component swap that is not exclusively subject to the Commission’s jurisdiction may be executed on a SEF in accordance with paragraph (c)(2) of this section as if it were a Permitted Transaction.</p>	<p><b>§ 37.9(e)(1)(i):</b> Rule 535(c) prohibits swaps that are intended-to-be-cleared at the time of execution.</p>
	<p><b>§ 37.9(e)(1)(ii):</b> Rule 516.A; also see Rulebook Chapter 1, Definitions – “Error Trade”.</p>
<p><b>§37.9 Method of execution for required and permitted transactions.</b></p> <p><b>(e) Resolution of operational and clerical error trades.</b></p> <p>(1) As used in this paragraph:</p> <p>(i) <b>Correcting trade</b> means a trade executed and submitted for clearing to a registered derivatives clearing organization, or a</p>	<p><b>§ 37.9(e)(1)(iii):</b> Rule 535(c) prohibits swaps that are intended-to-be-cleared at the time of execution.</p>

<p>derivatives clearing organization that the Commission has determined is exempt from registration, with the same terms and conditions as an error trade other than any corrections to any operational or clerical error and the time of execution.</p> <p>(ii) <b>Error trade</b> means any trade executed on or subject to the rules of a SEF that contains an operational or clerical error.</p> <p>(iii) <b>Offsetting trade</b> means a trade executed and submitted for clearing to a registered derivatives clearing organization, or a derivatives clearing organization that the Commission has determined is exempt from registration, with terms and conditions that economically reverse an error trade that was accepted for clearing</p>	
<p><b>§37.9 Method of execution for required and permitted transactions.</b></p> <p><b>(2) Execution of correcting trades and offsetting trades.</b></p> <p>(i) A SEF shall maintain rules and procedures that facilitate the resolution of error trades. Such rules shall be fair, transparent, and consistent; allow for timely resolution; require market participants to provide prompt notice of an error trade - and, as applicable, offsetting and correcting trades - to the SEF; and permit market participants to:</p> <p>(A) Execute a correcting trade, in accordance with <u>paragraph (c)(2)</u> of this section, regardless of whether it is a Required or Permitted Transaction, for an error trade that has been rejected from clearing as soon as technologically practicable, but no later than one hour after a registered derivatives clearing organization, or a derivatives clearing organization that the Commission has determined is exempt from registration, provides notice of the rejection; or</p> <p>(B) Execute an offsetting trade and a correcting trade, in accordance with <u>paragraph (c)(2)</u> of this section, regardless of whether it is a Required or Permitted Transaction, for an error trade that was accepted for clearing as soon as technologically practicable, but no later than three days after the error trade was accepted for clearing at a derivatives clearing organization or a derivatives clearing organization that the Commission has determined is exempt from registration.</p> <p>(ii) If a correcting trade is rejected from clearing, then a SEF shall not allow the counterparties to execute another correcting trade.</p>	<p><b>§ 37.9(e)(2)(i):</b> Rule 516.A; also see Rulebook Chapter 1, Definitions – “Error Trade”.</p> <p><b>§ 37.9(e)(2)(i)(A):</b> Rule 516.A(a) &amp; (b)</p> <p><b>§ 37.9(e)(2)(i)(B):</b> Rule 516.A(a) &amp; (b)</p> <p><b>§ 37.9(e)(2)(ii):</b> Rule 535(c) prohibits swaps that are intended-to-be-cleared at the time of execution.</p>



<p><b>§37.9 Method of execution for required and permitted transactions.</b></p> <p>(f) <i>Counterparty anonymity.</i></p> <p>(1) Except as otherwise required under the Act or the Commission’s regulations, a SEF shall not directly or indirectly, including through a third-party service provider, disclose the identity of a counterparty to a swap that is executed anonymously and intended-to-be-cleared.</p> <p>(2) A SEF shall establish and enforce rules that prohibit any person from directly or indirectly, including through a third-party service provider, disclosing the identity of a counterparty to a swap that is executed anonymously and intended-to-be-cleared.</p> <p>(3) For purposes of paragraphs (f)(1) and (2) of this section, “executed anonymously” shall include a swap that is pre-arranged or pre-negotiated anonymously, including by a participant of the SEF.</p> <p>(4) For a package transaction that includes a component transaction that is not a swap intended-to-be-cleared, disclosing the identity of a counterparty shall not violate paragraph (f)(1) or (2) of this section. For purposes of this paragraph, a “package transaction” consists of two or more component transactions executed between two or more counterparties where:</p> <p>(i) Execution of each component transaction is contingent upon the execution of all other component transactions; and</p> <p>(ii) The component transactions are priced or quoted together as one economic transaction with simultaneous or near-simultaneous execution of all components</p>	<p><b>§ 37.9(f)(1):</b> Rule 535(c) prohibits swaps that are intended-to-be-cleared at the time of execution.</p> <p><b>§ 37.9(f)(2):</b> Rule 535(c) prohibits swaps that are intended-to-be-cleared at the time of execution.</p> <p><b>§ 37.9(f)(3):</b> Rule 535(c) prohibits swaps that are intended-to-be-cleared at the time of execution.</p> <p><b>§ 37.9(f)(4):</b> No package transactions will be executed on the SEF, as a package transaction includes at least one Required Transaction, and there are currently no Required Transactions included within the Other Commodity Asset Class.</p>
<b>Core Principle 1 – Compliance with Core Principles</b>	
<p><b>§37.100 Core Principle 1 – Compliance with core principles.</b></p> <p>(a) <i>In general.</i> To be registered, and maintain registration, as a SEF, the SEF shall comply with—</p> <p>(1) The core principles described in section 5h of the Act; and</p> <p>(2) Any requirement that the Commission may impose by rule or regulation pursuant to section 8a(5) of the Act.</p>	<p><b>§ 37.100(a)(1):</b> The SEF has included in this Compliance Chart each rule demonstrating that the SEF’s ability to comply with the core principles described in section 5h of the Act.</p> <p>Compliance Manual Part I: SEF Core Principle 1*</p>

<p>(b) <i>Reasonable discretion of a SEF.</i> Unless otherwise determined by the Commission by rule or regulation, a SEF described in paragraph (a) of this section shall have reasonable discretion in establishing the manner in which the SEF complies with the core principles described in section 5h of the Act.</p>	<p><b>§ 37.100(a)(2):</b> Rule 215</p> <p>Compliance Manual, Part I;* Exhibit F, Policy/Procedure E discusses the implementation of the Shared Services Agreement.</p> <p><b>§ 37.100(b):</b> Compliance Manual, p. 145, “REsurety Markets believes that its Policies/Procedures set forth herein represent a reasonable exercise of REsurety Markets’ discretion in complying fully with each of the 15 SEF Core Principles set forth in CEA Section 5h(f) and the CFTC’s Regulations thereunder.</p>
<p><b>§ 37.200 Core Principle 2—Compliance with rules.</b></p>	
<p><b>§ 37.200 Core Principle 2—Compliance with rules.</b> A SEF shall:</p> <p>(a) Establish and enforce compliance with any rule of the SEF, including the terms and conditions of the swaps traded or processed on or through the SEF and any limitation on access to the SEF;</p>	<p><b>§ 37.200(a):</b> Rules 302(c)(iv) requires each of its Authorized Traders to conduct their business in accordance with the Rules; Rule 320(a) discusses the expectation that each Participant or Broker Firm will have a commensurate compliance program.</p> <p>Compliance Manual Part II.A.*</p>
<p><b>§ 37.200 Core Principle 2—Compliance with rules.</b> (b) Establish and enforce trading, trade processing, and participation rules that will deter abuses and have the capacity to detect, investigate, and enforce those rules, including means to provide market participants with impartial access to the market and to capture information that may be used in establishing whether rule violations have occurred;</p>	<p><b>§ 37.200(b):</b> Rule 320(b)*</p> <p>Compliance Manual Part II.A.*</p>
<p><b>§ 37.200 Core Principle 2—Compliance with rules.</b> (c) Establish rules governing the operation of the facility, including rules specifying trading procedures to be used in entering and executing orders traded or posted on the facility, including block trades; and</p>	<p>§ 37.200(c): Rule 320(b)*</p> <p>Compliance Manual Part II.A.*</p>
<p><b>§ 37.200 Core Principle 2—Compliance with rules.</b> (d) Provide by its rules that when a swap dealer or major swap participant enters into or facilitates a swap that is subject to the mandatory clearing requirement of section 2(h) of the Act, the swap dealer or major swap participant shall be responsible for</p>	<p>§ 37.200(d): Rule 535(c) prohibits swaps that are intended-to-be-cleared at the time of execution. At this time, there are no transactions subject to the mandatory trading and clearing requirement in the Other Commodity Asset Class.</p> <p>Compliance Manual Part II.A.*</p>

<p>compliance with the mandatory trading requirement under section 2(h)(8) of the Act.</p>	
<p><b>§ 37.201 Operation of SEF and compliance with rules</b>  (a) A SEF shall establish rules governing the operation of the SEF, including, but not limited to, rules specifying trading procedures to be followed by members and market participants when entering and executing orders traded or posted on the SEF, including block trades, as defined in part 43 of this chapter, if offered.</p>	<p>§ 37.201(a): Rule 320 establishes rules to ensure compliance, trade practices monitoring and surveillance, and markets monitoring.</p> <p>Compliance Manual Part II.B.1.*</p>
<p><b>§ 37.201 Operation of SEF and compliance with rules</b>  (b) A SEF shall establish and impartially enforce compliance with the rules of the SEF, including, but not limited to—  (1) The terms and conditions of any swaps traded or processed on or through the SEF;  (2) Access to the SEF;  (3) Trade practice rules;  (4) Audit trail requirements;  (5) Disciplinary rules; and  (6) Mandatory trading requirements.</p>	<p>§ 37.201(b): Rules 320 establishes rules to ensure compliance, trade practices monitoring and surveillance, and markets monitoring; Rule 410(d) discusses the access requirements for any Person seeking access to the Platform; Rule 319 discusses the rules regarding recordkeeping and audit trails; Rule 535(c) prohibits swaps that are intended-to-be-cleared at the time of execution.</p> <p>Compliance Manual, Part II.B.1.* "In particular, REsurety Markets has established and will impartially enforce all of the rules specified in CFTC Regulation 37.201(b) other than mandatory trading requirements, because REsurety Markets does not list transactions subject to the mandatory trade execution requirement of CEA § 2(h)(8).</p>
<p><b>§ 37.202 Access requirements.</b>  (a) <i>Impartial access to markets and market services.</i>  A SEF shall provide any eligible contract participant (ECP) and any independent software vendor (ISV) with impartial access to its market(s) and market services, including any indicative quote screens or any similar pricing data displays, provided that the facility has:  (1) Criteria governing such access that are impartial, transparent, and applied in a fair and non-discriminatory manner;</p>	<p>§ 37.202(a)(1): Rule 316 discusses the SEF’s duty to provide impartial access to markets and market services; Rule 320(b) discusses the SEF’s duty to establish the means to provide market participants with impartial access to the market.</p> <p>Compliance Manual Part II.B.2.*</p>
<p><b>§ 37.202 Access requirements.</b>  (a) <i>Impartial access to markets and market services.</i>  (2) Procedures whereby ECPs provide the SEF with written or electronic confirmation of their status as ECPs, as defined by the Act and Commission regulations, prior to obtaining access; and</p>	<p>§ 37.202(a)(2): Rule 316 discusses the SEF’s duty to provide impartial access to markets and market services.</p> <p>Compliance Manual Part II.B.2.*</p>

<p><b>§ 37.202 Access requirements.</b>  (a) <i>Impartial access to markets and market services.</i>  (3) Comparable fee structures for ECPs and independent software vendors receiving comparable access to, or services from, the SEF.</p>	<p>§ 37.202(a)(3): Rule 316 discusses the SEF’s duty to provide impartial access to markets and market services.   Compliance Manual Part II.B.2.*</p>
<p><b>§ 37.202 Access requirements.</b>  (b) <i>Jurisdiction.</i> Prior to granting any ECP access to its facilities, a SEF shall require that the ECP consent to its jurisdiction.</p>	<p>§ 37.202(b): Rule 311,* Participant Agreement   Compliance Manual Part II.B.2.*</p>
<p><b>§ 37.202 Access requirements.</b>  (c) <i>Limitations on access.</i> A SEF shall establish and impartially enforce rules governing any decision to allow, deny, suspend, or permanently bar ECPs' access to the SEF, including when such decisions are made as part of a disciplinary or emergency action taken by the SEF.</p>	<p>§ 37.202(c): Rule 311;* Exhibit N-7 provides the Participant Agreement.   Compliance Manual Part II.B.2.*</p>
<p><b>§ 37.203 Rule enforcement program.</b>  A SEF shall establish and enforce trading, trade processing, and participation rules that will deter abuses and it shall have the capacity to detect, investigate, and enforce those rules.</p>	<p>§ 37.203: Rule 320(b)–(c) discusses the SEF’s duty to establish and enforce trading, trade processing, and participation rules that deter abuses and give the SEF the capacity to detect, investigate, and enforce those rules.   Compliance Manual Part II.B.3.*</p>
<p><b>§ 37.203 Rule enforcement program.</b>  (a) <i>Abusive trading practices prohibited.</i>  A SEF shall prohibit abusive trading practices on its markets by ahead of customer orders, trading against customer orders, accommodation trading, and improper cross trading. members and market participants. SEFs that permit intermediation shall prohibit customer-related abuses including, but not limited to, trading ahead of customer orders, trading against customer orders, accommodation trading, and improper cross trading. Specific trading practices that shall be prohibited include front-running, wash trading, pre-arranged trading (except for block trades permitted by part 43 of this chapter or other types of transactions certified to or approved by the Commission pursuant to the procedures under part 40 of this chapter), fraudulent trading, money passes, and any other trading practices that a SEF deems to be abusive. A SEF shall also prohibit any other manipulative or disruptive trading practices prohibited by the Act or by the Commission pursuant to Commission regulation.</p>	<p>§ 37.203(a): Rules 504–509 discuss rule violations, fraudulent acts, prohibited transactions, pre-execution communication, price manipulation and disruptive practices, and the prohibition of misstatements and rumors.   Compliance Manual Part II.B.3.*</p>

<p><b>§ 37.203 Rule enforcement program.</b>  <b>(b) Capacity to detect and investigate rule violations.</b>  A SEF shall have arrangements and resources for effective enforcement of its rules. Such arrangements shall include the authority to collect information and documents on both a routine and non-routine basis, including the authority to examine books and records kept by the SEF’s members and by persons under investigation. A SEF’s arrangements and resources shall also facilitate the direct supervision of the market and the analysis of data collected to determine whether a rule violation has occurred.</p>	<p>§ 37.203(b): Rule 403 discusses the SEF’s right of inspection; Rule 601(b) explains that the SEF will conduct inquiries, investigations, disciplinary and appeals proceedings, summary impositions of fines, summary suspensions or other summary actions; Exhibit N-5 provides a copy of the Eventus contract.</p> <p>Compliance Manual Part II.B.3.*</p>
<p><b>§ 37.203 Rule enforcement program.</b>  <b>(c) Compliance staff and resources.</b>  A SEF shall establish and maintain enough compliance staff and resources to ensure that it can conduct effective audit trail reviews, trade practice surveillance, market surveillance, and real-time market monitoring. The SEF’s compliance staff shall also be sufficient to address unusual market or trading events as they arise, and to conduct and complete investigations in a timely manner, as set forth in §37.203(f).</p>	<p>§ 37.203(c): Rule 207(d)–(e)(viii) discusses the duties of the Chief Compliance Officer; Rule 319(c)–(e) discusses the enforcement of audit trail requirements and audit trails generally.</p> <p>Compliance Manual Part II.B.3.*</p>
<p><b>§ 37.203 Rule enforcement program.</b>  <b>(d) Automated trade surveillance system.</b>  A SEF shall maintain an automated trade surveillance system capable of detecting potential trade practice violations. The automated trade surveillance system shall load and process daily orders and trades no later than 24 hours after the completion of the trading day. The automated trade surveillance system shall have the capability to detect and flag specific trade execution patterns and trade anomalies; compute, retain, and compare trading statistics; compute trade gains, losses, and swap-equivalent positions; reconstruct the sequence of market activity; perform market analyses; and support system users to perform in-depth analyses and ad hoc queries of trade-related data.</p>	<p>§ 37.203(d): Rule 601(b) explains that the SEF will conduct inquiries, investigations, disciplinary and appeals proceedings, summary impositions of fines, summary suspensions or other summary actions; Exhibit N-5 provides a copy of the Eventus contract.</p> <p>Compliance Manual Part II.B.3.*</p>
<p><b>§ 37.203 Rule enforcement program.</b>  <b>(e) Real-time market monitoring.</b>  A SEF shall conduct real-time market monitoring of all trading activity on its system(s) or platform(s) to identify disorderly trading and any market or system anomalies. A SEF shall have the authority to adjust trade prices or cancel trades when necessary to mitigate market disrupting events caused by malfunctions in its</p>	<p>§ 37.203(e): Rule 516 discusses transaction cancellation, correction, and adjustment generally; Rule 516.A discusses error trade cancellation, correction, and adjustment; Rule 516.B discusses transaction cancellation and adjustment by the SEF; Rule 601(b) explains that the SEF will conduct inquiries, investigations, disciplinary and appeals proceedings, summary impositions of fines, summary suspensions or other summary actions</p>

<p>system(s) or platform(s) or errors in orders submitted by members and market participants. Any trade price adjustments or trade cancellations shall be transparent to the market and subject to standards that are clear, fair, and publicly available.</p>	<p>Compliance Manual Part II.B.3.*</p>
<p><b>§ 37.203 Rule enforcement program.</b>  (f) <i>Investigations and investigation reports</i>  (1) <i>Procedures.</i> A SEF shall establish and maintain procedures that require its compliance staff to conduct investigations of possible rule violations. An investigation shall be commenced upon the receipt of a request from Commission staff or upon the discovery or receipt of information by the SEF that indicates a reasonable basis for finding that a violation may have occurred or will occur.</p>	<p>§ 37.203(f)(1): Rule 602 discusses the SEF’s right to conduct inquiries and investigations.</p> <p>Compliance Manual Part II.B.3.*</p>
<p><b>§ 37.203 Rule enforcement program.</b>  (f) <i>Investigations and investigation reports</i>  (2) <i>Timeliness.</i> Each compliance staff investigation shall be completed in a timely manner. Absent mitigating factors, a timely manner is no later than 12 months after the date that an investigation is opened. Mitigating factors that may reasonably justify an investigation taking longer than 12 months to complete include the complexity of the investigation, the number of firms or individuals involved as potential wrongdoers, the number of potential violations to be investigated, and the volume of documents and data to be examined and analyzed by compliance staff.</p>	<p>§ 37.203(f)(2): Rule 602(a) discusses the SEF’s right to conduct inquiries and investigations.</p> <p>Compliance Manual Part II.B.3.*</p>
<p><b>§ 37.203 Rule enforcement program.</b>  (f) <i>Investigations and investigation reports</i>  (3) <i>Investigation reports when a reasonable basis exists for finding a violation.</i> Compliance staff shall submit a written investigation report for disciplinary action in every instance in which compliance staff determines from surveillance or from an investigation that a reasonable basis exists for finding a rule violation. The investigation report shall include the reason the investigation was initiated; a summary of the complaint, if any; the relevant facts; compliance staff’s analysis and conclusions; and a recommendation as to whether disciplinary action should be pursued.</p>	<p>§ 37.203(f)(3): Rule 603 discusses the SEF’s responsibility to prepare investigative reports.</p> <p>Compliance Manual Part II.B.3.*</p>

<p><b>§ 37.203 Rule enforcement program.</b>  (f) <i>Investigations and investigation reports</i>  (4) <i>Investigation reports when no reasonable basis exists for finding a violation.</i>  If after conducting an investigation, compliance staff determines that no reasonable basis exists for finding a rule violation, it shall prepare a written report including the reason the investigation was initiated; a summary of the complaint, if any; the relevant facts; and compliance staff's analysis and conclusions.</p>	<p>§ 37.203(f)(4): Rule 603 discusses the SEF's responsibility to prepare investigative reports.</p> <p>Compliance Manual Part II.B.3.*</p>
<p><b>§ 37.203 Rule enforcement program.</b>  (f) <i>Investigations and investigation reports</i>  (5) <i>Warning letters.</i>  No more than one warning letter may be issued to the same person or entity found to have committed the same rule violation within a rolling twelve month period.</p>	<p>§ 37.203(f)(5): Rule 319(c) discusses enforcement of audit trail requirements; Rule 604(b) discusses warning letters.</p> <p>Compliance Manual Part II.B.3.*</p>
<p><b>§ 37.204 Regulatory services provided by a third party:</b>  (a) <i>Use of regulatory service provider permitted.</i>  A SEF may choose to contract with a registered futures association or another registered entity, as such terms are defined under the Act, or the FINRA (collectively, "regulatory service providers"), for the provision of services to assist in complying with the Act and Commission regulations thereunder, as approved by the Commission. Any SEF that chooses to contract with a regulatory service provider shall ensure that such provider has the capacity and resources necessary to provide timely and effective regulatory services, including adequate staff and automated surveillance systems. A SEF shall at all times remain responsible for the performance of any regulatory services received, for compliance with the SEF's obligations under the Act and Commission regulations, and for the regulatory service provider's performance on its behalf.</p>	<p>§ 37.204(a): Rule 213(e) discusses the SEF's duty to retain sufficient compliance staff to supervise the quality and effectiveness of any regulatory services provided on its behalf; Rule 311(c) discusses the SEF's ability to delegate certain regulatory functions; Exhibit N-5 provides a copy of the Eventus contract.</p> <p>Compliance Manual Part II.B.4.*</p>

<p><b>§ 37.204 Regulatory services provided by a third party:</b>  <b>(b) <i>Duty to supervise regulatory service provider.</i></b>  A SEF that elects to use the service of a regulatory service provider shall retain sufficient compliance staff to supervise the quality and effectiveness of the regulatory services provided on its behalf. Compliance staff of the SEF shall hold regular meetings with the regulatory service provider to discuss ongoing investigations, trading patterns, market participants, and any other matters of regulatory concern. A SEF shall also conduct periodic reviews of the adequacy and effectiveness of services provided on its behalf. Such reviews shall be documented carefully and made available to the Commission upon request.</p>	<p>§ 37.204(b): Rule 213(e) discusses the SEF’s duty to retain sufficient compliance staff to supervise the quality and effectiveness of any regulatory services provided on its behalf; Rule 311(c) discusses the SEF’s ability to delegate certain regulatory functions; Rule 602(a) discusses the SEF’s right to conduct inquiries and investigations.</p> <p>Compliance Manual Part II.B.4.*</p>
<p><b>§ 37.204 Regulatory services provided by a third party:</b>  <b>(c) <i>Regulatory decisions required from the SEF.</i></b>  A SEF that elects to use the service of a regulatory service provider shall retain exclusive authority in all substantive decisions made by its regulatory service provider, including, but not limited to, decisions involving the cancellation of trades, the issuance of disciplinary charges against members or market participants, and denials of access to the trading platform for disciplinary reasons. A SEF shall document any instances where its actions differ from those recommended by its regulatory service 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.</p>	<p>§ 37.204(c): Rule 213(b) and (d) discusses regulatory services providers and technology services providers.</p> <p>Compliance Manual Part II.B.4.*</p>



<p><b>§ 37.205 Audit trail.</b></p> <p>A SEF shall establish procedures to capture and retain information that may be used in establishing whether rule violations have occurred.</p> <p>(a) <i>Audit trail required.</i> A SEF shall capture and retain all audit trail data necessary to detect, investigate, and prevent customer and market abuses. Such data shall be sufficient to reconstruct all indications of interest, requests for quotes, orders, and trades within a reasonable period of time and to provide evidence of any violations of the rules of the SEF. An acceptable audit trail shall also permit the SEF to track a customer order from the time of receipt through fill, allocation, or other disposition, and shall include both order and trade data.</p>	<p>§ 37.205(a): Rule 319 discusses the rules regarding recordkeeping and audit trails.</p> <p>Compliance Manual Part II.B.5.*</p>
<p><b>§ 37.205 Audit trail.</b></p> <p>(b) <i>Elements of an acceptable audit trail program—</i></p> <p>(1) <i>Original source documents.</i></p> <p>A SEF's audit trail shall include original source documents. Original source documents include unalterable, sequentially-identified records on which trade execution information is originally recorded, whether recorded manually or electronically. Records for customer orders (whether filled, unfilled, or cancelled, each of which shall be retained or electronically captured) shall reflect the terms of the order, an account identifier that relates back to the account(s) owner(s), the time of order entry, and the time of trade execution. Swap execution facilities shall require that all orders, indications of interest, and requests for quotes be immediately captured in the audit trail.</p>	<p>§ 37.205(b)(1): Rule 319(g) explains that the SEF's audit trail shall include original source documentation.</p> <p>Compliance Manual Part II.B.5.*</p>

<p><b>§ 37.205 Audit trail.</b>  <b>(b) Elements of an acceptable audit trail program—</b>  <b>(2) Transaction history database.</b>  A SEF's audit trail program shall include an electronic transaction history database. An adequate transaction history database includes a history of all indications of interest, requests for quotes, orders, and trades entered into a SEF's trading system or platform, including all order modifications and cancellations. An adequate transaction history database also includes:  (i) All data that are input into the trade entry or matching system for the transaction to match and clear;  (ii) The customer type indicator code;  (iii) Timing and sequencing data adequate to reconstruct trading; and  (iv) Identification of each account to which fills are allocated.</p>	<p>§ 37.205(b)(2): Rule 319(d) discusses the SEF's audit trail program.</p> <p>Compliance Manual Part II.B.5.*</p>
<p><b>§ 37.205 Audit trail.</b>  <b>(b) Elements of an acceptable audit trail program—</b>  <b>(3) Electronic analysis capability.</b>  A SEF's audit trail program shall include electronic analysis capability with respect to all audit trail data in the transaction history database. Such electronic analysis capability shall ensure that the SEF has the ability to reconstruct indications of interest, requests for quotes, orders, and trades, and identify possible trading violations with respect to both customer and market abuse.</p>	<p>§ 37.205(b)(3): Rule 319(e) explains that the SEF's audit trail program shall include electronic analysis capability with respect to all audit trail data in the transaction history database.</p> <p>Compliance Manual Part II.B.5.*</p>
<p><b>§ 37.205 Audit trail.</b>  <b>(b) Elements of an acceptable audit trail program—</b>  <b>(4) Safe storage capability.</b>  A SEF's audit trail program shall include the capability to safely store all audit trail data retained in its transaction history database. Such safe storage capability shall include the capability to store all data in the database in a manner that protects it from unauthorized alteration, as well as from accidental erasure or other loss. Data shall be retained in accordance with the recordkeeping requirements of Core Principle 10 for swap execution facilities and the associated regulations in subpart K of this part.</p>	<p>§ 37.205(b)(4): Rule 319(f) explains that the SEF audit trail program shall include the capability to safely store all audit trail data retained in its transaction history database.</p> <p>Compliance Manual Part II.B.5.*</p>

<p><b>§ 37.205 Audit trail.</b>  (c) Enforcement of audit trail requirements—  (1) Annual audit trail and recordkeeping reviews.  A SEF shall enforce its audit trail and recordkeeping requirements through at least annual reviews of all members and persons and firms subject to the SEF's recordkeeping rules to verify their compliance with the SEF's audit trail and recordkeeping requirements. Such reviews shall 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.</p>	<p>§ 37.205(c)(1): Rule 319(c) discusses enforcement of audit trail requirements; Rule 604(b) discusses warning letters.</p> <p>Compliance Manual Part II.B.5.*</p>
<p><b>§ 37.205 Audit trail.</b>  (c) <i>Enforcement of audit trail requirements—</i>  (2) <i>Enforcement program required.</i>  A SEF shall establish a program for effective enforcement of its audit trail and recordkeeping requirements. An effective program shall identify members and persons and firms subject to the SEF's recordkeeping rules that have failed to maintain high levels of compliance with such requirements, and impose meaningful sanctions when deficiencies are found. Sanctions shall be sufficient to deter recidivist behavior. No more than one warning letter shall be issued to the same person or entity found to have committed the same violation of audit trail or recordkeeping requirements within a rolling twelve month period.</p>	<p>§ 37.205(c)(2): Rule 319(c) discusses enforcement of audit trail requirements; Rule 604(b) discusses warning letters.</p> <p>Compliance Manual Part II.B.5.*</p>
<p><b>§ 37.206 Disciplinary procedures and sanctions:</b>  A SEF shall establish trading, trade processing, and participation rules that will deter abuses and have the capacity to enforce such rules through prompt and effective disciplinary action, including suspension or expulsion of members or market participants that violate the rules of the SEF.</p>	<p>§ 37.206: Rule 320(b) discusses the SEF's duty to establish the means to provide market participants with impartial access to the market.</p> <p>Compliance Manual Part II.B.6.*</p>

<p><b>§37.206 Disciplinary procedures and sanctions:</b>  <i>(a) Enforcement staff.</i>  A SEF shall establish and maintain sufficient enforcement staff and resources to effectively and promptly prosecute possible rule violations within the disciplinary jurisdiction of the SEF.</p>	<p>§ 37.206(a): Rule 320(b) discusses the SEF’s duty to establish the means to provide market participants with impartial access to the market.   Compliance Manual Part II.B.6.*</p>
<p><b>§ 37.206 Disciplinary procedures and sanctions:</b>  <i>(b) Disciplinary panels.</i>  A SEF shall establish one or more disciplinary panels that are authorized to fulfill their obligations under the rules of this subpart. Disciplinary panels shall meet the composition requirements of part 40 of this chapter, and shall not include any members of the SEF’s compliance staff or any person involved in adjudicating any other stage of the same proceeding.</p>	<p>§ 37.206(b): Rule 612 discusses the Disciplinary Panel; Rulebook Chapter 1. Definitions—“Disciplinary Panels”   Compliance Manual Part II.B.6.*</p>
<p><b>§ 37.206 Disciplinary procedures and sanctions:</b>  <i>(c) Hearings.</i> A SEF shall adopt rules that provide for the following minimum requirements for any hearing:  (1) The hearing shall be fair, shall be conducted before members of the disciplinary panel, and shall be promptly convened after reasonable notice to the respondent; and  (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 Commission staff or the respondent;  (ii) The decision is appealed pursuant to the rules of the SEF; or  (iii) The decision is reviewed by the Commission pursuant to section 8c of the Act or part 9 of this chapter. In all other instances, a summary record of a hearing is permitted.</p>	<p>§ 37.206(c): Rule 613(a)–(b) discusses convening disciplinary proceeding hearings; Rule 615(k) explains that, upon request, a copy of the hearing shall be made and shall become a part of the record of the proceeding.   Compliance Manual Part II.B.6.*</p>
<p><b>§ 37.206 Disciplinary procedures and sanctions:</b>  <i>(d) Decisions.</i>  Promptly following a hearing conducted in accordance with the rules of the SEF, the disciplinary panel shall render a written decision based upon the weight of the evidence contained in the</p>	<p>§ 37.206(d): Rule 615(i) discusses the Disciplinary Panel’s duty to issue a Written decision; Rule 616(a) discusses decisions of the Disciplinary Panel.   Compliance Manual Part II.B.6.*</p>

<p>record of the proceeding and shall provide a copy to the respondent. The decision shall include:</p> <ol style="list-style-type: none"> <li>(1) The notice of charges or a summary of the charges;</li> <li>(2) The answer, if any, or a summary of the answer;</li> <li>(3) A summary of the evidence produced at the hearing or, where appropriate, incorporation by reference of the investigation report;</li> <li>(4) A statement of findings and conclusions with respect to each charge, and a complete explanation of the evidentiary and other basis for such findings and conclusions with respect to each charge;</li> <li>(5) An indication of each specific rule that the respondent was found to have violated; and</li> <li>(6) A declaration of all sanctions imposed against the respondent, including the basis for such sanctions and the effective date of such sanctions.</li> </ol>	
<p><b>§ 37.206 Disciplinary procedures and sanctions:</b>  <b>(e) <i>Disciplinary sanctions.</i></b>  All disciplinary sanctions imposed by a SEF or its disciplinary panels shall be commensurate with the violations committed and shall be clearly sufficient to deter recidivism or similar violations by other market participants. All disciplinary sanctions, including sanctions imposed pursuant to an accepted settlement offer, shall take into account the respondent's disciplinary history. In the event of demonstrated customer harm, any disciplinary sanction shall also include full customer restitution, except where the amount of restitution or to whom it should be provided cannot be reasonably determined.</p>	<p>§ 37.206(e): Rule 611(e)(ii) discusses Written decisions for settlement offers where Customer harm has been demonstrated; Rule 617 discusses sanctions generally.</p> <p>Compliance Manual Part II.B.6.*</p>
<p><b>§ 37.206 Disciplinary procedures and sanctions:</b>  <b>(f) <i>Warning letters.</i></b>  Where a rule violation is found to have occurred, no more than one warning letter may be issued per rolling twelve month period for the same violation.</p>	<p>§ 37.206(f): Rule 604(b) discusses the limitation of warning letters within a rolling 12-month period.</p> <p>Compliance Manual Part II.B.6.*</p>
<b>§ 37.300 Core Principle 3—Swaps Not Readily Susceptible to Manipulation</b>	
<p><b>§ 37.300 Core Principle 3—Swaps not readily susceptible to manipulation.</b>  The SEF shall permit trading only in swaps that are not readily susceptible to manipulation.</p>	<p>§ 37.300: Rule 808 discusses Swap specifications.</p> <p>Compliance Manual Part III.A.*</p>

<p><b>§ 37.301 General requirements:</b> To demonstrate to the Commission compliance with the requirements of §37.300, a SEF shall, at the time it submits a new swap contract in advance to the Commission pursuant to part 40 of this chapter, provide the applicable information as set forth in Appendix C to part 38 of this chapter—Demonstration of Compliance That a Contract is not Readily Susceptible to Manipulation. A SEF may also refer to the guidance and/or acceptable practices in Appendix B of this part.</p>	<p>§ 37.301: Rule 808 discusses Swap specifications.</p> <p>Compliance Manual Part III.B.*</p>
<p><b>§ 37.400—Core Principle 4—Monitoring of Trading and Trade Processing:</b></p>	
<p><b>§ 37.400—Core Principle 4—Monitoring of trading and trade processing:</b> The SEF shall:</p> <p>(a) Establish and enforce rules or terms and conditions defining, or specifications detailing:</p> <p>(1) Trading procedures to be used in entering and executing orders traded on or through the facilities of the SEF; and</p> <p>(2) Procedures for trade processing of swaps on or through the facilities of the SEF; and</p>	<p>§ 37.400(a)(1): Rule 202 generally discusses the Regulatory Oversight Committee; Rule 207 generally discusses the Chief Compliance Officer; Rule 211 generally discusses Information-Sharing Agreements; Rule 320 generally discusses compliance, trade practices monitoring and surveillance, and markets monitoring; Rule 502 generally discusses trading practices and business conduct procedures; Rule 511 generally discusses adherence to law; Rule 512 generally discusses use of trading privileges; Rule 513 generally discusses supervision; Rule 514 generally discusses the misuse of the SEF; Rule 515 discusses mishandling of customer orders; Rule 516 generally discusses transaction cancellation, correction, and adjustment; Rule 518 discusses priority of customers' orders; Rule 522 discusses execution of orders on the SEF Platform; Rule 524 discusses order entry requirements; Rule 528 discusses responsibility of customer orders; Rule 533 discusses risk controls.</p> <p>Compliance Manual Part IV.A.;* Part IV.B.8. discusses additional sources for compliance.</p>

<p><b>§ 37.400—Core Principle 4—Monitoring of trading and trade processing:</b> The SEF shall:</p> <p>(b) Monitor trading in swaps to prevent manipulation, price distortion, and disruptions of the delivery or cash settlement process through surveillance, compliance, and disciplinary practices and procedures, including methods for conducting real-time monitoring of trading and comprehensive and accurate trade reconstructions.</p>	<p>§ 37.400(b): Rule 207 generally discusses the Chief Compliance Officer; Rule 315, 320(c)</p> <p>Compliance Manual Part IV.A.*; Part IV.B.8. discusses additional sources for compliance.</p>
<p><b>§ 37.401 General requirements:</b> A SEF shall:</p> <p>(a) Collect and evaluate data on its market participants' market activity on an ongoing basis in order to detect and prevent manipulation, price distortions, and, where possible, disruptions of the physical-delivery or cash-settlement process;</p>	<p>§ 37.401(a): Rule 207 generally discusses the Chief Compliance Officer; Rule 320 generally discusses compliance, trade practices monitoring and surveillance, and markets monitoring; Rule 502 generally discusses trading practices and business conduct procedures; Rule 504 discusses Rule violations; Rule 506 discusses prohibited transactions; Rule 508 discusses price manipulation and disruptive practices; Rule 509 discusses the prohibition of misstatements and rumors; Rule 511 generally discusses adherence to law; Rule 512 generally discusses use of trading privileges; Rule 514 generally discusses the misuse of the SEF; Rule 515 discusses mishandling of customer orders; Rule 533 discusses risk controls.</p> <p>Compliance Manual Part IV.B.1.*</p>
<p><b>§ 37.401 General requirements:</b> A SEF shall:</p> <p>(b) Monitor and evaluate general market data in order to detect and prevent manipulative activity that would result in the failure of the market price to reflect the normal forces of supply and demand;</p>	<p>§ 37.401(b): Rule 320 generally discusses compliance, trade practices monitoring and surveillance, and markets monitoring; Rule 502 generally discusses trading practices and business conduct procedures; Rule 504 discusses Rule violations; Rule 506 discusses prohibited transactions; Rule 508 discusses price manipulation and disruptive practices; Rule 509 discusses the prohibition of misstatements and rumors; Rule 511 generally discusses adherence to law; Rule 512 generally discusses use of trading privileges; Rule 514 generally discusses the misuse of the SEF; Rule 522 discusses the execution of Orders on the SEF Platform; Rule 524 discusses Order entry requirements; Rule 533 discusses risk controls.</p> <p>Compliance Manual Part IV.B.1.*</p>
<p><b>§ 37.401 General requirements:</b> A SEF shall:</p>	<p>§ 37.401(c): Rule 320 generally discusses compliance, trade practices monitoring and surveillance, and markets monitoring; Rule 502 generally discusses trading practices and business conduct procedures; Rule 504 discusses Rule violations; Rule 506 discusses prohibited transactions; Rule 508 discusses price manipulation</p>

<p>(c) Demonstrate an effective program for conducting real-time monitoring of trading for the purpose of detecting and resolving abnormalities; and</p>	<p>and disruptive practices; Rule 509 discusses the prohibition of misstatements and rumors; Rule 511 generally discusses adherence to law; Rule 514 generally discusses the misuse of the SEF; Rule 522 discusses the execution of Orders on the SEF Platform; Rule 524 discusses Order entry requirements; Rule 533 discusses risk controls.</p> <p>Compliance Manual Part IV.B.1.*</p>
<p><b>§ 37.401 General requirements:</b> A SEF shall: (d) Demonstrate the ability to comprehensively and accurately reconstruct daily trading activity for the purpose of detecting instances or threats of manipulation, price distortion, and disruptions.</p>	<p>§ 37.401(d): Rule 320 generally discusses compliance, trade practices monitoring and surveillance, and markets monitoring; Rule 502 generally discusses trading practices and business conduct procedures; Rule 504 discusses Rule violations; Rule 506 discusses prohibited transactions; Rule 508 discusses price manipulation and disruptive practices; Rule 509 discusses the prohibition of misstatements and rumors; Rule 511 generally discusses adherence to law; Rule 514 generally discusses the misuse of the SEF; Rule 522 discusses the execution of Orders on the SEF Platform; Rule 524 discusses Order entry requirements; Rule 533 discusses risk controls.</p> <p>Compliance Manual Part IV.B.1.*</p>
<p><b>§ 37.402 Additional requirements for physical-delivery swaps:</b> For physical-delivery swaps, the SEF shall demonstrate that it: (a) Monitors a swap's terms and conditions as they relate to the underlying commodity market; and (b) Monitors the availability of the supply of the commodity specified by the delivery requirements of the swap.</p>	<p>§ 37.402(a): Rule 320 establishes rules to ensure compliance, trade practices monitoring and surveillance, and markets monitoring.</p> <p>Compliance Manual Part IV.B.2.*</p> <hr/> <p>§ 37.402(b): Rule 320 establishes rules to ensure compliance, trade practices monitoring and surveillance, and markets monitoring.</p> <p>Compliance Manual Part IV.B.2.*</p>
<p><b>§ 37.403 Additional requirements for cash-settled swaps:</b> (a) For cash-settled swaps, the SEF shall demonstrate that it monitors the pricing of the reference price used to determine cash flows or settlement;</p>	<p>§ 37.403(a): Rule 320 establishes rules to ensure compliance, trade practices monitoring and surveillance, and markets monitoring.</p> <p>Compliance Manual Part IV.B.3.*</p>
<p><b>§ 37.403 Additional requirements for cash-settled swaps:</b></p>	<p>§ 37.403(b): Rule 320 establishes rules to ensure compliance, trade practices monitoring and surveillance, and markets monitoring.</p>



<p>(b) For cash-settled swaps listed on the SEF where the reference price is formulated and computed by the SEF, the SEF shall demonstrate that it monitors the continued appropriateness of its methodology for deriving that price; and</p>	<p>Compliance Manual Part IV.B.3.*</p>
<p><b>§ 37.403 Additional requirements for cash-settled swaps:</b>  (c) For cash-settled swaps listed on the SEF where the reference price relies on a third-party index or instrument, including an index or instrument traded on another venue, the SEF shall demonstrate that it monitors the continued appropriateness of the index or instrument.</p>	<p>§ 37.403(c): Rule 320 establishes rules to ensure compliance, trade practices monitoring and surveillance, and markets monitoring.</p> <p>Compliance Manual Part IV.B.3.*</p>
<p><b>§ 37.404 Ability to obtain information:</b>  (a) A SEF shall demonstrate that it has access to sufficient information to assess whether trading in swaps listed on its market, in the index or instrument used as a reference price, or in the underlying commodity for its listed swaps is being used to affect prices on its market.</p>	<p>§ 37.404(a): Rules 319, 320, 402, 403, and 409</p> <p>Compliance Manual Part IV.B.4.*</p>
<p><b>§ 37.404 Ability to obtain information:</b>  (b) A SEF shall have rules that require its market participants to keep records of their trading, including records of their activity in the index or instrument used as a reference price, the underlying commodity, and related derivatives markets, and make such records available, upon request, to the SEF or, if applicable, to its regulatory service provider, and the Commission.</p>	<p>§ 37.404(b): Rules 319, 320, 402, 403, and 409</p> <p>Compliance Manual Part IV.B.4.*</p>
<p><b>§ 37.405 Risk controls for trading:</b>  The SEF shall establish and maintain risk control mechanisms to prevent and reduce the potential risk of market disruptions, including, but not limited to, market restrictions that pause or halt trading under market conditions prescribed by the SEF.</p>	<p>§ 37.405: Rules 210 and 533</p> <p>Compliance Manual Part IV.B.5.*</p>
<p><b>§ 37.406 Trade reconstruction:</b>  The SEF shall have the ability to comprehensively and accurately reconstruct all trading on its facility. All audit-trail data and reconstructions shall be made available to the Commission in a form, manner, and time that is acceptable to the Commission.</p>	<p>§ 37.406: Rules 319, 320 and 409.B.</p> <p>Compliance Manual Part IV.B.6.*</p>

<p><b>§ 37.407 Regulatory service provider:</b> A SEF shall comply with the regulations in this subpart through a dedicated regulatory department or by contracting with a regulatory service provider pursuant to §37.204.</p>	<p>Not Applicable, REsurety Markets will not use a regulatory service provider.</p>
<p><b>§ 37.500 Core Principle 5—Ability to Obtain Information</b></p>	
<p><b>§ 37.500 Core Principle 5—Ability to obtain information:</b> The SEF shall: (a) Establish and enforce rules that will allow the facility to obtain any necessary information to perform any of the functions described in section 5h of the Act;</p>	<p>§ 37.500(a): Rules 403(e), 409.A.(f), 524.A.  Compliance Manual Part V.A.*</p>
<p><b>§ 37.500 Core Principle 5—Ability to obtain information:</b> The SEF shall: (b) Provide the information to the Commission on request; and</p>	<p>§ 37.500(b): Rule 210(e) discusses the necessary documentation in the event action is taken in response to an Emergency; Rule 409.A(d) discusses the records each Person must keep pursuant to CFTC Regulation 37.404; Rule 409.A(f) discusses the Participant business information that the SEF is entitled to request; Rule 409.B discusses the necessary SEF Books and Records documentation; and 532(a) discusses the Swap documentation the SEF is required to maintain.  Compliance Manual Part V.A. asserts that the SEF is committed to ensuring its policies, procedures, and personnel are geared to comply with Core Principle 5.</p>
<p><b>§ 37.500 Core Principle 5—Ability to obtain information:</b> The SEF shall: (c) Have the capacity to carry out such international information-sharing agreements as the Commission may require.</p>	<p>§ 37.500(c): Rule 211(a)*  Compliance Manual Part V.A.</p>
<p><b>§ 37.501 Establish and enforce rules:</b> A SEF shall establish and enforce rules that will allow the SEF to have the ability and authority to obtain sufficient information to allow it to fully perform its operational, risk management, governance, and regulatory functions and any requirements under this part, including the capacity to carry out international information-sharing agreements as the Commission may require.</p>	<p>§ 37.501: Rule 211(a)*; Rule 212 discusses delivery and service of CFTC communications for non-U.S. Participants.  Compliance Manual Part V.B.1.</p>
<p><b>§ 37.502 Collection of information:</b> A SEF shall have rules that allow it to collect information on a routine basis, allow for the collection of non-routine data from its market participants, and allow for its examination of books and records kept by the market participants on its facility.</p>	<p>§ 37.502: Rule 402 discusses the required SEF disclosures; Rule 403 discusses the SEF’s right of inspection; and Rule 409 discusses the documentation required from Participants and SEF regarding books and records.</p>

	Compliance Manual Part V.B.2. discusses the protocols in place to ensure compliance with Core Principle 5.
<p><b>§ 37.503 Provide information to the Commission:</b> A SEF shall provide information in its possession to the Commission upon request, in a form and manner that the Commission approves.</p>	<p>§ 37.503: Rule 210(e) discusses the necessary documentation in the event action is taken in response to an Emergency; Rule 409 discusses the documentation required from Participants and SEF regarding books and records; and Rule 532(a) discusses the Swap documentation the SEF is required to maintain.</p> <p>Compliance Manual Part V.B.3.*</p>
<p><b>§ 37.504 Information-sharing agreements:</b> A SEF shall share information with other regulatory organizations, data repositories, and third-party data reporting services as required by the Commission 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 Commission can act in conjunction with the SEF to carry out such information sharing.</p>	<p>§ 37.504: Rule 211*</p> <p>Compliance Manual Part V.B.4.</p>
<b>§ 37.600 Core Principle 6—Position limits or Accountability</b>	
<p><b>§ 37.600 Core Principle 6—Position limits or accountability:</b> (a) <i>In general.</i> To reduce the potential threat of market manipulation or congestion, especially during trading in the delivery month, a SEF that is a trading facility shall adopt for each of the contracts of the facility, as is necessary and appropriate, position limitations or position accountability for speculators.</p>	<p>§ 37.600(a): Rule 525(a)*</p> <p>Compliance Manual Part VI.</p>

<p><b>§ 37.600 Core Principle 6—Position limits or accountability:</b>  <b>(b) <i>Position limits.</i></b>  For any contract that is subject to a position limitation established by the Commission pursuant to section 4a(a) of the Act, the SEF shall:</p> <p>(1) Set its position limitation at a level no higher than the Commission limitation; and</p> <p>(2) Monitor positions established on or through the SEF for compliance with the limit set by the Commission and the limit, if any, set by the SEF.</p>	<p>§ 37.600(b): Rule 525(b) discusses the applicable Participant position limits; and Rule 526(i) discusses the Compliance Department’s ability to grant spread positions.</p> <p>Compliance Manual Part VI.B. discusses SEF’s stance on position limits.</p>
<b>§ 37.700 Core Principle 7—Financial Integrity of Transactions</b>	
<p><b>§ 37.700 Core Principle 7 - Financial integrity of transactions:</b>  The SEF shall establish and enforce rules and procedures for ensuring the financial integrity of swaps entered on or through the facilities of the SEF, including the clearance and settlement of the swaps pursuant to section 2(h)(1) of the Act.</p>	<p>§ 37.700: Rule 545*</p> <p>Compliance Manual Part VII.A.</p>
<p><b>§ 37.701 Required clearing:</b>  Transactions executed on or through the SEF that are required to be cleared under section 2(h)(1)(A) of the Act or are voluntarily cleared by the counterparties shall be cleared through a Commission-registered derivatives clearing organization (DCO), or a DCO that the Commission has determined is exempt from registration.</p>	<p>§ 37.701: Rule 535(c) prohibits Swaps that are intended-to-be-cleared at the time of execution.</p> <p>Compliance Manual Part VII.B.1.*</p>
<p><b>§ 37.702 General financial integrity:</b>  A SEF shall provide for the financial integrity of its transactions:</p> <p>(a) By establishing minimum financial standards for its members, which shall, at a minimum, require that members qualify as an ECP as defined in section 1a(18) of the Act;</p>	<p>§ 37.702(a): Rule 302</p> <p>Compliance Manual Part VII.B.2.*</p>
<p><b>§ 37.702 General financial integrity:</b>  A SEF shall provide for the financial integrity of its transactions:</p> <p>(b) For transactions cleared by a DCO:</p> <p>(1) By ensuring that the SEF has the capacity to route transactions to the DCO in a manner acceptable to the DCO for purposes of clearing; and</p>	<p>§ 37.702(b)(1): Rule 535(c) prohibits Swaps that are intended-to-be-cleared at the time of execution.</p> <p>Compliance Manual Part VII.B.2.*</p>

<p><b>§ 37.702 General financial integrity:</b> A SEF shall provide for the financial integrity of its transactions: (b) For transactions cleared by a DCO: (2) By coordinating with each DCO to which it submits transactions for clearing, in the development of rules and procedures to facilitate prompt and efficient transaction processing in accordance with the requirements of §39.12(b)(7) of this chapter.</p>	<p>§ 37.702(b)(2): Rule 535(c) prohibits Swaps that are intended-to-be-cleared at the time of execution.</p> <p>Compliance Manual Part VII.B.2.*</p>
<p><b>§ 37.703 Monitoring for financial soundness:</b> A SEF shall monitor its members to ensure that they continue to qualify as ECPs as defined in section 1(a)(18) of the Act.</p>	<p>§ 37.703: Rule 404</p> <p>Compliance Manual Part VII.B.3.*</p>
<p><b>§ 37.800 Core Principle 8—Emergency Authority</b></p>	
<p><b>§ 37.800 Core Principle 8—Emergency authority:</b> The SEF shall adopt rules to provide for the exercise of emergency authority, in consultation or cooperation with the Commission, as is necessary and appropriate, including the authority to liquidate or transfer open positions in any swap or to suspend or curtail trading in a swap.</p>	<p>§ 37.800: Rule 210</p> <p>Compliance Manual Part VIII.A.*</p>
<p><b>§ 37.900 Core Principle 9—Timely Publication of Trading Information:</b></p>	
<p><b>§ 37.900 Core Principle 9—Timely publication of trading information:</b> (a) <i>In general.</i> The SEF shall make public timely information on price, trading volume, and other trading data on swaps to the extent prescribed by the Commission.</p>	<p>§ 37.900(a): Rule 809</p> <p>Compliance Manual Part IX.A.*</p>
<p><b>§ 37.900 Core Principle 9—Timely publication of trading information:</b> (b) <i>Capacity of SEF.</i> The SEF shall be required to have the capacity to electronically capture and transmit trade information with respect to transactions executed on the facility.</p>	<p>§ 37.900(b): Rules 531 discusses SEF’s duty to capture and electronically transmit trade information with respect to transactions executed on the SEF Platform to an SDR; and Rule 809 discusses the timely publication of trading information.</p> <p>Compliance Manual Part IX.A.*</p>
<p><b>§ 37.901 General requirements:</b> With respect to swaps traded on or through a SEF, each SEF shall: (a) Report specified swap data as provided under part 43 and part 45 of this chapter; and</p>	<p>§ 37.901(a): Rules 531 discusses SEF’s duty to capture and electronically transmit trade information with respect to transactions executed on the SEF Platform to an SDR; Rule 536 discusses SEF’s duty to comply with the Embargo Rule under CFTC Regulations section 43.5; and Rule 540(c) discusses Participants’</p>

	<p>regulatory reporting requirements when SEF fulfills any requirements to report Required Swap Continuation Data.</p> <p>Compliance Manual Part IX.B.*</p>
<p><b>§ 37.901 General requirements:</b> With respect to swaps traded on or through a SEF, each SEF shall: (b) Meet the requirements of part 16 of this chapter.</p>	<p>§ 37.901(b): Rule 809 discusses the timely publication of trading information.</p> <p>Compliance Manual Part IX.B.*</p>
<b>§ 37.1000 Core Principle 10—Recordkeeping and Reporting</b>	
<p><b>§ 37.1000 Core Principle 10—Recordkeeping and reporting:</b> (a) <i>In general.</i> A SEF shall: (1) Maintain records of all activities relating to the business of the facility, including a complete audit trail, in a form and manner acceptable to the Commission for a period of five years;</p>	<p>§ 37.1000(a)(1): Rule 319 discusses recordkeeping and audit trails; Rule 409.B discusses SEF books and records.</p> <p>Compliance Manual Part X.A.*</p>
<p><b>§ 37.1000 Core Principle 10—Recordkeeping and reporting:</b> (a) <i>In general.</i> A SEF shall: (2) Report to the Commission, in a form and manner acceptable to the Commission, such information as the Commission determines to be necessary or appropriate for the Commission to perform the duties of the Commission under the Act; and</p>	<p>§ 37.1000(a)(2): Rule 319(f) discusses audit trails and safe storage capability.</p> <p>Compliance Manual Part X.A.*; Part XVI.A. discusses protocol to ensure compliance with CFTC Regulation 1.37.</p>
<p><b>§ 37.1000 Core Principle 10—Recordkeeping and reporting:</b> (a) <i>In general.</i> A SEF shall: (3) Keep any such records relating to swaps defined in section 1a(47)(A)(v) of the Act open to inspection and examination by the Securities and Exchange Commission.</p>	<p>§ 37.1000(a)(3): Rule 409.B(b) discusses SEF’s responsibility to retain books, records, and audit trails for all Swaps executed on the Platform or subject to the SEF Rulebook, investigatory files, and disciplinary files in accordance with CFTC Regulation 1.31.</p> <p>Compliance Manual Part X.A.*</p>
<p><b>§ 37.1000 Core Principle 10—Recordkeeping and reporting:</b> (b) <i>Requirements.</i> The Commission shall adopt data collection and reporting requirements for SEFs that are comparable to</p>	<p>§ 37.1000(b): No requirement for RESurety Markets. This requirement is for the Commission.</p>

corresponding requirements for derivatives clearing organizations and swap data repositories.	
<p><b>§ 37.1001 Recordkeeping:</b> A SEF shall maintain records of all activities relating to the business of the facility, in a form and manner acceptable to the Commission, for a period of at least five years. A SEF shall maintain such records, including a complete audit trail for all swaps executed on or subject to the rules of the SEF, investigatory files, and disciplinary files, in accordance with the requirements of §1.31 and part 45 of this chapter.</p>	<p>§ 37.1001: Rule 409.B discusses SEF books and records.</p> <p>Compliance Manual Part X.B.*</p>
<b>Subpart L - Antitrust Considerations</b>	
<p><b>§ 37.1100 Core Principle 11—Antitrust considerations:</b> Unless necessary or appropriate to achieve the purposes of the Act, the SEF shall not:</p> <p>(a) Adopt any rules or take any actions that result in any unreasonable restraint of trade; or</p> <p>(b) Impose any material anticompetitive burden on trading or clearing.</p>	<p>§ 37.1100(a): Rule 542*</p> <p>Note: REsurety Markets’ Rules and policies have been designed to avoid unreasonable restraints of trade or the imposition of any material anticompetitive burden on REsurety Markets. REsurety Markets has not adopted any rule or taken any action with the intent or result of restraining trade. REsurety Markets will not require Participants to acquire an equity interest in REsurety Markets and access will be available and, presumably, granted to a broad number of Participants.</p> <p>Compliance Manual Part XI.A.*</p> <hr/> <p>§ 37.1100(b): Rule 542*</p> <p>Note: REsurety Markets’ Rules and policies have been designed to avoid unreasonable restraints of trade or the imposition of any material anticompetitive burden on REsurety Markets. REsurety Markets has not adopted any rule or taken any action with the intent or result of restraining trade. REsurety Markets will not require Participants to acquire an equity interest in REsurety Markets and access will be available and, presumably, granted to a broad number of Participants.</p> <p>Compliance Manual Part XI.B explaining that there are processes in place that are designed to ensure that the specific requirements of § 37.1100 are satisfied.</p>
<b>Subpart M—Conflicts of Interest</b>	

<p><b>§ 37.1200 Core Principle 12—Conflicts of interest:</b> The SEF shall:</p> <p>(a) Establish and enforce rules to minimize conflicts of interest in its decision-making process; and</p>	<p>§ 37.1200(a): Rules 202(a)(ii), (c)(v) discusses the responsibilities of the Regulatory Oversight Committee, which includes assisting the Board and SEF in minimizing potential conflicts of interest.</p> <p>Compliance Manual Part XII.A*</p>
<p><b>§ 37.1200 Core Principle 12—Conflicts of interest:</b> The SEF shall:</p> <p>(b) Establish a process for resolving the conflicts of interest.</p>	<p>§ 37.1200(b): Rules 201(d) discusses the qualifications for Managers; Rule 207(e)(ii) discusses the Chief Compliance Officer’s duty to resolve conflicts of interest; Rule 208 discusses conflicts of interest generally; Rule 210(e) discusses the requisite documentation upon taking any action in response to an Emergency; Rule 320(a)(v) discusses the responsibility of Participants and Broker Firms to maintain internal policies and procedures to promote compliance with the Rules; Rule 601(h) discussing the course of action in the event the Chief Compliance Officer has a conflict of interest.</p> <p>Compliance Manual Part XII.A.*</p>
<p><b>Subpart N—Financial Resources</b></p>	
<p><b>§ 37.1300 Core Principle 13—Financial resources</b> (a) <i>In general.</i> The SEF shall have adequate financial, operational, and managerial resources to discharge each responsibility of the SEF.</p> <p>(b) <i>Determination of resource adequacy.</i> The financial resources of a SEF shall be considered to be adequate if the value of the financial resources exceeds the total amount that would enable the SEF to cover the operating costs of the SEF for a one-year period, as calculated on a rolling basis.</p>	<p>§ 37.1300: Rule 214 discusses the SEF’s minimum financial requirements.</p> <p>Exhibit I provides supporting documentation regarding financial resources.</p> <p>Compliance Manual Part XIII.A.*</p>
<p><b>§ 37.1301 General requirements:</b> (a) SEF shall maintain financial resources on an ongoing basis that are adequate to enable it to comply with the core principles set forth in section 5h of the Act and any applicable Commission regulations. Financial resources shall be considered adequate if their value exceeds the total amount that would enable the SEF to cover its projected operating costs necessary for the SEF to comply with section 5h of the Act and applicable Commission regulations</p>	<p>§ 37.1301(a): Rule 214(a) discusses the SEF’s minimum financial requirements.</p> <p>Compliance Manual Part XIII.B.1.*</p>



for a one-year period, as calculated on a rolling basis pursuant to § 37.1304.	
<p><b>§ 37.1301 General requirements:</b>  (b) An entity that operates as both a SEF and a DCO shall also comply with the financial resource requirements of § 39.11 of this chapter.</p>	<p>§ 37.1301(b): Not applicable, as REsurety Markets is not registering in the dual role of both SEF and DCO. REsurety Markets is only registering as a SEF.</p> <p>Compliance Manual Part XIII.B.1.*</p>
<p><b>§ 37.1302 Types of financial resources:</b>  Financial resources available to satisfy the requirements of § 37.1301 may include:</p> <p>(a) The SEF's own capital, meaning its assets minus its liabilities calculated in accordance with U.S. generally accepted accounting principles; and  (b) Any other financial resource deemed acceptable by the Commission.</p>	<p>§ 37.1302(a): Rule 214(a)*</p> <p>Compliance Manual Part XIII.B.2.*</p> <p>§ 37.1302(a): Rule 214(a)*</p> <p>Compliance Manual Part XIII.B.2.*</p>
<p><b>§ 37.1303 Liquidity of financial resources</b>  The financial resources allocated by the SEF to meet the ongoing requirements of § 37.1301 shall include unencumbered, liquid financial assets (<i>i.e.</i>, cash and/or highly liquid securities) equal to at least the greater of three months of projected operating costs, as calculated on a rolling basis, or the projected costs needed to wind down the SEF's operations, in each case as determined under § 37.1304. If a SEF lacks sufficient unencumbered, liquid financial assets to satisfy its obligations under this section, the SEF may satisfy this requirement by obtaining a committed line of credit or similar facility in an amount at least equal to such deficiency.</p>	<p>§ 37.1303: Rule 214(b)*</p> <p>Compliance Manual Part XIII.B.3.*</p>
<p><b>§ 37.1304 Computation of costs to meet financial resources requirement:</b>  A SEF shall each fiscal quarter, make a reasonable calculation of its projected operating costs and wind-down costs in order to determine its applicable obligations under §§ 37.1301 and 37.1303. The SEF shall have reasonable discretion in determining the methodologies used to compute such amounts. The Commission may review the methodologies and require changes as appropriate.</p>	<p>§ 37.1304: Rule 214(c)*</p> <p>Compliance Manual Part XIII.B.4.*</p>

<p><b>§ 37.1305 Valuation of financial resources:</b> No less than each fiscal quarter, a SEF shall compute the current market value of each financial resource used to meet its obligations under § 37.1301. Reductions in value to reflect market and credit risk (“haircuts”) shall be applied as appropriate.</p>	<p>§ 37.1305: Rule 214(d)*  Compliance Manual Part XIII.B.5.*</p>
<p><b>§ 37.1306</b> <b>Reporting to the Commission:</b> (a) Each fiscal quarter, or at any time upon Commission request, a SEF shall provide a report to the Commission that includes: (1) The amount of financial resources necessary to meet the requirements of §§ 37.1301 and 37.1303, computed in accordance with the requirements of § 37.1304, and the market value of each available financial resource, computed in accordance with the requirements of § 37.1305; and (2) Financial statements, including the balance sheet, income statement, and statement of cash flows of the SEF. (i) The financial statements shall be prepared in accordance with generally accepted accounting principles in the United States, prepared in English, and denominated in U.S. dollars. (ii) The financial statements of a SEF that is not domiciled in the United States, and is not otherwise required to prepare financial statements in accordance with generally accepted accounting principles in the United States, may satisfy the requirement in paragraph (a)(2)(i) of this section if such financial statements are prepared in accordance with either International Financial Reporting Standards issued by the International Accounting Standards Board, or a comparable international standard as the Commission may otherwise accept in its discretion.</p>	<p>§ 37.1306(a)(1): Rule 543 discusses the SEF’s duty to report financial resources.  Compliance Manual Part XIII.B.6.*</p> <hr/> <p>§ 37.1306(a)(2)(i): Rule 543(a)(ii)(1)*  Compliance Manual Part XIII.B.6.*</p> <hr/> <p>§ 37.1306(a)(2)(ii): Not applicable, as REsurety Markets is domiciled in the US.  Compliance Manual Part XIII.B.6.*</p>
<p>(b)The calculations required by paragraph (a) of this section shall be made as of the last business day of the SEF’s applicable fiscal quarter.</p>	<p>§ 37.1306(b): Rule 543(b)*  Compliance Manual Part XIII.B.6.*</p>
<p>(c) With each report required under paragraph (a) of this section, the SEF shall also provide the Commission with sufficient documentation explaining the methodology used to compute its</p>	<p>§ 37.1306(c): Rule 543(c)*</p>

<p>financial requirements under §§ 37.1301 and 37.1303. Such documentation shall:</p> <p>(1) Allow the Commission to reliably determine, without additional requests for information, that the SEF has made reasonable calculations pursuant to § 37.1304; and</p> <p>(2) Include, at a minimum:</p> <p>(i) A total list of all expenses, without any exclusion;</p> <p>(ii) All expenses and the corresponding amounts, if any, that the SEF excluded or prorated when determining its operating costs, calculated on a rolling basis, required under §§ 37.1301 and 37.1303, and the basis for any determination to exclude or prorate any such expenses;</p> <p>(iii) Documentation demonstrating the existence of any committed line of credit or similar facility relied upon for the purpose of meeting the requirements of § 37.1303 (e.g., copies of agreements establishing or amending a credit facility or similar facility); and</p> <p>(iv) All costs that a SEF would incur to wind down the SEF's operations, the projected amount of time for any such wind-down period, and the basis of its determination for the estimation of its costs and timing.</p>	<p>Compliance Manual Part XIII.B.6.*</p>
<p>(d) The reports and supporting documentation required by this section shall be filed not later than 40 calendar days after the end of the SEF's first three fiscal quarters, and not later than 90 calendar days after the end of the SEF's fourth fiscal quarter, or at such later time as the Commission may permit, in its discretion, upon request by the SEF.</p> <p>(e) A SEF shall provide notice to the Commission no later than 48 hours after it knows or reasonably should know that it no longer meets its obligations under § 37.1301 or 37.1303.</p>	<p>§ 37.1306(d): Rule 543(d)*</p> <p>Compliance Manual Part XIII.B.6.*</p> <p>§ 37.1306(e): Rule 543(e)*</p> <p>Compliance Manual Part XIII.B.6.*</p>
<p><b>§ 37.1400 Core Principle 14—System safeguards.</b> The SEF shall:</p> <p>(a) Establish and maintain a program of risk analysis and oversight to identify and minimize sources of operational risk, through the development of appropriate controls and procedures, and automated systems, that:</p>	<p>§ 37.1400(a): Rule 544(a)*</p> <p>Compliance Manual Part XIV.A.*</p>

<p>(1) Are reliable and secure; and  (2) Have adequate scalable capacity;</p>	
<p><b>§ 37.1400 Core Principle 14—System safeguards.</b>  The SEF shall:  (b) Establish and maintain emergency procedures, backup facilities, and a plan for disaster recovery that allow for:  (1) The timely recovery and resumption of operations; and  (2) The fulfillment of the responsibilities and obligations of the SEF; and</p>	<p>§ 37.1400(b): Rule 544(b)*   Compliance Manual Part XIV.A.*</p>
<p><b>§ 37.1400 Core Principle 14—System safeguards.</b>  The SEF shall:  (c) Periodically conduct tests to verify that the backup resources of the SEF are sufficient to ensure continued:  (1) Order processing and trade matching;  (2) Price reporting;  (3) Market surveillance; and  (4) Maintenance of a comprehensive and accurate audit trail.</p>	<p>§ 37.1400(c): Rule 544(c)*   Compliance Manual Part XIV.A.*</p>
<p><b>§ 37.1401 Requirements.</b>  (a) A SEF’s program of risk analysis and oversight with respect to its operations and automated systems shall address each of the following categories of risk analysis and oversight:  (1) <i>Enterprise risk management and governance.</i> This category includes, but is not limited to: Assessment, mitigation, and monitoring of security and technology risk; security and technology capital planning and investment; board of directors and management oversight of technology and security; information technology audit and controls assessments; remediation of deficiencies; and any other elements of enterprise risk management and governance included in generally accepted best practices.  (2) <i>Information security.</i> This category includes, but is not limited to, controls relating to: Access to systems and data (including least privilege, separation of duties, account monitoring and control); user and device identification and authentication; security</p>	<p>§ 37.1401(a)(1): Rule 544(d)(i)*   Compliance Manual Part XIV.B.1.*</p>
	<p>§ 37.1401(a)(2): Rule 544(d)(ii)*   Compliance Manual Part XIV.B.1.*</p>

<p>awareness training; audit log maintenance, monitoring, and analysis; media protection; personnel security and screening; automated system and communications protection (including network port control, boundary defenses, encryption); system and information integrity (including malware defenses, software integrity monitoring); vulnerability management; penetration testing; security incident response and management; and any other elements of information security included in generally accepted best practices.</p>	<p>§ 37.1401(a)(3): Rule 544(d)(iii)*</p> <p>Compliance Manual Part XIV.B.1.*</p>
<p>(3) <i>Business continuity-disaster recovery planning and resources.</i> This category includes, but is not limited to: Regular, periodic testing and review of business continuity-disaster recovery capabilities, the controls and capabilities described in paragraph (c), (d), (j), and (k) of this section; and any other elements of business continuity-disaster recovery planning and resources included in generally accepted best practices.</p>	<p>§ 37.1401(a)(4): Rule 544(d)(iv)*</p> <p>Compliance Manual Part XIV.B.1.*</p>
<p>(4) <i>Capacity and performance planning.</i> This category includes, but is not limited to: Controls for monitoring the SEF's systems to ensure adequate scalable capacity (including testing, monitoring, and analysis of current and projected future capacity and performance, and of possible capacity degradation due to planned automated system changes); and any other elements of capacity and performance planning included in generally accepted best practices.</p>	<p>§ 37.1401(a)(5): Rule 544(d)(v)*</p> <p>Compliance Manual Part XIV.B.1.*</p>
<p>(5) <i>Systems operations.</i> This category includes, but is not limited to: System maintenance; configuration management (including baseline configuration, configuration change and patch management, least functionality, inventory of authorized and unauthorized devices and software); event and problem response and management; and any other elements of system operations included in generally accepted best practices.</p> <p>(6) <i>Systems development and quality assurance.</i> This category includes, but is not limited to: Requirements development; pre-</p>	<p>§ 37.1401(a)(6): Rule 544(d)(vi)*</p> <p>Compliance Manual Part XIV.B.1.*</p>

<p>production and regression testing; change management procedures and approvals; outsourcing and vendor management; training in secure coding practices; and any other elements of systems development and quality assurance included in generally accepted best practices.</p> <p>(7) <i>Physical security and environmental controls.</i> This category includes, but is not limited to: Physical access and monitoring; power, telecommunication, and environmental controls; fire protection; and any other elements of physical security and environmental controls included in generally accepted best practices.</p> <p>(b) In addressing the categories of risk analysis and oversight required under paragraph (a) of this section, a SEF shall follow generally accepted standards and best practices with respect to the development, operation, reliability, security, and capacity of automated systems.</p>	<p>§ 37.1401(a)(7): Rule 544(d)(vii)*</p> <p>Compliance Manual Part XIV.B.1.*</p>
<p><b>§ 37.1401 Requirements.</b></p> <p>(b) In addressing the categories of risk analysis and oversight required under paragraph (a) of this section, a swap execution facility shall follow generally accepted standards and best practices with respect to the development, operation, reliability, security, and capacity of automated systems.</p>	<p>§ 37.1401(b): Rule 544(e)*</p> <p>Compliance Manual Part XIV.B.1.*</p>
<p><b>§ 37.1401 Requirements.</b></p> <p>(c) A SEF shall maintain a business continuity-disaster recovery plan and business continuity-disaster recovery resources, emergency procedures, and backup facilities sufficient to enable timely recovery and resumption of its operations and resumption of its ongoing fulfillment of its responsibilities and obligations as a SEF following any disruption of its operations. Such responsibilities and obligations include, without limitation: Order processing and trade matching; transmission of matched orders to a designated clearing organization for clearing, where appropriate; price reporting; market surveillance; and maintenance of a comprehensive audit trail. A SEF's business continuity-disaster recovery plan and resources generally should enable resumption of trading and clearing of swaps executed on or pursuant to the rules of the SEF during the next business day following the disruption.</p>	<p>§ 37.1401(c): Rules 411 discusses the duty of each Participant or Broker Firm to have written disaster recovery and business continuity policies and procedures; Rule 544(f)*</p> <p>Compliance Manual Part XIV.B.3.*</p>

<p>Swap execution facilities determined by the Commission to be critical financial markets are subject to more stringent requirements in this regard, set forth in §40.9 of this chapter. A SEF shall update its business continuity-disaster recovery plan and emergency procedures at a frequency determined by an appropriate risk analysis, but at a minimum no less frequently than annually.</p>	
<p><b>§ 37.1401 Requirements.</b>  (d) A SEF that is not determined by the Commission to be a critical financial market satisfies the requirement to be able to resume its operations and resume its ongoing fulfillment of its responsibilities and obligations during the next business day following any disruption of its operations by maintaining either:  (1) Infrastructure and personnel resources of its own that are sufficient to ensure timely recovery and resumption of its operations and resumption of its ongoing fulfillment of its responsibilities and obligations as a SEF following any disruption of its operations; or  (2) Contractual arrangements with other SEFs or disaster recovery service providers, as appropriate, that are sufficient to ensure continued trading and clearing of swaps executed on the SEF, and ongoing fulfillment of all of the SEF’s responsibilities and obligations with respect to such swaps, in the event that a disruption renders the SEF temporarily or permanently unable to satisfy this requirement on its own behalf.</p>	<p>§ 37.1401(d)(1): Rule 544(g)(i)*   Compliance Manual Part XIV.B.4.*   § 37.1401(d)(2): Rule 544(g)(ii)*   Compliance Manual Part XIV.B.4.*</p>
<p><b>§ 37.1401 Requirements.</b>  (e) A SEF shall notify Commission staff promptly of all:  (1) Electronic trading halts and material system malfunctions;  (2) Cyber security incidents or targeted threats that actually or potentially jeopardize automated system operation, reliability, security, or capacity; and  (3) Activations of the SEF’s business continuity-disaster recovery plan.</p>	<p>§ 37.1401(e): Rule 544(h)*   Compliance Manual Part XIV.B.5.*</p>
<p><b>§ 37.1401 Requirements.</b>  (f) A SEF shall provide Commission staff timely advance notice of all material:  (1) Planned changes to automated systems that may impact the reliability, security, or adequate scalable capacity of such systems; and</p>	<p>§ 37.1401(f): Rule 544(i)*   Compliance Manual Part XIV.B.6.*</p>

<p>(2) Planned changes to the SEF’s program of risk analysis and oversight.</p>	
<p><b>§ 37.1401 Requirements.</b>  (g) As part of a SEF's obligation to produce books and records in accordance with §1.31 of this chapter, Core Principle 10 (Recordkeeping and Reporting), and §§37.1000 and 37.1001, a SEF shall provide to the Commission the following system safeguards-related books and records, promptly upon the request of any Commission representative:  (1) Current copies of its business continuity-disaster recovery plans and other emergency procedures;  (2) All assessments of its operational risks or system safeguards-related controls;  (3) All reports concerning system safeguards testing and assessment required by this chapter, whether performed by independent contractors or by employees of the SEF; and  (4) All other books and records requested by Commission staff in connection with Commission oversight of system safeguards pursuant to the Act or Commission regulations, or in connection with Commission maintenance of a current profile of the SEF's automated systems.  (5) Nothing in §37.1401(g) shall be interpreted as reducing or limiting in any way a SEF's obligation to comply with Core Principle 10 (Recordkeeping and Reporting) or with §1.31 of this chapter or with §37.1000 or §37.1001.</p>	<p>§ 37.1401(g): Rule 544(j)*   Compliance Manual Part XIV.B.7.*</p>
<p><b>§ 37.1401 Requirements.</b>  (h) A SEF shall conduct regular, periodic, objective testing and review of its automated systems to ensure that they are reliable, secure, and have adequate scalable capacity. It shall also conduct regular, periodic testing and review of its business continuity-disaster recovery capabilities. Such testing and review shall include, without limitation, all of the types of testing set forth in paragraph (h) of this section.  (2) Vulnerability testing. A SEF shall conduct vulnerability testing of a scope sufficient to satisfy the requirements set forth in paragraph (k) of this section.  (i) A SEF shall conduct such vulnerability testing at a frequency determined by an appropriate risk analysis.</p>	<p>§ 37.1401(h): Rule 544(k)*   Compliance Manual Part XIV.B.8.*</p>



(ii) Such vulnerability testing shall include automated vulnerability scanning, which shall follow generally accepted best practices.

(iii) A SEF shall conduct vulnerability testing by engaging independent contractors or by using employees of the SEF who are not responsible for development or operation of the systems or capabilities being tested.

(3) External penetration testing. A SEF shall conduct external penetration testing of a scope sufficient to satisfy the requirements set forth in paragraph (k) of this section.

(i) A SEF shall conduct such external penetration testing at a frequency determined by an appropriate risk analysis.

(ii) A SEF shall conduct external penetration testing by engaging independent contractors or by using employees of the SEF who are not responsible for development or operation of the systems or capabilities being tested.

(4) Internal penetration testing. A SEF shall conduct internal penetration testing of a scope sufficient to satisfy the requirements set forth in paragraph (k) of this section.

(i) A SEF shall conduct such internal penetration testing at a frequency determined by an appropriate risk analysis.

(ii) A SEF shall conduct internal penetration testing by engaging independent contractors, or by using employees of the SEF who are not responsible for development or operation of the systems or capabilities being tested.

(5) Controls testing. A SEF shall conduct controls testing of a scope sufficient to satisfy the requirements set forth in paragraph (k) of this section.

(i) A SEF shall conduct controls testing, which includes testing of each control included in its program of risk analysis and oversight, at a frequency determined by an appropriate risk analysis. Such testing may be conducted on a rolling basis.

(ii) A SEF shall conduct controls testing by engaging independent contractors or by using employees of the SEF who are not responsible for development or operation of the systems or capabilities being tested.

(6) Security incident response plan testing. A SEF shall conduct security incident response plan testing sufficient to satisfy the requirements set forth in paragraph (k) of this section.

<p>(i) A SEF shall conduct such security incident response plan testing at a frequency determined by an appropriate risk analysis.</p> <p>(ii) A SEF's security incident response plan shall include, without limitation, the SEF's definition and classification of security incidents, its policies and procedures for reporting security incidents and for internal and external communication and information sharing regarding security incidents, and the hand-off and escalation points in its security incident response process.</p> <p>(iii) A SEF may coordinate its security incident response plan testing with other testing required by this section or with testing of its other business continuity-disaster recovery and crisis management plans.</p> <p>(iv) A SEF may conduct security incident response plan testing by engaging independent contractors or by using employees of the SEF.</p> <p>(7) Enterprise technology risk assessment. A SEF shall conduct enterprise technology risk assessment of a scope sufficient to satisfy the requirements set forth in paragraph (k) of this section.</p> <p>(i) A SEF shall conduct enterprise technology risk assessment at a frequency determined by an appropriate risk analysis. A SEF that has conducted an enterprise technology risk assessment that complies with this section may conduct subsequent assessments by updating the previous assessment.</p> <p>(ii) A SEF may conduct enterprise technology risk assessments by using independent contractors or employees of the SEF who are not responsible for development or operation of the systems or capabilities being assessed.</p>	
<p><b>§ 37.1401 Requirements.</b></p> <p>(i) To the extent practicable, a SEF shall:</p> <p>(1) Coordinate its business continuity-disaster recovery plan with those of the market participants it depends upon to provide liquidity, in a manner adequate to enable effective resumption of activity in its markets following a disruption causing activation of the SEF's business continuity-disaster recovery plan;</p> <p>(2) Initiate and coordinate periodic, synchronized testing of its business continuity-disaster recovery plan with those of the market participants it depends upon to provide liquidity; and</p> <p>(3) Ensure that its business continuity-disaster recovery plan takes into account the business continuity-disaster recovery plans of its</p>	<p>§ 37.1401(i): Rule 544(l)*</p> <p>Compliance Manual Part XIV.B.9.*</p>

telecommunications, power, water, and other essential service providers.	
<p><b>§ 37.1401 Requirements.</b></p> <p>(j) Part 40 of this chapter governs the obligations of those registered entities that the Commission has determined to be critical financial markets, with respect to maintenance and geographic dispersal of disaster recovery resources sufficient to meet a same-day recovery time objective in the event of a wide-scale disruption. Section 40.9 establishes the requirements for core principle compliance in that respect.</p>	<p>§ 37.1401(j): Not applicable, as the Commission has not determined the SEF to be a critical financial market.</p>
<p><b>§37.1401 Requirements.</b></p> <p>(k) Scope of testing and assessment. The scope for all system safeguards testing and assessment required by this part shall be broad enough to include the testing of automated systems and controls that the swap execution facility's required program of risk analysis and oversight and its current cybersecurity threat analysis indicate is necessary to identify risks and vulnerabilities that could enable an intruder or unauthorized user or insider to:</p> <p>(1) Interfere with the swap execution facility's operations or with fulfillment of its statutory and regulatory responsibilities;</p> <p>(2) Impair or degrade the reliability, security, or adequate scalable capacity of the swap execution facility's automated systems;</p> <p>(3) Add to, delete, modify, exfiltrate, or compromise the integrity of any data related to the swap execution facility's regulated activities; or</p> <p>(4) Undertake any other unauthorized action affecting the swap execution facility's regulated activities or the hardware or software used in connection with those activities.</p>	<p>§ 37.1401(k): Rule 544(m)*</p> <p>Compliance Manual Part XIV.B.10.*</p>
<p><b>§ 37.1401 Requirements.</b></p> <p>(l) <i>Internal reporting and review.</i> Both the senior management and the board of directors of a SEF shall receive and review reports setting forth the results of the testing and assessment required by this section. A SEF shall establish and follow appropriate procedures for the remediation of issues identified through such review, as provided in paragraph (m) of this section, and for evaluation of the effectiveness of testing and assessment protocols.</p>	<p>§ 37.1401(l): Rule 544(n)*</p> <p>Compliance Manual Part XIV.B.11.*</p>
<p><b>§ 37.1401 Requirements.</b></p>	<p>§ 37.1401(m): Rule 544(o)*</p>

<p>(m) <i>Remediation.</i> A SEF shall identify and document the vulnerabilities and deficiencies in its systems revealed by the testing and assessment required by this section. The SEF shall conduct and document an appropriate analysis of the risks presented by such vulnerabilities and deficiencies, to determine and document whether to remediate or accept the associated risk. When the SEF determines to remediate a vulnerability or deficiency, it must remediate in a timely manner given the nature and magnitude of the associated risk.</p>	<p>Compliance Manual Part XIV.B.12.*</p>
<p><b>§ 37.1500 Core Principle 15—Designation of Chief Compliance Officer:</b></p>	
<p><b>§ 37.1500 Core Principle 15—Designation of chief compliance officer</b>  (a) <i>In general.</i> Each SEF shall designate an individual to serve as a chief compliance officer;</p>	<p>§ 37.1500(a): Rule 207(a)*   Compliance Manual Part XV.A.*</p>
<p><b>§ 37.1500 Core Principle 15—Designation of chief compliance officer:</b>  (b) <i>Duties.</i> The chief compliance officer shall:  (1) Report directly to the board or to the senior officer of the facility;  (2) Review compliance with the core principles in this subsection;  (3) In consultation with the board of the facility, a body performing a function similar to that of a board, or the senior officer of the facility, resolve any conflicts of interest that may arise;  (4) Be responsible for establishing and administering the policies and procedures required to be established pursuant to this section;  (5) Ensure compliance with the Act and the rules and regulations issued under the Act, including rules prescribed by the Commission pursuant to section 5h of the Act; and  (6) Establish procedures for the remediation of noncompliance issues found during compliance office reviews, look backs, internal or external audit findings, self-reported errors, or through validated complaints.</p>	<p>§ 37.1500(b)(1): Rule 207(c)*   Compliance Manual Part XV.A.*</p>
	<p>§ 37.1500(b)(2): Rule 207(e)(i)*   Compliance Manual Part XV.A.*</p>
	<p>§ 37.1500(b)(3): Rule 207(e)(ii)*   Compliance Manual Part XV.A.*</p>
	<p>§ 37.1500(b)(4): Rule 207(e)(iii)*   Compliance Manual Part XV.A.*</p>

	<p>§ 37.1500(b)(5): Rule 207(e)(iv)*</p> <p>Compliance Manual Part XV.A.*</p>
	<p>§ 37.1500(b)(6): Rule 207(e)(v)*</p> <p>Compliance Manual Part XV.A.*</p>
<p><b>§ 37.1500 Core Principle 15—Designation of chief compliance officer:</b></p> <p>(c) <i>Requirements for procedures.</i> In establishing procedures under paragraph (b)(6) of this section, the chief compliance officer shall design the procedures to establish the handling, management response, remediation, retesting, and closing of noncompliance issues.</p>	<p>§ 37.1500(c): Rule 207(e)(vi)*</p> <p>Compliance Manual Part XV.A.*</p>
<p><b>§ 37.1500 Core Principle 15—Designation of chief compliance officer:</b></p> <p>(d) <i>Annual reports.</i></p> <p>(1) <i>In general.</i> In accordance with rules prescribed by the Commission, the CCO shall annually prepare and sign a report that contains a description of:</p> <p>(i) The compliance of the SEF with the Act; and</p> <p>(ii) The policies and procedures, including the code of ethics and conflict of interest policies, of the SEF.</p>	<p>§ 37.1500(d)(1): Rule 207(e)(xii) discusses the CCO’s responsibility for the Annual Report and the Compliance Manual XV.B.3-4 lists further detail on the content of the Annual Report.</p> <p>Compliance Manual Part XV.B.*</p>
<p><b>§ 37.1500 Core Principle 15—Designation of chief compliance officer:</b></p> <p>(d) <i>Annual reports.</i></p> <p>(2) <i>Requirements.</i> The CCO shall:</p> <p>(i) Submit each report described in paragraph (d)(1) of this section with the appropriate financial report of the SEF that is required to be submitted to the Commission pursuant to section 5h of the Act; and</p> <p>(ii) Include in the report a certification that, under penalty of law, the report is accurate and complete.</p>	<p>§ 37.1500(d)(2): Rule 207(e)(xii) discusses the CCO’s responsibility for the Annual Report and the Compliance Manual XV.B.3-4 lists further detail on the content of the Annual Report.</p> <p>Compliance Manual Part XV.B.*</p>
<p><b>§ 37.1501 Chief compliance officer:</b></p> <p>(a) <i>Definitions.</i> For purposes of this part, the term -</p>	<p>§ 37.1501(a): [Definition. No requirement on SEF]</p>

<p><i>Board of directors</i> means the board of directors of a SEF, or for those swap execution facilities whose organizational structure does not include a board of directors, a body performing a function similar to a board of directors.</p> <p><i>Senior officer</i> means the chief executive officer or other equivalent officer of the SEF.</p>	
<p><b>§37.1501 Chief compliance officer:</b></p> <p>(b) <i>CCO.</i></p> <p>(1) <i>Authority of CCO</i></p> <p>(i) The position of chief compliance officer shall carry with it the authority and resources to develop, in consultation with the board of directors or senior officer, the policies and</p>	<p>§ 37.1501(b)(1)(i): Rule 207(d)*</p> <p>Compliance Manual Part XV.B.1.*</p>

<p>procedures of the SEF and enforce such policies and procedures to fulfill the duties set forth for chief compliance officers in the Act and Commission regulations.</p> <p>(ii) The chief compliance officer shall have supervisory authority over all staff acting at the direction of the chief compliance officer.</p>	<p>§ 37.1501(b)(1)(ii): Rule 207(d)*</p> <p>Compliance Manual Part XV.B.1.*</p>
<p><b>§ 37.1501 Chief compliance officer:</b></p> <p>(b) <i>CCO.</i></p> <p>(2) <i>Qualifications of CCO.</i></p> <p>(i) The individual designated to serve as chief compliance officer shall have the background and skills appropriate for fulfilling the responsibilities of the position.</p> <p>(ii) No individual disqualified from registration pursuant to sections 8a(2) or 8a(3) of the Act may serve as a chief compliance officer.</p>	<p>§ 37.1501(b)(2)(i): Rule 207(b)*</p> <p>Compliance Manual Part XV.B.1.*</p> <hr/> <p>§ 37.1501(b)(2)(ii): Rule 207(b)*</p> <p>Compliance Manual Part XV.B.1.*</p>

<p><i>(3) Appointment, supervision, and removal of CCO</i>  <i>Appointment and removal of chief compliance officer.</i>  (i) Only the board of directors or the senior officer may appoint or remove the chief compliance officer.  (ii) The SEF shall notify the Commission within two business days of the appointment or removal, whether interim or permanent, of a chief compliance officer.  (4) <i>Compensation of the chief compliance officer.</i>  The board of directors or the senior officer shall approve the compensation of the chief compliance officer.  (5) <i>Annual meeting with the chief compliance officer.</i> The chief compliance officer shall meet with the board of directors or senior officer of the SEF at least annually.  (6) <i>Information requested of the chief compliance officer.</i> The chief compliance officer shall provide any information regarding the self-regulatory program of the SEF as requested by the board of directors or the senior officer.</p>	§ 37.1501(b)(3)(i): Rule 207(a)* Compliance Manual Part XV.B.1.*
	§ 37.1501(b)(3)(ii): Rule 207(a)* Compliance Manual Part XV.B.1.*
	§ 37.1501(b)(4): Rule 207(a)* Compliance Manual Part XV.B.1.*
	§ 37.1501(b)(5): Rule 207(c)* Compliance Manual Part XV.B.1.*
	§ 37.1501(b)(6): Rule 207(c)* Compliance Manual Part XV.B.1.*
	<p><b>§ 37.1501 Chief compliance officer:</b>  (c) <i>Duties of CCO</i>  (1) Overseeing and reviewing compliance of the SEF with section 5h of the Act and any related rules adopted by the Commission;  (2) Taking reasonable steps, in consultation with the board of directors or the senior officer of the SEF, to resolve any material conflicts of interest that may arise, including, but not limited to:  (i) Conflicts between business considerations and compliance requirements;</p>
	§ 37.1501(c)(2)(i)-(iii): Rule 207(e)(2)(ii)(1)-(3)* Compliance Manual Part XV.B.2.*



<p>(ii) Conflicts between business considerations and the requirement that the SEF provide fair, open, and impartial access as set forth in § 37.202; and;</p> <p>(iii) Conflicts between a SEF's management and members of the board of directors;</p> <p>(3) Establishing and administering written policies and procedures reasonably designed to prevent violations of the Act and the rules of the Commission;</p>	<p>§ 37.1501(c)(3): Rule 207(e)(iii)*</p> <p>Compliance Manual Part XV.B.2.*</p>
<p><b>§ 37.1501 Chief compliance officer:</b>  (c) <i>Duties of CCO</i></p> <p>(4) Taking reasonable steps to ensure compliance with the Act and the rules of the Commission;</p> <p>(5) Establishing procedures reasonably designed to handle, respond, remediate, retest, and resolve noncompliance issues identified by the chief compliance officer through any means, including any compliance office review, look-back, internal or external audit finding, self-reported error, or validated complaint;</p> <p>(6) Establishing and administering a compliance manual designed to promote compliance with the applicable laws, rules, and regulations and a written code of ethics for the SEF designed to prevent ethical violations and to promote honesty and ethical conduct by personnel of the SEF;</p> <p>(7) Supervising the self-regulatory program of the SEF 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 (including taking reasonable steps to ensure compliance with, if applicable, financial integrity, financial reporting, sales practice, recordkeeping, and other requirements); and</p>	<p>§ 37.1501(c)(4): Rule 207(e)(iv)*</p> <p>Compliance Manual Part XV.B.2.*</p>
	<p>§ 37.1501(c)(5): Rule 207(e)(v)*</p> <p>Compliance Manual Part XV.B.2.*</p>
	<p>§ 37.1501(c)(6): Rule 207(e)(vii)*</p> <p>Compliance Manual Part XV.B.2.*</p>
	<p>§ 37.1501(c)(7): Rule 207(e)(viii)*</p> <p>Compliance Manual Part XV.B.2.*</p>

<p>(8) Supervising the effectiveness and sufficiency of any regulatory services provided to the SEF by a regulatory service provider in accordance with § 37.204.</p>	<p>§ 37.1501(c)(8): Rule 207(e)(xi)*</p> <p>Compliance Manual Part XV.B.2.*</p>
<p><b>§ 37.1501 Chief compliance officer:</b>  (d) <i>Preparation of annual compliance report.</i> The chief compliance officer shall, not less than annually, prepare and sign an annual compliance report that covers the prior fiscal year. The report shall, at a minimum, contain:</p> <p>(1) A description and self-assessment of the effectiveness of the written policies and procedures of the SEF, including the code of ethics and conflict of interest policies, to reasonably ensure compliance with the Act and applicable Commission regulations;</p> <p>(2) Any material changes made to compliance policies and procedures during the coverage period for the report and any areas of improvement or recommended changes to the compliance program;</p> <p>(3) A description of the financial, managerial, and operational resources set aside for compliance with the Act and applicable Commission regulations;</p> <p>(4) Any material non-compliance matters identified and an explanation of the corresponding action taken to resolve such non-compliance matters; and</p> <p>(5) A certification by the chief compliance officer that, to the best of his or her knowledge and reasonable belief, and under penalty of law, the annual compliance report is accurate and complete in all material respects.</p>	<p>§ 37.1501(d)(1): Rule 207(e)(xii) delegates responsibility for the Annual Report to the CCO.</p> <p>Compliance Manual Part XV.B.3. discusses the Annual Report's contents in more detail.</p>
	<p>§ 37.1501(d)(2): Rule 207(e)(xii) delegates responsibility for the Annual Report to the CCO.</p> <p>Compliance Manual Part XV.B.3. discusses the Annual Report's contents in more detail.</p>
	<p>§ 37.1501(d)(3): Rule 207(e)(xii) delegates responsibility for the Annual Report to the CCO.</p> <p>Compliance Manual Part XV.B.3. discusses the Annual Report's contents in more detail.</p>
	<p>§ 37.1501(d)(4): Rule 207(e)(xii) delegates responsibility for the Annual Report to the CCO.</p> <p>Compliance Manual Part XV.B.3. discusses the Annual Report's contents in more detail.</p>

	<p>§ 37.1501(d)(5): Rule 207(e)(xii) delegates responsibility for the Annual Report to the CCO.</p> <p>Compliance Manual Part XV.B.3. discusses the Annual Report's contents in more detail.</p>
<p><b>§ 37.1501 Chief compliance officer:</b>  (e) <i>Submission of annual compliance report</i>  (1) <i>Furnishing the annual compliance report prior to submission to the Commission.</i> Prior to submission to the Commission, the chief compliance officer shall provide the annual compliance report for review to the board of directors of the SEF or, in the absence of a board of directors, to the senior officer of the SEF. Members of the board of directors and the senior officer shall not require the chief compliance officer to make any changes to the report.  (2) <i>Submission of annual compliance report to the Commission.</i> The annual compliance report shall be submitted electronically to the Commission not later than 90 calendar days after the end of the SEF's fiscal year. The SEF shall concurrently file the annual compliance report with the fourth-quarter financial report pursuant to § 37.1306.  (3) <i>Amendments to annual compliance report.</i>  (i) Promptly upon discovery of any material error or omission made in a previously filed annual compliance report, the chief compliance officer shall file an amendment with the Commission to</p>	<p>§ 37.1501(e)(1): Rule 207(f)(i)*  Compliance Manual Part XV.B.4.*</p> <hr/> <p>§ 37.1501(e)(2): Rule 207(f)(ii)*  Compliance Manual Part XV.B.4.*</p> <hr/> <p>§ 37.1501(e)(3)(i): Rule 207(f)(iii)(1)*  Compliance Manual Part XV.B.4.*</p>

<p>correct the material error or omission. The chief compliance officer shall submit the amended annual compliance report to the board of directors, or in the absence of a board of directors, to the senior officer of the SEF, pursuant to paragraph (e)(1) of this section.</p> <p>(ii) An amendment shall contain the certification required under paragraph (d)(5) of this section.</p> <p>(4) <i>Request for extension.</i> A SEF may request an extension of time to file its annual compliance report from the Commission. Reasonable and valid requests for extensions of the filing deadline may be granted at the discretion of the Commission.</p>	<p>§ 37.1501(e)(3)(ii): Rule 207(f)(iii)(2)*</p> <p>Compliance Manual Part XV.B.4.*</p>
	<p>§ 37.1501(e)(4): Rule 207(f)(iv)*</p> <p>Compliance Manual Part XV.B.4.*</p>
<p><b>§ 37.1501 Chief compliance officer:</b></p> <p>(g) <i>Recordkeeping</i> The SEF shall maintain all records demonstrating compliance with the duties of the chief compliance officer and the preparation and submission of annual compliance reports consistent with §§ 37.1000 and 37.1001.</p>	<p><b>§ 37.1501(f):</b> [NOTE: Citation is incorrectly stated as “§37.1501(g)” in requirements as set out to the left, whereas the correct citation is “§37.1501(f)”.]</p> <p>Rule 207(e)(xii)*</p> <p>Compliance Manual Part XV.B.5.*</p>