

**EXHIBIT M-1**  
**INFX SEF Rulebook**

# **INFX SEF**

## **Swap Execution Facility Rulebook**

**BY BECOMING A PARTICIPANT, ACCESSING THE PLATFORM OR ENTERING ANY ORDER OR SUBMITTING ANY CONTRACT INTO THE PLATFORM, WHETHER DIRECTLY OR THROUGH AN INTERMEDIARY, AND WITHOUT ANY NEED FOR ANY FURTHER ACTION, UNDERTAKING OR AGREEMENT, A PARTICIPANT AND ITS AUTHORIZED PERSON(S), AND THE CLIENTS AND CUSTOMERS OF ANY PARTICIPANT AGREE TO: (I) BE BOUND BY, AND COMPLY WITH, THE INFX SEF RULES AND OBLIGATIONS, AND APPLICABLE LAW, IN EACH CASE TO THE EXTENT APPLICABLE TO IT; (II) BECOME SUBJECT TO THE JURISDICTION OF INFX SEF WITH RESPECT TO ANY AND ALL MATTERS ARISING FROM, RELATED TO, OR IN CONNECTION WITH, THE STATUS, ACTIONS OR OMISSIONS OF SUCH PERSON; (III) PERMIT THE REGULATORY SERVICES PROVIDER AUTHORIZED TO ACT ON BEHALF OF INFX SEF TO ACCESS ANY AND ALL INFORMATION RELEVANT TO ACTIVITIES RELATED TO INFX SEF BUSINESS; AND (IV) ASSIST INFX SEF IN COMPLYING WITH ITS LEGAL AND REGULATORY OBLIGATIONS, COOPERATE WITH INFX SEF AND THE CFTC IN ANY INQUIRY, INVESTIGATION, AUDIT, EXAMINATION OR PROCEEDING, AND AUTHORIZES INFX SEF TO PROVIDE INFORMATION REGARDING IT TO THE REGULATORY SERVICES PROVIDER, THE CFTC OR ANY SELF-REGULATORY ORGANIZATION.**

# INFX SEF RULEBOOK

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## CHAPTER 1. DEFINITIONS

### **Rule 101**      **Definitions**

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

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

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

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

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

“**Authorized Person**” means any natural person who is employed and authorized by a Participant to represent the Participant in INFX SEF matters pursuant to Rule 306.

“**Block Trade**” means a privately negotiated Swap that (i) meets the criteria set forth in Rule 702 and (ii) is executed off of the Platform pursuant to the INFX SEF Rules and Applicable Law.

“**Board**” means the Board of Directors of INFX SEF, which manages INFX SEF and is constituted from time to time in accordance with the INFX SEF Operating Agreement and the INFX SEF Bylaws.

“**Business Day**” means a day on which INFX SEF is open for trading.

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

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

“**Chief Compliance Officer**” means the individual appointed by the Board or senior officer as INFX SEFs chief compliance officer.

“**Chief Executive Officer**” means the individual appointed by the Board as INFX SEF’s chief executive officer.

“**CICI**” means a CFTC Interim Compliant Identifier.

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

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

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

“**Client**” means a Person that has granted in writing to an Account Manager investment authority to enter Orders and execute Swaps on the Platform on behalf of and in the name of such Person.

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

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

“**Confirmation**” shall have the meaning attributed to such term in Rule 404(b).

“**Confirmation Data**” has the meaning set forth in CFTC Regulation § 45.3(c).

“**Continuation Data**” means the data required to be reported to a Swap Data Repository in CFTC Regulation § 45.3(b).

“**Contract**” means any Swap, contract, agreement, or transaction approved for trading on the Platform pursuant to the INFX SEF Rules. Contract specifications can be accessed at the following link: [www.INFXSEF.com](http://www.INFXSEF.com).

“**Contract Market**” has the meaning set forth in CFTC Regulation § 1.3(h).

“**Contract Specifications**” means, with respect to any Contract, the rules or other trading protocols containing specifications for such Contract, as adopted, amended, supplemented or otherwise modified from time to time by INFX SEF.

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

“**CTI Code**” means a customer type indicator code.



**“Currency Pair”** means the Reference Currency and the Settlement Currency.

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

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

**“Daily Settlement Price”** or **“Settlement Price”** means the official daily closing price for a Contract calculated each Business Day, as determined in accordance with Rule 803, and used for marking all open positions at the close of the daily settlement cycle.

**“Director”** means any member of the Board.

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

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

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

**“Emergency”** shall have the meaning set forth in INFX SEF Rule 211(a).

**“Emergency Rules”** shall have the meaning set forth in INFX SEF Rule 211.

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

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

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

**“Fixing Date”** means the day and time whereby the comparison between the NDF Rate and the Fixing Spot Rate is made.

**“Fixing Spot Rate”** means the prevailing spot rate on the Fixing Date provided by the Source Agency commonly calculated by calling a number of dealers in the market for a quote at a specified time of day and taking the average.

**“Futures Commission Merchant”** or **“FCM”** has the meaning set forth in Section 1a(28) of the CEA and the CFTC’s rules and regulations promulgated thereunder.

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

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

“**Independent Software Vendor**” or “**ISV**” means a Person that makes available to Participants or others a system or platform offering smart order routing, trading software, an aggregator platform or a combination of the foregoing but that does not provide Participants or others the ability to effect Transactions on the Platform.

“**INFX SEF**” means INFX SEF, Inc., or any successor thereto.

“**INFX SEF Bylaws**” means the Bylaws of INFX SEF, as the same may be modified or amended from time to time.

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

“**INFX SEF Operating Agreement**” means the By-Laws and Articles of Incorporation of INFX SEF, Inc. as the same may be amended from time to time.

“**INFX SEF Order Book**” means the trading system or platform operated by INFX SEF 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.

“**INFX SEF Proceeding**” means an inquiry, investigation or disciplinary proceeding, summary suspension, or other summary actions.

“**INFX SEF RFQ Platform**” means the execution facility that allow Participants to enter Request for Quotes in accordance with Commission regulations.

“**INFX SEF Rules**” or “**Rule**” means all rules set forth herein, all Notices to Participants published by INFX SEF, the Participant Agreement, the Account Manager Agreement, interpretations, orders, resolutions, advisories, statements of policy, decisions, manuals and directives of INFX SEF, and all amendments thereto.

“**Integral**” means Integral Development Corp. or any successor thereto, and is the parent of INFX SEF.

“**Interested Person**” has the meaning attributed to such term in Rule 212(a).

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

“**Legal Entity Identifier**” means a legal entity identifier having the characteristics required by the

CFTC and approved or issued by an internationally developed legal entity identifier system designated by the CFTC described in CFTC Regulation § 45.6.

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

**“NDF Rate”** means the rate agreed upon between the two parties on the Trade Date.

**“NFA”** means the National Futures Association.

**“NFA Arbitration Program”** means the arbitration program established by the NFA designed for disputes between and among NFA members and associated persons registered with NFA.

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

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

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

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

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

**“Participant”** means any Person (other than an ISV) that has executed the Participant Documentation, satisfied the criteria set forth in Rule 301 and been granted, and continues to have, Trading Privileges under the INFX SEF Rules. Participants shall be deemed to be members of INFX SEF for purposes of the CEA. The term Participant includes Authorized Person(s).

**“Participant Agreement”** means the agreement entered into between a Participant and INFX SEF that identifies the rights and obligations of both parties and incorporates the INFX SEF Rules by reference into such agreement.

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

**“Permitted Transactions”** means any Transaction that is not subject to the trade execution requirement in Section 2(h)(8) of the CEA and any Transaction executed on the Platform where

one of the counterparties properly elects to use the End-User Exception.

“**Person**” means a natural person or an entity.

“**Platform**” means the INFX SEF electronic trade execution system that is used for trading Contracts, including any licensed software that is a part thereof from time to time, and any successor electronic trading system thereto. The Platform includes the INFX SEF RFQ Platform and the INFX SEF Order Book

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

“**Primary Economic Terms**” has the meaning set forth in CFTC Regulation § 45.1.

“**Proceeding**” and “**Proceedings**” have the meanings attributed to such terms in Rule 212(a).

“**Proprietary Account**” has the meaning set forth in CFTC Regulation § 1.3(y).

“**Reference Currency**” means in respect of a Transaction, the currency specified as the Reference Currency or the local currency.

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

“**Regulatory Oversight Committee**” means the committee of the Board constituted in accordance with Rule 209.

“**Regulatory Reporting Agreement**” means an agreement between INFX SEF and Participant authorizing INFX SEF to perform the Participant’s regulatory reporting obligations under CFTC Part 45, which, notwithstanding the execution of such Regulatory Reporting Agreement, such Participant shall remain fully responsible for all regulatory reporting obligations under CFTC Part 45 not specifically attributed to a Swap Execution Facility in that Part.

“**Regulatory Services Agreement**” means the agreement(s) between INFX SEF and the Regulatory Services Provider whereby market surveillance and trade practice surveillance functions are conducted on behalf of INFX SEF.

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

“**Reporting Counterparty**” has the meaning set forth in CFTC Regulation § 45.1.

“**Request for Quote**” (“**RFQ**”) means a trading execution method through which a requesting Participant may transmit an RFQ to buy or sell a specific instrument to no less than the Required

Number of receiving Participants. Receiving Participants may accept or reject the RFQ.

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

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

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

**“RFQ Platform Venue”** has the meaning set forth in Rule 602(a).

**“RFQ Requester”** means a Participant sending an RFQ to the Required Number of potential counterparties.

**“SEF Regulation Department”** means the staff responsible for ensuring INFX SEF operates in compliance with the CEA, INFX SEF rules and all Applicable Laws. INFX SEF has outsourced certain trade practice, market surveillance and investigatory functions to NFA and is included within the scope of this definition of SEF Regulation Department.

**“Self-Regulatory Action”** has the meaning attributed to such term in Rule 212(a).

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

**“Settlement Currency”** means the currency on which the Transaction is paid (e.g. EU or USD).

**“Settlement Date”** means the date when the difference between the NDF Rate and the Fixing Rate is paid or received by the relevant Participant. The Settlement Date is usually one to two days after the Fixing Date.

**“Source Agency”** means the agency that publishes, calculates or otherwise defines the Settlement Price for any Contract.

**“Specified Terms”** shall mean the terms set forth in Rule 404(a)(6)(i).

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

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

“**Swap Dealer**” shall have the meaning set forth in CFTC Regulation § 1.3(ggg).

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

“**Technology Services Agreement**” means the agreement(s) between INFX SEF and the Technology Services Provider whereby technology services are provided access to the Platform.

“**Technology Services Provider**” means the organization, if any, which provides technology services to INFX SEF pursuant to a Technology Services Agreement.

“**Trade Date**” means the date on which the parties enter into a Transaction.

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

“**Trading Privileges**” means the rights granted to a Participant to transmit Orders for Contracts through the Platform.

“**Transaction**” means any purchase or sale of any Contract made on or pursuant to the rules of INFX SEF.

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

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

“**Unique Swap Identifier**” shall have the meaning set forth in CFTC Regulation § 45.5, or any successor regulation thereto.

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

“**Valuation Data**” has the meaning set forth in CFTC Regulation § 45.1, or any successor regulation thereto.

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

“**Written**” or “**Writing**” means printing, lithography, photography, and other modes of representing or reproducing words or data in a visible form, including electronic transmissions.

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

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

CHAPTER 2.  
INFX SEF OWNERSHIP AND GOVERNANCE

**Rule 201      Ownership**

INFX SEF is a Delaware corporation and is a wholly-owned subsidiary of Integral Development Corporation. The INFX SEF Operating Agreement governs the management and operation of INFX SEF. Integral owns all equity interest in INFX SEF.

**Rule 202      Board**

- (a) The Board shall manage the day-to-day business operations of INFX SEF in accordance with the INFX SEF Operating Agreement, the INFX SEF Bylaws and Applicable Law. The Board has the power and authority to call for review, and to affirm, modify, suspend or overrule, any and all decisions and actions of standing committees or special committees of the Board or any panel of the Officers related to the day to day business operations of INFX SEF.
- (b) The Board may act only by the decision of an absolute majority in number of the Directors at any duly constituted meeting, if a quorum is present, by vote at such meeting, by unanimous written consent without a meeting, or as otherwise set forth in the INFX SEF Operating Agreement and the INFX SEF Bylaws.
- (c) Each Director is entitled to indemnification pursuant to the INFX SEF Operating Agreement and INFX SEF Bylaws with respect to matters relating to INFX SEF or otherwise relating to Integral.
- (d) Each Director shall satisfy all fitness standards and otherwise meet all the requirements to serving as a director of a Swap Execution Facility under the CEA and CFTC Regulations.
- (e) The compensation of non-executive members of the Board shall not be linked to the business performance of INFX SEF.
- (f) The Board shall have procedures, as may be further set forth in policies that INFX SEF may adopt, to remove a member from the Board where the conduct of such member is likely to be prejudicial to the sound and prudent management of INFX SEF.

**Rule 203      Officers**

- (a) The Board shall appoint a Chief Executive Officer, a Chief Compliance Officer, and such other officers of INFX SEF (all of the foregoing, collectively, the “Officers”) as it may deem necessary or appropriate from time to time, in accordance with the INFX SEF Operating Agreement and INFX SEF Bylaws.
- (b) Any Officer may also be a director, officer, partner or employee of INFX SEF or any of its Affiliates.
- (c) The Officers shall have such powers and duties in the management of INFX SEF as the Board may prescribe from time to time.



- (d) Each Director and Officer is entitled to indemnification pursuant to the INFX SEF Operating Agreement and INFX SEF Bylaws with respect to matters relating to INFX SEF or otherwise relating to Integral.

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

- (a) A Director or Officer must meet the qualifications set forth from time to time in the INFX SEF Bylaws.
- (b) An individual may not serve as a Director, or serve on a committee established by the Board or a Disciplinary Panel if the individual:
- (1) within the prior three (3) years has been found, by a final decision in any action or proceeding brought in a court of competent jurisdiction, the CFTC, or any Self-Regulatory Organization, to have committed a disciplinary offense;
  - (2) within the prior three (3) years has entered into a settlement agreement in which any of the findings or, in the absence of such findings, any of the acts charged, included a disciplinary offense;
  - (3) is currently suspended from trading on a Contract Market, is suspended or expelled from membership in a Self-Regulatory Organization, is serving any sentence or probation, or owes any portion of a fine or penalty related to either:
    - i. a finding of a disciplinary offense by a final decision in any action or proceeding brought in a court of competent jurisdiction, the CFTC, or any Self-Regulatory Organization; or
    - ii. a settlement agreement in which any of the findings or, in the absence of such findings, any of the acts charged included a disciplinary offense;
  - (4) is currently subject to an agreement with the CFTC or Self-Regulatory Organization not to apply for registration with the CFTC or for membership in the Self-Regulatory Organization;
  - (5) is currently, or within the past three (3) years has been, subject to a revocation or suspension of registration by the CFTC;
  - (6) has been convicted of a felony listed in section 8a(2)(D)(ii) through (iv) of the CEA; or
  - (7) is currently subject to a denial, suspension or disqualification from serving on a disciplinary committee, arbitration panel or governing board of any self-regulatory organization as that term is defined in section 3(a)(26) of the Securities Exchange Act of 1934.
- (c) Any Director, Officer, member of a committee established by the Board, any member of a Disciplinary Panel, any individual nominated to serve in any such role, or any individual

authorized by a Hearing Panel to take summary action shall immediately notify the Chief Executive Officer if such individual meets one or more of the criteria in Rule 204(b).

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

**Rule 205 Chief Compliance Officer**

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

- (1) Overseeing and reviewing the INFX SEF’s compliance with Section 5h of the CEA and any related rules adopted by the CFTC;
- (2) In consultation with the Board, resolving any conflicts of interest that may arise including:
  - i. Conflicts between business considerations and compliance requirements;
  - ii. Conflicts between business considerations and the requirement that INFX SEF provide fair, open, and impartial access as set forth in CFTC Regulation § 37.202 or any successor regulation; and;
  - iii. Conflicts between the INFX SEFs management and members of the Board;
- (3) Establishing and administering written policies and procedures reasonably designed to prevent violation of the CEA and any rules adopted by the CFTC;
- (4) Taking reasonable steps to ensure compliance with the CEA and CFTC regulations;
- (5) Establishing procedures for the remediation of noncompliance issues identified by the Chief Compliance Officer through a compliance office review, look-back, internal or external audit finding, self-reported error, or validated complaint;
- (6) Establishing and following appropriate procedures for the handling, management response, remediation, retesting, and closing of noncompliance issues;
- (7) Establishing and administering a compliance manual designed to promote compliance with the applicable laws, rules, and regulations and a written code of ethics designed to prevent ethical violations and to promote honesty and ethical conduct;
- (8) Supervising INFX SEF’s self-regulatory program with respect to trade practice surveillance; market surveillance; real-time market monitoring; compliance with audit trail requirements; enforcement and disciplinary proceedings; audits, examinations, and other regulatory responsibilities with respect to Participants (including ensuring compliance with, if applicable, financial integrity, financial reporting, sales practice, recordkeeping, and other requirements); and

- (9) Supervising the effectiveness and sufficiency of any regulatory services provided to INFX SEF by the Regulatory Services Provider or other Registered Entity in accordance with CFTC Regulation § 37.204 or any successor regulation.
- (b) The Chief Compliance Officer shall have the authority and resources to develop and enforce policies and procedures necessary to fulfill the duties set forth herein as well as set forth in the CEA and CFTC regulations.
- (c) The Chief Compliance Officer shall report directly to the Board of INFX SEF or a senior officer, and the Board or a senior officer shall approve the compensation of the Chief Compliance Officer.
- (d) The Chief Compliance Officer shall have the authority to inspect the books and records of all Participants and the authority to require any Participant to appear before him or her and produce its books and records and answer questions regarding alleged violations of INFX SEF Rules, at the time, place and in the manner it designates. The Regulatory Services Provider may perform such activities on behalf of the Chief Compliance Officer of INFX SEF.
- (e) The Chief Compliance Officer may not be disqualified from registration pursuant to Sections 8a(2) or 8a(3) of the CEA.
- (f) The Chief Compliance Officer shall annually prepare and sign a report that contains a description of: (i) the compliance of INFX SEF with the CEA; and (ii) the policies and procedures, including the code of ethics and conflict of interest policies, of INFX SEF. Such annual report shall include a certification that, under penalty of law, it is accurate and complete.
- (g) If the Chief Compliance Officer is removed from his or her post, INFX SEF shall notify the CFTC of the newly appointed Chief Compliance Officer within two business days.

#### **Rule 206      Standing Committees**

- (a) The Board shall initially have three standing committees: the “Nominating Committee,” the “Participant Committee,” and the “Regulatory Oversight Committee.” The Board may from time to time constitute and appoint in accordance with the INFX SEF Bylaws, such additional standing committees of the Board as it may from time to time deem necessary or advisable.
- (b) Each member of such standing committees must be a Director, one of whom the Board shall designate as the chairperson of each standing committee.
- (c) Each standing committee shall assist in the supervision, management and control of the affairs of INFX SEF within its particular area of responsibility, subject to the authority of the Board.
- (d) Subject to the authority of the Board, each standing committee shall determine the manner and form in which its proceedings shall be conducted. Each standing committee may act only by the decision of an absolute majority in number of the members of such committee, by vote at a meeting or by unanimous written consent without a meeting. The Board has the authority to overrule the decisions of a standing committee.

**Rule 207 Nominating Committee**

- (a) The Nominating Committee of the Board shall consist of three Directors appointed from time to time by the Board.
- (b) The Nominating Committee shall have the authority to:
  - (1) Identify individuals qualified to serve on the Board, consistent with the criteria that the Board require and any composition requirement that the Commission promulgates; and
  - (2) Administer a process for the nomination of individuals to the Board.
- (c) The Nominating Committee reports to the Board.

**Rule 208 Membership Committee**

- (a) The Membership Committee of the Board shall consist of three Directors appointed from time to time by the Board. The Membership Committee shall:
  - (1) Determine the standards and requirements for initial and continuing Participant eligibility;
  - (2) Review appeals of staff denials of Participant applications; and
  - (3) Approve rules that would result in different categories or classes of Participants receiving disparate access to the Platform.
- (b) In reviewing appeals of staff denials of Participant applications, the INFX SEF Membership Committee shall not uphold any staff denial if the relevant application meets the standards and requirements that the Membership Committee sets forth.
- (c) The Membership Committee shall not, and shall not permit INFX SEF to, restrict access or impose burdens on access in a discriminatory manner, within each category or class of Participants or between similarly-situated categories or classes of Participants.
- (d) The Membership Committee reports to the Board.

**Rule 209 Regulatory Oversight Committee**

- (a) The Regulatory Oversight Committee of the Board shall consist of two Directors appointed from time to time by the Board. In the event of a tie between the two Directors, the Chief Compliance Officer may vote on any matter for which she/he does not have a potential or actual conflict of interest.
- (b) Each member of the Regulatory Oversight Committee shall serve for a term of two calendar years from the date of their appointment or for the remainder of their term as a Director, and until the due appointment of his or her successor, or until his or her earlier resignation or removal, with or without cause, as a member of the Regulatory Oversight Committee or as a Director. A member of the Regulatory Oversight Committee may serve for multiple terms.

- (c) The Regulatory Oversight Committee shall oversee INFX SEF's regulatory program on behalf of the Board. The Board shall delegate sufficient authority, dedicate sufficient resources, and allow sufficient time for the Regulatory Oversight Committee to fulfill its mandate. It shall make such recommendations to the Board as will, in its judgment, best promote the interests of INFX SEF. The Regulatory Oversight Committee shall also have such other powers and perform such other duties as set forth in the INFX SEF Rules and as the Board may delegate to it from time to time.
- (d) Without limiting the generality of the foregoing, the Regulatory Oversight Committee shall have authority to:
- (1) Monitor the regulatory program of INFX SEF for sufficiency, effectiveness, and independence;
  - (2) Oversee all facets of the regulatory program, including:
    - i. Trade practice and market surveillance; audits, examinations, and other regulatory responsibilities with respect to Participants (including compliance with, if applicable, financial integrity, financial reporting, sales practice, recordkeeping, and other requirements); and the conduct of investigations;
    - ii. Reviewing the size and allocation of the regulatory budget and resources, and the number, hiring, termination, and compensation of regulatory personnel;
    - iii. Reviewing the performance of the Chief Compliance Officer and making recommendations with respect to such performance to the Board;
    - iv. Recommending changes that would ensure fair, vigorous, and effective regulation; and
    - v. Reviewing all regulatory proposals prior to implementation and advising the Board as to whether and how such changes may impact regulation.
- (e) The Regulatory Oversight Committee reports to the Board.

**Rule 210 Additional Board Committees and INFX SEF Panels**

- (a) In addition to the standing committees described in Rule 206, the Board may from time to time constitute and appoint, in accordance with the INFX SEF Bylaws, special committees of the Board and designate their composition, responsibilities and powers. Each member of such special committees must be a Director.
- (b) INFX SEF may create panels for such purposes as may from time to time be necessary or advisable. Members of each such panel may be Directors or Participants (if individuals) or any of a Participant's Authorized Persons (if an entity) or such other individuals as may be qualified to serve on such panel.
- (c) Except as otherwise specifically provided in the INFX SEF Rules, the members of any

additional committee or panel shall be appointed as determined by the Board. The Board shall designate the chairperson of such additional committee or panel.

- (d) Each additional committee or panel shall assist in the supervision, management and control of the affairs of INFX SEF within its particular area of responsibility.
- (e) Subject to the authority of the Board, each additional committee or panel shall determine the manner and form in which its proceedings shall be conducted. Each additional committee or panel may act only by the decision of an absolute majority in number of the members of such committee or panel, either by vote at a meeting or by unanimous written consent without a meeting.

## **Rule 211      Emergency Rules**

- (a) An Emergency means an occurrence or circumstance which, in the opinion of Regulatory Oversight Committee, requires immediate action, and which threatens, or may threaten, the fair and orderly trading in, or the settlement or integrity of, any Contract, including, without limitation, the following:
  - (1) any order imposed by the CFTC directing INFX SEF to exercise its emergency authority;
  - (2) any circumstance that may materially affect the performance of a Contract, including failure of the payment system;
  - (3) any action taken by any United States or foreign regulatory, self-regulatory, judicial, arbitral, or governmental (whether national, state or municipal) or quasi-governmental authority, or any agency, department, instrumentality, or sub-division thereof; or other Person exercising, or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; or any other Swap Execution Facility, Contract Market, Clearing House, board of trade, or other exchange or trade association (foreign or domestic) that may have a direct impact on trading on INFX SEF or the settlement legality or enforceability of any Contract;
  - (4) any actual, attempted or threatened corner, squeeze, congestion, manipulative activity or undue concentration of positions in a Contract;
  - (5) any circumstance that may have a severe, adverse effect upon the Functions and facilities of IFNX SEF including, but not limited to, acts of God, fire, flood or other natural disasters, bomb threats, acts of terrorism or war, severely inclement weather, or failure or malfunction of all or a portion of the Platform, or other system breakdowns or interruptions such as power, computer, communication or transportation systems or the Internet;
  - (6) the bankruptcy or insolvency of any Clearing Member or the imposition of any injunction or other restraint by any government agency, Clearing House, court or arbitrator upon a Clearing Member which may affect the ability of a Clearing Member to trade in or perform on a Contract;
  - (7) any circumstance in which it appears to the Board that a Clearing Member or any other Person:
    - i. has failed to perform on a Contract;

- ii. is insolvent; or
    - iii. is in a financial or operational condition or is conducting business such that the Clearing Member or Person cannot be permitted to continue in business without jeopardizing the safety of Customer funds, Participants, other Clearing Members, INFX SEF or any Clearing House; or
  - (8) any of the above circumstances that arise from cross-market activity or activity on multiple Swap Execution Facilities; or
  - (9) any other unusual, unforeseeable or adverse circumstance as determined by INFX SEF.
- (b) During an Emergency, the Regulatory Oversight Committee (or the CEO, if he or she determines that Emergency Rules must be implemented with respect to an Emergency before a meeting of the Regulatory Oversight Committee can reasonably be convened) may implement temporary emergency procedures and rules (“**Emergency Rules**”), subject to the applicable provisions of the CEA and CFTC Regulations. Pursuant to the Emergency Rules, INFX SEF will have the authority to intervene as necessary to respond to the Emergency, whether the need for intervention arises exclusively from INFX SEF’s market or as part of a coordinated, cross-market intervention. Emergency Rules may require or authorize INFX SEF, the Board, any committee of the Board, the Chief Executive Officer, or any other Officer to take actions necessary or appropriate to respond to the Emergency, including, but not limited to, the following actions:
- (1) imposing or modifying position limits, imposing or modifying price limits;
  - (2) imposing or modifying intraday market restrictions;
  - (3) imposing special margin requirements;
  - (4) ordering the liquidation or transfer of open positions in any Contract;
  - (5) ordering the fixing of a settlement price;
  - (6) extending or shortening the expiration date or the Trading Hours;
  - (7) suspending or curtailing trading in any Contract;
  - (8) transferring customer Contracts and the margin, or altering any Contract’s settlement terms or conditions; or
  - (9) if applicable, providing for the carrying out of such actions through its agreements with the Regulatory Services Provider.
- (c) Before any Emergency Rule may be adopted and enforced, a required vote of the Regulatory Oversight Committee must approve the enforcement of such Emergency Rule at a duly convened meeting. Directors may attend such a meeting by teleconference. If the Chief Executive Officer determines that Emergency Rules must be implemented with respect to an Emergency before a meeting of the Regulatory Oversight Committee can reasonably be convened, then the Chief Executive Officer shall have the authority, without Board or Committee action, to implement any Emergency Rules with respect to such Emergency that he or she deems necessary or appropriate to respond to such Emergency. In such circumstances, the Chief Executive Officer must convene a meeting as soon as practicable.
- (d) Whenever INFX SEF, the Board, any committee of the Board, or the Chief Executive Officer takes actions necessary or appropriate to respond to an Emergency, a duly Authorized Person of INFX SEF, where possible, will post an announcement in a Notice to Participants. When

the Board, any committee of the Board or the Chief Executive Officer determines that the Emergency has been reduced sufficiently to allow INFX SEF to resume normal functioning, any such actions responding to an Emergency will be terminated.

- (e) In situations where a Swap is traded on more than one platform, emergency action to liquidate or transfer open interest must be directed, or agreed to, by the CFTC or CFTC staff.
- (f) INFX SEF will use reasonable efforts to notify the CFTC prior to implementing, modifying or terminating an Emergency Rule. If such prior notification is not possible or practicable, INFX SEF will notify the CFTC as soon as possible or reasonably practicable but in no event after 24 hours from such implementation, modification or termination of such Emergency Rule.
- (g) Upon taking any action in response to an Emergency, INFX SEF will document the decision-making process related to such action. Information on any regulatory action taken pursuant to the Emergency Rules will be included in a submission of a certified rule to the CFTC. All such documentation will be kept for at least five years, two years in a readily accessible location, following the date on which the Emergency ceases to exist or to affect INFX SEF, and all such documentation will be provided to the CFTC upon request.
- (h) Upon taking any action in response to an Emergency, INFX SEF will promptly notify the CFTC of INFX SEF's exercise of the Emergency Rules, explaining its decision-making process, the reasons for using its emergency authority, and how conflicts of interest were minimized, including the extent to which the INFX SEF considered the effect of its emergency action on the underlying markets and on markets that are linked or referenced to the contracts traded on its facility, including similar markets on other trading venues.

## **Rule 212 Conflicts of Interest and Misuse of Material, Non-Public Information**

- (a) A Director, Officer, Disciplinary Panel member or other Person authorized to exercise INFX SEF's authority concerning any INFX SEF Proceeding or Emergency actions taken pursuant to Rule 211 or emergency disciplinary action taken pursuant to Rule 1014 (each such INFX SEF Proceeding or Emergency action, a "***Self-Regulatory Action***") who knowingly has a "material conflict of interest" between his or her position as a Director, Officer, panel member or exercise of authority concerning a Self-Regulatory Action and his or her personal interests (each, an "***Interested Person***") may not participate in any deliberations or vote of the Board Committee, panel or exercise any authority with respect to such Self-Regulatory Action involving his or her personal interest, except as described in Rule 212(d).
- (b) For purposes of Rule 212(a), a "material conflict of interest" means a Director, Officer, Disciplinary Panel Member or other Person:
  - (1) being named as a respondent or potential respondent in the Self-Regulatory Action;
  - (2) being an employer, employee, fellow employee or an Affiliate of a respondent or potential respondent in the Self-Regulatory Action;
  - (3) having any significant, ongoing business relationship with a respondent or potential respondent in the Self-Regulatory Action;



- (4) having a family relationship with a respondent or potential respondent in a Self-Regulatory Action (including the individual's spouse, co-habitator, former spouse, parent, step-parent, child, step-child, sibling, step-brother, step-sister, grandparent, grandchild, uncle, aunt, nephew, niece, father-in-law, mother-in-law, brother-in-law or sister-in-law);
  - (5) having a direct and substantial financial interest in the result of the deliberations or vote based upon either exchange or non-exchange positions (as referenced in Section 1.69 of the CFTC Regulations), other than a direct or indirect equity or other interest in Integral, that could reasonably be expected to be affected by the action. A direct and substantial financial interest includes positions in Contracts in accounts of, controlled by, or affiliated with the Interested Person or in any other types of direct and substantial financial positions of the Interested Person that are reasonably expected to be affected by the deliberations or vote; and/or
  - (6) any other circumstance that gives rise to a conflict between the Director's, Officer's, Disciplinary Panel Member's or Other Person's exercise of authority concerning any Self-Regulatory Action and his or her personal interests.
- (c) Before considering any Self-Regulatory Action, an Interested Person must disclose in writing to the Board the material facts concerning his or her relationship or interest in the matter.
- (d) Any Interested Person who would be required otherwise to abstain from deliberations and voting pursuant to Rule 212(a) as a result of having a direct and substantial financial interest in the result of the deliberations and vote may participate in deliberations, prior to a vote on the matter, if:
- (1) the material facts about the Interested Person's financial interest in the matter are disclosed or known to the Board, Committee, of Disciplinary Panel;
  - (2) the Board, Committee, of Disciplinary Panel determines that the participation by the Interested Person would be consistent with the public interest; and
  - (3) a majority of the Directors (excluding any Interested Persons) vote to allow the Interested Person to participate in deliberations on the matter.
- (e) If a determination is made pursuant to Rule 212(d) that an Interested Person may participate in deliberations prior to a vote, then the minutes of the meeting of the Board or committee thereof will reflect the determination and the reasons for the determination.
- (f) If a determination is made that all Directors are Interested Persons with respect to a matter subject to a vote by the Board, the Chief Executive Officer will appoint a panel of individuals who are not Interested Persons with respect to such matter, which will have the same authority and powers over such matter that the Board would have if the Directors were not Interested Persons with respect to such matter.
- (g) No Director, Officer or member of any committee or panel established by the Board shall use or disclose for any purpose other than the performance of his or her official duties and

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

- (h) Notwithstanding Rule 212(g), a Director, Officer or committee or panel member may disclose confidential information if required by Applicable Law or a court order to be revealed to the United States Department of Justice or the CFTC.
- (i) For the purposes of Rule 212(g), the terms "material information" and "non-public information" shall each have the meaning set forth in CFTC Regulation § 1.59(a) or any successor regulation.

### **Rule 213 Information-Sharing Agreements**

- (a) INFX SEF may enter into information-sharing agreements or other arrangements or procedures to coordinate surveillance with other markets on which financial instruments related to the Contracts trade. As part of any information-sharing agreements or other arrangements or procedures adopted pursuant to this Rule, INFX SEF may:
  - (1) provide market surveillance reports to other markets;
  - (2) share information and documents concerning current and former Participants with other markets;
  - (3) share information and documents concerning ongoing and completed investigations with other markets; and/or
  - (4) require its current or former Participants to provide information and documents to INFX SEF at the request of other markets with which INFX SEF has an information-sharing agreement or other arrangements or procedures.
- (b) INFX SEF may enter into any arrangement with any Person or body (including, without limitation, the CFTC, the NFA, any Self-Regulatory Organization, any exchange, market, or clearing organization, or foreign regulatory authority) if INFX SEF considers such arrangement to be in furtherance of INFX SEF's purpose or duties under the INFX SEF Rules or any law or regulation.
- (c) INFX SEF may disclose to any Person or entity information concerning or associated with a Participant or other Person that the INFX SEF believes is necessary and appropriate in exercising a legal or regulatory function, whether or not a formal arrangement governing the disclosure exists or a request for information was made.

**Rule 214 Services Agreement with a Regulatory Services Provider**

- (a) INFX SEF may choose to contract with a Regulatory Services Provider for the provision of services to assist in complying with the core principles, as approved by the Commission. If INFX SEF chooses to contract with a Regulatory Services Provider, it will ensure that the Regulatory Services Provider has the capacity and resources necessary to provide timely and effective regulatory services, including adequate staff and automated surveillance systems.
- (b) If INFX SEF chooses to contract with a Regulatory Services Provider, INFX SEF will at all times remain responsible for the performance of any regulatory services received, for compliance with INFX SEF's obligations under the CEA and Commission regulations, and for the Regulatory Services Provider's performance on its behalf.
- (c) If INFX SEF chooses to contract with a Regulatory Services Provider, INFX SEF will retain exclusive authority in all substantive decisions made by its Regulatory Services Provider, including but not limited to decisions involving the cancellation of trades, the issuance of disciplinary charges against Participants or market participants, and denials of access to the Platform for disciplinary reasons. INFX SEF shall document any instances where its actions differ from those recommended by its Regulatory Services Provider.

**Rule 215 Services Agreement with a Technology Services Provider**

- (a) INFX SEF may contract with a Technology Services Provider to provide certain technology services to INFX SEF pursuant to a Technology Services Agreement. In accordance with a Technology Services Agreement, a Technology Services Provider may perform certain functions under the INFX SEF Rules and INFX SEF may provide information to the Technology Services Provider in connection with the performance by the Technology Services Provider of those functions.
- (b) INFX SEF shall retain ultimate decision-making authority with respect to any functions that are contracted to a Technology Services Provider.

CHAPTER 3.  
PARTICIPANTS

**Rule 301      Criteria for Becoming a Participant**

- (a) To be eligible for admission as a Participant, an applicant must demonstrate to the satisfaction of INFX SEF that it:
- (1) is an Eligible Contract Participant;
  - (2) is of good reputation and business integrity;
  - (3) maintains adequate financial resources and credit;
  - (4) is of the age of majority in the individual's state of residence (if an individual);
  - (5) is validly organized, in good standing, and authorized by its governing body and, if relevant, documents of organization, to trade Contracts (if an entity);
  - (6) has not filed for bankruptcy;
  - (7) is not prohibited from using the services of INFX SEF for any reason whatsoever;
  - (8) holds all registrations required under Applicable Law, including any Swap Dealer, Major Swap Participant, Introducing Broker, Futures Commission Merchant, commodity pool operator, commodity trading advisor, associated person registration, as applicable if any;
  - (9) is not subject to statutory disqualification under Section 8a(2) of the CEA;
  - (10) consents to INFX SEF's jurisdiction pursuant to Rule 311; and
  - (11) satisfies any other criteria that INFX SEF may require from a Participant.

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

- (b) No Participant, including a Participant that is an Account Manager, shall carry an account for a Customer or enter an Order in the name of or on behalf of a Client unless the Participant has entered into an Intermediary Agreement with such Customer or Client, which must, at a minimum:
- (1) contain a representation from the Customer or Client that the Customer or Client is an Eligible Contract Participant at the time of execution of any Swap on or subject to the rules of the Platform;
  - (2) contain a requirement that each Customer or Client become a Participant or consent to the jurisdiction of INFX SEF in connection with and with respect to any Swap executed for or on behalf of such Customer or Client on or subject to the rules of the

Platform;

- (3) import into every Swap executed for the Customer or Client all the terms of the INFX SEF Rules insofar as they are applicable to that Swap; and
  - (4) obligate the Customer or Client to provide INFX SEF and its agents, including its Regulatory Services Provider, access to all books and records, staff and other information necessary for monitoring and enforcement of the INFX SEF Rules.
- (c) Once admitted, the Participant shall continue to comply with all applicable eligibility criteria in Rule 301(a).
  - (d) Each Participant that is not an Account Manager must either be a Clearing Member or establish a clearing relationship with a Clearing Member, and each Participant that is an Account Manager must ensure that each of its Clients has established a clearing relationship with a Clearing Member; provided, however, that such requirements shall not apply if a Participant or Client, as the case may be: (i) (A) qualifies as an End-User, or (B) otherwise engages in Swaps on the Platform that are not required to be cleared, and (ii) does not clear or intend to clear any Swaps executed on the Platform.
  - (e) Each Participant that is not an Account Manager must disclose to INFX SEF the Clearing Members with which it has clearing relationships, if any, and shall immediately notify INFX SEF if it ceases to be a clearing customer of any Clearing Member.
  - (f) Each Participant that is an Account Manager must disclose to INFX SEF the Clearing Members with which its Clients have clearing relationships, if any, and shall immediately notify INFX SEF if it ceases to be a clearing customer of any Clearing Member.
  - (g) Participants and Clients that do not have a relationship with a Clearing Member as set forth in INFX SEF Rule 301(d) are prohibited from entering Orders or causing Orders to be entered for Required Transactions on the Platform.
  - (h) Participant understands that INFX SEF may restrict, suspend or terminate Participant's access to INFX SEF or the Platform at the direction of the Clearing Member.
  - (i) INFX SEF may allow, deny, suspend, or permanently bar Participant's access to INFX SEF pursuant to disciplinary measures or emergency action, or for any other reason at the sole discretion of INFX SEF or its Regulatory Service Provider.

### **Rule 302      Participant Application Process**

- (a) Any Person who desires to become a Participant shall:
  - (a) enter into a Participant Agreement;
  - (b) establish a clearing relationship with a Clearing Member, except as provided in INFX SEF Rule 301(d);

- (c) agree to abide by the INFX SEF Rules and Applicable Law;
  - (d) provide details of its disciplinary history;
  - (e) provide such information and documentation as may be requested by INFX SEF pertaining to the Participant or the Participant's Clients if Participant is an Account Manager, and follow the procedures established by INFX SEF for admission; and,
  - (f) if Participant is organized or located outside of the United States, enter into a Written agreement acceptable to INFX SEF appointing a third party as its U.S. agent for service of process for purposes of CFTC Regulation 15.05, and shall provide INFX SEF with a copy of the agreement.
- (b) In considering an application from a potential Participant, INFX SEF may require additional information from the applicant, or conduct an investigation or background checks to verify information submitted by the applicant, or both.
- (c) In determining whether to admit an applicant as a Participant, INFX SEF will evaluate, among other things, the applicant's disciplinary history and financial and operational soundness.
- (d) If INFX SEF decides to admit an applicant as a Participant, it shall promptly notify the applicant and state in such notice the date on which the applicant shall become a Participant.
- (e) INFX SEF may deny, condition or terminate Participant status of any Person:
- (1) If such Person is unable to satisfactorily demonstrate its ability to satisfy the eligibility criteria to become or remain a Participant;
  - (2) If such Person is unable to satisfactorily demonstrate its capacity to adhere to all applicable INFX SEF Rules;
  - (3) If such Person would bring INFX SEF into disrepute as determined by INFX SEF in its sole discretion; or
  - (4) for such other cause as INFX SEF may reasonably determine.
- (f) If INFX SEF has a Regulatory Service Provider pursuant to Rule 214, INFX SEF shall nonetheless retain exclusive authority over decisions to deny access to INFX SEF.
- (g) If INFX SEF decides to decline or condition an application for admission as a Participant, or terminate a Person's status as a Participant, INFX SEF shall promptly notify such Person (the "**Affected Person**") thereof in a writing sent to the address provided by the applicant in INFX SEF application form or maintained in INFX SEF registry of Participants. Such Affected Person may, within seven (7) calendar days, request in writing that INFX SEF provide the reasons for the denial, conditioning or termination of Participant status. Within fourteen (14) calendar days after receiving such Written request, INFX SEF shall send a Written response to the Affected Person setting forth the reasons for the denial, conditioning or termination. Within fourteen (14) calendar days of receiving INFX SEF's Written response, the Affected

Person may request in writing that the Membership Committee reconsider the determination.

- (h) Within twenty-eight (28) calendar days of receiving any request for reconsideration, the Membership Committee shall either confirm, reverse or modify the denial, conditioning or termination of the Affected Person as a Participant, and shall promptly notify the Affected Person accordingly in writing. The Membership Committee may, within its discretion, schedule a hearing (in-person or by teleconference); request additional information from the Affected Person; or, establish any other process that it believes is necessary and appropriate to consider the request for reconsideration.
- (i) The Membership Committee's decision is the final action of INFX SEF and is not subject to appeal within INFX SEF.

### **Rule 303      Trading Privileges of a Participant**

- (a) A Participant must execute such Participant Documentation as required from time to time by INFX SEF, and such Participant Documentation must remain in effect for the Participant to maintain its Trading Privileges.
- (b) Admission as a Participant only entitles the Participant to the Trading Privileges and does not confer any right of ownership in, or right to attend or vote at meetings of, INFX SEF or right to share in the profits, of INFX SEF. A Participant may not transfer or assign its status as a Participant without the prior Written consent of INFX SEF, and any purported transfer or assignment without INFX SEF's prior consent is not binding on INFX SEF.

### **Rule 304      Access to the Platform**

- (a) INFX SEF may at any time revoke, suspend, limit, condition, restrict or qualify a Participant's Trading Privileges and/or ability to access the Platform, if in the sole discretion of INFX SEF or its Regulatory Service Provider, such action is in the best interests of INFX SEF.
- (b) A Clearing Member may at any time revoke the authorization of any Participant guaranteed by it with or without prior notice to such Participant. For purposes of the relationship between the relevant Clearing Member and the INFX SEF, and the obligations of such Clearing Member to INFX SEF, any such revocation shall become effective upon the receipt of Written notice thereof by INFX SEF. Upon such receipt, the Participant subject thereto may be prohibited from engaging in Required Transactions until such Participant obtains another guarantee from a Clearing Member.
- (c) A Person seeking to act as an ISV must satisfy INFX SEF's technological integrity requirements and not adversely affect INFX SEF's ability to comply with the CEA and CFTC Regulations.

### **Rule 305      Dues, Assessments and Fees**

- (a) INFX SEF shall have the authority to set the amounts and times of payment for any dues, assessments or fees to be paid by Participants. These dues, assessments or fees shall include, but not be limited to, the Platform fees, clearing fees, brokerage fees, transaction surcharges,

and the fees described in Rules 401(a)(5) and 402(a)(7).

- (b) Each Participant agrees to pay such dues, assessments, and fees as are published by INFX SEF on its website or as otherwise agreed between INFX SEF and a Participant. Each Participant agrees to pay such dues, assessments, and fees when due. INFX SEF may change fees charged to Participant without notice.
- (c) If a Participant fails to pay when due any such dues, assessments or fees levied on such Participant, and such payment obligation remains unsatisfied for thirty (30) days after its due date, INFX SEF may suspend, revoke, limit, condition, restrict or qualify the Participant's Trading Privileges and/or ability to otherwise access the Platform as it deems necessary or appropriate.

### **Rule 306      Authorized Persons**

- (a) Each Participant who is not a natural person shall designate an Authorized Person(s) by listing such Authorized Persons on the Participant Agreement or by otherwise providing INFX SEF with the information requested in the Participant Agreement related to Authorized Persons. Participant must designate an Authorized Person prior to permitting such Authorized Person to access the Platform and agrees to notify INFX SEF prior to any change in its Authorized Persons.
- (b) Authorized Persons will represent the Participant before INFX SEF and its committees and receive notices on behalf of such Participant.
- (c) The Authorized Person shall be empowered by the Participant, to act on its behalf and INFX SEF shall be entitled to rely on the actions of the Authorized Person as binding on the Participant.
- (d) Any person who is an Authorized Person must: (i) utilize the Participant's Legal Entity Identifier or CICI for all activities on the Platform; and (ii) utilize the User ID provided by INFX SEF to such Authorized Person.
- (e) Each Participant must provide INFX SEF with current contact and other requested information for each of its Authorized Persons so that INFX SEF is able to immediately contact such Authorized Persons.

### **Rule 307      Identification of Authorized Persons**

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



- (b) Each Participant and each Authorized Person will also individually receive a User ID and a corresponding password to enable such Participant or Authorized Person to access and use the Platform. Each individual must use a Legal Entity Identifier or CICI and User ID to access the Platform. In no event may a Person enter an Order or permit the entry of an Order by an individual using a Legal Entity Identifier, CICI or User ID other than the individual's own Legal Entity Identifier, CICI or User ID.
- (c) Upon becoming aware of any improper access to or use of the Platform, Participant shall immediately notify INFX SEF and shall immediately terminate such Person's access to and use of the Platform. Participant shall be responsible for, and shall take and maintain appropriate steps to ensure, the security of Participant's (and Participant's Authorized Persons') use of the Platform.

### **Rule 308      Recording of Communications**

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

### **Rule 309      Notices to Participants**

- (a) INFX SEF shall publish a Notice to Participants with respect to each addition to, modification of, or clarification of, the INFX SEF Rules or of any action to implement any INFX SEF Rules on INFX SEF's website or via an electronic mail distribution to enable each Participant to become aware of and familiar with, and to implement any necessary preparatory measures to be taken by it with respect to, such addition or modification, prior to the effective date thereof. For purposes of publication in accordance with the first sentence of this Rule 309, it shall be sufficient (without limiting the discretion of INFX SEF as to any other reasonable means of communication) if a Notice to Participants is published on INFX SEF's website.
- (b) Any Notice to Participants shall also be deemed to have been made to all Authorized Persons.

### **Rule 310      Communications between INFX SEF and Participants**

- (a) Each Participant must provide INFX SEF with its current electronic mail address and telephone number and the electronic mail address and telephone number of any of its Authorized Persons, and immediately (and in any event within 24 hours) update this information whenever it changes.
- (b) All communications made to Participants shall also be deemed to have been made to all Authorized Persons, and all communications made to an Authorized Person shall also be deemed to have been made to Participant.

### **Rule 311 Application of INFX SEF Rules and Jurisdiction**

- (a) By becoming a Participant, accessing the Platform or entering any Order or submitting any Contract into the Platform, whether directly or through an intermediary, and without any need for any further action, undertaking or agreement, a Participant and its Authorized Person(s), and the Clients and Customers of any Participant agree to:
- (1) be bound by, and comply with, the INFX SEF Rules and obligations and Applicable Law, in each case to the extent applicable to it;
  - (2) become subject to the jurisdiction of INFX SEF with respect to any and all matters arising from, related to, or in connection with, the status, actions or omissions of such Person;
  - (3) permit the Regulatory Services Provider authorized to act on behalf of INFX SEF to access any and all information relevant to activities related to INFX SEF business; and
  - (4) assist INFX SEF in complying with its legal and regulatory obligations, cooperate with INFX SEF and the CFTC in any inquiry, investigation, audit, examination or proceeding, and authorizes INFX SEF to provide information regarding it to the Regulatory Services Provider, the CFTC or any Self-Regulatory Organization.
- (b) Any Participant whose Trading Privileges and/or ability to otherwise access the Platform are revoked or terminated shall remain bound by the INFX SEF Rules and Applicable Law, in each case to the extent applicable to it, and subject to the jurisdiction of INFX SEF with respect to any and all matters arising from, related to, or in connection with, the status, actions or omissions of such Participant prior to such revocation or termination.

### **Rule 312 Description of Participant's Status**

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

### **Rule 313 Death, Dissolution, or Change in Ownership of a Participant**

- (a) All rights and privileges of a Participant terminate upon, and all obligations of a Participant shall survive, the death or incapacity of the Participant (if an individual) or the dissolution of the Participant (if an entity).
- (b) If a Participant is an entity and any Person holds, or has a direct or indirect beneficial interest in, the Participant of (i) ten percent (10%) or more of any class of equity or other membership, partnership or similar interest, or (ii) ten percent (10%) or more of any class of equity or other membership, partnership or similar interest in a company that directly or indirectly holds, or has a beneficial interest in, ten percent (10%) or more of any class of equity or other membership, partnership or similar interest of the Participant, then the Participant must notify INFX SEF in writing within seven (7) calendar days of learning the identity of the Person or

any change in the identity, holdings or interest of the Person.

- (c) Once INFX SEF receives a notice from a Participant pursuant to Rule 313(b), INFX SEF shall determine the continued eligibility of the Participant to continue as a Participant on INFX SEF. In connection with the determination of the Participant's continued eligibility, INFX SEF may require the Participant to use the form, provide the information, and follow the procedures established by INFX SEF. If, after completing its review, INFX SEF determines that the Participant does not continue to satisfy the applicable criteria in Rule 301, INFX SEF shall terminate the rights of the Participant.

#### **Rule 314      Withdrawal of Participant**

- (a) To withdraw from INFX SEF, a Participant must notify INFX SEF following the procedures established by INFX SEF.
- (b) INFX SEF may, in its reasonable discretion, refuse to accept a Participant's withdrawal request or may postpone the effective date of withdrawal of a Participant if INFX SEF considers it necessary for the protection of other Participants or otherwise in the interests of INFX SEF.
- (c) Based on the information provided to, and other information gathered by, INFX SEF regarding a Participant's withdrawal request, INFX SEF will determine whether to (i) accept the withdrawal request; (ii) postpone the effective date of the withdrawal; and/or (iii) impose any terms or conditions before or after the effective date of withdrawal.
- (d) If INFX SEF refuses to accept a Participant's withdrawal request or postpones the effective date of withdrawal of a Participant, INFX SEF may waive the obligation to pay some or all of the fees, costs and charges that INFX SEF would have imposed during the period after the date on which the requested withdrawal would have otherwise taken effect.
- (e) When INFX SEF accepts the withdrawal of a Participant, all rights and privileges of such Participant terminate (including, without limitation, the Trading Privileges and ability to access the Platform). The accepted withdrawal of a Participant shall not affect the rights of the INFX SEF under the INFX SEF Rules or relieve the former Participant of its Obligations under the INFX SEF Rules, to perform all contracts involving any Contracts entered into by such, or to pay any fees, costs, or charges incurred, before the withdrawal. Notwithstanding the accepted withdrawal of a Participant, the withdrawn Participant remains subject to the INFX SEF Rules, the Obligations and the jurisdiction of the INFX SEF for acts done and omissions made while a Participant, and must cooperate in any INFX SEF Proceeding under Chapter 10 as if the withdrawn Participant were still a Participant.

#### **Rule 315      Compliance with the CEA**

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

CHAPTER 4.  
INFX SEF SERVICES

**Rule 401 Real-Time Public Reporting**

(a) In General.

- (1) CFTC Regulation Part 43, which sets forth the rules regarding real-time reporting, requires certain Transaction Data to be reported to a Swap Data Repository as soon as technologically practicable after Execution.
  - (2) The responsibilities for real-time reporting pursuant to CFTC Regulation Part 43 will vary depending on whether or not the Transaction is executed on or pursuant to the INFX SEF Rules.
  - (3) Participant or Participant's counterparty must transmit all data required to be reported under CFTC Regulation Part 43 for any Block Trades to INFX SEF as soon as technologically practicable after Execution, but in any event before the times set forth in CFTC Regulation § 43.5(d), or any successor regulation thereto.
  - (4) For Transactions executed on the Platform or pursuant to the INFX SEF Rules, including Block Trades, INFX SEF will fulfill the real-time reporting obligations in CFTC Regulation Part 43. INFX SEF has a relationship with the following Swap Data Repository: The Depository Trust & Clearing Corporation (DTCC). INFX SEF may enter into contractual relationships with third party service providers to transmit the Swap transaction and pricing data to a Swap Data Repository.
  - (5) INFX SEF shall have the authority to charge fees for the transmission of transaction and pricing data to a real-time disseminator for Transactions executed on the Platform or pursuant to the rules of INFX SEF; provided, however, that such fees shall be equitable and non-discriminatory.
- (b) Pursuant to CFTC Regulation § 43.3(b), or any successor regulation thereto, INFX SEF will report all transaction and pricing data for Transactions executed on the Platform or pursuant to the INFX SEF Rules as soon as technologically practicable after Execution to a registered Swap Data Repository for public dissemination.
- (c) Pursuant to CFTC Regulation § 43.4(f)(2), or any successor regulation thereto, INFX SEF will report the actual notional or principal amount for all Swaps executed on or pursuant to the rules of INFX SEF, including those of any Block Trade, to a registered Swap Data Repository. However, this amount may be rounded or capped by such Swap Data Repository prior to public dissemination.
- (d) INFX SEF will not disclose transaction or pricing data for any Transactions to the general public prior to the public dissemination of such data. However, INFX SEF may permit Participants and market participants subscribing to INFX SEF for information services to access such data after or at the same time that INFX SEF transmits such data to a registered Swap Data Repository pursuant to Rule 401(b).

- (e) Real-time dissemination of Block Trades will be done in accordance with INFX SEF Rule 702.

## **Rule 402      Regulatory Reporting**

### **(a) Reporting Creation Data.**

- (1) CFTC Regulation Part 45, which sets forth the rules regarding regulatory reporting, requires Creation Data for any Transaction to be reported to a Swap Data Repository after Execution. Creation Data includes the Primary Economic Terms and Confirmation Data.
- (2) The responsibilities for regulatory reporting pursuant to CFTC Regulation § 45.3, or any successor regulation thereto, will vary depending on whether or not the Transaction is executed on or pursuant to the INFX SEF Rules and whether or not the Transaction is cleared.
- (3) Participant or Participant's counterparty must transmit all data required to be reported under CFTC Regulation Part 45 for any Block Trades to INFX SEF as soon as technologically practicable after Execution.
- (4) If both counterparties are Swap Dealers, or both counterparties are Major Swap Participants, or both counterparties are neither Swap Dealers nor Major Swap Participants that are financial entities as defined in CEA section 2(h)(7)(C), or both counterparties are neither Swap Dealers nor Major Swap Participants and neither counterparty is a financial entity as defined in CEA section 2(h)(7)(C), then the reporting party for transactions executed on INFX SEF shall be the Participant that is the buyer or payer (or equivalent) on the Contract.
- (5) For Transactions executed on the Platform or pursuant to the INFX SEF Rules, including Block Trades, INFX SEF will report the Primary Economic Terms and Confirmation Data to a Swap Data Repository. INFX SEF has relationships with the following swap data repositories, any of which may be used for reporting Primary Economic Terms and Confirmation Data: DTCC. INFX SEF may enter into contractual relationships with third party service providers to transmit the Primary Economic Terms and Confirmation Data to such Swap Data Repository.
- (6) Participant must provide INFX SEF with sufficient information to enable INFX SEF to report all Creation Data whenever placing an Order, including without limitation:
  - i. The Legal Entity Identifier or CICI of the Participant;
  - ii. A yes/no indication of whether Participant is a Swap Dealer with respect to the product with respect to which the Order is placed;
  - iii. A yes/no indication of whether Participant is a Major Swap Participant with respect to the product with respect to which the Order is placed.

- iv. A yes/no indication of whether Participant is a financial entity as defined in CEA section (2)(h)(7)(C);
- v. A yes/no indication of whether Participant is a U.S. Person;
- vi. If applicable, an indication that Participant will elect the End-User Exception for any Swap resulting from the order;
- vii. If the Transaction will be allocated:
  - 1. An indication that the Transaction will be allocated.
  - 2. The Legal Entity Identifier or CICI of the agent.
  - 3. An indication of whether the Swap is a post-allocation swap.
  - 4. If the swap is a post-allocation swap, the Unique Swap Identifier of the original Transaction between the Reporting Counterparty and the agent.

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

(b) Reporting Continuation Data.

- (1) CFTC Regulation Part 45 requires Continuation Data to be reported to a Swap Data Repository during the life of any Transaction. Continuation Data includes life-cycle event data or state data, each as defined in CFTC Regulation § 45.1, or any successor regulation thereto, and Valuation Data.
- (2) Pursuant to CFTC Regulation § 45.4(b), Continuation Data for any cleared Transaction will be reported to the relevant Swap Data Repository by the relevant Derivatives Clearing Organization, except that the Reporting Counterparty will also be responsible for reporting Valuation Data to the relevant Swap Data Repository if the Reporting Counterparty is a Swap Dealer or Major Swap Participant.
- (3) Pursuant to CFTC Regulation § 45.4(c), Continuation Data for any uncleared Transaction, whether or not the Transaction is executed on a Swap Execution Facility, will be reported to the relevant Swap Data Repository by the Reporting Counterparty.
- (4) INFX SEF will have no obligation to fulfill any requirements to report Continuation Data for any Participant, including Valuation Data, unless:
  - i. the Reporting Counterparty has entered into a Regulatory Reporting Agreement with INFX SEF, which shall be a Written agreement specifying that INFX SEF shall fulfill certain regulatory reporting responsibilities of the Reporting Counterparty; and
  - ii. such Regulatory Reporting Agreement has not been revoked, suspended, or

terminated for any reason.

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

#### **Rule 403 Maintenance of Books and Records by INFX SEF**

- (a) INFX SEF shall keep, or cause to be kept, complete and accurate books and records of all activities relating to the business of INFX SEF, including a complete audit trail for all Swaps executed on or subject to the rules of INFX SEF, investigatory files, and disciplinary files, and all books and records required to be maintained pursuant to the CEA and CFTC Regulations.
- (b) INFX SEF shall retain all such books and records for at least five (5) years. All records relating to Swaps shall be kept for at least five (5) years following final termination of the Swap. Records relating to Swaps shall be readily accessible via real time electronic access by INFX SEF throughout the life of the Swap and for two (2) years following the final termination of the Swap, and shall be retrievable by INFX SEF within three (3) Business Days through the remainder of the period following final termination of the Swap during which it is required to be kept. All books and records kept pursuant to this Rule 403 shall be reported to the CFTC as requested by the CFTC and shall be open to inspection and examination by the CFTC and the Securities and Exchange Commission.

#### **Rule 404 Transaction Confirmations**

- (a) Confirmations. Transactions on the Platform shall be confirmed as follows:
  - (1) A Confirmation shall be deemed to be a binding and fully enforceable confirmation of the Transaction between such parties. Such confirmation shall take place at the same time as Execution.
  - (2) A Confirmation shall qualify as a “Confirmation” as defined in CFTC Regulation § 23.500, or any successor regulation thereto, and as required by CFTC Regulation § 23.501, or any successor regulation thereto. A Confirmation shall be deemed to be fully, and mutually executed by the parties, “signed” and “in writing” for any and all purposes, and the resulting Confirmation shall constitute the controlling confirmation with respect to the applicable Transaction.
  - (3) Participant agrees not to contest the legally binding nature or enforceability of any Transaction entered into or negotiated on the Platform and further agrees not to contest or assert any defense to the validity or enforceability of any Transaction on the basis that such Transaction was executed or negotiated electronically or on the basis of any law requiring agreements to be in writing or to be signed by the parties. PARTICIPANT HEREBY WAIVES ANY AND ALL RIGHT TO ASSERT ANY SUCH CLAIMS;
  - (4) In the event the Participant and its Counterparty both receive a Confirmation from the

Platform with respect to a Transaction governed by the master confirmation and another form of Written confirmation with respect to the same Transaction, the INFX SEF Confirmation shall govern and be controlling with respect to such Transaction;

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

(6) Each Transaction on the Platform shall be confirmed electronically by means of a confirmation of the Specified Terms as follows:

i. The standard form of confirmation of Specified Terms on the Platform will be as follows:

(1) Requesting Participant submits an RFQ from another Participant.

(2) The RFQ is also sent to the INFX SEF Order Book.

(3) Any matching RFQs and resting orders in the INFX SEF Order Book are sent back to the requesting Participant.

(4) If the requesting Participant clicks on either the RFQ or a resting order in the INFX SEF Order Book, the trade will be executed.

ii. The following Specified Terms will be sent to both Participants upon execution of a trade:

(1) Trade Type (e.g. NDF);

(2) Organization;

(3) Account;

(4) Trade ID;

(5) User;

(6) Trade Date;

(7) Tenor;

(8) Fixing Date;

(9) Value Date;

(10) Execution Date/Time;

(11) Maker/Taker;



- (12) CCY Pair;
- (13) Spot Rate;
- (14) Fwd Points;
- (15) Rate;
- (16) Counterparty;
- (17) Counterparty Account;
- (18) Counterparty ID;
- (19) Stream;
- (20) Account LEI;
- (21) CPTY Account LEI;
- (22) USI;
- (23) UPI.

(b) Platform Confirmation Errors.

- (1) If a Contract made or alleged to be made or negotiated on INFX SEF is the subject of a dispute on the Transaction Date, then the Participant who disputes the validity of such Contract shall notify INFX SEF through the Chief Compliance Officer (or any other appropriately designated INFX SEF officer) as soon as practicable.
- (2) Once notified, the Chief Compliance Officer (or any other appropriately designated INFX SEF Official) shall, in his or her absolute discretion, determine whether such a disputed trade shall be canceled and advise the Participant parties accordingly. In making his or her determination, the Chief Compliance Officer (or any other appropriately designated INFX SEF Official) may review trading and negotiation records, messages generated by INFX SEF and any other technical aspects of the Services provided by INFX SEF as well as consult with the technical and software specialists of INFX SEF.
- (3) INFX SEF may further investigate any disputed trade which is subsequently canceled due to the determination of the Chief Compliance Officer (or any other appropriately designated INFX SEF Official).
- (4) In the event that Participant parties disagree with the determination made by the Chief Compliance Officer (or any other appropriately designated INFX SEF Official), dispute resolutions set forth in the applicable Participation Agreement shall apply.

(c) Confirmation of Transactions Executed Off of the Platform.

- (1) For any Transactions not executed on the Platform but executed pursuant to the INFX SEF Rules, the Participant parties must confirm the Transaction in accordance with CFTC Regulation § 23.501.

**Rule 405      Audit Trail Program**

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

- (1) All data that is input into the trade entry or matching system for the transaction to match and clear;
- (2) The categories of Participant for which each trade is executed, including whether the Person executing a trade was executing it for his/her own account or an account for which he/she has discretion, his/her Clearing Member's house account, the account of another member or the account of any other customer;
- (3) Timing and sequencing data adequate to reconstruct trading; and
- (4) Identification of each account to which fills are allocated.

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

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

**Rule 406      Monitoring of Trading and Trade Processing**

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

**Rule 407      Use of Participant Proprietary Data**

INFX SEF shall not use for business or marketing purposes any proprietary data or personal information it collects or receives, from or on behalf of any Person, for the purposes of fulfilling its regulatory responsibilities described herein; provided, however, that INFX SEF, or the Regulatory Service Provider on behalf of INFX SEF, may share such information with one or more swap execution facilities, designated contract markets, or the CFTC for regulatory purposes as required under Applicable Law.

**Rule 408      Publication of Trading Information**

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

CHAPTER 5.  
OBLIGATIONS OF PARTICIPANTS

**Rule 501      Duties and Responsibilities of Participants**

- (a) Each Participant shall (and shall cause all of its Authorized Persons and Clients or Customers, if applicable to):
- (1) use the Platform in a responsible manner and not for any improper purpose;
  - (2) use the Platform only to conduct Platform Activity;
  - (3) conduct all Platform Activity in a manner consistent with the INFX SEF Rules and Obligations;
  - (4) comply with all INFX SEF Rules and Obligations and act in a manner consistent with each INFX SEF Rule of INFX SEF and Obligation;
  - (5) comply with all rules of the Regulatory Service Provider, if any, to the extent applicable to it, and act in a manner consistent with the rules of the Regulatory Service Provider, if any, to the extent applicable;
  - (6) observe high standards of integrity, market conduct, commercial honor, fair dealing, and just and equitable principles of trade while conducting or attempting to conduct any Platform Activity, or any aspect of any business connected with or concerning INFX SEF;
  - (7) not knowingly mislead or conceal any material fact or matter in any dealings or filings with INFX SEF or in response to any INFX SEF Proceeding;
  - (8) be fully liable for all trading losses, all Orders, all transactions in Contracts effected by such Participant, all transactions effected on INFX SEF and for any use of the Platform made by Participant or the Participant's Authorized Persons, and all trades even if the Orders received via the Platform: (1) were entered as a result of a failure in the security controls and/or credit controls, other than due to the gross negligence of INFX SEF; or (2) were entered by an unknown or unauthorized user;
  - (9) employ practices to monitor and enforce compliance with risk limits;
  - (10) be responsible for promptly informing INFX SEF of any material changes to the information provided to INFX SEF by the Participant pursuant to Rule 301; and
  - (11) keep, or cause to be kept, complete and accurate books and records, including, without limitation, all books and records of his or her Platform Activity and his or her activity in the underlying commodity and related derivatives markets, and all books and records required to be maintained pursuant to the CEA, the CFTC Regulations or the INFX SEF Rules, for at least five (5) years, and make such books and records available for inspection by a representative of INFX SEF, the Regulatory Services

Provider, the CFTC or the United States Securities and Exchange Commission.

**Rule 502 Required Disclosures to INFX SEF**

- (a) Each Participant shall immediately notify the Chief Compliance Officer (or other appropriately designated INFX SEF Official) upon becoming aware of any of the following events:
- (1) any material change to the contact information provided to INFX SEF;
  - (2) any damage to, or failure or inadequacy of, the systems, facilities or equipment of the Participant to effect transactions pursuant to the INFX SEF Rules or to timely perform the Participant's financial obligations under or in connection with Contracts;
  - (3) any refusal of admission to, or withdrawal by the Participant of any application for membership in, any Self-Regulatory Organization, Contract Market or Derivatives Clearing Organization;
  - (4) any expulsion, suspension or fine in excess of \$5,000 (whether through an adverse determination, voluntary settlement or otherwise) imposed on the Participant by any Self-Regulatory Organization;
  - (5) any denial or withdrawal of any application for any registration or license by or from any Governmental Agency, and any revocation, suspension or conditioning of any registration or license granted by any Governmental Agency;
  - (6) the commencement of any judicial or administrative proceeding against the Participant or the imposition of any fine, cease and desist order, denial of trading privileges, censure or other sanction or remedy (whether through an adverse determination, voluntary settlement or otherwise) imposed by any Governmental Agency;
  - (7) any indictment or conviction of, or any confession of guilt or plea of guilty or nolo contendere by, the Participant (or, if the Participant is an entity, by any of its principals or senior officers) for any felony or misdemeanor involving, arising from, or related to, the purchase or sale of any commodity, Futures contract, Option, security, securities futures product or other financial instrument, or involving or arising from fraud or moral turpitude;
  - (8) the Participant becoming the subject of a petition for bankruptcy;
  - (9) the appointment of a receiver, trustee or administrator for the Participant;
  - (10) the presentment of a petition, or the passing of a resolution, for the winding-up of Participant;
  - (11) the commencement of proceedings for the dissolution of Participant; or
  - (12) the occurrence of an event of insolvency with respect to the Participant.

### **Rule 503      Inspections by INFX SEF**

- (a) INFX SEF (or the Regulatory Services Provider or other authorized representatives), shall have the right, in connection with determining whether all INFX SEF Rules and Obligations are being, will be, or have been complied with by the Participant, to:
  - (1) inspect systems, equipment and software operated by the Participant in connection with Platform Activity, wherever located;
  - (2) access such systems, equipment, software, and the premises on which such systems, equipment, and software are located, any data related to SEF activity stored in any of the systems or equipment, during the regular business hours and the Trading Hours of INFX SEF, without prior notice to Participants; and/or
  - (3) copy or reproduce any data to which INFX SEF has access under this Rule 503.
- (b) The SEF Regulation Department may require a Participant to furnish (periodically or on a particular occasion) information concerning the Participant's Platform Activity. Such information includes but is not limited to, the Participant's open trading positions or Contracts to which the Participant is a party.
- (c) The SEF Regulation Department may examine (periodically or on a particular occasion) the books and records of any Participant or any Customer or Client of a Participant.
- (d) Each Participant shall provide the Regulatory Services Provider with the same access to their books and records and offices as they are required to provide INFX SEF under the INFX SEF Rules and Applicable Law.
- (e) INFX SEF shall provide information in its possession to the CFTC or the Regulatory Services Provider upon request. INFX SEF shall also share information with other regulatory organizations, data repositories, and reporting services as required by the CFTC or as otherwise necessary and appropriate to fulfill its self-regulatory and reporting responsibilities. Appropriate information-sharing agreements can be established with such entities or the CFTC can act in conjunction with INFX SEF to carry out such information sharing.

### **Rule 504      Minimum Requirements for Participants**

- (a) Each Participant shall comply with the provisions of Applicable Law, including but not limited to the rules and regulations of any Government Agency that are imposed on a Participant relating to minimum financial requirements (if applicable), reporting and recordkeeping requirements, and any mandatory clearing requirements.
- (b) Transactions executed on or through the Platform must be cleared through a CFTC-registered Derivatives Clearing Organization unless:
  - (1) The Transaction is exempted from clearing under Section 2(h)(7) of the CEA; or
  - (2) The Transaction is not a Required Transaction.

- (c) Each Participant who is a Swap Dealer or Major Swap Participant shall be responsible for compliance with any mandatory trading requirements under CEA Section 2(h)(8) and CFTC regulations thereunder.
- (d) For Transactions that are executed on or subject to the rules of the Platform other than those executed on the INFX SEF Order Book, if such Transaction is not cleared by a Derivatives Clearing Organization and is not required to be cleared, each Participant party must have entered into an agreement governing the execution of the Swap with the prospective counterparty to such Swap prior to placing such Order, including a credit support arrangement as described in INFX SEF Rule 703.
- (e) A copy of any notice or Written report that a Participant is required to file with the CFTC pursuant to CFTC Regulation § 1.12 shall be concurrently provided to INFX SEF.
- (f) A Participant who violates any CEA provision or CFTC Regulation referred to in this Rule 504 shall be deemed to have also violated this Rule 504.

#### **Rule 505 Recordkeeping Requirements**

- (a) In General. Each Participant must maintain or cause to be maintained records for all books and records required to be maintained in accordance with Applicable Law, including INFX SEF Rule 501(a)(11).
- (b) Records of Underlying Commodity Activity and Related Transactions. As required by CFTC Regulation § 37.404, each Participant must keep records of its trading on the INFX SEF, including records of its activity in the commodity underlying any Swap and trading on related derivatives markets and make such records available, upon request, to INFX SEF and the CFTC.
- (c) Bunched Orders and Orders Eligible for Post Execution Allocation. Bunched Orders must be allocated and recorded in accordance with CFTC Regulation § 1.35(b)(5), or any successor regulation thereto, and the NFA's Interpretative Notice related to Compliance Rule 2-10 or any successor regulations.

#### **Rule 506 Confidentiality of Financial and Other Information**

All information and data obtained or received by the SEF Regulation Department from inspections of accounting and other records, quarterly balance sheets and declarations or reports on financial condition will be treated as confidential by INFX SEF; however, this Rule 506 does not supplant Rules 212, 213, 1003(c), 1201(e), or any other requirement of Applicable Law.

#### **Rule 507 Authority to Report**

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

## **Rule 508 Brokers and Account Managers**

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

## **Rule 509 Treatment of Customer Funds and Securities**

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

## **Rule 510 Disclosure Requirements; Know Your Counterparty Requirements**

- (a) Each Participant must comply with all disclosure requirements set forth in applicable CFTC Regulations and rules of the Regulatory Service Provider, if any. Any such disclosure may be combined with a disclosure regarding the existence of financial interests held by the Participant in INFX SEF or any other Swap Execution Facility.
- (b) Participants that are Swap Dealers or Major Swap Participants shall verify that each potential counterparty is an Eligible Contract Participant with respect to each Swap as provided in Subpart H of Part 23 of the CFTC Regulations, or any successor regulations related to external business conduct standards for Swap Dealers and Major Swap Participants.
- (c) Participants that are FCMs must verify that each of their Customers are Eligible Contract Participants.
- (d) Participants that are Account Managers must verify that each of their Clients are Eligible Contract Participants.

## **Rule 511 Information Regarding Orders**

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



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

**Rule 512 Customer Type Indicator (CTI) Codes**

- (a) Each Participant must identify each transaction executed on the Platform on the record of transactions submitted to INFX SEF with the correct CTI Code. The CTI Codes are as follows:
- (1) CTI 1- Transactions initiated and executed by a Participant for his own account, for an account he controls or for an account in which he has ownership or financial interest.
  - (2) CTI 2- Transactions executed for the proprietary account of a Clearing Member or non-Clearing member firm.
  - (3) CTI 3- Transactions where an individual Participant or Authorized Person executes for the personal account of another individual Participant, for an account the other individual Participant controls or for an account in which the other individual Participant has ownership or financial interest.
  - (4) CTI 4- Any transaction not meeting the definition of CTI 1, 2 or 3.

CHAPTER 6.  
REQUIRED TRANSACTIONS

**Rule 601      In General**

Required Transactions must be executed on either the INFX SEF RFQ Platform or the INFX SEF Order Book, unless one of the counterparties properly elects to use the End-User Exception. Permitted Transactions may be executed on the Platform only in accordance with Chapter 7.

**Rule 602      Request For Quote Platform**

(a) Generally.

- (1) RFQ Transactions are negotiated on a principal-to-principal basis by Participants and their Counterparties on INFX SEF by use of INFX SEF's RFQ functionality (the "*INFX SEF RFQ Platform*") and will involve any automated or algorithmic matching of orders.

(b) Negotiation Process.

- (1) The negotiation process on the RFQ Platform is initiated by entry by an RFQ Requester of an RFQ on INFX SEF. An RFQ acts as a non-binding solicitation of a binding offer and provides essential economic terms sufficient for any RFQ Requester's Counterparty to formulate a responsive offer. Any RFQ must be sent to the Required Number of potential Counterparties, but RFQ requesters have the option to make an RFQ visible to the entire market for any Required Transactions.
- (2) In response to an RFQ, any potential Counterparty receiving an RFQ may reply with a responsive offer. Any bids or offers resting on the Order Book Platform will be communicated to the RFQ requester along with any responsive offers.
- (3) If any responsive offer by the Counterparty or any resting bid or offer from the Order Book Platform is acceptable to the RFQ Requester, the RFQ Requester may issue an acceptance and at that point a legally enforceable RFQ Transaction arises.
- (4) In the event that the initial responsive offer from the Counterparty or any resting bid or offer from the Order Book Platform is not acceptable to the RFQ Requester, the RFQ Requester may issue a further responsive offer to the Counterparty, and the parties may continue negotiating the terms of a contract by successive responsive offers until an Acceptance is issued or the RFQ process is terminated without a transaction.

(c) Effectiveness of an RFQ Transaction.

- (1) By entering a responsive offer, the Participant agrees that such responsive offer shall result in an RFQ Transaction upon acceptance by a Counterparty.
- (2) Each responsive offer that is Accepted on INFX SEF shall result in an RFQ Transaction between the RFQ Requester and its Counterparty.

(3) Each RFQ Transaction shall be a fully effective and enforceable contract between the Participant parties thereto except as provided in provided in Rule 404(c), this Rule 601(c)(4), or Chapter 12 of these INFX SEF Rules.

(4) If any RFQ Transaction is determined by INFX SEF to be:

- i. prohibited by, or otherwise in violation of, these INFX SEF Rules;
- ii. not in compliance with all provisions of the Participant Agreement and these INFX SEF Rules;
- iii. prohibited by, or otherwise in violation of the CEA and the CFTC regulations;  
or
- iv. such transaction is entered into between RFQ Requester and its Counterparty for illegitimate purposes,

then INFX SEF may in its sole discretion decline to confirm such RFQ Transaction or cancel such transaction at any time before such RFQ Transaction is submitted for Settlement.

(d) Post-Trade Confirmation Procedures and Records.

(1) Each RFQ Transaction, other than an RFQ Transaction that INFX SEF declines to confirm or cancels as provided in Rule 602(c) and this Rule 601(d), shall be confirmed by a Confirmation to each Participant party thereto by technical means as specified in the INFX SEF Rules in the form and format set forth in Rule 404. The Confirmation shall provide the Specified Terms.

(2) INFX SEF shall retain a record of each Transaction in electronic form on INFX SEF for at least five (5) years.

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

## **Rule 603      The INFX SEF Order Book Platform**

(a) Generally.

(1) The INFX SEF Order Book uses a Price/Time algorithm (also known as the First In, First Out or FIFO method). Under the Price/Time algorithm, orders will be matched with the earliest bid or offer to arrive in the INFX SEF Order Book at the best price. If there are multiple bids and offers that have the same price, the earliest to arrive in the INFX SEF Order Book will be the bid or offer to which the order is matched. If the order exceeds the quantity of the bid or offer, the Participant will be filled at the next, best bid or offer for their order.

(b) Priority of Execution.

- (1) Non-discretionary Customer Orders received by a Participant shall be entered into the Platform in the sequence received. Non-discretionary Orders that cannot be immediately entered into the Platform must be entered when the Orders become executable in the sequence in which the Orders were received.

CHAPTER 7.  
PERMITTED TRANSACTIONS AND BLOCK TRADES

**Rule 701      Methods of Execution for Permitted Transactions**

- (a) Permitted Transactions executed pursuant to the INFX SEF Rules may be executed either on the Permitted Platform or in accordance with Chapter 6 to these INFX SEF Rules.
- (b) Permitted Transactions executed on the Permitted Platform shall be subject to all of these INFX SEF Rules but are not subject to the requirements in Chapter 6 setting forth the execution methods for Required Transactions.
- (c) If one or both of the counterparties to a Transaction elects to use the End-User Exception detailed in Rule 801, the party electing to use the End-User Exception must notify INFX SEF of such election as required by INFX SEF Rule 402(a)(6).

**Rule 702      Block Trades**

- (a) INFX SEF shall set the minimum block sizes for all Swaps listed on the Platform, which shall be equal to or greater than the appropriate minimum block sizes established by CFTC Regulation § 43.6. INFX SEF will publish these minimum block sizes on its website.
- (b) INFX SEF will publish the list of contracts for which it permits and facilitates the bilateral trading and execution of Block Trades on its website.
- (c) The following shall govern Block Trades:
  - (1) Each counterparty to a Block Trade (or a Person on whose behalf the Block Trade is executed) must be an Eligible Contract Participant.
  - (2) Parties to a Swap of a large notional value must elect to have the Swap treated as a Block Trade in order for the Swap to constitute a Block Trade pursuant to this Chapter 7.
  - (3) A Block Trade must be for a quantity that is at or in excess of the applicable minimum threshold. Orders may not be aggregated for different accounts in order to achieve the minimum transaction size unless done by a Person who:
    - (a) Is either: (i) a commodity trading advisor registered under Section 4n of the CEA, or exempt from registration under the CEA, or a principal thereof, who has discretionary trading authority or directs client accounts, (ii) is an investment adviser who has discretionary trading authority or directs client accounts and satisfies the criteria of CFTC Regulation § 4.7(a)(2)(v), or (iii) is a non-U.S. person, as defined in CFTC rules, regulations and/or interpretations who performs a similar role or function as the persons described in Rule 702(c)(3)(a)(i) or (ii) and is subject as such to foreign regulation; and

- (b) Has more than \$25,000,000 in total assets under management.
- (4) A broker for a Customer shall not execute any order by means of a Block Trade for a Customer unless such Customer has specified that the order be executed as a Block Trade. Such instruction or consent may be provided in the power of attorney or similar document by which the Customer provides the broker with discretionary trading authority or the authority to direct the trading in its account.
- (5) The price at which a Block Trade is executed must be fair and reasonable in light of (i) the size of the Block Trade, (ii) the prices and sizes of other transactions in the same contract at the relevant time, (iii) the prices and sizes of transactions in other relevant markets at the relevant time, and (iv) the circumstances of the markets or the Participants to the Block Trade.
- (6) One of the counterparties or the broker of one of the Persons party to the Block Trade must ensure that each Block Trade is reported to INFX SEF within the time limit set forth in INFX SEF Rule 401(a)(3).
- (7) Block Trades must be reported to INFX SEF in accordance with an approved reporting method and must include all of the data required by CFTC Regulations Part 43 and 45. INFX SEF will transmit Block Trade transaction and pricing data to a Swap Data Repository as soon as technologically practicable after receipt of such data. CFTC Regulations prohibit any Swap Data Repository from publicly disseminating this data until the expiration of certain time delays as specified in CFTC Regulation § 43.5, or any successor regulation thereto.
- (8) An executed Block Trade must become a part of the INFX SEF's audit trail.

### **Rule 703      Margin Requirements for Uncleared Transactions**

(a) Margin Required.

- (1) Parties to any Transaction which is not cleared and not required to be cleared but which is executed pursuant to the INFX SEF Rules, whether by being excepted from such requirement as described in Rule 701 or because the Transaction is not subject to mandatory clearing, must enter into a credit support arrangement and may be required to post Initial and Variation Margin to each other as required by Applicable Law.
- (2) A credit support arrangement described in Rule 704(a)(1) must specify the following:
- i. the methodology to be used to calculate Initial Margin for uncleared swaps entered into between the covered swap entity and the counterparty;
  - ii. the methodology to be used to calculate Variation Margin for uncleared swaps entered into between the covered swap entity and the counterparty;
  - iii. to the extent that the alternative method of margin calculation described in CFTC Regulation § 23.155(c) is used, the reference contracts to be used;

- iv. any thresholds below which Initial Margin need not be posted by the counterparty;
  - v. any thresholds below which Variation Margin need not be paid by the counterparty;
  - vi. the types of assets that may be used as margin and asset valuation haircuts;
  - vii. investment and rehypothecation terms for assets used as margin for uncleared swaps; and
  - viii. custodial arrangements for margin assets, including whether margin assets are to be segregated with an independent third party, in accordance with CFTC Regulation § 23.601(e).
- (3) Initial and Variation Margin requirements must be calculated in accordance with CFTC Regulation § 23.155 and 23.156, respectively.

CHAPTER 8.  
CLEARING

**Rule 801      Clearing Required**

- (a) All Participants must clear all Contracts which are required to be cleared under CEA Section 2(h)(1) and CFTC Regulation § 39.5; provided, however, that the clearing requirement in this Rule 801 will not apply if at least one Participant party to a Transaction is an End-User and that party elects the End-User Exception.
- (b) Each Participant shall be responsible for determining whether any Swap it enters into is subject to the mandatory clearing requirements of Section 2(h)(1) of the Commodity Exchange Act.
- (c) Each Participant shall be responsible for determining whether an exemption from clearing is available, and, if Participant and its counterparty opt against clearing pursuant to an applicable exemption, Participant shall make all necessary elections and provide all necessary notifications to INFX SEF to establish that the Swap is exempted from the clearing requirement; provided, however, that INFX SEF shall have no responsibility for evaluating the validity of such exemption, and no conclusion as to such exemption should be made as a result of INFX SEF allowing a transaction to proceed on the Platform.
- (d) Participant will only execute a Swap subject to the mandatory clearing requirement on the Platform if Participant has delivered to INFX SEF all information necessary to permit INFX SEF to submit the Swap for clearing.
- (e) INFX SEF shall submit each Swap that is required to be or is intended to be cleared to the applicable Clearing House. If a Swap is rejected or fails to clear for any reason, the Participants that executed the Swap shall attempt to re-submit such Swap for clearing for 5 minutes. If such Swap is not accepted for clearing after 5 minutes, then:
  - (1) If the Participants that executed the Swap have an existing bilateral agreement in place governing the settlement procedures for a swap that fails to clear, including but not limited to the FIA-ISDA Cleared Derivatives Execution Agreement, then the Participants shall settle such Swap according to the terms of that agreement; provided, however, that this Rule 801(e)(1) shall not apply to any Swaps executed on the INFX Order Book.
  - (2) If the Participants that executed the Swap do not have an existing bilateral agreement in place governing the settlement procedures for a swap that fails to clear or if the Swap was executed on the INFX Order Book, then the Participants shall settle such Swap according to the terms set forth in Section 4 of the FIA-ISDA Cleared Derivatives Execution Agreement (2012 Version 1.1). If one of the Participants that executed the Swap is a Swap Dealer, that Participant shall be Party A for purposes of Section 4 of the FIA-ISDA Cleared Derivatives Execution Agreement (2012 Version 1.1).
- (f) INFX SEF shall be under no obligation to ensure that Swaps are successfully cleared and shall



have no liability with respect to a Swap that fails to clear for any reason.

#### **Rule 802 Clearing House Rules**

- (a) The clearing services provided by a Clearing House with respect to any Contract, and the rights and obligations of purchasers and sellers under cleared Contracts (including without limitation rights and obligations in respect of clearing and settlement, variation payments and performance at maturity), shall be governed by the Clearing House Rules, as applicable.
- (b) The Clearing House Rules shall prevail in the event of any conflict or inconsistency between the INFX SEF Rules and the Clearing House Rules with respect to any Clearing Member responsibilities or obligations under the Clearing House Rules.

#### **Rule 803 Daily Settlement Price**

- (a) Daily Settlement Prices shall be determined each Business Day for each Contract pursuant to one or more of the procedures set forth in this Rule 803. The procedure used to determine the Settlement Price of a Contract will depend on the product group, level of activity and liquidity during the defined closing time period, and/or the Source Agency used to derive the Settlement Price.
  - (i) Clearing House: The Daily Settlement Price of certain Contracts may be determined pursuant to the rules of the Clearing House.
  - (ii) Source Agency: The Daily Settlement Price of certain Contracts may be determined by an identified Source Agency.
  - (iii) Midpoint of Closing Range: In Contracts that use this procedure, the first trade and all subsequent trades, higher bids and lower offers that are quoted during the established closing time periods for a particular Contract will be included in the closing range. The midpoint of the high and low quotes in the closing range will be the Settlement Price. If no trade occurs during the defined closing period, the last quote of the day (trade, higher bid, lower offer) will be the Settlement Price. In the event that there are no valid quotes during the day, the Settlement Price will be the prior day's Settlement Price.
  - (iv) Bid/Ask Midpoint at the Close: In Contracts that use this procedure, the midpoint of the bid/ask at the defined closing time will be the Settlement Price.
- (b) Notwithstanding Rule 803(a), if a Settlement Price in any product, as derived by the normal methodology used for a particular Contract, is inconsistent with trades, bids or offers in other relevant market information, or if there is no relevant market activity, the Chief Executive Officer or his/her designee, may establish a Settlement Price that best reflects the true market valuation at the time of the close.

#### **Rule 804 Final Settlement Price**

Certain Contracts, as described in the applicable Contract Specification chapters, may have procedures for establishing a final settlement price that are distinct from the procedures for establishing the daily settlement price for the product on the last day of trading. For such products,

if a final settlement price is unable to be determined or if the applicable procedures result in a clearly aberrant final settlement price inconsistent with market value and alternative settlement procedures are not otherwise specified in the relevant product chapter, then the Chief Executive Officer, President or Chief Operating Officer, or their delegate, may establish a final settlement price that reflects the true market value at the time of final settlement.

#### **Rule 805      Transfers of Trades**

- (a) Existing trades may be transferred either on the books of a Clearing Member or from one Clearing Member to another Clearing Member provided:
  - (1) the transfer merely constitutes a change from one account to another account, provided the underlying beneficial ownership in said accounts remains the same; or
  - (2) an error has been made in the clearing of a trade and the error is discovered and the transfer is completed within two Business Days after the trade date.
- (b) Platform Officials may, upon request by the Clearing Member(s), approve a transfer of existing trades either on the books of the same Clearing Member, or from the books of one Clearing Member to the books of another Clearing Member if the transfer is in connection with, or as a result of, a merger, asset purchase, consolidation or similar non-recurring transaction between two or more entities where one or more entities become the successor in interest to one or more other entities.
- (c) Platform Officials may, with the consent of the Clearing Members(s) involved, permit the transfer of existing trades if, in the opinion of Platform Officials, the situation so requires and such transfer is in the best interests of INFX SEF.
- (d) Provided that the transfer is permitted pursuant to Sections (a), (b) or (c) above, the transactions must be recorded and carried on the books of the receiving Clearing Member at the original trade dates.

#### **Rule 806      Substitution and Novation**

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

CHAPTER 9.  
TRADING PRACTICES AND BUSINESS CONDUCT

**Rule 901      Scope**

This Chapter 9 applies to all transactions in Contracts, except as otherwise specifically provided in in these INFX SEF Rules.

**Rule 902      Procedures**

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

- (1) determine the Daily Settlement Price of a Contract;
- (2) disseminate the prices of bids and offers on, and trades in, Contracts;
- (3) record, and account for, Contracts and Platform Activity;
- (4) perform market surveillance and regulation on matters affecting Contracts and Platform Activity;
- (5) establish limits on the number and/or size of Orders that may be submitted by a Participant through the Platform;
- (6) establish limits on the number of Contracts that may be held by a Customer or Participant;
- (7) establish a limit on the maximum daily price fluctuations for any Contract and provide for any related restriction or suspension of trading in the Contract; and,
- (8) require a suspended or expelled Participant, or a Participant with restricted trading rights, to have Contracts executed for the Participant to reduce or eliminate any open position or exposure to price changes for the Participant in any Contract.

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

**Rule 903      Business Days and Trading Hours**

Except as provided in Rule 211 with respect to Emergencies, INFX SEF shall determine and publish a Notice to Participants listing the Business Days and Holidays of INFX SEF and the Trading Hours for each Contract.

**Rule 904      Rule Violations**

It shall be a violation for a Participant to violate any INFX SEF Rule or any agreement made with

INFX SEF, or to engage in fraud, dishonorable or dishonest conduct, or in conduct which is inconsistent with just and equitable principles of trade.

**Rule 905 Fraudulent Acts Prohibited**

No Participant or any of its Authorized Persons, Client or Customers shall engage in any fraudulent act or engage in any scheme to defraud, deceive, trick or mislead in connection with or related to any Platform Activity. Specifically, no Participant or any of its Authorized Persons, Client or Customers shall engage in front-running, fraudulent trading, money passes, trading ahead of customers, trading against customers or accommodation trading.

**Rule 906 Fictitious, Wash or Non-Competitive Transactions Prohibited**

No Participant shall create, place or accept fictitious transactions, Wash Transactions, or non-competitive transactions except, in the case of non-competitive transactions, as otherwise authorized by the INFX SEF Rules, or execute any such Order with knowledge of its nature as a fictitious transaction, Wash Transaction, or non-competitive transaction. Buy and sell Orders for different accounts with common beneficial ownership that are entered with the intent to negate market risk or price competition shall also be deemed to violate the prohibition on Wash Transactions. Additionally, no Person shall knowingly execute or accommodate the execution of such Orders by direct or indirect means.

**Rule 907 Market Disruption Prohibited**

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

**Rule 908 Market Manipulation Prohibited**

- (a) No Participant shall attempt to manipulate or manipulate the market in any Contract; provided, however, that nothing in this Rule 908 shall be construed to require any Person to disclose to another Person non-public information that may be material to the market price, rate, or level of a particular transaction, except as necessary to make any statement made to the other Person in or in connection with the transaction not misleading in any material respect.
- (b) A Participant shall violate this Rule 908 if such person directly or indirectly, in connection with any Contract in interstate commerce, or contract for future delivery on or subject to the rules of any Registered Entity, to intentionally or recklessly:
  - (1) Use or employ, or attempt to use or employ, any manipulative device, scheme, or artifice to defraud;
  - (2) Make, or attempt to make, any untrue or misleading statement of a material fact or to omit to state a material fact necessary in order to make the statements made not untrue

or misleading;

- (3) Engage, or attempt to engage, in any act, practice, or course of business, which operates or would operate as a fraud or deceit upon any Person; or,
  - (4) Deliver or cause to be delivered, or attempt to deliver or cause to be delivered, for transmission through the mails or interstate commerce, by any means of communication whatsoever, a false or misleading or inaccurate report concerning market information or conditions that affect or tend to affect the price of any Contract or commodity in interstate commerce, knowing, or acting in reckless disregard of the fact that such report is false, misleading or inaccurate; provided, however, that no violation of this Rule 908 shall exist where the Participant mistakenly transmits, in good faith, false or misleading or inaccurate information to a price reporting service.
- (c) No Participant shall directly or indirectly, manipulate or attempt to manipulate the price of any Contract, or of any commodity in interstate commerce, or for future delivery on or subject to the rules of any Registered Entity.

#### **Rule 909      Disruptive Trading Practices Prohibited**

- (a) No Participant shall engage in any trading, practice, or conduct that constitutes a “disruptive trading practice,” which includes engaging in conduct that:
- (1) Violates bids or offers;
  - (2) Demonstrates intentional or reckless disregard for the orderly execution of transactions during the closing period; or
  - (3) Is, is of the character of, or is commonly known to the trade as, “spoofing” (bidding or offering with the intent to cancel the bid or offer before execution).

#### **Rule 910      Prohibition of Misstatements**

No Participant shall make any knowing misstatement of a material fact to INFX SEF, any Platform Official, or any Board committee or INFX SEF panel.

#### **Rule 911      Acts Detrimental to Welfare of INFX SEF Prohibited**

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

#### **Rule 912      Adherence to Law**

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

#### **Rule 913      Supervision**

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

such Authorized Persons.

#### **Rule 914 Misuse of the Platform**

Misuse of the Platform is strictly prohibited. It shall be deemed an act detrimental to INFX SEF to permit unauthorized use of the Platform, to assist any Person in obtaining unauthorized access to the Platform, to trade on the Platform without a Participant Agreement and an established account with a Clearing Member, to alter the equipment associated with the Platform (except with INFX SEF's consent), to interfere with the operation of the Platform, to intercept or interfere with information provided thereby, or in any way to use the Platform in a manner contrary to the INFX SEF Rules.

#### **Rule 915 Errors and Omissions in Handling Orders**

- (a) A Participant who inadvertently, through error or omission, fails to execute an Order at the time it should have been executed may, upon discovery of such error or omission, execute such Order at the best obtainable price. Such Order shall be competitively executed and should be executed in the next available trading session for the applicable listed Contract, but in any event must be executed no later than the close of the next trading day, if possible, and shall be reported to the Customer at the price at which actually executed. If such price is to the advantage of the Customer, the Customer shall receive the benefit thereof; if not, the Customer shall receive such monetary adjustment as will afford the Customer the equivalent of the price at which such Order should and could have been executed.
- (b) Any Clearing Member receiving such report and adjustment with respect to an Order of a Customer shall report to such Customer the execution at the price reported to such Clearing Member and make the same monetary adjustment for the account of such Customer. Full details of all transactions consummated hereunder shall be promptly provided to the SEF Regulation Department upon request.
- (c) This Rule 915 shall not be construed to contravene any instructions received from a Customer respecting any Order prior to its execution, but shall be construed to permit execution of Orders under the conditions prescribed without prior instructions from the Customer.

#### **Rule 916 Withholding Orders Prohibited**

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

#### **Rule 917 Priority of Customers' Orders**

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

## **Rule 918 Handling of Customer Orders**

- (a) No Participant in possession of a Customer Order shall knowingly trade ahead of a Customer Order or take, directly or indirectly, the opposite side of such Order for its own account, an account in which it has a direct or indirect financial interest, or an account over which it has discretionary trading authority.
- (b) No Participant in possession of a Customer Order shall engage in accommodation trading or improper cross-trading.
- (c) Exceptions. The restriction in this Rule 918 shall not apply to the following:
  - (1) Transactions executed pursuant to INFX SEF Rule 702 (Block Trades); or
  - (2) Transactions executed pursuant to INFX SEF Rule 919 (15 Second Rule).

## **Rule 919 15 Second Rule**

A Participant that is a broker, dealer or Account Manager, which seeks to execute against a Customer or Client's Order or execute two of Customers or Clients against each other through the INFX SEF Order Book, following some form of pre-arrangement or pre-negotiation of such orders, must expose one side of the potential Transaction to other Participants for at least a 15 seconds before the second side of the potential Transaction, whether for the broker's or dealer's own account or for a second customer, is submitted for execution. If the Order is not executed by another Participant after 15 seconds, the Participant displaying the one side of the Transaction may execute the other side of the Transaction against its own, or against another Client or Customer's Order.

## **Rule 920 Pre-arranged and Noncompetitive Trades Prohibited**

- (a) No Person shall pre-arrange any purchase or sale or noncompetitively execute any Transaction, except in accordance with Section (b).
- (b) The foregoing restriction shall not apply to Transactions executed pursuant to INFX SEF Rule 702, and, for the avoidance of doubt, does not prohibit communications necessary to effect any RFQ Transaction pursuant to INFX SEF Rule 602.

## **Rule 921 Responsibility For Customer Orders**

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

Order or any of its terms such as the quantity or price. A Participant may only report an execution that has been effected through the Platform or has been executed under Chapter 6. This Rule 921(a) shall not be construed to prevent a Participant from assuming or sharing in the losses resulting from an error or the mishandling of an Order provided such action is done in accordance with INFX SEF Rules as well as Applicable Law.

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

#### **Rule 922      Discretionary Orders**

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

#### **Rule 923      Position Limits And Exemptions**

- (a) The position limit levels applicable to those Contracts with position limits are set forth in Rule 925. These position limits shall not apply to any person that is registered with the CFTC as a futures commission merchant or floor broker except to the extent that transactions made by such person are made on behalf of or for the account or benefit of such person.
- (b) A Person may seek an exemption from position limits based on an Eligible Exemption described in Rule 923(h), below. A Person seeking an exemption from position limits must apply to the SEF Regulation Department on forms provided by INFX SEF. In order to obtain an exemption from position limits, a Person must:
- (1) Provide a description of the exemption sought, including whether the exemption is for bona fide hedging positions as defined in CFTC Regulation §1.3(z)(1) or any other applicable CFTC Regulation, risk management positions or arbitrage/spread positions;
  - (2) Provide a complete and accurate explanation of the underlying exposure related to the exemption request;
  - (3) Agree to promptly provide, upon request by the SEF Regulation Department, information or documentation regarding the Person's financial condition;
  - (4) Agree to comply with all terms, conditions or limitations imposed by the SEF Regulation Department with respect to the exemption;
  - (5) Agree that the SEF Regulation Department may modify or revoke the exemption at any



time;

- (6) Agree to initiate and liquidate positions in an orderly manner; and
  - (7) Agree to promptly submit a supplemental statement to the SEF Regulation Department whenever there is a material change to the information provided in the most recent application.
- (c) A Person intending to exceed position limits, including limits established pursuant to a previously approved exemption, must file the required application and receive approval from the SEF Regulation Department prior to exceeding such limits. Notwithstanding the foregoing, a Person who establishes an exemption-eligible position in excess of position limits and files the required application with the SEF Regulation Department shall not be in violation of this Rule 923 provided the filing occurs within one (1) Business Day after assuming the position.
- (d) In the event the positions in excess of the limits are not deemed to be exemption-eligible, the applicant and Clearing Member will be in violation of speculative limits for the period of time in which the excess positions remained open.
- (e) The SEF Regulation Department shall, on the basis of the application and any requested supplemental information, determine whether an exemption from position limits shall be granted. The SEF Regulation Department may approve, deny, condition or limit any exemption request based on factors deemed by the SEF Regulation Department to be relevant, including, but not limited to, the applicant's business needs and financial status, as well as whether the positions can be established and liquidated in an orderly manner.
- (f) Nothing in this Rule 923 shall in any way limit:
- (1) the authority of INFX SEF to take emergency action; or
  - (2) the authority of the SEF Regulation Department to review at any time the positions owned or controlled by any Person and to direct that such position be reduced to the position limit provided for in Rule 923.
- (g) A Person who has received Written authorization from the SEF Regulation Department for an exemption from position limits must annually file an updated application on the date which is one year following the approval date of the most recent application. Failure to file an updated application will result in expiration of the exemption.
- (h) Eligible Exemptions.
- (1) Bona Fide Hedging Positions.
- The position limits set forth in this INFX SEF Rule 923 may be exceeded to the extent such position are bona fide hedging transactions as defined in CFTC Regulation § 1.3(z).
- (2) Risk Management Positions.

The SEF Regulation Department may grant exemptions from the position limits for risk management positions. For the purposes of this Rule, risk management positions are defined as swaps positions which are held by or on behalf of an entity or an affiliate of an entity which typically buys, sells or holds positions in the underlying cash market, a related cash market, or a related over-the-counter market and for which the underlying market has a high degree of demonstrated liquidity relative to the size of the positions and where there exist opportunities for arbitrage which provide a close linkage between the swaps market and the underlying market in question. Exemptions related to indexed positions in the over-the-counter market may include corresponding commodity index-based swaps and/or individual swaps used as components in replicating an index.

(i) Aggregation of Positions.

(1) Positions to be Aggregated. The position limits in this Rule 923 shall apply to all positions in accounts for which a Person by power of attorney or otherwise directly or indirectly holds positions or controls trading of the positions. The position limits in this Rule 923 shall also apply to positions held by two or more Persons acting pursuant to an expressed or implied agreement or understanding the same as if the positions were held by, or the trading of the position were done by, a single Person.

(2) Ownership of Accounts. Except as set forth in Rule 923(j) below, any Person holding positions in more than one account, or holding accounts or positions in which the Person by power of attorney or otherwise directly or indirectly has a 10% or greater ownership or equity interest, must aggregate all such accounts or positions.

(3) Ownership by Limited Partners, Shareholders or Other Pool Participants.

i. General Rule. Except as provided in Rule 923(j)(2) below, a Person that is a limited partner, shareholder or other similar type of pool participant with an ownership or equity interest of 10% or greater in a pooled account or positions who is also a principal or affiliate of the operator of the pooled account must aggregate the pooled account or positions with all other accounts or positions owned or controlled by that person, unless: (a) the pool operator has, and enforces, Written procedures to preclude the person from having knowledge of, gaining access to, or receiving data about the trading or positions of the pool; (b) the person does not have direct, day-to-day supervisory authority or control over the pool's trading decisions; and (c) the pool operator has complied with the requirements of paragraph (h) of this section on behalf of the person or class of persons.

ii. Exceptions. Notwithstanding Rule 923(i)(3)(i), a commodity pool operator having ownership or equity interest of 10% or greater in an account or positions as a limited partner, shareholder or other similar type of pool participant must aggregate those accounts or positions with all other accounts or positions owned or controlled by the commodity pool operator. Additionally, each limited partner, shareholder, or other similar type of pool participant having an ownership or equity interest of 25% or greater in a

commodity pool the operator of which is exempt from registration under CFTC Regulation § 4.13 must aggregate the pooled account or positions with all other accounts or positions owned or controlled by that Person.

- (4) Notwithstanding any of the limitations or exceptions to aggregation in this Rule 923, for the purpose of applying the position limits set forth in CFTC Regulation § 151.4, any Person that holds or controls the trading of positions, by power of attorney or otherwise, in more than one account, or that holds or controls trading of accounts or positions in multiple pools with identical trading strategies must aggregate all such accounts or positions that a Person holds or controls.

(j) Exceptions to Aggregation.

- (1) Exception to Aggregation for Independently Controlled Positions. An eligible entity as defined in CFTC Regulation § 151.1 need not aggregate its positions with the eligible entity's client positions or accounts carried by an authorized independent account controller, as defined in CFTC Regulation § 151.1, for position limit purposes provided that the positions are not held in the spot month during such time that a spot month position limit is applicable. If an independent account controller is affiliated with the eligible entity or another independent account controller, each of the affiliated entities must comply with the requirements set forth in CFTC Regulation § 151.7(f)(1)(i-iv).
- (2) Positions held by Futures Commission Merchants or their separately organized Affiliates in Customer discretionary accounts or in guided account programs shall not be aggregated for position limit purposes provided that the accounts are controlled by independent traders and meet the standards set forth in CFTC Regulation § 151.7(e).
- (3) Exemption for Underwriting. A Person need not aggregate the positions or accounts of an owned entity if the ownership interest is based on the ownership of securities constituting the whole or a part of an unsold allotment to or subscription by such Person as a participant in the distribution of such securities by the issuer or by or through an underwriter.
- (4) Any Person claiming an exemption from position limits under this Rule 923 must, upon request by the SEF Regulation Department, provide any information deemed necessary to support the exemption.

- (k) Notice Filing for Exemption. Any Person seeking an aggregation exemption under Rules 923(i) or 923(j) shall file a notice with the CFTC in accordance with CFTC Regulations §§ 151.7(h) and 151.10.

(l) Violations.

- (1) No Person shall exceed the position limits set forth in the INFX SEF Rules, unless an exemption is granted by the SEF Regulation Department.
- (2) The SEF Regulation Department shall have the authority to enforce the INFX SEF Rules regarding position limits.

- (3) Any Person making a bid or offer that would, if accepted, cause such Person to exceed the applicable position limits shall be in violation of this Rule 923.
- (4) If a position exceeds position limits as a result of an Option assignment, the Person who owns or controls such position shall be allowed one (1) Business Day to liquidate the excess position without being considered in violation of the limits. Additionally, if, at the close of trading, a position that includes Options exceeds position limits when evaluated using the delta factors as of that day's close of trading, but does not exceed the limits when evaluated using the previous day's delta factors, then the position shall not constitute a position limit violation.
- (5) A Clearing Member shall not be in violation of this Rule if it carries positions for a Customer in excess of the applicable position limits for such reasonable period of time, generally not to exceed one (1) Business Day, as the Clearing Member may require to investigate and liquidate the excess Customer positions.
- (6) A Customer who exceeds the position limits as a result of maintaining positions at more than one Clearing Member shall be deemed to have waived confidentiality regarding his or her positions and the identity of the Clearing Members at which they are maintained. A Clearing Member carrying such positions shall not be in violation of this Rule if, upon notification by the SEF Regulation Department, it liquidates its pro-rata share of the position in excess of the limits or otherwise ensures that the Customer is in compliance with the limits within a reasonable period of time, generally not to exceed one (1) Business Day.
- (7) Violations, Sanctions and Appeals

- i. First Violation. The first position limit violation by a Participant will result in a warning letter issued by the Chief Compliance Officer, with a copy provided to the carrying Clearing Member(s). In circumstances where the carrying Clearing Member has also committed a position limit violation as set forth in this Rule 923 by carrying such positions, a warning letter will be issued to the Clearing Member(s).
- ii. Second Violation, Sanctions and Appeals. A second position limit violation by a Participant within 24 months of the issuance of a warning letter will result in the imposition of an automatic fine by the SEF Regulation Department to the Participant as set forth below and the issuance of a cease and desist order. The automatic fine for a position exceeding the applicable limit by up to 25% shall be \$5,000. The automatic fine for a position exceeding the applicable limit by more than 25% shall be \$15,000.
- iii. Third or Subsequent Violations, Referral to the Chief Compliance Officer. Any third or subsequent position limit violation within 24 months of the issuance of a warning letter shall be referred by the SEF Regulation Department to the Chief Compliance Officer for consideration of the issuance of charges. Notwithstanding Rules 923(l)(7)(i-ii), the SEF Regulation Department, in its sole discretion, may refer any position limit violation it deems egregious to the

Chief Compliance Officer for consideration of the issuance of charges.

**Rule 924 Position Accountability**

- (a) A Participant who holds or controls, or a Participant or Clearing Member that carries for another Person, aggregate positions in excess of those specified in Rule 925, shall:
  - (1) Provide, in a timely manner upon request by the SEF Regulation Department, information regarding the nature of the position, trading strategy, and hedging information, if applicable;
  - (2) Be deemed to have consented, when so ordered by INFX SEF, not to further increase the positions which exceed the levels specified in Rule 925; and
  - (3) Initiate and/or liquidate such positions in an orderly manner.
- (b) For purposes of this rule, all positions in accounts for which a Participant, by power of attorney or otherwise, directly or indirectly controls trading shall be included with the positions held by such Participant. The provisions of this rule shall apply to positions held by two or more Participants acting pursuant to an expressed or implied agreement or understanding, the same as if the positions were held by or the trading of the positions was controlled by a single Participant.

**Rule 925 Position Limit and Position Accountability Table**

The threshold levels for all Contracts are set forth in the Position Limit and Position Accountability Table on the INFX website at [www.INFXSEF.com](http://www.INFXSEF.com).

**Rule 926 Platform Access Restrictions**

- (a) All individuals entering Customer Orders in other than a clerical capacity must have appropriate industry registration. Customer Orders may be entered only from the premises of an entity registered to conduct Customer business.
- (b) Clearing Members that are Participants shall assist INFX SEF in any investigation into potential violations of the INFX SEF Rules or the CEA which occur with respect to a Participant guaranteed by such Clearing Member or a Customer of such Clearing Member. Such assistance must be timely and may include, but not be limited to, requiring any Participant or Customer to produce documents, to answer questions from INFX SEF, and/or to appear in connection with an investigation. Upon request by INFX SEF, Clearing Members that are Participants shall suspend or terminate a Participant's or Customer's access if INFX SEF determines that the actions of the Participant or Customer threaten the integrity or liquidity of any Contract or violate any INFX SEF Rule or the CEA, or if the Participant or Customer fails to cooperate in an investigation.
- (c) If a Clearing Member that is a Participant has actual or constructive notice of a violation of INFX SEF Rules in connection with the use of the Platform by a Participant or Customer for which it has authorized a direct connection and the Clearing Member fails to terminate the

connection, the Clearing Member may be found to have committed an act detrimental to INFX SEF.

#### **Rule 927 Risk Controls for Trading**

- (a) INFX SEF reserves the right to modify, adjust, or cancel any Transaction, including Block Trades, that it determines in its sole discretion to be unlawful, off market, the result of error, or otherwise incompatible with these INFX SEF Rules, the Participant Agreement, or the efficient and secure operation of INFX SEF, including, but not limited to, excessive electronic traffic sent by any Participant, to INFX SEF.
- (b) INFX SEF reserves the right to modify, adjust, or cancel any Transaction, including Block Trades, when such action is necessary to mitigate market disrupting events caused by the improper or erroneous use of the Platform or by system defects.
- (c) Notwithstanding any other provisions of this Rule, INFX SEF may modify or adjust trade prices or cancel any trade if INFX SEF determines that allowing the trade to stand as executed may have a material, adverse effect on the integrity of the market.
- (d) Liability for Losses Resulting from Price Adjustments or Cancellations
  - (1) A party entering an Order that results in a price adjustment or trade bust shall be responsible for demonstrated claims of realized losses incurred by persons whose trade prices were adjusted or canceled; provided, however, that a claimant shall not be entitled to compensation for losses incurred as a result of the claimant's failure to take reasonable actions to mitigate the loss.
  - (2) A claim for a loss pursuant to this section must be submitted to INFX SEF on a INFX SEF claim form within one (1) Business Day of the event giving rise to the claim. INFX SEF will reject any claim that is not filed in a timely manner and such decisions shall be final. Eligible claims shall be forwarded by INFX SEF to the party responsible for the Order(s) that resulted in a trade cancellation or a price adjustment and to the Clearing Member through which the trade was placed. Such party, or the Clearing Member on behalf of the party, shall, within ten (10) Business Days of receipt of the claim, admit or deny responsibility in whole or in part. Failure to respond to the claim within ten (10) Business Days shall be considered a denial of liability.
  - (3) To the extent that liability is admitted, payment shall be made within ten (10) Business Days. Unless otherwise agreed upon in writing by the parties, failure to make the payment within ten (10) Business Days shall be considered a denial of liability for purposes of this rule. A copy of any such Written agreement must be provided to INFX SEF.
  - (4) To the extent that liability is denied, the party making the claim may submit the claim for arbitration pursuant to Chapter 11 of the INFX SEF Rules. Such claims must be submitted to INFX SEF within ten (10) Business Days of the date the party was issued notification that liability was denied.

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

**Rule 928 Indemnification**

PARTICIPANT WILL INDEMNIFY AND HOLD HARMLESS INFX SEF AND ALL OF ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS AND AFFILIATES FROM ANY LOSSES, CLAIMS, DAMAGES, COSTS OR INJURY (INCLUDING WITHOUT LIMITATION ATTORNEYS' FEES) OF WHATEVER NATURE (WHETHER FORESEEABLE OR NOT) AND HOWEVER CAUSED ARISING FROM OR IN CONNECTION WITH PARTICIPANT'S FAILURE TO COMPLY WITH ANY LEGAL OR REGULATORY REQUIREMENT APPLICABLE TO PARTICIPANT PURSUANT TO THE COMMODITY EXCHANGE ACT OR CFTC REGULATIONS PROMULGATED THEREUNDER, ANY VIOLATION OF THE RULES CONTAINED HEREIN OR USE BY THE PARTICIPANT OF THE PLATFORM (WHETHER OR NOT SUCH USE IS IN ACCORDANCE WITH THE INFX SEF RULES), INCLUDING RESULTING FROM OR RELATING TO THE USE BY INFX SEF OF OR RELIANCE BY INFX SEF ON INFORMATION PROVIDED TO IT BY PARTICIPANT THAT SHALL NOT HAVE BEEN ACCURATE AND COMPLETE OR THAT IS MISLEADING IN ANY MATERIAL RESPECT; *PROVIDED, HOWEVER*, THAT THE TERMS OF THIS RULE 928 SHALL NOT APPLY TO THE EXTENT THAT ANY SUCH CLAIM ARISES BY REASON OF ANY GROSS NEGLIGENCE, FRAUD OR WILLFUL MISCONDUCT ON THE PART OF INFX SEF.

**Rule 929 LIMITATION OF LIABILITY, NO WARRANTIES**

- (a) EXCEPT AS PROVIDED BELOW, AND EXCEPT IN INSTANCES WHERE A PARTY HAS BEEN FINALLY ADJUDICATED TO HAVE ENGAGED IN WILLFUL OR WANTON MISCONDUCT, IN WHICH CASE THE PARTY FOUND TO HAVE ENGAGED IN SUCH CONDUCT CANNOT AVAIL ITSELF OF THE PROTECTIONS IN THIS RULE 929, NEITHER INFX SEF (INCLUDING ITS SUBSIDIARIES AND AFFILIATES AND ANY CONTRACTORS PROVIDING SERVICES TO INFX SEF), NOR ANY OF THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, CONSULTANTS, AND LICENSORS (THE "DISCLAIMING PARTY" OR "DISCLAIMING PARTIES") SHALL BE LIABLE TO ANY PERSON FOR ANY LOSSES, DAMAGES, COSTS OR EXPENSES (INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, LOSS OF USE, AND DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES), ARISING FROM:
- (1) ANY FAILURE, MALFUNCTION, FAULT IN DELIVERY, DELAY, OMISSION, SUSPENSION, INACCURACY, INTERRUPTION, TERMINATION, OR ANY OTHER EVENT, IN CONNECTION WITH THE FURNISHING, PERFORMANCE, OPERATION, MAINTENANCE, USE OF OR INABILITY TO USE ALL OR ANY PART OF ANY OF THE SYSTEMS AND SERVICES OF THE PLATFORM, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS AND SERVICES, INCLUDING WITHOUT LIMITATION ELECTRONIC ORDER ENTRY/DELIVERY, TRADING THROUGH ANY ELECTRONIC MEANS,

ELECTRONIC COMMUNICATION OF MARKET DATA OR INFORMATION, WORKSTATIONS USED BY PARTICIPANTS, PRICE REPORTING SYSTEMS AND ANY AND ALL TERMINALS, COMMUNICATIONS NETWORKS, CENTRAL COMPUTERS, SOFTWARE, HARDWARE, AND FIRMWARE RELATING THERETO; OR

- (2) ANY FAILURE OR MALFUNCTION, FAULT IN DELIVERY, DELAY, OMISSION, SUSPENSION, INACCURACY, INTERRUPTION OR TERMINATION, OR ANY OTHER EVENT, OF ANY SYSTEM OR SERVICE OF INFX SEF, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES, CAUSED BY ANY THIRD PARTIES INCLUDING, BUT NOT LIMITED TO, INDEPENDENT SOFTWARE VENDORS AND NETWORK PROVIDERS; OR
- (3) ANY ERRORS OR INACCURACIES IN INFORMATION PROVIDED BY INFX SEF OR ANY OF INFX SEF'S SYSTEMS, SERVICES OR FACILITIES; OR
- (4) ANY UNAUTHORIZED ACCESS TO OR UNAUTHORIZED USE OF ANY OF INFX SEF'S SYSTEMS, SERVICES, EQUIPMENT OR FACILITIES BY ANY PERSON.

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

- (b) NOTWITHSTANDING SUBSECTION (a), (e), or (f) OF THIS RULE 929, IN NO EVENT SHALL ANY PERSON BRING ANY LEGAL ACTION (WHETHER IN TORT, NEGLIGENCE, OR BREACH OF CONTRACT) FOR ANY LOSSES DAMAGES, COSTS OR EXPENSES INCLUDING, BUT NOT LIMITED TO LOSS OF PROFITS, LOSS OF USE, DIRECT, SPECIAL, PUNITIVE, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, ARISING FROM THE USE OF THE PLATFORM.
- (c) THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS (INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE OR USE) PROVIDED BY THE DISCLAIMING PARTY OR DISCLAIMING PARTIES RELATING TO ANY SYSTEMS OR SERVICES OF INFX SEF OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES, INCLUDING THE INFX SEF PLATFORM.
- (d) ANY DISPUTE ARISING OUT OF THE USE OF SYSTEMS OR SERVICES OF INFX SEF OR SERVICES, EQUIPMENT, OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES IN WHICH THE DISCLAIMING PARTY OR DISCLAIMING PARTIES IS A PARTY SHALL BE ARBITRATED PURSUANT TO CHAPTER 11. ANY ARBITRATION SHALL BE BROUGHT WITHIN THE PERIOD PRESCRIBED BY CHAPTER 11. ANY OTHER ACTIONS, SUITS OR PROCEEDINGS AGAINST THE DISCLAIMING PARTY OR DISCLAIMING PARTIES MUST BE BROUGHT WITHIN



TWO (2) YEARS FROM THE TIME THAT A CAUSE OF ACTION HAS ACCRUED. THIS PARAGRAPH (d) SHALL IN NO WAY BE CONSTRUED TO LIMIT A PARTY'S OBLIGATION TO ARBITRATE ITS CLAIM OR TO CREATE A CAUSE OF ACTION AND SHALL NOT AUTHORIZE AN ACTION THAT WOULD OTHERWISE BE PROHIBITED BY THE INFX SEF RULES. IF FOR ANY REASON, A COURT OF COMPETENT JURISDICTION FINDS THAT A DISPUTE IS NOT ARBITRABLE, SUCH DISPUTE MAY ONLY BE LITIGATED IN THE COUNTY OF NEW YORK IN THE STATE OF NEW YORK AND WILL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA WITHOUT REGARD TO ANY PROVISIONS OF CALIFORNIA LAW THAT WOULD APPLY THE SUBSTANTIVE LAW OF A DIFFERENT JURISDICTION.

- (e) THE DISCLAIMING PARTY OR DISCLAIMING PARTIES, MAY, IN ITS SOLE DISCRETION, ASSUME RESPONSIBILITY FOR DIRECT, OUT-OF-POCKET LOSSES DIRECTLY CAUSED BY THE GROSS NEGLIGENCE OF INFX SEF STAFF AND/OR ORDER STATUS ERRORS PROVIDED BY INFX SEF OR AN INFX SEF SYSTEM, EQUIPMENT, SERVICE OR FACILITY. NOTWITHSTANDING THE ABOVE, i) INFX SEF'S TOTAL COMBINED AGGREGATE OBLIGATIONS SHALL NOT EXCEED \$25,000 FOR ALL LOSSES FROM ALL CAUSES SUFFERED ON A SINGLE DAY; \$100,000 FOR ALL LOSSES SUFFERED FROM ALL CAUSES IN A SINGLE CALENDAR MONTH; AND \$500,000 FOR ALL LOSSES FROM ALL CAUSES SUFFERED IN A SINGLE CALENDAR YEAR. ANY DISPUTED CLAIM PURSUANT TO THIS PARAGRAPH (e) MUST BE ARBITRATED PURSUANT TO CHAPTER 11.
  
- (f) IN NO EVENT SHALL THE DISCLAIMING PARTY OR DISCLAIMING PARTIES TOTAL COMBINED AGGREGATE LIABILITY FOR ALL CLAIMS ARISING OUT OF ANY FAILURES, MALFUNCTIONS, FAULTS IN DELIVERY, DELAYS, OMISSIONS, SUSPENSIONS, INACCURACIES, INTERRUPTIONS, TERMINATIONS, OR ANY OTHER CAUSES, IN CONNECTION WITH THE FURNISHING, PERFORMANCE, OPERATION, MAINTENANCE, USE OF OR INABILITY TO USE ALL OR ANY PART OF ANY OF INFX SEF'S SYSTEMS OR SERVICES, OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS AND SERVICES, OR THE NEGLIGENCE OF INFX SEF STAFF EXCEED \$500,000 IN ANY GIVEN CALENDAR YEAR. IF THE NUMBER OF ALLOWED CLAIMS ARISING OUT OF ANY FAILURES OR MALFUNCTIONS ON A SINGLE DAY OR SINGLE MONTH CANNOT BE FULLY SATISFIED BECAUSE OF THE ABOVE DOLLAR LIMITATIONS, ALL SUCH CLAIMS SHALL BE LIMITED TO A *PRO RATA* SHARE OF THE MAXIMUM AMOUNT FOR THE RESPECTIVE PERIOD.

CHAPTER 10.  
DISCIPLINARY RULES

**Rule 1001    General**

- (a) All Participants shall be subject to INFX SEF's jurisdiction. All Participants are subject to this Chapter 10 if they, or with respect to a Participant, any other Person using its Legal Entity Identifier or CICI, are alleged to have violated, to have aided and abetted a violation, to be violating, or to be about to violate, any INFX SEF Rule or any provision of Applicable Law for which INFX SEF possesses disciplinary jurisdiction.
- (b) The SEF Regulation Department has the authority to: (i) initiate and conduct inquiries and investigations; (ii) prepare investigative reports and make recommendations concerning initiating disciplinary proceedings; and (iii) prosecute alleged violations within INFX SEF's disciplinary jurisdiction.
- (c) Each Participant: (i) is obligated to appear and testify and respond in writing to interrogatories within the time period required by the SEF Regulation Department in connection with: (A) any Obligation; (B) any inquiry or investigation; or (C) any preparation by and presentation during a Disciplinary Action; (ii) is obligated to produce all books, records, papers, documents or other tangible evidence in its, his or her possession, custody or control within the time period required by the SEF Regulation Department in connection with: (A) any Obligation; (B) any inquiry or investigation; or (C) any preparation by and presentation during a Disciplinary Action; and (iii) may not impede or delay any Disciplinary Action.
- (d) INFX SEF, through the SEF Regulation Department, will promptly prosecute possible rule violations within INFX SEF's disciplinary jurisdiction.
- (e) The INFX SEF, through the Regulatory Services Provider, if any, and the Disciplinary Panel, will conduct inquiries, investigations, disciplinary proceedings, summary impositions of fines, summary suspensions or other summary actions in accordance with this Chapter 10.
- (f) No Platform Official or Officer will interfere with or attempt to influence the process or resolution of any inquiry, investigation or disciplinary proceeding. No Director will interfere with or attempt to influence the process or resolution of any Disciplinary Action.
- (g) Any Participant may be represented by counsel during any Disciplinary Action pursuant to this Chapter 10.
- (h) Participant Liability – Individual and Joint Liability/Controlling Person Liability.
  - (1) INFX SEF may hold a Participant liable for, and impose sanctions against such Participant, for such Participant's own acts and omissions that constitute a violation as well as for the acts and omissions of each (A) Authorized Person authorized by such Participant, (B) other Person using an Legal Entity Identifier or CICI of such Participant or (C) other agent or representative of such Participant, in each case, that constitute a violation as if such violation were that of the Participant.

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

(i) Ex Parte Communications.

- (1) A Person subject to a disciplinary proceeding (and any counsel or representative of such Person) and the SEF Regulation Department (and any counsel or representative of the SEF Regulation Department) shall not knowingly make or cause to be made an *ex parte* communication relevant to the merits of a disciplinary proceeding to any member of the Disciplinary Panel hearing such proceeding.
- (2) Members of a Disciplinary Panel shall not knowingly make or cause to be made an *ex parte* communication relevant to the merits of a disciplinary proceeding to any Person subject to such proceeding (and any counsel or representative of such Person) and the SEF Regulation Department (and any counsel or representative of the SEF Regulation Department).
- (3) Any Person who receives, makes or learns of any communication that is prohibited by this rule shall promptly give notice of such communication and any response thereto to the SEF Regulation Department and all parties to the proceeding to which the communication relates.
- (4) A Person shall not be deemed to have violated this rule if the Person refuses an attempted communication concerning the merits of a proceeding as soon as it becomes apparent the communication concerns the merits.

**Rule 1002     Investigations and Investigation Reports**

(a) Procedures.

- (1) INFX SEF's SEF Regulation Department shall initiate an investigation upon the receipt of a request from the CFTC or upon the discovery or receipt of information that, in the judgment of the SEF Regulation Department, indicates a possible basis for finding that a violation has occurred or will occur.
- (2) Absent mitigating circumstances, a SEF Regulation Department investigation must be completed no later than twelve (12) months after the date that such investigation is opened. If a SEF Regulation Department investigation will take longer than twelve (12) months to complete, SEF Regulation Department must explain the mitigating factors in writing to the Chief Compliance Officer.

(b) Investigation Reports.

- (1) If the SEF Regulation Department determines that a reasonable basis exists for finding a violation of the INFX SEF Rules or Applicable Law, SEF Regulation Department

must submit a Written report to the Review Panel, which shall include: a summary of the complaint, if any; a description of the Participant's disciplinary history (including warning letter); the relevant facts; SEF Regulation Department's analysis and conclusions; and a recommendation as to whether Disciplinary Action should be pursued.

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

(c) Warning Letters.

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

**Rule 1003     Disciplinary Panels**

(a) Disciplinary Panel Composition.

- (1) INFX SEF shall have a Review Panel and a Hearing Panel (collectively, the "Disciplinary Panel").
- (2) The Board shall appoint individuals at the recommendation of the Chief Compliance Officer to serve for a term of one-year, subject to reappointment by the Board, as potential participants on the Disciplinary Panels. The Chief Compliance Officer shall recommend at least three individuals who represent the views of the Participants.
- (3) The Chief Compliance Officer shall select a separate Review Panel and Hearing Panel prior to the commencement of each investigative or disciplinary matter by randomly selecting at individuals from the industry participant pools so that any group or class of industry participants is precluded from dominating or exercising disproportionate influence on the Disciplinary Panel being formed.
- (4) If an individual selected is an Interested Person or if a member of the Disciplinary Panel later becomes an Interested Person, a replacement for such individual shall be randomly selected by the Chief Compliance Officer.
- (5) The term of an individual that has been selected as a member of a Disciplinary Panel

will not expire until the related proceedings are completed.

- (6) Within ten (10) days of being notified of the appointment of the Disciplinary Panel, a respondent may seek to disqualify any individual named to the Disciplinary Panel for the reasons identified in Rule 212 or for any other reasonable grounds, including that such individual has a financial interest in the matter, by serving Written notice on the Chief Compliance Officer. By not timely filing a request for disqualification, the respondent will be deemed to have waived any objection to the composition of a Disciplinary Panel. The General Counsel of INFX SEF will decide the merits of any request for disqualification within his or her sole discretion. Any such decision will be final and not subject to appeal.
  - (7) No person shall serve on a Disciplinary Panel unless that person has agreed in writing that he or she will not publish, divulge, or make known in any manner, any facts or information regarding the business of any Person or any other information which may come to his attention in his official capacity as a member of the Disciplinary Panel, except when reporting to the Board or to a committee concerned with such information or to the SEF Regulation Department, when requested by the CFTC or other governmental agency or when compelled to testify in any judicial or administrative proceeding.
  - (8) All information, records, materials and documents provided to the Disciplinary Panels and all deliberations, testimony, information, records, materials and documents related thereto shall be treated as non-public and confidential and shall not be disclosed, except as necessary to further an investigation or as required by law.
- (b) Review Panel. The Review Panel is responsible for determining whether a reasonable basis exists for finding a violation of the INFX SEF Rules, and for authorizing the issuance of notices of charges against Persons alleged to have committed violations if the Review Panel believes that the matter should be adjudicated.
- (c) Hearing Panel. The Hearing Panel is responsible for adjudicating disciplinary cases pursuant to a notice of charges authorized by a Review Panel. No member of a Hearing Panel may have a financial, personal, or other direct interest in the matter under consideration.

#### **Rule 1004      Review of Investigatory Report**

- (a) Within thirty (30) days of receiving a completed investigation report pursuant to Rule 1002, a Review Panel must take one of the following actions:
- (1) If the Review Panel determines that additional investigation or evidence is needed, it must promptly direct the SEF Regulation Department to conduct further investigation.
  - (2) If the Review Panel determines that no reasonable basis exists for finding a violation or that prosecution is otherwise unwarranted, it may direct that no further action be taken. Such determination must be in writing, and must include a Written statement setting forth the facts and analysis supporting the decision.

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

#### **Rule 1005 Notice of Charges**

- (a) If the Review Panel directs that a respondent be served with a notice of charges pursuant to Rule 1004(a)(3), the SEF Regulation Department shall prepare and serve a notice of charges.
- (b) A notice of charges will state the acts, conduct, or practices in which the respondent is alleged to have engaged; state the rule, or rules, alleged to have been violated (or about to be violated); advise the respondent that he is entitled, upon request, to a hearing; prescribe the period within which a hearing on the charges may be requested, which shall not be less than twenty (20) days; advise the respondent that he has the right to be represented by legal counsel or any other representative of its choosing in all succeeding stages of the disciplinary process; advise the respondent that any failure to request a hearing within the period stated, except for good cause, will be deemed to constitute a waiver of the right to a hearing; and advise the respondent that any allegation in the notice of charges that is not expressly denied will be deemed to be admitted.
- (c) Any notice of charges or other documents to be served pursuant to this Chapter 10 may be served upon the respondent and service shall be deemed complete either personally or by leaving the same at his or her place of business; by deposit in the United States mail, postage prepaid, via registered or certified mail addressed to the respondent at the address as it appears on the books and records of INFX SEF; or via electronic mail to the electronic mail address as it appears on the books and records of INFX SEF.
- (d) Upon being served with a notice of charges, a respondent will have the right to be represented by legal counsel or any other representative of its choosing in all succeeding stages of the disciplinary process.

#### **Rule 1006 Answer to Notice of Charges**

- (a) In General. If the respondent determines to answer a notice of charges, the respondent must, in writing:
  - (1) specify the allegations that the respondent denies or admits;
  - (2) specify the allegations that the respondent does not have sufficient information to either deny or admit;
  - (3) specify any specific facts that contradict the notice of charges;
  - (4) specify any affirmative defenses to the notice of charges; and
  - (5) sign and serve the answer on the Chief Compliance Officer.

(b) Failure to Respond.

- (1) Any failure by the respondent to timely serve an answer to a notice of charges will be deemed to be an admission to the allegations in such notice. Any failure by the respondent to answer one or more allegations in a notice of charges will be deemed to be an admission of that allegation or those allegations. Any allegation in a notice of charges that the respondent fails to expressly deny will be deemed to be admitted. A general denial by the respondent, without more, will not satisfy the requirements of paragraph (a) above.
- (2) If a respondent admits to allegations through such a failure to respond, the Hearing Panel shall impose appropriate sanctions.
- (3) Before imposing sanctions pursuant to Rule 1006(b)(2), the Hearing Panel will notify the respondent in writing of any sanction to be imposed and advise the respondent that it may request a hearing on such sanction within a specified period of time. If a respondent fails to request a hearing within twenty (20) days after being served with such notice, the respondent will be deemed to have accepted the sanction.

(c) Denial of Charges and Right to Hearing.

- (1) If a respondent requests a hearing on a charge that is denied pursuant to Rule 1006(a), or on a sanction set by the Hearing Panel pursuant to Rule 1006(b)(3), the respondent shall be entitled to a hearing in accordance with Rule 1009.
- (2) Except for good cause shown, the hearing will be concerned only with those charges denied and/or sanctions set by the Hearing Panel under Rule 1006(b)(3) for which a hearing has been requested.

**Rule 1007 Settlements**

- (a) A respondent or potential respondent may at any time propose in writing an offer of settlement related to anticipated or instituted disciplinary proceedings.
- (b) Any offer of settlement should contain proposed findings and sanctions and be signed by the respondent or potential respondent and submitted to the Disciplinary Panel presiding over the matter.
- (c) A respondent or potential respondent may offer to settle disciplinary proceedings without admitting or denying the findings contained in the order of the disciplinary proceedings but must accept the jurisdiction of INFX SEF over it and over the subject matter of the proceedings and consent to the entry of the findings and sanctions imposed.
- (d) If a respondent or potential respondent submits an offer of settlement in accordance with paragraph (a) above, the SEF Regulation Department will forward the offer to the Hearing Panel with a recommendation on whether to accept or reject the offer. If the SEF Regulation Department and Hearing Panel agree to accept the offer of settlement, then the offer of settlement shall be accepted. The Hearing Panel may nonetheless accept the offer of

settlement against the recommendation of the SEF Regulation Department. If applicable, the Hearing Panel's decision must include a statement that the respondent has accepted the sanctions imposed without either admitting or denying the rule violations.

- (e) Upon accepting any offer of settlement, the Hearing Panel shall issue a Written decision specifying the rule violations it has reason to believe were committed, including the basis or reasons for the panel's conclusions, and any sanction to be imposed, which must include full customer restitution where customer harm is demonstrated.
- (f) If the Hearing Panel accepts an offer of settlement against the recommendation of the SEF Regulation Department, the decision must adequately support the Hearing Panel's acceptance of the settlement.
- (g) If an offer of settlement is accepted by the Hearing Panel, the respondent's submission of the offer will be deemed to constitute a waiver of the right to notice, opportunity for a hearing and review and appeal under the INFX SEF Rules.
- (h) If the offer of settlement is not accepted or is withdrawn by the respondent or potential respondent, the matter will proceed as if the offer had not been made and the offer and all documents relating to it will not become part of the record. Neither a respondent or potential respondent nor the Hearing Panel may use an unaccepted offer of settlement as an admission or in any other manner at a hearing of, or appeal from, disciplinary proceedings.

#### **Rule 1008 Respondent Review of Evidence**

- (a) Prior to the commencement of a hearing, each respondent will be given the opportunity to review all books, records, documents, papers, transcripts of testimony and other tangible evidence in the possession or under the control of INFX SEF that the SEF Regulation Department will use to support the allegations and proposed sanctions in the notice of charges or which the chair of the Hearing Panel deems relevant to the disciplinary proceedings. Notwithstanding the foregoing, no respondent will have the right to review, and INFX SEF will have no obligation to disclose, any information protected by attorney-client privilege.
- (b) If any books, records, documents, papers, transcripts of testimony, or other tangible evidence contain information that could adversely affect the competitive position of the Person providing the information or if such information might compromise other investigations being conducted by the SEF Regulation Department, the SEF Regulation Department may redact, edit or code such information before furnishing it to the respondent.
- (c) Notwithstanding anything in paragraph (b) above to the contrary, the SEF Regulation Department:
  - (1) will not redact, edit or code competitive or investigative information contained in documents in a manner that would impair the respondent's ability to defend against the allegations or proposed sanctions in the notices of charges; and
  - (2) will provide the respondent with access to the information and portions of the documents that the SEF Regulation Department intends to rely on to support the



allegations or proposed sanctions in the notice of charges.

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

## **Rule 1009     Hearings**

### **(a) Hearing Procedures.**

- (1) A hearing will be promptly convened after reasonable notice to the respondent and will be conducted privately and confidentially. Notwithstanding the confidentiality of hearings, the Hearing Panel may appoint an expert to attend any hearing and assist in deliberations if such expert agrees to be subject to an appropriate confidentiality agreement.
- (2) After reasonable notice to each respondent, the Hearing Panel will promptly convene a hearing to conduct the disciplinary proceedings with respect to such respondent. Parties to a disciplinary proceeding include each respondent and the SEF Regulation Department.
- (3) The chair of the Hearing Panel may continue, adjourn or otherwise conduct the hearing, as he or she may deem appropriate. The chair of the Hearing Panel will determine all procedural and evidentiary matters, including the admissibility and relevance of any evidence proffered. In determining procedural and evidentiary matters, the chair of the Hearing Panel will not be bound by any evidentiary or procedural rules or law. Once admitted during the hearing, the Hearing Panel may consider, and attach the weight it believes appropriate to, evidence or other materials. The General Counsel of INFX SEF, or its designee, will provide guidance to the chair of the Hearing Panel on the conduct of the hearing.
- (4) Except for procedural and evidentiary matters decided by the chair of the Hearing Panel pursuant to paragraph (3), unless each respondent otherwise consents, the entire Hearing Panel must be present during the entire hearing and any related deliberations.

### **(b) Conducting Hearings.**

- (1) At a hearing conducted in connection with any disciplinary proceedings, the SEF Regulation Department will present its case supporting the allegations and proposed sanctions in the notice of charges to the Hearing Panel. If a respondent has timely filed an answer to the notice of charges in accordance with Rule 1006, the respondent is entitled to attend and participate in the hearing.
- (2) At a hearing conducted in connection with any disciplinary proceedings, the Hearing Panel or the SEF Regulation Department and each respondent may:
  - i. present evidence and facts determined relevant and admissible by the chair of

the Hearing Panel;

- ii. call and examine witnesses; and
  - iii. cross-examine witnesses called by other parties.
- (3) If the respondent fails to file an answer, has filed a general denial, or if any or all of the allegations in the notice of charges are not expressly denied in the respondent's answer, the chair of the Hearing Panel may limit evidence concerning any allegations not expressly denied in determining the sanctions to impose. If a respondent fails to file an answer but appears at the hearing, the respondent may not participate in the hearing (by calling or cross-examining witnesses, testifying in defense, presenting evidence concerning the notice of charges, or otherwise) unless the Hearing Panel determines that the respondent had a compelling reason for failing to timely file an answer. If the Hearing Panel determines that the respondent had a compelling reason for failing to timely file an answer, the Hearing Panel will adjourn the hearing and direct the respondent to promptly file a Written answer in accordance with Rule 1006.
- (4) Any Person entitled, or required or called upon, to attend a hearing before a Hearing Panel pursuant to paragraph (b)(2) above will be given reasonable notice, confirmed in writing, specifying the date, time and place of the hearing, and the caption of the disciplinary proceedings. All Participants (that are individuals) that are called as witnesses are required to appear at the hearing and, where applicable, produce evidence. The SEF Regulation Department will make reasonable efforts to secure the presence of all other Persons called as witnesses whose testimony would be relevant.
- (5) If during any disciplinary proceeding, the Hearing Panel determines that a reasonable basis exists to believe that the respondent violated or is about to violate a Rule of INFX SEF or a provision of Applicable Law other than the violations alleged in the notice of charges, the Hearing Panel may consider those apparent violations after providing the respondent with an opportunity to answer the additional allegations in accordance with Rule 1006. In connection with considering apparent violations pursuant to this paragraph (b)(5), the Hearing Panel may request that the SEF Regulation Department provide the Hearing Panel with any additional information related to the violations at issue.
- (6) INFX SEF will arrange for an audio recording of every hearing conducted in connection with disciplinary proceedings to be created, which shall become a part of the record. At the direction of the CFTC or the request of the respondent, INFX SEF will arrange for the recording to be accurately transcribed. If the respondent requests a copy of all or portions of the recording of a hearing, the chair of the Hearing Panel may within his or her sole discretion require the respondent to pay the costs for transcribing the recording of the hearing.
- (c) The Hearing Panel may summarily impose sanctions on any Participant that impedes or delays the progress of a hearing.
- (d) No interlocutory appeals of rulings of any Hearing Panel or chair of the Hearing Panel are

permitted.

#### **Rule 1010 Decision of Hearing Panel**

- (a) As promptly as reasonable following a hearing, the Hearing Panel will issue a Written order rendering its decision based on the weight of the evidence contained in the record of the disciplinary proceedings. A decision by a majority of the Hearing Panel will constitute the decision of the Hearing Panel.
- (b) INFX SEF will serve a copy of the order of the disciplinary proceedings on the respondent and the SEF Regulation Department. The order will include:
  - (1) the notice of charges or summary of the allegations;
  - (2) the answer, if any, or a summary of the answer;
  - (3) a brief summary of the evidence introduced at the hearing or, where appropriate, incorporation by reference of the Investigation Report;
  - (4) findings of fact and conclusions concerning each allegation, including a complete explanation of the evidentiary and other basis for such findings and conclusions with respect to each allegation;
  - (5) each specific Rule of INFX SEF and provision of Applicable Law that the respondent is found to have violated; and
  - (6) the imposition of sanctions, if any, including the basis for such sanctions and the effective date of each sanction.

#### **Rule 1011 Sanctions**

- (a) After notice and opportunity for hearing in accordance with the INFX SEF Rules, INFX SEF will impose sanctions if any Participant or other Person using any of the Participant's Legal Entity Identifier or CICI is found to have violated or to have attempted to violate a Rule of the Platform or provision of Applicable Law for which INFX SEF possesses disciplinary jurisdiction. All sanctions must take into account the respondent's disciplinary history. In the event of demonstrated customer harm, any sanction must also include full customer restitution. INFX SEF may impose one or more of the following sanctions or remedies: (1) censure; (2) limitation on Trading Privileges, ability to otherwise access the Platform, and/or other activities, functions or operations; (3) suspension of Trading Privileges and/or ability to otherwise access the Platform; (4) fine (subject to paragraph (b) below); (5) restitution or disgorgement; (6) termination of Trading Privileges and/or ability to otherwise access the Platform; or (7) any other sanction or remedy deemed to be appropriate.
- (b) INFX SEF may impose a fine of up to \$1,000,000 for each violation of a Rule of INFX SEF or a provision of Applicable Law. If a fine or other amount is not paid within 30 days of the date that it becomes payable, then interest will accrue on the sum from the date that it became payable at the quoted prime rate plus three (3) percent. INFX SEF has sole discretion to select

the bank on whose quotations to base the prime rate. Participant will be responsible for paying any fine or other amount imposed on, but not paid by, any of its Authorized Persons.

**Rule 1012 No Right to Appeal**

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

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

- (a) The Chief Compliance Officer or SEF Regulation Department may summarily impose a fine for violations of rules relating to the timely submission of accurate records required for clearing or verifying each day's transactions.
- (b) The Chief Compliance Officer or SEF Regulation Department will give notice of any summary fine imposed pursuant to this Rule 1013, which shall include:
  - (1) the violations of the INFX SEF Rules for which the fine is being imposed;
  - (2) the date of the violation for which the fine is being imposed; and,
  - (3) the amount of the fine.
- (c) In lieu of a summary fine, the Chief Compliance Officer may issue a warning letter for first-time violations or violators pursuant to Rule 1002(c), provided that no more than one warning letter may be issued per rolling 12-month period for the same violation by the same Person.
- (d) Any Person subject to a summary fine may challenge such summary fine by denying the charges and filing a request for a hearing pursuant to Rule 1006(c).

**Rule 1014 Emergency Summary Suspensions and Other Summary Actions**

- (a) Notwithstanding anything in the INFX SEF Rules to the contrary, the Chief Compliance Officer may, after consultation with the SEF Regulation Department, if practicable, summarily suspend, revoke, limit, condition, restrict or qualify a Participant's Trading Privileges and/or ability to otherwise access the Platform; provided, however, that the Chief Compliance Officer may only summarily suspend a Participant's Trading Privileges or the trading privileges of any Participant's Authorized Persons if the Chief Compliance Officer reasonably believes that:
  - (1) such Person is subject to statutory disqualification from registration as provided in CEA Section 8a(2) or (3);
  - (2) such Person has filed to pay applicable fees, costs, charges, fines or arbitration awards;  
or
  - (3) immediate action is necessary to protect the public or the best interests of INFX SEF.
- (b) Whenever practicable, INFX SEF shall provide prior Written notice to the party against whom

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

- (c) Any action taken in accordance with paragraph (a) will become final upon the expiration of 20 days after the notice of action is served on the respondent.
- (d) At the request of INFX SEF, a respondent against whom a summary action is brought pursuant to this Rule 1014 must provide books and records over which the respondent has access or control and must furnish information to, or appear or testify before, INFX SEF in connection with the enforcement of any Rule of INFX SEF.

### **Rule 1015 Rights and Responsibilities after Suspension or Termination**

- (a) When a Participant's Trading Privileges and/or ability to otherwise access the Platform are suspended for a period of 12 months or less, none of its rights (including the right to hold oneself out to the public as a Participant, enter Orders into the Platform and receive Participant rates for fees, costs, and charges and deposit margin at Participant levels) will apply during the period of the suspension, except for the right of the Participant in question to assert claims against others as provided in the INFX SEF Rules. Any such suspension will not affect the rights of creditors under the INFX SEF Rules or relieve the Participant in question of its, his or her obligations under the INFX SEF Rules to perform any Contracts entered into before the suspension, or for any INFX SEF fees, costs, or charges incurred during the suspension. INFX SEF may discipline a suspended Participant under this Chapter 10 for any violation of a Rule of INFX SEF or provision of Applicable Law committed by the Participant before, during or after the suspension.
- (b) When a Participant's Trading Privileges and/or ability to otherwise access the Platform are terminated, all of its related rights will terminate, except for the right of the Participant in question to assert claims against others, as provided in the INFX SEF Rules. Any such termination will not affect the rights of creditors under the INFX SEF Rules. A terminated Participant may only seek to be reinstated by applying for Trading Privileges pursuant to Rule 302.
- (c) INFX SEF will not consider the application of a terminated Participant if such Participant, as the case may be, continues to fail to appear at disciplinary proceedings without good cause or continues to impede the progress of disciplinary proceedings.
- (d) A suspended or terminated Participant remains subject to the INFX SEF Rules and the jurisdiction of INFX SEF for acts and omissions prior to the suspension or termination, and must cooperate in any inquiry, investigation, disciplinary proceeding, summary suspension or other summary action as if the suspended or terminated Participant still had Trading Privileges or ability to otherwise access the Platform.
- (e) In the event of the suspension or revocation of a Participant's Trading Privileges and/or ability to otherwise access the Platform, INFX SEF shall seek to facilitate the transfer of any Customer Accounts held by such Participant to other Participants with Trading Privileges and/or ability to otherwise access the Platform.

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

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

CHAPTER 11.  
ARBITRATION RULES

**Rule 1101 Disputes Subject to Arbitration**

(a) Mandatory Arbitration of Disputes Among Participants.

- (1) It is contrary to the objectives and policy of INFX SEF for Participants to litigate INFX SEF-related disputes. Participants must arbitrate all disputes between or among themselves that relate to or arise out of any transaction on or subject to the INFX SEF Rules that are based upon facts and circumstances that occurred at a time when the parties were Participants, other than disputes between a Participant and Clearing Member relating to a Contract that fails to clear. Such arbitrations shall be conducted pursuant to the NFA Arbitration Program.
- (2) Notwithstanding the foregoing, this Rule 1101 does not require an employee of a Participant to submit to arbitration any claim that includes allegations of a violation of federal, state or local employment discrimination, sexual harassment, wage payment or benefits laws.

(b) Claims Against a Clearing House.

- (1) Claims against a Clearing House must be pursued pursuant to the rules of the Clearing House.

(c) Permissive Arbitration.

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

- (1) claims of a Customer or Client that is not a Participant against a Participant that relate to or arise out of any transaction on or subject to the INFX SEF Rules;
- (2) claims between a Participant and Clearing Member relating to a Contract that fails to clear;
- (3) at the discretion of the Chief Compliance Officer, any claim involving the interests of INFX SEF, its Participants, their business relations or trading in general not otherwise arbitrable under these rules, provided the parties have consented to such arbitration

(d) Waiver of Any Objection to Jurisdiction.

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

## **Rule 1102     Initiating an Arbitration Claim**

- (a) A claimant may initiate a claim by submitting the required documents and fees to the NFA Arbitration Program. A claimant shall provide notice of such arbitration claim to INFX SEF.
- (b) An arbitration arising from or in connection with the INFX SEF Rules must be brought to arbitration through by the NFA Arbitration Program or another arbitration program permitted by the CFTC Regulations within two (2) years from the occurrence of the event giving rise to the dispute.
- (c) Each party to the dispute will bear its own costs and expenses in connection with any arbitration hereunder, as well as an equal share of the administrative fees and the fees of the arbitrator; provided, however, that the arbitrator will be entitled to include in any award a full reimbursement for the prevailing party's costs and expenses, such party's share of the administrative fees and the fees of the arbitrator, or any combination of any or all of the above. In the event that this Rule 1102 is held to be unenforceable in connection with any dispute, (i) exclusive jurisdiction for any such dispute will reside in any state or federal court sitting in the San Francisco, CA metropolitan area, (ii) INFX SEF and the Participant involved in the dispute will be presumed to have submitted to the personal jurisdiction of any such court, and (iii) an action to enforce any judgment or decision of such court may be brought in the same court or in any other court with jurisdiction or venue.



CHAPTER 12.  
MISCELLANEOUS

**Rule 1201 INFX SEF Personnel: Trading and Use of Material, Non-Public Information**

- (a) Except as provided by Rules 1201(b) and 1201(c), Officers and INFX SEF employees are prohibited from:
- (1) Trading, directly or indirectly, in any Commodity Interest traded on INFX SEF;
  - (2) Trading, directly or indirectly, in any related Commodity Interest;
  - (3) Trading, directly or indirectly, in a Commodity Interest traded on other Swap Execution Facilities or any Designated Contract Markets, or cleared by a Derivatives Clearing Organizations if the Officer or employee has access to material, non-public information concerning such Commodity Interest; and
  - (4) Trading, directly or indirectly, in a Commodity Interest traded on or cleared by a linked exchange if the employee has access to material, non-public information concerning such commodity interest.
- (b) The Chief Executive Officer may exempt, in whole or in part, an Officer or INFX SEF employee from the prohibitions of Rule 1201(a), if such Officer or INFX SEF employee applies in writing for an exemption and demonstrates to the satisfaction of the Chief Executive Officer that the Officer or INFX SEF employee meets all of the following criteria:
- (1) the Officer or INFX SEF employee does not have access to material, non-public information in the course of his or her employment;
  - (2) the Officer or INFX SEF employee agrees to provide INFX SEF with account statements and other documents relevant to the Officer's or INFX SEF employee's buying and selling of Contracts directly or indirectly; and
  - (3) the Officer or INFX SEF employee agrees to inform the Chief Executive Officer in writing of any material change that may affect the Officer's or INFX SEF employee's qualification for an exemption within one (1) Business Day of the change.
- (c) With the Chief Executive Officer's Written approval, INFX SEF Rule 1201(a) does not prohibit an Officer or INFX SEF employee from participating in a pooled investment vehicle or other investment vehicle whose investments are directed by a third-party advisor if the Officer or INFX SEF employee has no direct or indirect control over transactions executed by the investment vehicles.
- (d) INFX SEF Officers, employees, agents and independent contractors of INFX SEF are prohibited from disclosing material, non-public information obtained as a result of his or her employment, agency relationship or engagement with INFX SEF where the INFX SEF Officer, agent or independent contractor expected or should have reasonably expected that the information disclosed may assist a Person in trading any Contract, any Contract traded on

another exchange, or any related underlying commodity or security.

- (e) Rule 1201(d) shall not prohibit an INFX SEF Officer, agent or independent contractor of INFX SEF from disclosing material, non-public information while discharging his or her official duties and responsibilities, including disclosures to another Self-Regulatory Organization, linked exchange, court of competent jurisdiction, or a representative of any agency or department of the federal or state government.
- (f) For the purposes of this Rule 1201, the terms “material information,” “non-public information,” “linked exchange,” and “pooled investment vehicle” each shall have the meaning set forth in CFTC Regulation § 1.59(a).

**Rule 1202 No Endorsement of Opinions, Research or Recommendations**

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

**Rule 1203 Not a Party**

INFX SEF is not directly or indirectly a party to or participant in any trade or Swap entered into or otherwise conducted through the Platform.

**Rule 1204 No Advice**

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

**Rule 1205 Gifts and Gratuities**

- (a) Except as permitted in writing by the Chief Executive Officer, INFX SEF Officers and employees may not accept bribes, kickbacks, gratuities, lavish gifts, or anything that might make it appear that their judgment on behalf of INFX SEF would be compromised.
- (b) INFX SEF Officers and employees may not provide anything of value to a Participant or Authorized Person directly or indirectly, including gratuities.

**Rule 1206 Market Data and Intellectual Property**

- (a) All Participants and all employees, agents, vendors, and other Persons affiliated with the foregoing understand and acknowledge that INFX SEF has a proprietary interest in:
  - (1) the price and quantity data from each and every transaction executed on the Platform, including the time at which the transaction was executed by, or submitted to, the Platform;

- (2) the price and quantity data for each and every bid and offer submitted for entry into the Platform, including the time at which the bid and offer was entered into the Platform;
  - (3) the Daily Settlement Price of each Contract;
  - (4) any data and information derived from (i), (ii) and (iii) and the format and presentation thereof; and
  - (5) the transmissions and dissemination of the data and information to Participants any publisher of the data or information with whom INFX SEF has a Written agreement, and any other Persons.
- (b) Participant shall not, without INFX SEF's prior Written consent, directly or indirectly, sell, redistribute, or facilitate redistribution of, all or any portion of the data on the Platform to any third party; provided, however, that such consent shall not be required for (i) redistributing, or facilitating the redistribution of Transaction Data, (ii) copying, reproduction or re-transmission of information that is generally available to the public free of charge, (iii) any part of the data on the Platform for administrative, regulatory or reporting purposes of the Participant, (iv) the solicitation and entry of orders for trades in the Platform, or (v) the provision of indicative valuations to Participant's counterparties.
- (c) Notwithstanding Rule 1206(b), any Transaction Data that Participant generates and provides to the Platform in connection with Transactions shall be treated as the non-exclusive property of Participant and INFX SEF, each of whom shall have the right to use, sell, retransmit and/or redistribute such Transaction Data. From time to time, INFX SEF may request the participation of Participant and/or its Authorized Persons in determining daily settlement prices for Contracts listed on the Platform. Such participation may include the voluntary submission to INFX SEF of various price data other than Transaction Data. Such data shall remain the exclusive property of the Participant and Participant shall retain the right to use, sell, retransmit or redistribute such data.

#### **Rule 1207      Extension or Waiver of Rules**

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

#### **Rule 1208      Effect of Amendment, Repeal or New Rule**

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

as determined by the Board in its sole discretion, then the amendment, repeal or new INFX SEF Rule is binding only on Contracts listed for trading after the effective date of such amendment, repeal or adoption, and Contracts listed as of the effective date of such amendment, repeal or adoption with no open positions then in existence, unless otherwise specifically provided by the Board.

**Rule 1209     Governing Law, Jurisdiction and Dispute Resolution**

- (a) The law of the State of California governs the INFX SEF Rules, without regard to California's conflict of laws principles.
- (b) Any dispute between INFX SEF and a Participant arising from or in connection with the INFX SEF Rules will be settled by arbitration pursuant to Chapter 11. All Participants unconditionally and irrevocably waive any and all right to trial by jury in connection with any such dispute.

CHAPTER 13.  
CONTRACT SPECIFICATIONS

**INFX SEF Contract Specifications**

INFX SEF offers Non-Deliverable Forward Contracts the terms and conditions of which are defined below:

**Type of Contract:** Non-Deliverable Forwards

**Currency Pairs:** NDFs can be comprised of 20 different Currency Pairs to be offered on INFX SEF:

- EUR/CNY
- EUR/IDR
- EUR/KRW
- EUR/MYR
- EUR/PHP
- EUR/RUB
- EUR/TWD
- JP/KRW
- USD/BRL
- USD/CLP
- USD/CNY
- USD/COP
- USD/IDR
- USD/INR
- USD/KRW
- USD/MYR
- USD/PEN
- USD/PHP
- USD/RUB

**Term:** 3 years or less

**Fixing Date:** Any date can be used and agreed upon by the parties to the transaction on the Trade Date.

**Fixing Spot Rate:** The rate released by the Source Agency.

**Settlement Currency:** EU or USD

**Settlement Date:** Any date can be used and agreed upon by the parties to the transaction on the Trade Date.

**Notional Size:** Any size

**Tick:** Any tick size

**Trading Hours: Sunday 5PM ET – Friday 5PM ET**

**Source Agencies:**

<u>Reference Currency</u>	<u>Reference Currency Name</u>	<u>Busines s Center</u>	<u>Time</u>	<u>Page</u>	<u>Details</u>
COP	Columbian Peso	COBO	12:00:00	Reuters	Reuters Screen CO/COL03 Page opposite the caption TRCM
TWD	Taiwan Dollar	TWTA	11:00:00	Reuters	Telerate Page 6161 under the heading Spot
BRL	Brazilian Real	BRSP	11:00:00	Reuters	Reuters Screen BRBY Page under the caption INTBK FLTING (LAST)
MYR	Malaysian Ringgit	MYKL	11:30:00	Telerate	Telerate Page 50157 to the right of the caption Spot under the column MYR
CNY	Chinese Renminbi	CNBE	16:00:00	Reuters	Reuters Screen SAEC Page opposite the symbol CYN
IDR	Indonesian Rupiah	IDJA	11:30:00	Telerate	Telerate Page 50157 to the right of the caption Spot under the column IDR
RUB	Russian Ruble	RUMO	10:30:00	Reuters	Reuters Screen MICEXFRX Page
PHP	Philippine Peso	PHMA	11:00:00	Reuters	Reuters Screen PHPESO Page
KRW	Korean Won	KRSE	8:00:00	Reuters	Reuters Screen KFTC18 Page under the heading KRW and in the row USD
ARS	Argentine Peso	ARBA		Reuters	Reuters Screen BNAR Page
CLP	Chilean Peso	CLSA	10:00:00	Reuters	Reuters Screen BCCH Page under the caption - OBSERVADO
INR	Indian Rupee	INMU	14:30:00	Reuters	Reuters Screen RBIB Page Reuters Screen PDSB Page in the row entitled "INTRB" and below the caption "ULT/REUTERS"
PEN	Peruvian Sol	PELI	12:00:00	Reuters	