

SUBMISSION COVER SHEET

Registered Entity Identifier Code (optional) 13-01

Date: September 30, 2013

IMPORTANT: CHECK BOX IF CONFIDENTIAL TREATMENT IS REQUESTED.

ORGANIZATION

INFX SEF, Inc.

FILING AS A: DCM SEF DCO SDR ECM/SPDC

TYPE OF FILING

• Rules and Rule Amendments

- Certification under § 40.6 (a) or § 41.24 (a)
- "Non-Material Agricultural Rule Change" under § 40.4 (b)(5)
- Notification under § 40.6 (d)
- Request for Approval under § 40.4 (a) or § 40.5 (a)
- Made Available To Trade Determination under § 40.5 or § 40.6
- Advance Notice of SIDCO Rule Change under § 40.10 (a)

• Products

- Certification under § 40.2 (a) or § 41.23 (a)
- Submission under § 39.5
- Swap Class Certification under § 40.2 (d)
- Request for Approval under § 40.3 (a)
- Novel Derivative Product Notification under § 40.12 (a)

RULE NUMBERS

Not applicable.

DESCRIPTION

In accordance with Commodity Futures Trading Commission Regulation § 40.2(a), attached is a submission from INFX SEF, Inc. for certification of a new product for trading – the "Non-Deliverable Forward Swap contract."

September 30, 2013

VIA EMAIL SUBMISSION: submissions@cftc.gov

Ms. Melissa Jurgens
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

Re: New Contract Submission 13-01: Rule 40.2(a) Certification of INFX SEF, Inc. Non-Deliverable Forwards

Dear Ms. Jurgens:

INFX SEF, Inc. (“INFX”) hereby notifies the Commodity Futures Trading Commission (“CFTC”) of its intent to list a Non-Deliverable Forward Swap contract (the “Contract”) on INFX’s swap execution facility platform. INFX’s intended listing date is October 2, 2013.

Pursuant to CFTC Regulation 40.2, this submission includes:

- (i) A copy of the submission cover sheet;
- (ii) A copy of the Contract’s rules;
- (iii) The intended listing date (October 2, 2013);
- (iv) A certification that the Contract complies with the Commodity Exchange Act (“CEA”) and CFTC regulations thereunder (*see* Schedule 1);
- (v) A concise explanation and analysis of the Contract and its compliance with applicable provisions of the CEA, including Core Principles, and the CFTC’s regulations thereunder (*see* Schedule 2); and
- (vi) A certification that INFX posted a notice of pending certification with the CFTC and a copy of this submission on INFX’s website concurrent with this submission (*see* Schedule 1).

Please contact Stephanie Feldt or Peter Y. Malyshev using the information below if you have any questions regarding this submission.

Stephanie Feldt
3400 Hillview Avenue
Building 4
Palo Alto, CA 94304
Phone: (650) 424-4529
Email: stephanie.feldt@integral.com

Peter Y. Malyshev
Latham & Watkins LLP
555 11th Street, NW
Washington, DC 20004
Phone: (202) 637-1087
Email: peter.malyshev@lw.com

Sincerely,



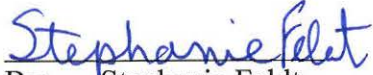
Stephanie Feldt
Chief Compliance Officer

cc: Nancy Markowitz, Deputy Director, Division of Market Oversight, Exchange and Data
Repository Branch
(Commodity Futures Trading Commission)

Peter Y. Malyshev
Jonathan T. Ammons
(Latham & Watkins LLP)

**SCHEDULE 1
Certifications**

I hereby certify that: (1) the Non-Deliverable Forward Swap contract complies with the Commodity Exchange Act, 7 U.S.C. § 1 *et seq.* and the Commodity Futures Trading Commission's regulations promulgated thereunder; and (2) concurrent with this submission, INFX SEF, Inc. has posted on its website: (a) a notice of pending certification of this Non-Deliverable Forward Swap contract; and (b) a copy of this submission.



By: Stephanie Feldt
Title: Chief Compliance Officer
Date: September 30, 2013

SCHEDULE 2

Explanation and Analysis

All capitalized terms not otherwise defined in this Schedule 2 shall have the meanings ascribed to them in Appendix 1 (Contract Terms).

I. Contract Description

The Non-Deliverable Forward Swap contract (the “Contract”) is a typical non-deliverable forward (“NDF”) contract. NDFs are cash settled foreign exchange forwards between two counterparties, typically used to either hedge or speculate against currencies where exchange controls in a particular country make it difficult for market participants to trade in the spot or forward market directly. NDFs may also be based on two currencies that are not subject to exchange controls, however.

Counterparties to the Contract will not exchange the underlying currencies. Instead, the entire deal is settled in U.S. dollars or Euros. Settlement for the Contract will be arranged by calculating the difference between the Forward Rate, which is agreed upon between the counterparties at the start of the contract, and the prevailing Fixing Spot Rate, on the Fixing Date. The difference is then multiplied by the notional amount, which is also determined at the start of the contract, to arrive at the settlement amount. Cash settlement of the settlement amount will be due on the Settlement Date.

II. Compliance with Applicable Provisions of the CEA and CFTC Regulations

INFX SEF, Inc. (“INFX”) has determined that the Core Principles identified below apply to the Contract. As required by CFTC Regulation § 40.2, the following analysis therefore demonstrates that the Contract is compliant with applicable provisions of the CEA and CFTC regulations and policies thereunder.

Core Principle 2 – Compliance with Rules

- INFX is proposing that the Contract be listed on its swap execution facility (“SEF”) platform. All of INFX’s rules in the INFX rulebook would apply to the Contract if it is listed.
- Chapter 9 of the INFX rulebook prohibits abusive trading practices in any contract approved for trading on the INFX platform. The INFX rulebook is enforced by INFX’s SEF Regulation Department (which includes INFX compliance employees as well as the National Futures Association (“NFA”). Chapter 10 of the INFX rulebook sets forth the rules governing both the investigations and prosecutions of rule violations.
- Under INFX Rule 311, any person accessing the SEF platform, entering orders into the platform or submitting any contracts into the platform agree to, among other things: (i) be bound by and comply with the INFX rulebook and (ii) become subject to INFX’s jurisdiction.

Core Principle 3 – Swaps Not Readily Susceptible to Manipulation

- As noted above, the Contract is a typical NDF contract where the counterparties arrange settlement by calculating the difference between the Forward Rate and the prevailing Fixing Spot Rate on the Fixing Date. As such, the reference price is the prevailing Fixing Spot Rate on the date and time in which the parties agree that the comparison will be made (*i.e.*, the Fixing Date). The source for the Fixing Spot Rate on the Fixing Date will be bilaterally agreed and, in a majority of cases, fixed against a daily rate published by the central bank of the relevant country. Other rates are an average of interbank prices generated by the WM Company and Reuters. The underlying rates used are those deemed to be most appropriate for foreign investment transactions, and a number of quality control checks are applied by WM.
- The Contract is therefore not readily susceptible to manipulation for a number of reasons. First, as described above, the Fixing Spot Rate (*i.e.*, the reference price) is generated through a transparent, rules-based process. The reliability of the Fixing Spot Rate data is evident in its general acceptance in the marketplace as a reliable, unbiased source for foreign exchange rate data. Second, the foreign exchange market is an extremely liquid market with massive volume, making manipulation very difficult to achieve. Third, the Fixing Spot Rates are readily available via a number of sources including websites of the various central banks. Finally, and as described below, INFX has developed a market surveillance program that is able to effectively surveil this market, detect uncommon activity, and investigate such activity for signs of manipulation.
- INFX has established rules and an enforcement infrastructure to prevent manipulation of the Contract. INFX has, with the assistance of the NFA, implemented a compliance program which conducts market surveillance and trade practice monitoring on a real-time and T+1 basis. For real-time trade monitoring, INFX has an automated system in place to detect market anomalies and potentially manipulative behavior. In addition, INFX will coordinate with the NFA to ensure that such real-time monitoring is integrated with the NFA's T+1 surveillance of manipulative trade practice (*e.g.*, front-running, wash trading, pre-arranged trading, fraudulent trading, money passes). INFX's SEF Regulation Department will supervise the effectiveness of the services provided by the NFA.

Core Principal 6 - Position limits or accountability

- INFX does not currently plan to impose position limits on the Contract due to the fact that the Contract does not have a deliverable supply and is not subject to minimum position limits under statute or CFTC regulations. Instead, the Contract is cash settled and such settlement does not depend on the supply of physical commodities or related securities. At this time, INFX has determined that position accountability limits will allow it to monitor the market and enforce the INFX rules.
- Position accountability is address in INFX Rules 924 and 925.

Core Principal 7 - Financial integrity of transactions

- INFX Rule 504(b) and Chapter 8 of the INFX rulebook require all transactions executed on or through the platform to be cleared unless the mandatory clearing requirement under Section 2(h)(1) of the CEA does not apply, or the Transaction is exempted from clearing under Section 2(h)(7) of the CEA.

Core Principal 9 - Timely publication of trading information

- INFX will submit timely reports regarding the Contract to a registered swap data repository as prescribed in Parts 43 and 45 of the CFTC's Regulations.
- INFX will record, report and publish on its website all data required by Part 16 of the CFTC's regulations.

APPENDIX 1 Contract Terms

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

Trade Date: The date on which parties enter into the contract.

Forward Rate: Currency exchange rate agreed upon on the Trade Date.

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: The specified settlement or payment 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

Settlement Procedure: Bilateral settlement performed in the Settlement Currency.

Block Size: As set forth in Appendix F to Part 43 of the CFTC’s Regulations.

Speculative Limits: As set forth in CFTC 17 CFR Part 151.

Reportable Levels: As set forth in CFTC Regulation 15.03.

Source Agencies:

<u>Reference Currency</u>	<u>Reference Currency Name</u>	<u>Business 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

PEN	Peruvian Sol	PELI	12:00:00	Reuters	Reuters Screen PDSB Page in the row entitled "INTRB" and below the caption "ULT/REUTERS"
-----	--------------	------	----------	---------	--