



THOMSON REUTERS

Thomson Reuters (SEF) LLC
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October 30, 2013

VIA EMAIL

Ms. Melissa Jurgens
Assistant Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581
Via email: submissions@cftc.gov

Re: Submission 13-03A: Thomson Reuters (SEF) LLC – Amendments to Rulebook

Dear Ms. Jurgens:

Pursuant to Commodity Futures Trading Commission (the “Commission”) Regulation 40.6(a), Thomson Reuters (SEF) LLC (“TR SEF”) hereby self-certifies the amendments to certain changes made in its previous Submission 13-03, which are identified in Exhibit A. TR SEF is submitting these amendments to Submission 13-03 in response to comments received from Commission staff. These amendments will become effective on November 13, 2013.

A concise explanation and analysis of the amendments to the Rulebook and their compliance with applicable provisions of the Commodity Exchange Act (the “CEA”) is attached hereto as Exhibit A, and the amendments showing changes against the version submitted as Submission 13-03 on October 16, 2013, is attached hereto as Exhibit B.

TR SEF hereby certifies that: (i) the amended Rulebook complies with the CEA and the Commission’s regulations thereunder, and (ii) a notice and copy of this submission is being concurrently posted on TR SEF’s website. No substantive opposing views were expressed with respect to the amendments to the Rulebook.

Please contact Wayne Pestone or Peter Y. Malyshev using the information below if you have any questions regarding this application.

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Sincerely,



Wayne Pestone
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)

EXHIBIT A
Explanation and Analysis

Summary: The Rulebook has been amended in response to comments and questions received from Commission staff. The amendments showing changes against the version submitted to the Commission on November 13, 2013, is attached hereto as Exhibit B.

Capitalized terms used but not otherwise defined herein have the meanings assigned to them in the Rulebook.

Amendment	Explanation
<u>Rule 801(e)</u> Revised language so to comply with CFTC Regulation 1.35(b)(5)(iv)(A).	Core Principle 7 Response to guidance from CFTC staff.
<u>Rule 801(h)</u> Revised language regarding Swaps that are submitted for clearing but which fail to clear so that such Swaps will be void <i>ab initio</i> .	Core Principle 7 Response to guidance from CFTC staff.
<u>Rules 801(h)-(j)</u> Added new Rules permitting parties to execute a new Swap and submit it for clearing when a Swap is submitted for clearing but fails to clear because of a clerical or operational error or omission resulting in a mismatch of the terms of the trade.	Core Principle 7 Amended to comply with CFTC No-Action Letter 13-66.

EXHIBIT B
Rulebook Amendments

Rule 801 Clearing Required

* * *

- (e) All Participants that are not direct Clearing Members executing Required Transactions must be guaranteed by a Clearing Member that assumes financial responsibility for clearing any transactions executed by the Participant on the SEF that have satisfied the Clearing Member's credit limits and risk controls. Such guarantee is effective only until such time that the Clearing House accepts the transaction. With respect to transactions given up to other Clearing Members, such guarantee is effective only until such time that the other Clearing Member accepts the trade. A trade given up to another Clearing Member will be deemed to have been accepted by such Clearing Member if the trade is not rejected by the close of business on the business day ~~following that~~ the trade ~~date is~~ executed. The acceptance of a trade by a Clearing Member shall not relieve any Participant or Clearing Member of the duty to act in accordance with the SEF Rules.

* * *

- (h) The 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 submitted for clearing and is rejected or fails to clear for ~~credit reasons, 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 or fails to clear for any other~~any reason, then such swap shall be void *ab initio*; provided, however, that Swaps originally executed without an intent to clear shall not be void *ab initio* if they are subsequently submitted for clearing and fail to clear for any reason.
- (i) If a Swap is rejected or fails to clear because of a clerical or operational error or omission resulting in a mismatch of the terms of the trade, then the parties may enter into a new Swap, with terms and conditions that match the terms and conditions of the original Swap, other than any such error and the time of execution, and submit such new Swap for clearing without having been executed pursuant to the methods set forth in CFTC Regulation § 37.9(a)(2), provided that:
- (1) Both parties' Clearing Members agree to submit the new Swap;
 - (2) Each Clearing Member obtains the consent of its customer, if any, to submit the new Swap;
 - (3) Neither Clearing Member requires its customers to agree in advance to consent to the submission of the new Swap;
 - (4) The new Swap is submitted as quickly as technologically practicable after receipt by the Clearing Members of notice of the rejection from clearing, but in any case no later than 30 minutes from the issuance of a notice of rejection by the Clearing House to the Clearing Members;

- (5) Both the original Swap and the new Swap are subject to pre-execution credit checks under Rule 928;
- (6) Both the original Swap and the new Swap are processed in accordance with the time frames set forth in CFTC Regulations §§ 1.74, 23.610, 39.12(b)(7) and applicable CFTC staff guidance;
- (7) If the new Swap is rejected or fails to clear for any reason, it shall be void *ab initio* and the parties may not submit a new Swap again pursuant to this Rule 801(i).
- (j) The SEF will report data regarding any Swaps submitted for clearing pursuant to Rule 801(i) as soon as technologically practicable after the original Swap is rejected or fails to clear, including:
 - (1) A cancellation, pursuant to CFTC Regulation Part 43, for the original Swap;
 - (2) A termination, pursuant to CFTC Regulation Part 45, indicating that the original Swap is void *ab initio*; and
 - (3) Data for the newly executed Swap as required by CFTC Regulation Parts 43 and 45.
- (k) ~~(j)~~ The 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.