



November 19, 2013

**VIA EMAIL SUBMISSION: [submissions@cftc.gov](mailto:submissions@cftc.gov)**

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

Re: INFX SEF, Inc. – Amendments to Rulebook – Notice 13-05

Dear Ms. Jurgens:

Pursuant to Commodity Futures Trading Commission (the “Commission”) Regulation 40.6(a), INFX SEF, Inc. (“ISEF”) hereby self-certifies the amendments to its Rulebook identified in Exhibit A. The Rulebook has been amended in order to incorporate changes based on discussions with market participants and industry groups surrounding transaction confirmations. The amended Rulebook will become effective on December 4, 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. A redlined copy of the rule amendments is attached hereto as Exhibit B.

ISEF 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 ISEF’s website. No substantive opposing views were expressed with respect to the amendments to the Rulebook.

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

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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)

**EXHIBIT A**  
**Explanation and Analysis**

**Summary:** The Rulebook has been amended in order to incorporate changes based on discussions with market participants and industry groups surrounding transaction confirmations. 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. A redlined copy of the rule amendments is attached hereto as Exhibit B.

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

<b>Amendment</b>	<b>Explanation</b>
<u>Rule 101</u> Added two new defined terms that relate to the updated INFX SEF Rule 404 – Transaction Confirmations	Clarification
<u>Rule 404</u> Amended this rule to better reflect market practice and satisfy the requirements contained in Commission Regulations 37.6(b).	Core Principle 6 Clarification and response to market practice
<u>Rule 602</u> Amended to compliment amended Rule 404.	Administrative.

**Exhibit B**  
Rule Amendments

**Rule 101      Definitions**

\* \* \* \*

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

\* \* \* \*

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

\* \* \* \*

“*Terms Incorporated by Reference*” has the meaning attributed to such term in Rule 404(a).

“*Trade Communication*” has the meaning attributed to such term in Rule 404(a).

\* \* \* \*

**Rule 404      Transaction Confirmations**

~~(a) Confirmations. Transactions on the Platform shall be confirmed as follows:~~

(a) The economic terms specific to the Transaction agreed to by the Participants on the Platform shall be reflected by INFX SEF in a written communication (the “*Trade Communication*”) sent to the applicable Participants.

(1) For an uncleared Transaction:

- i. The Trade Communication, together with the documents and agreements (including, without limitation, ISDA master agreements, other master agreements, terms supplements, master confirmation agreements, and incorporated industry definitions) governing such Transaction existing at the time of such commitment to which the applicable Participants are party (the “*Terms Incorporated by Reference*”) shall, taken together, comprise all of the terms of such Transaction and constitute a confirmation for purposes of CFTC Regulation § 37.6(b) and shall be deemed to be the “*Confirmation*”.
- ii. In satisfaction of the obligations imposed on INFX SEF under CFTC Regulation § 37.6(b): (i) each Trade Communication is deemed to incorporate the Terms Incorporated by Reference set forth in this Rule 404, and (ii) the Participants hereby agree that the provisions of Rule 404(a)(1)(iii) shall govern any conflicting terms.
- iii. In the event of any conflict between (x) the Trade Communication and (y)

the Terms Incorporated by Reference, the Trade Communication shall prevail to the extent of any inconsistency.

(2) For a cleared Transaction, the Trade Communication shall constitute a confirmation for purposes of CFTC Regulation § 37.6(b) and shall be deemed to be the “Confirmation”.

~~(b) (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.

~~(c) (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.

~~(d) (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;~~

~~(e) (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 602 Request For Quote Platform**

\* \* \* \*

~~(e) Post-Trade Confirmation Procedures and Records.~~

- ~~(1) Each Transaction, other than [ana](#) Transaction that INFX SEF declines to confirm or cancels as provided in Rule 602(e) 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.