

BGC Derivative Markets, L.P.

RULES

BY ACCESSING, OR ENTERING ANY ORDER INTO, THE BGC DERIVATIVE MARKETS, L.P. FACILITY, AND WITHOUT ANY NEED FOR ANY FURTHER ACTION, UNDERTAKING OR AGREEMENT, A PARTICIPANT, AND ITS CUSTOMERS, INCLUDING ITS AUTHORIZED CUSTOMERS, EACH REPRESENT THAT IT IS AN ELIGIBLE CONTRACT PARTICIPANT AS DEFINED IN SECTION 1A(18) OF THE COMMODITY EXCHANGE ACT AND SUCH PERSONS, AND THEIR AUTHORIZED TRADERS, AGREE:

(I) TO BE BOUND BY, AND COMPLY WITH, THE RULES OF BGC DERIVATIVE MARKETS, L.P., AND APPLICABLE LAW, IN EACH CASE TO THE EXTENT APPLICABLE TO IT OR THEM, AND

(II) TO BECOME SUBJECT TO THE JURISDICTION OF BGC DERIVATIVE MARKETS, L.P. WITH RESPECT TO ANY AND ALL MATTERS ARISING FROM, RELATED TO, OR IN CONNECTION WITH, THE STATUS, ACTIONS OR OMISSIONS OF SUCH PARTICIPANT AND THE PARTICIPANT'S AUTHORIZED TRADERS, ITS CUSTOMERS AND THEIR AUTHORIZED TRADERS.

101. Definitions.

“BGC Broker Execution Specialist” means an employee of the Facility using telephonic or other means of electronic communication devices: 1) to assist Participants in the entry or withdrawal of Orders to be matched through the operation of the Trading System and the negotiation and execution of Block Trades provided under Rule 510, and 2) to facilitate Voice Trading. ~~BGC Broker Execution Specialists also act function as members of the Control Desk~~ in connection with the operation of various Trading Facility sessions of the Trading System.

“Control Desk” means the designated group of employees that is responsible for Facility market operations, real-time market monitoring, customer support and surveillance. ~~BGC Brokers may carry out certain of the Control Desk functions.~~

“Customer Match Trading Facility” means a Trading Facility which is an auction operated by the Facility pursuant to Rule 602(e) where prices are determined by the interaction of multiple Participants entering Orders into the Trading System.

“Execution Specialist” means an employee of the Facility using telephonic or other means of electronic communication devices: 1) to assist Participants in the entry or withdrawal of Orders to be matched through the operation of the Trading System and the negotiation and execution of Block Trades provided under Rule 510, and 2) to facilitate Voice Trading. Execution Specialists also act in connection with the operation of various Trading Facility sessions of the Trading System

~~“Participant Agreement” means the agreement between a Participant and the Facility in accordance with which the Participant is authorized to trade on the Trading System or otherwise provided access to the Trading System.~~

“Regular Voice Trading Facility” means a Voice Trading Session that remains open throughout the Business Day and in which an BGC Broker Execution Specialist stands ready to facilitate the execution of Orders in accordance with these Rules.

~~“Request for Quote (‘RFQ’) Matching Trading Facility” means a Trading Facility which is an auction operated by the Control Desk pursuant to Rule 602(e) where prices are determined by the interaction of multiple Participants entering Orders into the Trading System.~~

“Technology-Assisted Voice Trading Facility” means a Voice Trading Session in which the BGC Broker Execution Specialist is assisted by an automated functionality.

“Voice Functionality” means a physical Trading Facility, which provides a non-automated method for trading facilitated by an BGC Broker Execution Specialist that enables multiple participants to offer Bids or Offers to multiple participants through the use of telephone, electronic messaging or other communications devices.

“Voice Trading” is one Voice Functionality whereby an ~~BGC Broker Execution Specialist~~ makes known to Participants the existence of trading interest in a Swap, facilitates the communication of Bids or Offers among Participants, and assists in orderly trading on the Facility.

“Volume Match Trading Facility” means a Trading Session separate and distinct from the Electronic Order Book Trading Session. A Volume Match Trading Session is an auction operated by the ~~Facility Control Desk~~ pursuant to Rule 602 where all transactions will be executed at a single price and in time order of priority.

206. Prohibition on Admission as Participant.

No officer or employee of the Facility shall be admitted as a Participant; *provided however*, nothing in this rule limits or precludes an ~~BGC Broker Execution Specialist~~ from carrying out his or her functions.

207. Restrictions on Directors, Officers, Committee Members, Employees and Consultants.

- (b) **Restrictions on Trading by Officers and Employees.** If any officer or employee of the Facility, or of any corporate affiliate ~~performing functions for the Facility that~~ has access to material non-public information concerning any commodity interest, such person shall not trade, directly or indirectly, in that commodity interest traded on any registered entity operated by the Facility or cleared by any one of the Facility’s clearing organizations; in such commodity interest traded on any other Swap market or cleared by any other clearing organization; or in any related commodity interest.

(c) **Eligibility for Service on Boards and Committees.**

- (i) ~~A person shall be ineligible to serve on the Board of Directors, a disciplinary committee, arbitration panel or, oversight panel who:~~
- (A) ~~Was found within the prior three years by a final decision of a self-regulatory organization, an administrative law judge, a court of competent jurisdiction or the Commission to have committed a disciplinary offense;~~
 - (B) ~~Entered into a settlement agreement within the prior three years in which any of the findings or, in the absence of such findings, any of the acts charged included a disciplinary offense;~~
 - (C) ~~Currently is suspended from trading on any contract market, is suspended or expelled from membership with any self-regulatory~~

organization, is serving any sentence of probation or owes any portion of a fine imposed pursuant to either:

(1) A finding by a final decision of a self-regulatory organization, an administrative law judge, a court of competent jurisdiction or the Commission that such person committed a disciplinary offense; or,

(2) 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.

(D) Currently is subject to an agreement with the Commission or any self-regulatory organization not to apply for registration with the Commission or membership in any self-regulatory organization;

(e)(d) **Restrictions on Participation on Board and Committees.**

- (i) no person shall vote, participate in deliberations or take any action involving the regulatory functions of the Facility as a member of the Board of Directors of the Facility or any committee of the Facility on any matter involving a Named Party in Interest if such member:
 - (A) is a Named Party in Interest as defined in Rule 209(a)(iv);
 - (B) is associated with a named party in interest through a “broker association” as defined in Commission Rule 156.1;
 - (C) is an employer, employee, or fellow employee of a Named Party in Interest;
 - (D) has any other significant, ongoing business relationship with a Named Party in Interest; including but not limited to, employment with or acting as a Director of an entity that either:
 - (1) employs, directly or indirectly through ownership or control, the Named Party in Interest, or
 - (2) is owned or controlled, directly or indirectly, by the Named Party in Interest; or
 - (E) has a family relationship as defined in Rule 209(a) with a Named Party in Interest.
- (ii) prior to the consideration of any matter involving a Named Party in Interest, each member of the Board of Directors of the Facility or a committee (as the case may be) must disclose to the Chief Compliance Officer ~~Executive Officer~~ of the Facility, ~~or the designee of the Chief~~

~~Executive Officer~~, whether he or she has one of the relationships listed in paragraph (d)(i) of this section with a Named Party in Interest. The Chief Compliance Officer ~~Executive Officer or such designee~~ shall determine whether any such member of the Board of Directors or the committee is subject to the restrictions set forth in paragraph (d)(i) in any matter involving a Named Party in Interest, which determination, taking into consideration the exigency of the action to be taken, shall be based upon:

- (iv) prior to the consideration of any Significant Action, each member of the Board of Directors of the Facility or a committee of the Facility (as the case may be) must disclose to the Chief Compliance Officer, ~~Executive Officer, or the designee of the Chief Executive Officer~~, the following information that is known to him or her, unless such member chooses to abstain from deliberations and voting on the Significant Action in question:
- (v) the Chief Compliance Officer ~~Executive Officer, or the designee of the Chief Executive Officer~~, shall determine whether a member of the Board of Directors or a committee is subject to the restrictions contained in this paragraph (d) in any Significant Action after a review of the information described in paragraph (d)(iv) above. Taking into consideration the exigency of the Significant Action, such determination should be based upon:

208. Reserved. ~~Restrictions on Participants with an Ownership Interest.~~

- ~~(d) No Participant with an ownership interest in the Facility shall use or disclose, for any purpose other than the performance of such Participant's official duties as a shareholder, any material non-public information obtained by such Participant as a result of such Participant's ownership; provided, however, that if any such Participant who effects any transactions after having received any such material, non-public information so obtained can show that such transaction was effected in the ordinary course of the Participant's business, such Participant shall not be deemed to have used such information in violation of this section, unless it can be shown that such Participant would not have effected such transaction in the absence of such information.~~
- ~~(b) For the purposes of this Section, the terms "material" and "non-public information" shall each have the meaning set forth in Section 1.59(a) of the Commission Regulations.~~

209. Conflicts of Interest.

(b) Named Party in Interest Conflict.

(i) *Prohibition.* No Officer, Chief Compliance Officer or member of the Board or any standing committee shall ~~knowingly~~ participate in such body's deliberations or voting in any matter involving a named party in interest where such person (A) is a named party in interest, (B) is an employer, employee or fellow employee of a named party in interest, (C) is associated with a named party in interest through a broker association, (D) has a family relationship with a named party in interest or (E) has any other significant, ongoing business relationship with a named party in interest, excluding relationships limited to executing Swaps opposite each other or to clearing Swaps through the same Clearing ~~Participant~~Privilege Holders.

(iv) *Procedure and Determination.* The Chief Executive Officer, or his or her designee, shall determine whether any member of the relevant deliberating body is subject to a conflicts restriction under this paragraph (b). Such determination shall be based upon a review of the following information:

(A) information provided by such member pursuant to clause (iii) above and any additional information requested by the Chief Executive Officer or his or her designee; and

(B) any other ~~source of information that is held by and reasonably available to the self-regulatory organization, relevant information that is held by the Facility or obtained from a reasonably available source that the Chief Executive Officer or his or her designee reasonably believes to be accurate.~~

(c) Financial Interest in a Significant Action Conflict.

~~(ii) *Procedure for Determination, Disclosure.* Prior to consideration of any significant action, each member of the deliberating body who does not choose to abstain from deliberations and voting shall disclose to the Chief Executive Officer, The Facility shall follow the following procedure for determining whether any member of its governing board, disciplinary committees or oversight committees is subject to a conflicts restriction under this section in any significant action. Such a member shall seek the review of the Chief Compliance Officer, whose determination must include a review of:~~

~~(A) Gross positions held at the Facility in the member's personal accounts or "controlled accounts," as defined in Commission Rule 1.3(j);~~

- ~~(B) Gross positions held at the Facility in proprietary accounts, as defined in Commission Rule 1.17(b)(3), at the member's affiliated firm;~~
- ~~(C) Gross positions held at the Facility in accounts in which the member is a principal, as defined in Commission Rule 3.1(a);~~
- ~~(D) Net positions held at the Facility in "customer" accounts, as defined in Commission Rule 1.17(b)(2), at the member's affiliated firm; and,~~
- ~~(A) Any other types of positions, whether maintained at the Facility or elsewhere, held in the member's personal accounts or the proprietary accounts of the member's affiliated firm that the Facility reasonably expects could be affected by the significant action, or his or her designee, position information known to such member with respect to any particular month or months that are under consideration, and any other positions which the deliberating body reasonably expects could be affected by the significant action, as follows:~~
 - ~~(B) gross positions held at the Facility in such member's personal accounts or "controlled accounts," as defined in Commission Regulation 1.3(j);~~
 - ~~(C) gross positions held at the Facility in accounts of any entity in which such member is a "principal", as defined in Commission Regulation 3.1(a); and~~
 - ~~(D)(E) any other types of positions, whether maintained at the Facility or elsewhere, held in such member's personal accounts or the proprietary accounts of such member's affiliated firm, that the Facility reasonably expects could be affected by the significant action.~~

~~(ii)(iii)~~ *Procedure and Determination.* The Chief ~~Compliance Officer~~Executive Officer, ~~or his or her designee,~~ shall determine whether any member of the relevant deliberating body is subject to a conflicts restriction under this paragraph (c) based upon a review of the most recent large trader reports and clearing records available to the Facility, information provided by such member with respect to positions pursuant to clause (ii) above and any other source of information that is held by and reasonably available to the Facility, taking into consideration the exigency of the significant action being contemplated. ~~Unless the deliberating body establishes a lower position level, a member thereof shall be subject to the conflicts restriction in clause (i) above if the review by the Chief Executive Officer, or his or her designee, identifies a position in such member's personal or controlled accounts or~~

~~accounts of any entity in which such Participant is a principal as specified in subclauses (ii)(A) and (ii)(B) above, in excess of an aggregate number of twice the reporting level, or a position in the accounts of such member's affiliated firm as specified in subclause (ii)(C) above, in excess of an aggregate number of twice the reporting level.~~

(d) *Documentation.* The minutes of any meeting to which the conflicts determination procedures set forth in this Rule apply shall reflect the following information:

(iii) information on the position information that was reviewed for each member of the relevant deliberating body.

210. Chief Compliance Officer

(e) The Chief Executive Officer shall appoint the Chief Compliance Officer. The Chief Compliance Officer may only be removed by the vote of a majority of the Board of Directors.

(f) The Chief Compliance Officer shall carry out the following duties:

(i) Oversee and review the Facility's compliance with section 5h of the Act and Commission Rules thereunder;

(ii) resolve any conflicts of interest that may arise, in consultation with the Board of Directors or the Senior Executive Officer, including:

(A) conflicts between business considerations and compliance requirements;

(B) conflicts between business considerations and the requirement that the Facility provide fair, open, and impartial access as provided in Commission Rule 37.202; and

(C) conflicts between the Facility's management and members of the Board of Directors;

(iii) establish and administer written policies and procedures reasonably designed to prevent violations of the Act and Commission Rules;

(iv) take reasonable steps to ensure compliance with the Act and Commission Rules;

(v) establish 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;

- (vi) establish and follow appropriate procedures for the handling, management response, remediation, retesting, and closing of noncompliance issues;
- (vii) establish and administer a compliance manual designed to promote compliance with Applicable Laws, rules, and regulations and a written code of ethics designed to prevent ethical violations and to promote honesty and ethical conduct;
- (viii) supervise the Facility's self-regulatory program with respect to trade practice surveillance, market surveillance, real-time market monitoring, compliance with audit trail requirements, 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), the effectiveness and sufficiency of services provided by the Regulatory Services Provider; and
- (ix) prepare and sign an annual compliance report.
 - (A) Such annual compliance report for the year since the end of the previous review period must contain the following information:
 - (1) description of the swap execution facility's written policies and procedures, including the code of ethics and conflict of interest policies;
 - (2) review of applicable Commission regulations and each subsection and core principle of section 5h of the Act, that, with respect to each identifies the policies and procedures that are designed to ensure compliance, provides a self-assessment as to the effectiveness of these policies and procedures, and discusses areas for improvement and recommends potential or prospective changes or improvements to its compliance program and resources;
 - (3) a list of any material changes to compliance policies and procedures since the last annual compliance report;
 - (4) a description of the financial, managerial, and operational resources set aside for compliance including a description of the Facility's self-regulatory program's staffing and structure, a catalogue of investigations and disciplinary actions taken since the last annual compliance report, and a

review of the performance of disciplinary committees and panels; and

(5) a description of any material compliance matters, including noncompliance issues identified through a compliance office review, look-back, internal or external audit finding, self-reported error, or validated complaint, and an explanation of how they were resolved.

(B) The Chief Compliance Officer shall sign a certification that that, to the best of his or her knowledge and reasonable belief, and under penalty of law, the annual compliance report is accurate and complete.

~~(A)~~(C) The Chief Compliance Officer shall submit the annual compliance report to the Board of Directors for its review and to the Commission within the time and manner specified by the Commission.

301. Status of Participants.

(d) ~~Notwithstanding the provisions of paragraph (c), any Person that is currently accepted as a customer of, and with trading privileges with, BGC Partners, Inc. or any of its wholly owned subsidiaries, that fails to submit the documents required in subparagraphs (i) through (v) but that nevertheless accesses the Facility, by that action represents that it satisfies the definition of Eligible Contract Participant and agrees to be bound by and comply with the rules of the Facility and Applicable Law and agrees to be subject to the jurisdiction of the Facility.~~

304. Denial of Admission.

- (a) The Facility may deny the application of any Person (or a Person associated with the applicant) to become a Participant if the Person:
- (ix) if, under all of the circumstances, the Facility in its discretion determines that admitting the Person as a Participant would not be in the best interests of the Facility and the denial is otherwise consistent with the Facility's obligations under the Act.";

306. Sponsored Participants, Brokers and Customers.

(b) Brokers.

(ii) A Broker shall not submit Orders, report Off-facility Transactions, or submit Block Trades to the Facility, except with approval from the relevant Participant's Authorized Trader ~~or~~ on an Order-by-Order or transaction-by-transaction basis.

(iii) A Participant may designate one or more Brokers to:

(A) conduct ~~or~~ Off-facility Transactions;

307. Payment of Facility Fees.

The Facility, in its discretion and with reasonable written notice, may impose fees, charges and assessments upon Participants and Brokers. ~~The Facility may honor an on-going fee arrangement between a Participant of the Facility that was a customer of BGC Partners, Inc. or any of its affiliates at the time that the Facility commenced operations as a SEF for the remainder of the term of such agreement.~~ Participants, or as applicable, a Broker registered with the Commission, trading for a Participant, shall pay any fees, charges and assessments in a manner prescribed by the Facility on a timely basis. The Facility may suspend any Participant or impose other penalties pursuant to Part 10 for failure to pay any such fee, charge, or assessment on a timely basis.

309. Market Data

(c) Unless a Participant ~~otherwise~~ provides written, ~~non-electronic~~ notice to the General Counsel of the Facility, such writing may be electronic, the Facility may not use for business or marketing purposes proprietary data or personal~~and~~ information that has been collected or received from such Participant or from any of its Sponsored Participants, Brokers, employees, agents, vendors and their Affiliates and other Persons affiliated with any of the foregoing for the purpose of fulfilling the Facility's regulatory obligations. Provided however, the Facility may share such proprietary data or personal information with one or more registered entities (as such term is defined in Commission~~FTC~~ Regulations) where necessary for regulatory purposes. Access to the Facility will not be conditioned upon the consent to use ~~or~~ such proprietary data or personal information for business or marketing purposes and no Person shall be denied access to the Facility as a consequence of refusal to -submitting such notice to the Facility.

403. Record-keeping and Reporting Requirements.

(a) **Commission Reporting Requirement for Swaps.** The Facility will report each Transaction to a swap data repository chosen by the Facility as soon as technologically

practicable after execution. The Reporting ~~Counterp~~Party for each Swap executed on or subject pursuant to the Rules shall be established pursuant to CFTC Regulation 45.8. If both counterparties to a Swap executed pursuant to the Rules are equal in the hierarchy (for example, both are swap dealers), the Reporting ~~Counterp~~Party for such Swap shall be determined as follows: ~~in accordance with Dodd Frank Act – Swap Transaction Reporting Party Requirements (version July 15, 2013 or such successor version as may be adopted from time to time), published by the International Swaps and Derivatives Association Inc.~~

- (i) For Credit Default Swaps, the Floating Rate Payer (the “seller”) and for swaptions, the seller of the underlying Swap;
- (ii) For Interest Rate Swaps, the Fixed Rate Payer when a single Fixed Rate Payer exists, otherwise the party with the first swap identifier when sorted in reverse ASCII sort order, using the LEI identifier, DTCC ID, AVOX ID, and no identifier, ranked in that order, and for swaptions, the option buyer;
- (iii) For Equity Swaps and for swaptions, the seller;
- (iv) For Commodity Swaps the seller and for swaptions, the premium receiver; or
- (~~i~~)v) For FX Swaps, the seller of the currency that occurs first in the English alphabet; for options, the seller.

(b) **Reporting of Errors.** Any errors or omissions in swap transaction and pricing data (except for the cancellation of trades and price adjustments made under the provisions of and subject to the procedures of Rule 606) that were publicly disseminated in real-time shall be corrected as follows.

- (i) If a party to the Swap becomes aware of an error or omission in the Swap transaction and pricing data reported with respect to such swap, such party shall promptly notify the other party of the error and/or correction.
- (ii) If a Reporting Party to a swap itself becomes aware of an error or omission in the swap transaction or pricing data which the Facility reported to a SDR, or such error is reported to it by the other party, the Reporting Party shall promptly submit corrected data to the Facility in writing, such writing may be electronic in the form and manner specified by the Facility.
- (iii) The Facility shall promptly submit corrected data to the SDR to which the transaction and pricing data was first reported for those errors of which the Facility becomes aware or that are reported to it.
- (~~ii~~)iv) No Participant shall submit or agree to submit a cancellation or correction to the Facility for the purpose of re-reporting Swap transaction and pricing data in order to gain or extend a delay in public dissemination of accurate

swap transaction or pricing data or to otherwise evade this reporting requirement.

- (c) **Commission Record-keeping Requirements.** Each Participant shall keep all records relating to the Facility that are required by the Commission and Applicable Law to be kept, in such form and manner and for such period, as required by Commission Rule and Applicable Law, including but not limited to records by a Participant of its trading, including records of its activity in the index or instrument used as a reference price, the underlying commodity, and related derivatives markets, and make such records available, upon request, to the Facility or, if applicable, its Regulatory Services Provider, and the Commission.
- (e) **Facility Record-keeping Requirements.** Each Participant and as applicable, Broker, shall make such records relating to orders received, transactions effected and positions carried relating to the Facility, and shall maintain such records in such form and manner and for such time, as required by Commission Rule and Applicable Law. Such records shall at all times be open to inspection by the Facility upon reasonable prior notice and subject to Participant's reasonable security policies. Such reasonable security policies may include a requirement that inspections be conducted by authorized personnel acting within the scope of their authority, that inspection be carried out on premise, that the inspection be on systems provided by the Participant, and that the inspecting personnel keep a record of all documents inspected and provide such record to Participant. -
- (g) **Employee Supervision and Training.** Each Participant shall reasonably supervise all activities of its employees relating to transactions effected on the Trading System or subject to these Rules. Without limiting the generality of the foregoing:
- (i) each Participant shall continue to have at all times at least one senior officer who is responsible for such supervision and shall promptly advise the Facility of any change in the name, title, address, phone number, fax number or e-mail address of each such officer;
 - (ii) each Participant shall be responsible for training its employees regarding the requirements of these Rules, the Commodity Exchange Act, and Commission Regulations, ~~and the proper use of the Trading System and of any terminal or other device used for obtaining access to the Trading System;~~ and
 - (iii) each Participant shall furnish the Facility with the name, location, birth date (or other acceptable identifier) and User ID of each Authorized ~~Trader-Trader;~~
 - (iv) each Participant is responsible for ensuring that each of its Authorized Traders receives training regarding these Rules and in the operation and propose use of the Trading System.

| ~~(iv)~~(v) The Facility reserves the right to refuse or revoke access to the Trading System of any Authorized Trader when such action would serve the best interests of the Facility, and to the extent practicable under the circumstances, will provide notice to the Participant prior to taking such action.

| (h) **Rules Violations by Employees.** Any violation of the Rules ~~or Participant Agreement~~ by any employee of a Participant shall constitute a violation of the Rules by such Participant.

405. Cooperation in Investigations.

Each Participant, Authorized Trader, Authorized Customer, Customer and Broker shall cooperate with any investigation of the Facility, its designee, the Commission, the NFA or the SEC.

407. User IDs and Confidentiality.

(d) **Confidentiality of Trading System.**

- (i) Without limiting anything set forth in in ~~these Rules Rule 1203, Rule 309 or elsewhere in these Rules~~, and in addition thereto, any and all non-public information in any form obtained by a Participant, its Sponsored Participants or Brokers arising out of or related to the provision or use of the Trading System, including but not limited to trade secrets, processes, computer software and other proprietary data, research, information or documentation related thereto (“Confidential Information”), shall be deemed to be confidential and proprietary information of the Facility. Participant, its Sponsored Participants and Brokers are required to hold such Confidential Information in strict confidence and the disclosure of such Confidential Information to third parties (other than to its employees, its affiliates and their employees, its agents or professional advisors) or the use of such Confidential Information for any purpose whatsoever other than as contemplated by the Rules shall be a violation of this Rule.

410. Compliance by Participants.

Each Participant, Authorized Trader, Authorized Customer, Customer or Broker shall, by making application for a User ID ~~orand~~ by placing any Order directly or indirectly, shall have agreed to (i) be bound by the Rules of the Facility, (ii) be subject to the jurisdiction of the Facility, (iii) comply with all applicable Rules of Facility and (iv) comply with Applicable Law.

505. Pre-Execution Discussions and Cross Trades.

(e) * * *

- (ii) the Person waits for at least 15 seconds (or such other time as the Facility may publish from time to time for particular contracts) after the initial Order is submitted to the Trading System or ~~BGC-BrokerExecution Specialist~~ before submitting the opposite side; and

506. Allocation and Priority of Orders; No Withholding of Orders

- (c) No Participant shall enter an Order into the Trading System or submit an Order to an ~~BGC Broker~~Execution Specialist for its own account, an account in which it has a direct or indirect financial interest or a Discretionary Account, including, without limitation, an Order allowing discretion as to time and price, when such Participant is in possession of any Order for the benefit of a Customer that the Trading System is capable of accepting or which is capable of being traded in a Voice Trading Session, as applicable.

510. Block Trades.

- (c) Participants, Authorized Traders and Authorized Customers may elect to trade a Swap ~~may enter into a Block Trade in a Swap~~ that has been designated by the Facility as eligible for Block Trades as a Block Trade by entering the trade details into the trade entry window or by reporting such transaction to an Execution Specialist for trade entry. Block Trades shall comply with ~~at a mutually agreed price if~~ the following conditions ~~are satisfied~~:
- (i) each Block Trade transaction must be at least for the minimum transaction size as determined by the Facility for that Swap. Orders may not be aggregated in order to achieve the minimum transaction size.
 - (ii) the mutually agreed price at which a Block Trade is executed must be fair and reasonable in light of:
- (d) Each Block Trade must be reported by the seller to the Facility as soon as technologically practicable after execution but in no event later than 10 minutes ~~within 30 minutes immediately~~ following execution of such Block Trade, and beginning on such date as the Commission determines that such reporting is required. The Facility will publicize information identifying the trade as a Block Trade and identifying the relevant Swap immediately after such information has been reported to the Facility or at such time as is deemed appropriate by applicable regulations to that Swap.

511. Public Disclosure of Data.

- (b) The Facility shall disclose to all Participants on the Facility data regarding price, size and side of a Swap transaction executed via the Electronic Order Book, and may disclose such information for a transaction executed via Voice Functionality, ~~or~~ or subject to the Rules of the Facility, upon transmittal of, or causing transmittal of, such information to the SDR.
- (c) Nothing in this rule 511 shall prohibit the Facility from disclosing:

- (i) to all Participants on the Facility Orders, including price and side information, ~~at the time that a transaction is matched but~~ prior to a trade being its execution executed; or,

512. Off-facility Transactions by Brokers

- (e) If the transaction is to be cleared, each applicable Clearing Participant, in accordance with Commission Regulation 1.73, shall establish and apply risk-based limits in respect of such Participant and, as facilitated by the Facility, shall screen such Off-facility Transaction for compliance with the limits through an automated or non-automated system of risk controls reasonably designed to ensure compliance with the limits;

602. Trade Execution via Electronic Order Book.

- (c) *Volume Match Trading Facility.* The Volume Match Trading Facility is an auction Trading Session separate and distinct from the Electronic Order Book Trading Session and is held periodically during the Business Day. All trades during the Volume Match Trading Session matched subsequent to the Opening Period will be executed at a single price and in time order of priority. The ~~Facility Control Desk~~ shall announce a Volume Match Trading Session not less than five minutes before it commences. A Volume Match Trading Session may be held once or more during the day at set times or as announced in response to market demand and these timings may vary by particular Swap contract.

- (i) *Opening Period.* The Volume Match Trading Session begins by the Facility gathering indications of interest from potential market participants with respect to volume, Bids or Offers (the “Opening Period”). The ~~Facility Control Desk~~ will announce the length of the Opening Period at its commencement.

- (A) During the Opening Period, Participants may enter Executable and Indicative Orders into the Electronic Order Book Trading System. Executable orders in the Electronic Order Book may immediately match in full or in part during the opening period, ~~and orders entered during the Opening Period may be withdrawn.~~

- (B) The ~~Facility Control Desk~~ will announce to the market the end of the Opening Period at least two minutes prior to its ending.

(ii) Matching Session. Upon the close of the Opening Period, the Facility will announce the price that it determines in its discretion to be the proposed market clearing price (the “Volume Match Price”). The Volume Match Price, is determined by an Execution Specialist in his or her discretion, acting for the Facility.

- (A) In determining the Volume Match Price, the Execution Specialist may consider:

- (1) prices derived from the Electronic Order Book for the same or economically similar Swap;
 - (2) application of standard analytics; or
 - (3) views of market participants;
- (B) Prices from the Electronic Trading System which the Execution Specialist may consider include the last price of a transaction and executable bids and offers in the Electronic Order Book.
- (C) Where appropriate and useful, the Execution Specialist may apply standard analytical analysis to determine the proposed Volume Match Price.
- (D) In determining the Volume Match Price, the Execution Specialist may also consider the views of market participants of the price prevailing in the market for the Swap that is the subject of the Volume Match Session. In considering the views of market participants, the Execution Specialist may not:
- (1) attempt to coerce or pressure a market participant to respond to a request to provide its view or alter a genuinely held view; or
 - (2) seek or knowingly receive a view intended to favor a particular participant or participants.
 - (3) The Facility will record all oral survey requests and responses thereto and retain a record of all oral or written responses in accordance with Commission Rule 1.31.

(iii) Conclusion of Matching Session. ~~Upon the close of the Opening Period, the Control Desk will announce the price that it determines in its discretion to be the market clearing price (the “Volume Match Price”).~~ With the announcement of the proposed Volume Match Price and will commence the auction will- commence (the “Matching Session”). Participants may then submit the notional amount of Swaps they want to buy or sell at the Volume Match Price. Participants may withdraw any pending, unexecuted Orders during the Matching Session. All transactions effected during the Matching Session are executed at the Volume Match Price and are matched via a pre-determined non-discretionary automated trade matching system using time priority. Trades are matched in sequence of Order entry (except for “all-or-none” Orders which may be matched at a later priority in order to fulfill their size requirement) until all Orders are filled or market supply exhausted at the Volume Match price. Any

unfilled Orders are cancelled, unless expressly requested by the Participant to be transferred to the Electronic Order Book Trading Session as a new Order.

- (d) *Volume Match Plus (“VM Plus”) Trading Facility* The VM Plus Trading Facility is an auction Trading Session separate and distinct from the Regular Trading Session held periodically during the Business Day. A VM Plus Trading Session will be executed in price and time order of priority. The ~~FacilityControl Desk~~ shall announce a VM Plus Trading Session within a specified period of time before it commences. A VM Plus Trading Session may be held once or more during the day at set times or as announced in response to market demand and may vary by particular Swap contract.
- (i) *Opening Period.* The VM Plus Trading Session begins by the Facility gathering indications of interest from potential market participants with respect to volume, Bids or Offers (the “Opening Period”). The ~~FacilityControl Desk~~ will announce the length of the Opening Period at its commencement.
- (A) During the Opening Period, Participants may enter Executable and Indicative Orders into the Electronic ~~Order Book Trading System~~. Notwithstanding the matching procedure in subparagraph (d)(ii), during the Opening Period, executable orders in the Electronic Order Book may immediately match in full or in part during the opening period, and orders entered during the Opening Period may be withdrawn.
- (B) The ~~FacilityControl Desk~~ will announce to the market the end of the Opening Period two minutes prior to its ending.
- (ii) *Matching Session.* Upon the close of the Opening Period, the ~~FacilityControl Desk~~ will announce the price that it determines in its discretion to be the market-clearing price (the “Volume Match Price~~”)”) using the procedure provided in subsection (c)(ii) of this Rule 602 and will commence the auction (the “Matching Session”). Participants may then submit the notional amount of Swaps they want to buy or sell at the Volume Match Price. Participants may withdraw any pending, unexecuted Orders during the Matching Session. All transactions effected during the Matching Session are executed at the Volume Match Price and are matched using time priority. Trades are matched in sequence of Order entry (except for “all-or-none” Orders which may be matched at a later priority in order to fulfill their size requirement) until all Orders are filled or market supply is exhausted at the Volume Match price.~~
- (e) *CustomerRequest for Quote (“RFQ”) Matching Trading Facility.* The “~~CustomerRFQ MatchingMatch~~ Trading Facility” is a Trading Session separate and distinct from the Electronic Order Book Trading Session held periodically during the Business Day during which prices are determined by the interaction of multiple Participants entering

Bids and Offers into the Trading System's ~~RFQ Match~~Customer Matching Session. ~~For the avoidance of doubt, the RFQ Matching Trading Session is a Trading Session of the Trading System and is distinct from the Request For Quote System provided under Rule 702a.~~ The ~~Control Facility Desk~~ shall announce an ~~RFQ Match~~Customer Matching Trading Session no less than five minutes before it commences. ~~RFQ Matching~~Customer Match Trading Session auctions will be held at pre-established times during the day and/or in the discretion of the Facility in response to market demand, which may vary by Swap contract.

- (i) *Opening Period.* The ~~RFQ Match~~Customer Match Trading Session begins by Participants entering indicative or executable Bids, Offers and Bid/Offer quotes into the Trading System's Customer Match ~~RFQ Trading~~ Session. The ~~Facility Control Desk~~ will announce the length of the Opening period at its commencement. All Participants are invited to quote.
- (ii) Executable Bids and Offers entered into the Customer Match Trading Session during the Opening Period ~~into the RFQ Match Trading Session~~ will not be matched until the end of the Opening Period if a matched or crossed orders result. Bids and Offers may be withdrawn at any time prior to the end of the Opening Period.
- (iv) *Matching Session.* At the beginning of the Matching Session, the Facility will announce the market price ("~~RFQ Match~~Customer Match Price") ascertained at the end of the Opening Period. Where Bids and Offers that crossed during the Opening Period created a trade execution which generated the mid-price, Participants may then submit the notional amount of Swaps they further wish to buy or sell at the ~~RFQ Match~~Customer Match Price. All trades are executed at the ~~RFQ Match~~Customer Match Price and matched using time priority (except for those matched during the Opening Period which used price and time priority). Orders may be withdrawn until they have been executed. The trades are matched in sequence of Order entry until all Orders are filled or market supply is exhausted. Any unfilled Orders are not disclosed and are cancelled at the end of the session unless expressly requested to be returned to the Electronic Order Book Trading Session.

603. Orders.

(f) **In General.**

- (i) Orders may be entered into the Electronic Trading System only:
 - (C) or an ~~BGC Broker~~Execution Specialist acting at the direction of a Participant or a Sponsored Participant.
- (iv) all Orders entered into the Electronic Trading System shall remain open in the Electronic Trading System until executed, withdrawn, cancelled or

deleted. Such open Orders constitute the Electronic Order Book. Orders entered into the Electronic Trading System may be changed by the Participant, Authorized Customer, Authorized Trader or ~~BGC Broker~~Execution Specialist entering the Order, but any change in the price or increase in quantity shall be treated as a new Order for the purpose of time priority.

(g) **Type of Orders and Order Attributes.**

- (i) the following orders may be entered by a Participant into the Electronic Order Book:

(B) *Limit Orders.* A limit order is an order to buy or sell a stated amount of a Swap or strategy to be executed at the price stated in the order or better, such that the order will persist and not be removed from the System even if bettered and will remain in the System until executed or cancelled by the System or by the Participant, Authorized Customer, Authorized Trader or ~~BGC Broker~~Execution Specialist.

604. Confirmations and Objections.

The confirmation of all terms of the transaction shall take place at the same time as execution; provided however, specific customer identifiers need not be included for accounts included in bunched orders meeting the requirements of Rule 506(d) and Commission Rule 1.35(b)(5).

- (a) **Confirmation of Cleared Transactions.** Upon execution, ~~the~~ Facility shall ~~immediately~~ notify a Participant of the matching of Bids and Offers through the Electronic Trading System as follows.
- (i) Initial notification: Following trade matching, the Facility will send an initial written message, which writing may be electronic, which includes price and side information to both sides of a trade, ~~or of each trade within a series of trades matched under Rule 702a.~~
- (ii) Confirmation: Upon execution of the transaction, ~~completion of the transaction~~, the Facility will issue a written confirmation, which writing may be electronic, and which shall legally supersede any previous agreement, shall serve as a confirmation of the transaction, and ~~that~~ the counterparties agree shall confirm execution of the transaction, and which shall include all material economic details of the executed transaction.

~~(b) Objections to the contents of transaction confirmations must be submitted to the Facility, in writing, promptly upon receipt, but no later than the close of that Business Day.~~

(b) Confirmations for Uncleared Transactions. The economic terms specific to the transaction agreed by the participants on the Facility with respect to an uncleared transaction shall be reflected by the Facility in a written communication (the "Trade Communication") sent to the applicable Participants. 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 participants are party (the "Terms Incorporated by Reference") shall, taken together, comprise all of the terms of such transaction and serve as a confirmation of such transaction. Each Trade Communication is deemed to incorporate the Terms Incorporated by Reference and in the event of any conflict between the Trade Communication and the Terms Incorporated by Reference, the Trade Communication shall prevail to the extent of any inconsistency. The Facility shall issue a Trade Communication for uncleared transactions no later than 60 seconds after execution.

~~(c) **Objections.** Objections to the contents of transaction confirmations must be submitted to the Facility, in writing, promptly upon receipt, but no later than the close of that Business Day.~~

606. Trade Cancellations and Price Adjustments.

(d) Trade Cancellation Authority. The Facility's trade cancellation policy authorizes the Board, through its designee the Chief Compliance Officer (or the Chief Compliance Officer's delegate) (the "Designee"), to adjust trade prices or cancel (bust) trades when such action is necessary to mitigate market disrupting events caused by the improper or erroneous use of the Electronic Order Book or by Electronic Trading System defects. Notwithstanding any other provision of this Rule, the Designee may adjust trade prices or cancel any trade executed through the Electronic Order Book if the Designee determines that allowing the trade to stand as executed may have a material, adverse effect on the integrity of the market; provided, however, that any such determination by the Designee (if other than the Chief Compliance Officer) will be subject to review by the Chief Compliance Officer if the Designee determines such review to be necessary or appropriate. Subject to the immediately preceding sentence, the decision of the Designee shall be final. Any trade price adjustment or trade cancellation shall be made subject to the standards of this Rule 606, such standards being clear, fair, and publicly available. Any determination made under this Rule 606 to adjust any trade price or cancel any trade shall be announced to the market by a message from the Control Desk or such other method as the Facility shall provide.

607. Assisted Order Entry.

An ~~BGC Broker~~Execution Specialist acting on behalf of a Participant or an Authorized Customer using telephonic or other means of electronic communication may, upon request of the Participant or Authorized Customer, assist a Participant or Authorized Customer in the entry or withdrawal of Orders into the Electronic Trading System. Any ~~BGC Broker~~Execution Specialist entering an Order into the Electronic Trading System shall have a unique User ID paired with the Participant's ID, (and Authorized Customer ID where applicable) for whom the ~~BGC Broker~~Execution Specialist is acting.

- (a) Upon receipt of a request for assistance in the entry or withdrawal of an immediately executable or indicative Order, the ~~BGC Broker~~Execution Specialist must enter the executable Order immediately into the Electronic Trading System.
- (b) Any request by a Participant for assistance in the entry of an Order that is not immediately executable shall be entered into the Electronic Trading System as soon as practicable. The ~~BGC Broker~~Execution Specialist must make a record of the time at which the request for assistance was first made and the time that the Order was entered into the Electronic Trading System.
- (c) Notwithstanding any other provision of these Rules, in the event that a Participant objects under Rule 604(c) to the contents of a the confirmation of a transaction that has taken place through the assistance of an Execution Specialist under the provisions of this Rule, the Board, through its designee the Chief Executive Officer or the Chief Executive Officer's Designee (the "Designee"), is authorized in his or her discretion to adjust trade prices or cancel a trade when such action is necessary to correct a clear clerical error on the part of the Execution Specialist in carrying out the instructions of the Participant that is assisted by the Execution Specialist. Any trade price adjustment or trade cancellation shall be made subject to the standards of this rule. Any determination made under this rule to adjust any trade price or cancel any trade shall be announced to the market and such adjustment shall be reported by the Facility to the SDR.

702. Trade Execution via Voice Functionality.

- (b)(c) Voice Trading is a Trading Facility, as defined by section 1a(51) of the Act, that enables multiple participants to offer Bids or Offers that are open to multiple participants through the use of telephone, electronic messaging or other communications devices acceptable to the Facility. Voice Trading is facilitated by an ~~BGC Broker~~Execution Specialist who makes known to Participants the existence of trading interest in a Swap, facilitates the communication of Bids or Offers among multiple Participants, and assists in orderly trading on the Facility.

(d) Technology-assisted Voice Trading on the Facility is a Voice Trading functionality which enables multiple participants to make available Bids or Offers to multiple participants facilitated by an ~~BGC Broker~~Execution Specialist with the assistance of the automated functionalities provided for in this Rule.

703. Voice Trading Facility.

(a) **Regular Voice Trading Facility.** The Regular Trading Facility is a Trading Session that remains open throughout the Business Day.

(i) ~~A~~A Participant initiates the purchase or sale of a Swap by communicating an indication of interest, indicative Bid or Offer or executable Bid or Offer to the ~~BGC Broker~~Execution Specialist for any Swap listed on, or offered by, the Facility for trading using Voice Functionality. Bids and Offers shall be considered to be firm at the time first communicated to the ~~BGC Broker~~Execution Specialist and subsequently indicative unless the Participant confirms to the ~~BGC Broker~~Execution Specialist that the Bid or Offer remains firm. An initiating Participant shall be anonymous unless the Participant authorizes the ~~BGC Broker~~Execution Specialist to disclose the initiating Participant's identity. In the discretion of the ~~BGC Broker~~Execution Specialist, where a new Bid or Offer is bid or offered into the market and it does not match a resting Offer or Bid, the Participant with the resting Offer or Bid that is closest in price and then oldest in time to the new Bid or Offer, generally has priority in hitting the new Bid or lifting the new Offer.

(ii) ~~I~~In the absence of an initiating Participant, the ~~BGC Broker~~Execution Specialist has discretion to initiate trading by communicating with Participants to ascertain trading interest.

(iii) ~~A~~A responding Participant may accept a firm Bid or Offer or counter the Bid or Offer or indication of interest of the initiating Participant or of any other responding Participant. For the avoidance of doubt, an executed transaction may take place between two responding Participants. Responding Participants shall be anonymous unless the responding Participant authorizes the ~~BGC Broker~~Execution Specialist to disclose the Participant's identity.

(iv) ~~I~~In order for trading to occur during a Regular Voice Trading Session there must be no fewer than four Participants participating.

(b) **Technology-Assisted Voice Trading Facility (“Whiteboard Trading”).** The Technology-Assisted Voice Trading Facility is a Trading Session that remains open throughout the Business Day. A Participant initiates the purchase or sale of a Swap through the Technology-Assisted Voice Trading Facility by requesting that the ~~BGC Broker~~Execution Specialist enter an instrument description on the Whiteboard screen as an indication of interest.

- (i) **Bids and Offers.** Depending upon the Swap, which may include Option strategies or a Swap structure, the ~~BGC Broker~~Execution Specialist, or the Participants themselves, may enter bids and offers. Bids and Offers entered onto a Whiteboard are considered to be indicative because they are subject to subsequent trade parameterization and credit checks.

- (c) **Additional Voice Trading Facilities.** If, in the discretion of the ~~BGC Broker~~Execution Specialist, there is sufficient trading interest at any particular time, the ~~BGC Broker~~Execution Specialist may announce the initiation of any one of the Voice Trading Facility Trading Sessions provided for in sub-paragraphs (i), (ii), or (iii). Additional Voice Trading Facility Trading Sessions are separate from the Regular Voice Trading Facility Trading Session and the Technology-Assisted Voice Trading Facility Trading Session provided in paragraphs (a) and (b) respectively. Additional Voice Trading Facility Trading Sessions may be structured in the manner that, in the judgment of the ~~BGC Broker~~Execution Specialist, will provide for a robust exchange of indications of interest, or Bids and Offers by multiple parties. In order for trading to occur in an Additional Voice Trading Facility Trading Session, there must be no fewer than four participating Participants. Additional Voice Trading Facilities are as follows:
 - (i) **Volume Match Voice Trading Facility.** A Volume Match Voice Trading Facility Trading Session, if initiated by the ~~BGC Broker~~Execution Specialist, will operate as provided in Rule 602(b), ~~except that the BGC Broker carries out the functions of the Control Desk as provided under Rule 602(b).~~

 - (ii) **Volume Match Plus Voice Trading Facility.** A Volume Match Plus Voice Trading Facility Trading Session, if initiated by the ~~BGC Broker~~Execution Specialist, will operate as provided in Rule 602(c), ~~except that the BGC Broker carries out the functions of the Control Desk as provided under Rule 602(e).~~

 - (iii) **~~Request-Customer for Quote-Matching~~ Voice Trading Facility.** A ~~Customer Match Request for Quote-Matching~~ Voice Trading Facility Trading Session, if initiated by the ~~BGC Broker~~Execution Specialist, will operate as provided in Rule 602(e), ~~except that the BGC Broker carries out the functions of the Control Desk as provided under Rule 602(e) and such trading sessions shall not be required to be carried out at pre-established times during the day.~~

704. Confirmation of Voice Transactions and Objections.

The confirmation of all terms of the transaction shall take place at the same time as execution; provided however, specific customer identifiers need not be included for accounts included in bunched orders meeting the requirements of Rule 506(d) and Commission Rule 1.35(b)(5).

(a) **Confirmation of Uncleared Transactions.**

- (i) **Initial notification:** Upon initial indication of a match of any Permitted Transaction matched in a Voice Trading Session under Rule 702 or in a Request for Quote under Rule 702a, but prior to confirmation of the execution of the transaction, the matched transaction will be subject to the agreement of the parties as to trade structure parameters and to a manual credit check. The Facility will send an initial written message, which writing may be electronic, which includes price, side and structure parameter information to both sides of a matched trade or of each trade within a series of trades.
- (ii) **Confirmation:** Execution of a matched Permitted Transaction only takes place after the credit check is satisfactorily completed and the parameters of any structure are agreed to by the matched counterparties. At that time, the matched trade is executed and the Facility will issue a written confirmation of the transaction, which writing may be electronic, and which shall legally supersede any previous agreement, shall serve as a confirmation of the transaction, and that ~~which~~ the counterparties agree shall confirm execution of the transaction, and which shall include all material economic details of the executed transaction.
- (iii) **Form and Content of Confirmation for Uncleared Transactions.** The form and content of the confirmation for uncleared Voice Transactions shall be the same as provided under Rule 604(c), the provisions of which are incorporated by reference herein. The Facility shall issue a confirmation of uncleared transactions no later than 60 seconds after execution.

(b) **Confirmation of Cleared Transactions.**

With respect to ~~Cleared-Required~~ Transactions matched in a Voice Trading Session under Rule 702 or in a Request for Quote under Rule 702a, but prior to confirmation of the execution of the transaction, the matched transaction will be subject to the agreement of the parties as to trade structure parameters and to a manual credit check. ~~Upon~~ Upon completion of the transaction, the ~~BGC Broker Execution Specialist~~ will ~~immediately~~ key-in trade details and the Facility will issue a written confirmation of the executed trade, which writing may be electronic, and which shall legally supersede any previous agreement, shall serve

as a confirmation of the transaction, and that which the counterparties agree shall confirm execution of the transaction, and which shall include all material details, including all primary economic terms.

(c) **Objections.**

Objections to the contents of transaction confirmations must be submitted to the Facility, in writing, promptly upon receipt, but no later than the close of that Business Day. Notwithstanding any other provision of these Rules, in the event that a Participant objects under this section to the contents of the confirmation of a transaction that has taken place through Voice Functionality under Part 7 of these Rules, the Board, through its designee the Chief Executive Officer (or the Chief Executive Officer's delegate) (the "Designee"), is authorized in his or her discretion to adjust trade prices or cancel a trade when such action is necessary to correct a clear clerical error on the part of the Execution Specialist in facilitating trading via Voice Functionality. Any trade price adjustment or trade cancellation shall be made subject to the standards of this rule. Any determination made under this rule to adjust any trade price or cancel any trade shall be announced to the market by a message from the Control Desk or such other method as the Facility shall provide. and such adjustment shall be reported by the Facility to the SDR.

705. Record-keeping and Reporting.

All Voice-assisted trading shall be recorded in an unalterable format and retained as required under Commission Rule 1.31. All Bids and Offers entered through the Whiteboard functionality will be retained in an unalterable format as required under Commission Rule 1.31. The ~~BGC Broker~~Execution Specialist shall key-in the trade details of the transaction immediately upon execution. The Facility shall report publicly such transactions as having been executed on or subject to the rules of the Facility, identifying such transactions as Voice assisted transactions and, on behalf of the parties to the transaction, report the transaction to a Swap Data Repository as soon as technologically practicable after execution of the Swap pursuant to Commission Rule 45.3.

702a. Trade Execution via RFQ Functionality.

- (a) Participants or Authorized Customers may request that Bids or Offers from particular Participants or Authorized Customers be solicited
 - (i) for Swaps that are supported by the Electronic Trading System, by submitting the request directly into the Electronic Trading System or by requesting that an Execution Specialist~~Control Desk personnel~~, acting as agent, enter the RFQ into the Electronic Trading System on the Participant's behalf; or
 - (ii) by requesting that the RFQ be conducted via Voice Functionality facilitated by an BGC Broker Execution Specialist.
- (e) Responding Bids or Offers to the RFQ will display price and quantity and the identity of the responding Participants only to the requestor and/or the Participant's Authorized Trader. Bids or Offers responding to an RFQ may be either executable or indicative. Responding Bids or Offers conducted via Voice Functionality facilitated by an BGC Broker Execution Specialist may be communicated anonymously.
- (g) Upon execution, the price and quantities of the transactions will be reported by the Facility with an identification that the transaction was executed using the RFQ procedure. RFQ trades exceeding in quantity the Swap's Block Trade size shall be reported in the time provided under Rule 510(d). Confirmations and objections may be made subject to the provisions of Rule 704.
- (h) The request for RFQ will remain open until:
 - (ii) the request is withdrawn where such withdrawal can be made at any time by the requestor or the Execution Specialist ~~BGC Broker~~;
 - (iii) the request expires within the time specified in the RFQ without trading; or
- (i) Duties of Execution Specialists ~~Control Desk and BGC Broker~~.
 - (i) the Execution Specialist ~~Control Desk~~, upon receipt of a request for voice assistance in entering an RFQ into the Trading System, must enter the RFQ immediately into the Trading System. If a Participant requests delayed entry of a voice-assisted RFQ, the Execution Specialist ~~Control Desk~~ must make a record of the time at which the request for assistance was first made with respect to the request for delayed entry.
 - (ii) the BGC Broker Execution Specialist, upon receipt of a request for voice matching of an RFQ, must make a record of the time at which the request for voice matching was first made and the number of counterparties which were requested to respond to the RFQ.

802. Relation to Clearing Organization.

- (d) Margin. A Participant must comply with all margin requirements of the relevant Clearing Organization and its Clearing Participant, if applicable, and any applicable margin requirement set forth by Commission Regulation or Applicable Law.

804. Financial Integrity for Permitted Transactions.

- (e) **Voluntary Clearing of Swaps.**

Permitted Transactions executed on or subject to the rules of the Facility that are not required to be cleared will only be cleared if both counterparties agree, prior to or subsequent to execution, to submit the trade to an agreed upon Clearing Organization. If the counterparties elect to clear a transaction prior to execution or at the time of execution, it will be forwarded by the Facility to the agreed upon Clearing Organization directly or via a Straight-Through-Processing (STP) hub. A Participant electing to clear a transaction must comply with all margin requirements of the relevant Clearing Organization and its Clearing Participant, if applicable, and any applicable margin requirement set forth by Commission Regulation or Applicable Law.

805. Trades Not Accepted for Clearing.

- (c) Breakage Agreements Prohibited. Participants are prohibited from requiring breakage agreements with other Participants as a condition of trading with them.

- ~~(f) Submission of Rejected Trades. Until June 30, 2014 (or such later time as the Commission may determine), if a trade has been rejected by the Clearing Organization due to clerical error or omission (but not due to a breach of a credit limit), as soon as technologically practicable but in no event more than 30 minutes after the rejection notice has been sent by the Clearing Organization, the Facility may submit once to the Clearing Organization a new trade with the same terms as the original trade (but for the erroneous or omitted term and the time of execution), under the following conditions,:~~

- ~~(i) Each clearing member informs the Facility that it agrees to submission of the new trade and that it has obtained the consent of its customer, if any, to the submission of the new trade, such consent being transaction-specific and only obtained following rejection of the original trade;~~
- ~~(ii) Both the original and new trade are subject to the pre-execution credit check provided under paragraph (a) of this Rule and to the processing procedures and time-frames of Rule 501(d);~~

~~(iii) The Facility shall report the original trade to an SDR as having been cancelled and terminated as soon as technologically practicable after its rejection by the Clearing Organization and shall report the new trade to an SDR, referencing that it is being reported subject to the procedures of Commission Letter 13-66 (October 25, 2013).~~

~~(iv)(i) In the event that the new trade is rejected by the Clearing Organization to which it has been submitted, the Facility will so inform the Participants or Authorized Customers that are the counterparties to the trade. The new trade for which the Facility has received a rejection notice from the Clearing Organization is void ab initio.~~

901. Violation of Law.

It shall be prohibited for any Participant, ~~or~~ Authorized Customer or Customer to violate or fail to conform to applicable provisions of the Act, Commission Regulations or any other law applicable to trading on the Facility.

902. Rule Violation.

It shall be prohibited for any Participant, ~~or~~ Authorized Customer or Customer to violate or fail to conform to the Rules and procedures of the Facility or with any decision or order of a committee of the Facility or any order of any officer, employee or agent of the Facility when acting within his, her or its jurisdiction.

908. Abusive Trading Practices Prohibited.

No Participant, ~~or~~ Authorized Customer or Customer shall engage in front-running, wash trading, pre-arranged trading, fraudulent trading, money passes, ~~accommodation trading, any other manipulative or disruptive trading practice prohibited by the Act or Commission regulation,~~ or enter into non-competitive transactions on or subject to the Rules of the Facility except as otherwise authorized by these Rules, or execute any such Order on behalf of another with such knowledge of its nature.

1002. Investigation Report.

After conducting an investigation, the Enforcement Staff of the Compliance Department shall prepare a written report including the reason the investigation was initiated, a summary of the complaint, if any, the relevant facts, ~~and~~ the Enforcement Staff's conclusions, analysis and recommendation as to whether disciplinary action should be pursued. This written report shall be produced within twelve months following the initiation of the investigation. If the Enforcement Staff has determined that a reasonable basis exists for finding a violation, it shall make a recommendation as to whether the Disciplinary Committee should proceed with the matter. The Enforcement Staff may also issue a warning letter to the Person being investigated or forward to the Review Panel of the Disciplinary Committee a recommendation that it issue a warning letter. A

warning letter issued to the Person under investigation under this paragraph is not a penalty or an indication that a finding of a violation has been made.

The investigation report shall become part of the investigation file, which shall be maintained by the Compliance Department for a period of not less than five years after the completion of such report. The Enforcement Staff shall promptly provide the Disciplinary Committee with a copy of each investigation report.

1009. Hearings

- (j) A substantially verbatim record of the hearing shall be made and shall become a part of the record of the proceeding. The record must be one that is capable of being accurately transcribed; however, it need not be transcribed unless the transcript is requested by Commission staff or the Respondent. The record shall be transcribed pursuant to Commission Rule 9.21(a) if ~~or~~ the decision is appealed to or reviewed by the Commission. ~~In all other instances, a summary record of the hearing is permitted.~~

1010. Decision.

- (d) a statement of findings and conclusions with respect to each charge, a complete explanation of the evidentiary and other basis for such findings and conclusions with respect to each charge and basis for imposing sanctions, and an indication of ~~including each~~ ~~the~~ specific Rules which the Respondent is found to have violated; and

1014. Minor Penalties.

- (a) The Compliance Department may summarily impose a fine against any Participant, Authorized Customer or Customer, as applicable:
- (b) The amounts of the fines for any category of violations which may be imposed pursuant to this Rule shall be set by the Facility from time to time, provided that the minimum fine shall not be less than \$1,000 and the maximum fine for any one violation shall not exceed \$10,000. Nothing contained in this Rule shall preclude any other action against a Participant pursuant to the Rules. The imposition of a fine against a Participant pursuant to this Rule shall be the final action of the Facility if the Participant does not request review as provided in paragraph (c) of this Rule.

1016. Action Against Non-Participants.

- (b) If, after hearing, the Disciplinary Committee determines that the actions of the non-Participant violate the Commodity Exchange Act, the Commission Rules or these Rules, ~~are likely to cause a manipulation, manipulate the price of a Swap, or otherwise threaten the integrity or liquidity of a Swap traded on the Trading System or subject to the Rules of the Facility,~~ the Disciplinary Committee may: 1) issue a censure or reprimand; 2) order any Clearing Participant to liquidate all or any portion of such non-Participant's position; ~~3)~~ order that no Participant accept new positions on behalf of any such non-Participant; ~~34)~~ deny or terminate access of such non-Participant to the Trading System and the Facility; or ~~54)~~ order such other action as is necessary to

prevent a threat to the Swap or further violations of the Commodity Exchange Act or these Rules.

1204. Emergency Powers.

(a) Delegation to Chief Executive Officer.

(i) The Chief Executive Officer ~~or an officer of the Facility~~ is authorized by the Board of the Facility under this Rule 1204 to ~~may issue an opinion on behalf of the Board that any~~ determine in his or her discretion whether any occurrence or circumstance is an Emergency constitutes an emergency that requires immediate action because it threatens fair and orderly trading in any Swap or the liquidation of or delivery pursuant to any Swap. The Chief Executive Officer is authorized to delegate this authority to an officer of the Facility to act on behalf of the Chief Executive Officer in the absence of the Chief Executive Officer.

(ii) To the extent practicable under the circumstances, the Chief Executive Officer shall inform the Board of the occurrence or circumstance prior to issuing such an opinion. If it is not practicable to inform the Board prior to issuing taking such action, the Chief Executive Officer shall inform the Board as soon as practicable after taking such action.

(iii) Notwithstanding the provisions of subparagraph (i), if the Chief Executive Officer believes it appropriate, the Chief Executive Officer may submit the matter for consideration to the Board.

(iv) Nothing in this section prohibits the Board, at its election, from exercising the authority delegated under subsection (i) by it or by the Chief Executive Officer.

~~(e)(b)~~ ~~An Occurrences or and~~ circumstances that is an Emergency that requires immediate action because it threatens fair and orderly trading in any Swap or the liquidation of or delivery pursuant to any Swap which may be deemed to be emergencies includes, but are not limited to, the following:

~~(d)(c)~~ ~~If an Emergency is determined under this rule to exist, the person exercising authority under paragraph (a) In the event that the Chief Executive Officer or other officer of the Facility determines that an emergency exists, he or she~~ may take any or all of the following actions or any other action that may be appropriate under the circumstances:

~~(vi)~~ ~~order the liquidation or transfer of open positions in any contract;~~

~~(vii)~~ ~~transfer customer contracts and the margin; or~~

~~(i)(viii)~~ ~~alter any contract's settlement terms or conditions.~~

~~(ii)(ix)~~ ~~modify or suspend any provision of these Rules.~~

~~(e)~~(d) If the Chief Executive Officer, (or such other Officer(s) to whom the Chief Executive Officer shall delegate authority to act), in his or her sole discretion, , Chief Operating Officer, Chief Technology Officer, or Chief Compliance Officer of the Facility, in his or her sole discretion, shall determine that there is a malfunction in the system for transmitting orders or other communications from or through any Participant into the Trading System and that such malfunction may impair, delay or otherwise adversely affect the operation of the Trading System, the Chief Executive Officer (or other authorized officer) may instruct such Participant to discontinue transmissions to the Trading System from any source and may cause such steps to be taken as will disconnect such Participant from the Trading System, until such time as such malfunction shall have been resolved in a manner satisfactory to the Chief Executive Officer in his or her sole discretion. In taking any such action, the Chief Executive Officer or other authorized officer shall endeavor to communicate with the Participant in question prior to taking any such action, but the inability or failure of the Chief Executive Officer or other authorized officer to do so shall not prevent, delay or otherwise affect the ability of the Chief Executive Officer to act pursuant to this paragraph.

~~(f)~~(e) As soon as practicable, the Board ~~and the Commission~~ shall be notified of any exercise of emergency authority pursuant to this Rule and with respect to the Commission, the Facility shall comply with the requirements of Commission Regulation 40.6(a)(6).

~~(g)~~(f) ~~The Chief Executive Officer or~~ The Person exercising authority to take an emergency action other authorized officer taking emergency action pursuant to this Rule shall document the decision-making process and the reasons for taking such action. Such documentation shall include, but is not limited to the following: the steps taken to minimize conflict-of- interest, consideration of the impact of the emergency actions on the underlying markets and consideration of the impact of the emergency actions on the markets that are linked to or reference the Swaps traded on the Facility (including other swap execution facilities).

1209. Enforceability

A transaction entered into on or pursuant to the rules of the Facility shall not be void, voidable, subject to rescission, otherwise invalidated, or rendered unenforceable as a result of:

(a) A violation by the swap execution facility of the provisions of section 5h of the Act or this part;

(b) Any Commission proceeding to alter or supplement a rule, term, or condition under section 8a(7) of the Act or to declare an emergency under section 8a(9) of the Act; or

(c) Any other proceeding the effect of which is to:

(i) Alter or supplement a specific term or condition or trading rule or procedure; or

(+)(ii) Require the Facility to adopt a specific term or condition, trading rule or procedure, or to take or refrain from taking a specific action.

1210. Audit Trail

The Facility shall make available all audit-trail data and reconstructions to the Commission in a form, manner and time that is acceptable to the Commission.

1306. Swaps Listed for Trading

The terms and conditions of the Swaps Listed for trading on the Facility shall be as provided on the Facility's website from time to time. The Facility shall list for trading only Swaps that are not readily susceptible to manipulation, having certified such swaps listed for trading (or in the discretion of the Facility, having submitted such Swaps for voluntary approval under 17 C.F.R. 40.3) and having submitted supporting information as set forth in 17 C.F.R. Part 38, Appendix C.