trueEX

November 1, 2016

Via E-Mail: submissions@cftc.gov

Christopher J. Kirkpatrick
Secretary of the Commission
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

RE: **trueEX LLC Self-Certification of Rule Amendments (trueEX LLC submission #2016-09S)**

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended, (the "Act") and Commission Regulation 40.6(a), trueEX LLC ("trueEX" or the "Exchange") hereby submits to the U.S. Commodity Futures Trading Commission (the "Commission") certain amendments to the trueEX Rulebook summarized below.

Summary of Amendments

trueEX Rule	Nature of Amendment
Amended: Rule 101. Definition of Block Trade Rule 542. Block Trades Rule 801(i). Clearing Firms	SEF Core Principle 9 and CFTC Regulations 37.901 and 43.2 Rules amended to incorporate the extension of the No-Action for Block Trades. Included new reference to No-Action Letter 16-74 and expiration of November 15, 2017.
Added the following Definitions to Rule 101: • "Cleared Transaction" • "Clearing Requirement" • "ISDA" • "Required Swap Continuation Data" • "Uncleared Transaction" Amended the following Definitions in Rule 101: • "End-User Clearing Exception" • "Portfolio Terminations and Compactions"	SEF Core Principle 4 and CFTC Regulation 37.400 Language added or modified to incorporate the ability to trade uncleared swaps on the SEF Trading System.

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Rules 302 and 534– deleted language from Rule 302 and moved it to Rule 534	SEF Core Principle 4 and CFTC Regulation 37.400 Drafting clarification to incorporate protocols for trading uncleared swaps.
• Rules 513, 522, 524(c)	SEF Core Principle 4 and CFTC Regulation 37.400 Drafting clarification to distinguish between cleared and uncleared swaps.
• Rule 539(c)(iii)	CFTC Regulation 37.9 Rules amended to incorporate the extension of the No-Action for Package Transactions. Included new reference to No-Action Letter 16-76 and expiration of November 15, 2017.
Table 539	Correction of typographical errors
Rule 545 Added language regarding the responsibility for reporting Required Swap Continuation Data for uncleared swaps executed on the SEF Trading System.	SEF Core Principle 9 and CFTC Regulation 37.901 and 45.4
Rule 546	SEF Core Principle 10 and CFTC Regulations 37.6(b), 37.1000 and 37.1001. Rules amended to incorporate the requirements of the No-Action regarding confirmations for uncleared swaps. Included new reference to No-Action Letter 16-25 and expiration of March 31, 2017.

Each rule amendment summarized above is detailed in the redlined excerpts of the Exchange's Rulebook attached as Exhibit A-1, with the final wording attached as Exhibit A-2 to this letter.

trueEX certifies that these rules amendments comply with the Act and the Commission's regulations thereunder. trueEX's analysis of the operation, purpose and effect of the proposed rule changes and their compliance with the Act, core principles and Commission's regulations thereunder is included in the table above. There were no substantive opposing views expressed by the trueEX governing board or market participants to the rule amendments.

trueEX certifies that this certification has been concurrently posted on the Exchange's Web Site at http://www.trueex.com/rules-and-notices. These amendments will be effective on November 16, 2016.

If you have questions regarding this notice, please contact me at (646) 787-8705 or by email at fran@trueex.com.

Sincerely,

Fran Kenck

Fran Kenck
Chief Compliance Officer/Chief Regulatory Officer

EXHIBIT A-1
RULEBOOK AMENDMENTS
(Redlined)

"Block Trade" means a "publicly reportable swap transaction", as that term is defined in CFTC Regulation § 43.2, involving a Contract or Package Transaction that is a swap which:

(i)   is not executed using the order book functionality of either the DCM or SEF Trading System, but is executed pursuant to the rules and procedures of the Exchange, including on the SEF Trading System as provided for in CFTC No-Action Letter ~~15-60~~ 16-74 expiring the earlier of ~~at~~ 11:59 p.m. EST on November 15, 201~~7~~6, or the effective date of any Commission action with respect to the issues discussed in No-Action Letter 16-74;

(ii)   has a notional or principal amount at or above the minimum threshold applicable to the Contract as set forth in Chapter 10. For Package Transactions, each line item included in the Package Transaction must meet the appropriate minimum block size in order for the Package Transaction to be executed as a Block Trade as an RFQ to one; and

(iii)   is reported to the Exchange pursuant to Rule 542.

"Cleared Transaction" means a Contract that is intended by a Participant to be submitted to a DCO for clearing and is eligible to be cleared by such DCO, including such Contracts that are subject to the Clearing Requirement or any Contract that is traded on the DCM Trading System.

"Clearing Requirement" means the requirement to clear certain Contracts as the Commission has determined must be cleared pursuant to Section 2(h) of the CEA and the CFTC's regulations promulgated thereunder

"End-User Clearing Exception" means the ~~exemption~~ exception from the clearing requirement set forth in § 2(h)(7) of the CEA and related CFTC regulations.~~.~~

"ISDA" means International Swaps and Derivatives Association

"Portfolio Terminations and Compactions" or "PTC" is an application on the SEF Trading System that supports RFQ as a method of execution for certain Contracts and Package Transactions. Such Contracts and Package Transactions are identified in the Schedules to Chapter 10. PTC offers flexibility to execute multiple line items in a single Package Transaction, quoting flexibility, multiple ~~clearable~~ currencies and customization of swap terms.

"Required Swap Continuation Data" has the meaning given that term in CFTC Regulation 45.1

"Uncleared Transaction" means a Contract that is executed on the SEF Trading System that is not intended to be cleared. This term includes:

(i)   Contracts that are not eligible to be cleared by CME or LCH;

(ii) Contracts that are not subject to the Clearing Requirement; and

~~(i)~~(iii)   Contracts that are subject to the Clearing Requirement but for which at least one Participant (or its Customer or Client, if applicable) has elected the End-User Clearing Exception or other such exemption allowed per applicable CFTC regulations.

Rule 302.   **Participants**

(a)   A Person is eligible to be a Participant if such Person:

(i)   maintains good reputation and business integrity;

(ii)   is not the subject of a proceeding seeking a judgment of insolvency, bankruptcy, liquidation, dissolution, or a similar action instituted by such Person or a regulator;

(iii)   maintains all applicable registrations required by Applicable Law, including any registration required of an IB or FCM;

(iv)   is not subject to a De-registration Basis;

(v)   completes and submits the Participant Documentation;

(vi)   is, and will continue to be an Eligible Contract Participant for as long as such Person is a Participant, and if such Person will be entering into Transactions on the Platform on behalf of a Customer or for a Client, such Customer or Client is and will continue to be an Eligible Contract Participant for as long as Participant accesses the Platform on behalf of such Customer or Client;

(vii)   if organized or located outside of the United States, provides the Exchange with a copy of a written agreement acceptable to the Exchange appointing a third party as a U.S. agent for service of process of such Person for purposes of CFTC Regulation § 15.05;

(viii)   if transacting for its own account, has established a clearing relationship with a Clearing Firm, or is a member of a Clearing House and is eligible to clear at such Clearing House the Contract(s) that such Person will execute on the Exchange; and

(ix)(viii)   satisfies any other criteria that the Exchange may require from a Participant.

RULE 513.   **Misuse of the Platform**

It shall be a violation of these Rules to willfully permit unauthorized use of the Platform, to assist any Person in obtaining unauthorized access to the Platform, to trade on the Platform without an agreement and an established account with a Clearing Firm (if engaging in Cleared Transactions), to alter the equipment associated with the Platform (except with the Exchange's consent), to interfere with the operation of the Platform, to intercept or interfere with information provided thereby, or in any way to use the Platform in a manner contrary to the Rules.

RULE 522.   **Recordkeeping Requirements for Entering Orders into the Platform**
(a)   General Requirements.

(i)   Orders must be entered by electronic transmission to the Platform, and the Exchange shall maintain an electronic record of those entries. Each Authorized Trader entering Orders into the Platform shall input for each Order:

(A)   the User ID identifying the individual placing such Order and an identifier of the Clearing Firm that will clear any resultant contracts (if engaging in Cleared Transactions);

(B)   its type, price or yield, quantity, product, maturity or expiration month or date, customer type indicator ("CTI") code and account number (as provided in Rule 522(d)); and

(C)   such additional information as may be prescribed from time to time by the Exchange.

RULE 524.   Pre-arranged Trades, Pre-Execution Communication and Non-competitive Trades Prohibited

(a)   No Person shall pre-arrange any purchase or sale, or non-competitively execute, any transaction except in accordance with Rule 524(b) or Rule 524(c).

(b)   The foregoing restriction shall not apply to Block Trades affected pursuant to Rule 542.

(c)   Pre-arranged Trades and Pre-Execution Communications. A Person may engage in pre-execution communications or arrange the purchase or sale of a Contract, subject to the following conditions.

(i)   Transactions on the DCM Trading System. Parties may communicate, directly or indirectly, with regard to an Order for a Contract listed for trading on the DCM Trading System where one party (the first party) wishes to be assured that a contra party (the second party) will take the opposite side of the Order, and:

(A)   the party for whose benefit the trade is being made has previously consented to permit such communications;

(B)   parties to, and persons involved in, pre-execution communications do not disclose to a nonparty the details of such communications or enter an Order to take advantage of information conveyed during such communications except in accordance with this Rule 524(c); and

(C)   the Order details are entered by one of the parties into the DCM Trading System and displayed in a manner that gives other Participants the opportunity to participate in the Order. The second party's Order will not be matched against the first party's Order on the DCM Trading System until a period of five (5) seconds has elapsed from the time of entry of the contra Order. After the five (5) seconds have elapsed, any portion of the first party's Order that was unfilled during the public session will be matched by the second party's Order.

(ii)   Permitted Transactions on the SEF Trading System. A Person may arrange with another Person for the execution of a Contract listed on the SEF Trading System, prior to submitting the details of such Contract to the SEF Trading System; provided that:

(A)   one party to the arrangement enters into the SEF Trading System, the details of such Contract as required by the SEF Trading System, and the other party to the arrangement verifies such details in the SEF Trading System, in each case, as soon as practicable, but in no event more than 15 minutes following the conclusion of such arrangement;

(B)   the relevant Contract or Package Transaction is not a Block Trade; and

(C)   the relevant Contract or Package Transaction is a Permitted Transaction or is a Package Transactions effected pursuant to Rule 539(c)(iii).; and

(C)

(D)   both parties intend to clear such Contract or Package Transaction at a Clearing House.

(iii)   Required Transactions and Permitted Transactions on the SEF Trading System. A Person may engage in pre-execution communications, directly or indirectly, with one or more other Persons with regard to a RFQ for a Contract using the RFQ functionality of the SEF Trading System.

RULE 534.   Platform Access Restrictions

(a)   For Cleared Transactions, A all Participants permitted to connect to the Platform, must be a member of a Clearing House and be eligible to clear at such Clearing House the Contract(s) that such Person will execute on the Exchange, or have clearing arrangements in place with a Clearing Firm pursuant to which Clearing Firm agrees to clear Transactions for such Participant (and its Customers and Clients, if applicable), pursuant to Rule 809. If the Participant's Customer or Client clears its Transactions through a Clearing Firm other than the Participant, the Customer or Client must have clearing arrangements in place with a Clearing Firm pursuant to which Clearing Firm agrees to clear all Transactions effected by or through the Participant for that Customer or Client, pursuant to Rule 809.

(b)   For Uncleared Transactions, all Participants permitted to connect to the SEF Trading System (and its Customers or Clients, as applicable), must each have previously-negotiated freestanding agreements between the counterparties (including, without limitation, ISDA master agreements, other master agreements, terms supplements, master confirmation agreements, and incorporated industry definitions).

(b)(c)   Customer Orders may be entered only from the premises of an entity registered to conduct Customer business.

RULE 539.   Execution Methods.

. . .

(c)   Execution on the Platform of Required and Permitted Transactions,

(i)   Execution of a Required Transaction, other than a Block Trade executed pursuant to Rule 542 or certain Package Transactions specifically identified in 539(c)(iii), shall occur through one of the methods in Rule 539(b)(i)(A) or (ii) above.

(ii)   Execution of a Permitted Transaction shall occur through one of the methods in Rule 539(b)(i)(B) or (ii) above, or through any other method of execution permitted by Applicable Law and offered by the Exchange.

(iii)   Exceptions for Required Transactions. Package Transactions that are deemed to be Required Transactions because at least one component includes a swap that is subject to the trade execution requirement in §2(h)(8) of the CEA are eligible for relief from CFTC Regulation 37.9 under CFTC No-Action Letter 15-5516-76. The swap components of these Package Transactions must be executed on the SEF Trading System but the counterparties may execute the swap components of these Package Transactions through any method of execution offered by the Exchange, provided that such swaps are executed at or before 11:59 pm on the expiration dates below and all other terms of No-Action Letter 15-5516-76 are satisfied:

(A)   A new issue bond (expires November 15, 20176)
(B)   A futures contact (expires November 15, 20176)
(C)   A swap that is not subject to the clearing requirement under §2(h)(1)(A) of the CEA and CFTC Regulation 50.4 (expires November 15, 20176)

(D)   A non-swap instrument (as defined in §1a(47) of the CEA) other than an instrument listed in subsections A or B above, or a U.S. Treasury bond (expires November 15, 2017~~6~~); or

(E)   A security-based swap (as defined in §1a(42) of the CEA) or a mixed swap (as defined in §1a(47)(D) of the CEA) (expires November 15, 2017~~6~~).

If a Required Transaction is executed on the SEF Trading System in reliance of the relief granted in No-Action Letter ~~15-55~~16-76, both counterparties to the transactions must submit to trueEX, upon request, information to demonstrate that the transaction has met the requirements of No-Action Letter ~~15-55~~16-76.

Table 539 – PTC and Core RFQ Protocols

General
• Transaction on PTC can be from 1 to 400 line items, Core RFQ can be 1 (outright), 2 (switch) or 3 (butterfly) line items • Pricing on Package Transactions (2 or more line items) is all or none. • Single currency per Transaction (PTC accommodates up to 19~~8~~ different clearable currencies, Core RFQ USD only). • Validation of line items to ensure RFQ is sent to required number of Respondents (including Block Trade size to allow RFQ to 1). • Respondent knows how many other Respondents there are but names and their actions are not disclosed to each other, only to Requester • There is no requirement for Requester to select best price or wait for all Respondents to provide a price • If a Respondent changes or cancels a price, the original price is no longer actionable by the Requester. • Requester can send target level or request to refresh price to all active Respondents in RFQ session.
RFQ Workflow

1. Requester transmits an RFQ to required number of Respondents.
    o For Core RFQ, the session will automatically be cancelled if execution has not occurred by the earlier of 30 minutes from the time RFQ is sent, or market close.
    o For PTC, the session will automatically be cancelled if execution has not executed by market close.
2. Respondent(s) receive notification of RFQ and can take the following actions:
    o Pass (Respondent is not interested and will not receive any further updates on that specific RFQ session)
    o Submit a price to the Requester (and subsequently may update or cancel a price that has already been sent).
    o All prices sent by the Respondent are subject to Requester's acceptance and final affirmation by Respondent before execution occurs.
3. Requester can take the following actions:
    o Cancel the RFQ session
    o Ask for prices to be refreshed
    o Accept one of the Respondent's prices which starts an Affirmation Session
        ▪ For Core RFQ, the Affirmation Session is 30 seconds long
        ▪ For PTC, the Affirmation Session is 60 seconds long
4. When an Affirmation Session starts, the selected Respondent can take the following actions:
    o Execute.
        ▪ For Core RFQ, execution must take place no later than 30 minutes after the initial RFQ was sent by Requester.
        ▪ For PTC, execution must take place by market close
    o Update the price that was accepted. RFQ session returns to step 3 for action by Requester (including acceptance of price from other Respondent).
    o Cancel the price that was accepted
    o Do nothing. Session expires

5. For PTC, upon execution, package breakdown must occur by Requester or Respondent as agreed by the parties.

RULE 542. Block Trades

(a)   The Exchange shall designate the Contracts that are eligible for treatment as a Block Trade and whether the details of a Block Trade may be submitted to the DCM Trading System or, pursuant to the CFTC No-Action Letter 15-6016-74, expiring the earlier ofat 11:59 p.m. EST on November 15, 201776, or the effective date of any Commission action with respect to the issues discussed in No-Action Letter 16-74 executed on the non-order book functionality of the SEF Trading System using the RFQ Functionality as an RFQ to one.

(b)   Each Person that is a party to a Block Trade must be an Eligible Contract Participant.

(c)   A Participant or Direct Access Customer shall not execute any order on behalf of its Customer or Client by means of a Block Trade unless such it has received prior written instruction or consent from its Customer or Client to execute Block Trades, on behalf of that Customer or Client. Such instruction or consent may be provided in the power of attorney or similar document by which the Client provides the Participant or Direct Access Customer with discretionary trading authority or the authority to direct the trading in its account. A Participant or Direct Access Customer shall not aggregate the orders of different Clients to satisfy the minimum threshold size unless such Participant or Direct Access Customer is one of the persons for which aggregation is permissible pursuant to CFTC Regulation § 43.6(h).

(d)   The price at which a Block Trade is executed must be fair and reasonable in light of (i) the size of the Block Trade, (ii) the prices and sizes of other transactions in the same Contract at the relevant time, (iii) the prices and sizes of transactions in other relevant markets, including the related swap markets, at the relevant time, and (iv) the circumstances of the markets or the principal counterparties to the Block Trade.

(e)   Participants and Direct Access Customers are not permitted to make a block election on a recurring basis through one-time notification to the Exchange.

(f)   Block Trades may only be executed and reported on the same day to the DCM Trading System during Trading Hours of the relevant Contract. Parties to a Block Trade must ensure that its details are reported to and affirmed on the DCM Trading System as soon as technologically practicable after execution but in no event more than 10 minutes after the parties have agreed to the terms of such Block Trade.   For the purposes of this Rule, a Block Trade is reported to the Exchange upon: (1) the entry of the trade details of the Block Trade by one party into the DCM Trading System; and (2) an affirmation of the terms of the Block Trade by the other party through the DCM Trading System. The trade details reported to the DCM Trading System must include the execution time, which is the time at which the parties agreed to the terms of the Block Trade prior to entry of the trade details into the DCM Trading System.

(g)   Pursuant to CFTC NAL 16-7415-60 expiring the earlier of 11:59 p.m. EST on November 15, 201776 at 11:59 p.m. EST,, or the effective date of any Commission action with respect to the issues discussed in No-Action Letter 16-74 a Block Trade, which is intended to be cleared, may be executed using the non-order book functionality of the SEF Trading System during Trading Hours of the relevant Contract(s). A Block Trade executed using the non-order book functionality of the SEF Trading System is not subject to the minimum participant requirements set forth in Rule 539(b)(ii) and, therefore, may be sent to only one Respondent. Electing to execute a transaction as an RFQ to one, provided the transaction meets the requirements listed in (i) through (v) below, serves as notification to the Exchange hat the parties to the Transaction have elected treatment as a Block Trade and as such, the Transaction will be reported to the SDR as such. For the purposes of this Rule, a Block Trade executed on the SEF Trading System must:

(i)   involve a swap that is listed by the Exchange on the SEF Trading System;

(ii)   be executed pursuant the Exchange's Rules and procedures;

(iii)   meet the notional or principal amount at or above the appropriate minimum block size applicable to the swap as indicted in Chapter 10. For Package Transactions, each line item included in the Package Transaction must meet the appropriate minimum block size in order for the Package Transaction to be executed as a Block Trade as an RFQ to one;

(iv)   be reported to a SDR pursuant to the Exchange's Rules and procedures and Applicable Law;

(v)   have completed the pre-execution credit check pursuant to CFTC Regulation 1.73 at the time the order for the Block Trade is entered on the non-order book functionality of the SEF Trading System;

(vi)   be deemed void ab initio if the Block Trade is rejected on the basis of credit.

(h)   Block Trades will not set off conditional orders (e.g., Limit Orders) or otherwise affect orders on the DCM Trading System or SEF Trading System.

(i)   All details of the Block Trade, including actual or notional or principal amount must be reported by the parties to a Block Trade to the Exchange. The Platform will transmit Real-Time Data and Required Swap Creation Data of all Block Trades reported to or executed on the Exchange in accordance with this Rule 542 and Rule 545(a) to the SDR as soon as technologically practicable after their details are submitted to the DCM Trading System pursuant to Rule 542(f) or the SEF Trading System pursuant to Rule 542(g). The SDR will be responsible for delaying the public dissemination of swap transaction and pricing data relating to any Block Trade, and for disseminated of rounded notional or principal amounts in accordance with the timeframe and requirements set forth in Part 43 of the CFTC Regulations and Applicable Law.

(j)   All Persons involved in the execution of Block Trades must maintain a record of the transaction as required by Applicable Law.

RULE 545.   SDR Reporting

(a)   Transmitting and Reporting Data. The Platform shall transmit Real-Time Data and report all Required Swap Creation Data to an SDR, as soon as technologically practicable after execution of such swap on or subject to the rules of the Exchange. The Exchange reports all Real-Time Data and Required Swap Creation Data for each swap to the same SDR.

(b)   Non-Disclosure. The Exchange shall not disclose Real-Time Data of any swap executed on or pursuant to the rules of the Platform prior to public dissemination of such Real-Time Data by an SDR in accordance with CFTC Regulations.

(c)   Required Swap Continuation Data.

(i)   CFTC Regulation Part 45 requires Continuation Data to be reported to the same Swap Data Repository referenced in Rule 401(a)(1) during the life of any Transaction.

(ii)   Pursuant to CFTC Regulation § 45.4(c), Required Swap Continuation Data for any Uncleared Transaction, whether or not the Transaction is executed on the SEF Trading System, will be reported to the SDR by the Reporting Counterparty.

(iii)   The Exchange will have no obligation to fulfill any requirements to report Required Swap Continuation Data for any Participant, including Valuation Data.

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

(e)(d)   Correcting Real-Time Data.

(i)   If a Reporting Party becomes aware, whether through the initiative of the Reporting Party or through notice by the non-reporting counterparty to the swap, of an error or omission in Real-Time Data that was transmitted by the Platform to an SDR, the Reporting Party shall promptly submit to the Exchange, Real-Time Data correcting such error or omission and notify the Exchange of the need to correct the original Real-Time Data transmitted to the relevant SDR. The Reporting Party shall make such submission to the Exchange by email to regulatory@trueex.com.

(ii)   If the Exchange becomes aware of an error or omission in Real-Time Data transmitted by it to an SDR, or receives notification from the Reporting Party pursuant to sub-paragraph (i), the Exchange shall promptly transmit Real-Time Data correcting such error or omission to the same SDR to which incorrect Real-Time Data was transmitted through such SDR's webservice or such other method as provided by the SDR.

(e)   Correcting Required Swap Creation Data. The Exchange shall report corrections to any errors and omissions in Required Swap Creation Data that were transmitted by the Exchange to the SDR through the SDR's webservice or such other method as provided by the SDR. Corrections of errors or omissions in Required Swap Creation Data shall be reported to the relevant SDR as soon as technologically practicable after discovery of any such errors or omissions.

(f)   Improper Cancellation or Correction. The Exchange shall not transmit or agree to transmit to an SDR a cancellation or correction to Real-Time Data with knowledge that the purpose of re-reporting such Real-Time Data is to gain or extend a delay in public dissemination of accurate Real-Time Data or to otherwise evade the reporting requirements in this part.

(g)   Reporting Party Determination. For purposes of these rules, the term "Reporting Party" means, in respect of a swap executed on or pursuant to the Rules of the Exchange, the Participant that is the "reporting counterparty" after application of CFTC Regulation § 45.8. If both principal counterparties to a swap executed on or pursuant to the rules of the Exchange are Swap Dealers; or both are Major Swap Participants; or neither are Swap Dealers nor Major Swap Participants but both are financial entities as defined in CEA § 2(h)(7)(C); or neither are a financial entity as defined in CEA § 2(h)(7)(C), the Reporting Party shall be the Participant that is the fixed rate payer on the swap, and in respect of switches, the Reporting Party shall be the party that is the purchaser of the switch. If both counterparties to a swap are non-Swap Dealer/non-Major Swap Participant counterparties and only one counterparty is a U.S. person, that counterparty who is the U.S. person shall be the reporting counterparty.

RULE 546.   Transaction Confirmation.

(a)   For each Transaction executed on or pursuant to the Rules of the Exchange, the Exchange will provide each Participant that is a counterparty to the Transaction on the Platform, an electronic written record of all of the terms of the Transaction at the time of execution, which terms shall legally supersede

any previous agreement and serve as a confirmation of the Transaction ("the Confirmation"). The Exchange will not include specific account identifiers for accounts included in Bunched Orders if the applicable requirements of CFTC Regulation 1.35(b)(5) are met.

(a)(b)   For Uncleared Transactions:

(i)   Each Confirmation shall incorporate by reference, and shall state that it incorporates by reference, the terms of the underlying previously-negotiated freestanding agreements between the counterparties (including, without limitation, ISDA master agreements, other master agreements, terms supplements, master confirmation agreements, and incorporated industry definitions).

(ii)   Each Confirmation shall state that in the event of any inconsistency between the Confirmation and the underlying previously-negotiated freestanding agreements, the terms of the Confirmation legally supersede any contradictory terms.

(iii)   The Exchange is required to request from Participants to an Uncleared Transactions the underlying previously-negotiated freestanding agreements on request from the Commission and is required to provide such documents to the Commission as soon as they are available.

(iv)   Participants are required to provide to the Exchange copies of underlying previously-negotiated freestanding agreements upon request from the Exchange.

(v)   The information in subsections (i) through (iv) above is required pursuant to the terms of the No-Action Letter 16-25, expiring the earlier of 11:59 p.m. on March 31, 2017 or the effective date of any changes in the regulation.

EXHIBIT A-2
RULEBOOK AMENDMENTS
(Final)

"Block Trade" means a "publicly reportable swap transaction", as that term is defined in CFTC Regulation § 43.2, involving a Contract or Package Transaction that is a swap which:

        (i)   is not executed using the order book functionality of either the DCM or SEF Trading System, but is executed pursuant to the rules and procedures of the Exchange, including on the SEF Trading System as provided for in CFTC No-Action Letter 16-74 expiring the earlier of at 11:59 p.m. EST on November 15, 2017, or the effective date of any Commission action with respect to the issues discussed in No-Action Letter 16-74;

        (ii)   has a notional or principal amount at or above the minimum threshold applicable to the Contract as set forth in Chapter 10. For Package Transactions, each line item included in the Package Transaction must meet the appropriate minimum block size in order for the Package Transaction to be executed as a Block Trade as an RFQ to one; and

        (iii)   is reported to the Exchange pursuant to Rule 542.

"Cleared Transaction" means a Contract that is intended by a Participant to be submitted to a DCO for clearing and is eligible to be cleared by such DCO, including such Contracts that are subject to the Clearing Requirement or any Contract that is traded on the DCM Trading System.

"Clearing Requirement" means the requirement to clear certain Contracts as the Commission has determined must be cleared pursuant to Section 2(h) of the CEA and the CFTC's regulations promulgated thereunder

"End-User Clearing Exception" means the exception from the clearing requirement set forth in § 2(h)(7) of the CEA and related CFTC regulations.

"ISDA" means International Swaps and Derivatives Association

"Portfolio Terminations and Compactions" or "PTC" is an application on the SEF Trading System that supports RFQ as a method of execution for certain Contracts and Package Transactions. Such Contracts and Package Transactions are identified in the Schedules to Chapter 10. PTC offers flexibility to execute multiple line items in a single Package Transaction, quoting flexibility, multiple currencies and customization of swap terms.

"Required Swap Continuation Data" has the meaning given that term in CFTC Regulation 45.1

"Uncleared Transaction" means a Contract that is executed on the SEF Trading System that is not intended to be cleared. This term includes:

  (i) Contracts that are not eligible to be cleared by CME or LCH;

  (ii) Contracts that are not subject to the Clearing Requirement; and

  (iii) Contracts that are subject to the Clearing Requirement but for which at least one Participant (or its Customer or Client, if applicable) has elected the End-User Clearing Exception or other such exemption allowed per applicable CFTC regulations.

Rule 302.   **Participants**

(a)   A Person is eligible to be a Participant if such Person:

(i)   maintains good reputation and business integrity;

(ii)   is not the subject of a proceeding seeking a judgment of insolvency, bankruptcy, liquidation, dissolution, or a similar action instituted by such Person or a regulator;

(iii)   maintains all applicable registrations required by Applicable Law, including any registration required of an IB or FCM;

(iv)   is not subject to a De-registration Basis;

(v)   completes and submits the Participant Documentation;

(vi)   is, and will continue to be an Eligible Contract Participant for as long as such Person is a Participant, and if such Person will be entering into Transactions on the Platform on behalf of a Customer or for a Client, such Customer or Client is and will continue to be an Eligible Contract Participant for as long as Participant accesses the Platform on behalf of such Customer or Client;

(vii)   if organized or located outside of the United States, provides the Exchange with a copy of a written agreement acceptable to the Exchange appointing a third party as a U.S. agent for service of process of such Person for purposes of CFTC Regulation § 15.05;

(viii)   satisfies any other criteria that the Exchange may require from a Participant.

RULE 513.   Misuse of the Platform

It shall be a violation of these Rules to willfully permit unauthorized use of the Platform, to assist any Person in obtaining unauthorized access to the Platform, to trade on the Platform without an agreement and an established account with a Clearing Firm (if engaging in Cleared Transactions), to alter the equipment associated with the Platform (except with the Exchange's consent), to interfere with the operation of the Platform, to intercept or interfere with information provided thereby, or in any way to use the Platform in a manner contrary to the Rules.

RULE 522.   Recordkeeping Requirements for Entering Orders into the Platform
(a)   General Requirements.

(i)   Orders must be entered by electronic transmission to the Platform, and the Exchange shall maintain an electronic record of those entries. Each Authorized Trader entering Orders into the Platform shall input for each Order:

(A)   the User ID identifying the individual placing such Order and an identifier of the Clearing Firm that will clear any resultant contracts (if engaging in Cleared Transactions);

(B)   its type, price or yield, quantity, product, maturity or expiration month or date, customer type indicator ("CTI") code and account number (as provided in Rule 522(d)); and

(C)   such additional information as may be prescribed from time to time by the Exchange.

RULE 524.   Pre-arranged Trades, Pre-Execution Communication and Non-competitive Trades Prohibited

(a)   No Person shall pre-arrange any purchase or sale, or non-competitively execute, any transaction except in accordance with Rule 524(b) or Rule 524(c).

(b)   The foregoing restriction shall not apply to Block Trades affected pursuant to Rule 542.

(c)   Pre-arranged Trades and Pre-Execution Communications. A Person may engage in pre-execution communications or arrange the purchase or sale of a Contract, subject to the following conditions.

(i)   Transactions on the DCM Trading System. Parties may communicate, directly or indirectly, with regard to an Order for a Contract listed for trading on the DCM Trading System where one party (the first party) wishes to be assured that a contra party (the second party) will take the opposite side of the Order, and:

(A)   the party for whose benefit the trade is being made has previously consented to permit such communications;

(B)   parties to, and persons involved in, pre-execution communications do not disclose to a nonparty the details of such communications or enter an Order to take advantage of information conveyed during such communications except in accordance with this Rule 524(c); and

(C)   the Order details are entered by one of the parties into the DCM Trading System and displayed in a manner that gives other Participants the opportunity to participate in the Order. The second party's Order will not be matched against the first party's Order on the DCM Trading System until a period of five (5) seconds has elapsed from the time of entry of the contra Order. After the five (5) seconds have elapsed, any portion of the first party's Order that was unfilled during the public session will be matched by the second party's Order.

(ii)   Permitted Transactions on the SEF Trading System. A Person may arrange with another Person for the execution of a Contract listed on the SEF Trading System, prior to submitting the details of such Contract to the SEF Trading System; provided that:

(A)   one party to the arrangement enters into the SEF Trading System, the details of such Contract as required by the SEF Trading System, and the other party to the arrangement verifies such details in the SEF Trading System, in each case, as soon as practicable, but in no event more than 15 minutes following the conclusion of such arrangement;

(B)   the relevant Contract or Package Transaction is not a Block Trade; and

(C)   the relevant Contract or Package Transaction is a Permitted Transaction or is a Package Transactions effected pursuant to Rule 539(c)(iii

(iii)   Required Transactions and Permitted Transactions on the SEF Trading System. A Person may engage in pre-execution communications, directly or indirectly, with one or more other Persons with regard to a RFQ for a Contract using the RFQ functionality of the SEF Trading System.

RULE 534.   Platform Access Restrictions

(a)   For Cleared Transactions, all Participants permitted to connect to the Platform, must be a member of a Clearing House and be eligible to clear at such Clearing House the Contract(s) that such Person will execute on the Exchange, or have clearing arrangements in place with a Clearing Firm pursuant to which Clearing Firm agrees to clear Transactions for such Participant (and its Customers and Clients, if applicable), pursuant to Rule 809. If the Participant's Customer or Client clears its Transactions through a Clearing Firm other than the Participant, the Customer or Client must have clearing arrangements in place with a Clearing Firm pursuant to which Clearing Firm agrees to clear all Transactions effected by or through the Participant for that Customer or Client, pursuant to Rule 809.

(b)   For Uncleared Transactions, all Participants permitted to connect to the SEF Trading System (and its Customers or Clients, as applicable), must each have previously-negotiated freestanding agreements between the counterparties (including, without limitation, ISDA master agreements, other master agreements, terms supplements, master confirmation agreements, and incorporated industry definitions).

(c)   Customer Orders may be entered only from the premises of an entity registered to conduct Customer business.

RULE 539.   Execution Methods.

. . .

(c)   Execution on the Platform of Required and Permitted Transactions,

(i)   Execution of a Required Transaction, other than a Block Trade executed pursuant to Rule 542 or certain Package Transactions specifically identified in 539(c)(iii), shall occur through one of the methods in Rule 539(b)(i)(A) or (ii) above.

(ii)   Execution of a Permitted Transaction shall occur through one of the methods in Rule 539(b)(i)(B) or (ii) above, or through any other method of execution permitted by Applicable Law and offered by the Exchange.

(iii)   Exceptions for Required Transactions. Package Transactions that are deemed to be Required Transactions because at least one component includes a swap that is subject to the trade execution requirement in §2(h)(8) of the CEA are eligible for relief from CFTC Regulation 37.9 under CFTC No-Action Letter 16-76. The swap components of these Package Transactions must be executed on the SEF Trading System but the counterparties may execute the swap components of these Package Transactions through any method of execution offered by the Exchange, provided that such swaps are executed at or before 11:59 pm on the expiration dates below and all other terms of No-Action Letter 16-76 are satisfied:

(A)   A new issue bond (expires November 15, 2017)
(B)   A futures contact (expires November 15, 2017)
(C)   A swap that is not subject to the clearing requirement under §2(h)(1)(A) of the CEA and CFTC Regulation 50.4 (expires November 15, 2017)
(D)   A non-swap instrument (as defined in §1a(47) of the CEA) other than an instrument listed in subsections A or B above, or a U.S. Treasury bond (expires November 15, 2017); or
(E)   A security-based swap (as defined in §1a(42) of the CEA) or a mixed swap (as defined in §1a(47)(D) of the CEA) (expires November 15, 2017).

If a Required Transaction is executed on the SEF Trading System in reliance of the relief granted in No-Action Letter 16-76, both counterparties to the transactions must submit to trueEX, upon request, information to demonstrate that the transaction has met the requirements of No-Action Letter 16-76.

Table 539 – PTC and Core RFQ Protocols

General
- Transaction on PTC can be from 1 to 400 line items, Core RFQ can be 1 (outright), 2 (switch) or 3 (butterfly) line items   - Pricing on Package Transactions (2 or more line items) is all or none.   - Single currency per Transaction (PTC accommodates up to 19 different clearable currencies, Core RFQ USD only).   - Validation of line items to ensure RFQ is sent to required number of Respondents (including Block Trade size to allow RFQ to 1).   - Respondent knows how many other Respondents there are but names and their actions are not disclosed to each other, only to Requester   - There is no requirement for Requester to select best price or wait for all Respondents to provide a price   - If a Respondent changes or cancels a price, the original price is no longer actionable by the Requester.   - Requester can send target level or request to refresh price to all active Respondents in RFQ session.
RFQ Workflow

1. Requester transmits an RFQ to required number of Respondents.
   o For Core RFQ, the session will automatically be cancelled if execution has not occurred by the earlier of 30 minutes from the time RFQ is sent, or market close.
   o For PTC, the session will automatically be cancelled if execution has not executed by market close.
2. Respondent(s) receive notification of RFQ and can take the following actions:
   o Pass (Respondent is not interested and will not receive any further updates on that specific RFQ session)
   o Submit a price to the Requester (and subsequently may update or cancel a price that has already been sent).
   o All prices sent by the Respondent are subject to Requester's acceptance and final affirmation by Respondent before execution occurs.
3. Requester can take the following actions:
   o Cancel the RFQ session
   o Ask for prices to be refreshed
   o Accept one of the Respondent's prices which starts an Affirmation Session
      ▪ For Core RFQ, the Affirmation Session is 30 seconds long
      ▪ For PTC, the Affirmation Session is 60 seconds long
4. When an Affirmation Session starts, the selected Respondent can take the following actions:
   o Execute.
      ▪ For Core RFQ, execution must take place no later than 30 minutes after the initial RFQ was sent by Requester.
      ▪ For PTC, execution must take place by market close
   o Update the price that was accepted. RFQ session returns to step 3 for action by Requester (including acceptance of price from other Respondent).
   o Cancel the price that was accepted
   o Do nothing. Session expires
5. For PTC, upon execution, package breakdown must occur by Requester or Respondent as agreed by the parties.

RULE 542.   Block Trades

(a)   The Exchange shall designate the Contracts that are eligible for treatment as a Block Trade and whether the details of a Block Trade may be submitted to the DCM Trading System or, pursuant to   the

CFTC No-Action Letter 16-74, expiring the earlier of 11:59 p.m. EST on November 15, 2017, or the effective date of any Commission action with respect to the issues discussed in No-Action Letter 16-74 executed on the non-order book functionality of the SEF Trading System using the RFQ Functionality as an RFQ to one.

(b)   Each Person that is a party to a Block Trade must be an Eligible Contract Participant.

(c)   A Participant or Direct Access Customer shall not execute any order on behalf of its Customer or Client by means of a Block Trade unless such it has received prior written instruction or consent from its Customer or Client to execute Block Trades, on behalf of that Customer or Client. Such instruction or consent may be provided in the power of attorney or similar document by which the Client provides the Participant or Direct Access Customer with discretionary trading authority or the authority to direct the trading in its account. A Participant or Direct Access Customer shall not aggregate the orders of different Clients to satisfy the minimum threshold size unless such Participant or Direct Access Customer is one of the persons for which aggregation is permissible pursuant to CFTC Regulation § 43.6(h).

(d)   The price at which a Block Trade is executed must be fair and reasonable in light of (i) the size of the Block Trade, (ii) the prices and sizes of other transactions in the same Contract at the relevant time, (iii) the prices and sizes of transactions in other relevant markets, including the related swap markets, at the relevant time, and (iv) the circumstances of the markets or the principal counterparties to the Block Trade.

(e)   Participants and Direct Access Customers are not permitted to make a block election on a recurring basis through one-time notification to the Exchange.

(f)   Block Trades may only be executed and reported on the same day to the DCM Trading System during Trading Hours of the relevant Contract. Parties to a Block Trade must ensure that its details are reported to and affirmed on the DCM Trading System as soon as technologically practicable after execution but in no event more than 10 minutes after the parties have agreed to the terms of such Block Trade.   For the purposes of this Rule, a Block Trade is reported to the Exchange upon: (1) the entry of the trade details of the Block Trade by one party into the DCM Trading System; and (2) an affirmation of the terms of the Block Trade by the other party through the DCM Trading System. The trade details reported to the DCM Trading System must include the execution time, which is the time at which the parties agreed to the terms of the Block Trade prior to entry of the trade details into the DCM Trading System.

(g)   Pursuant to CFTC NAL 16-74 expiring the earlier of 11:59 p.m. EST on November 15, 2017 , or the effective date of any Commission action with respect to the issues discussed in No-Action Letter 16-74 a Block Trade, which is intended to be cleared, may be executed using the non-order book functionality of the SEF Trading System during Trading Hours of the relevant Contract(s). A Block Trade executed using the non-order book functionality of the SEF Trading System is not subject to the minimum participant requirements set forth in Rule 539(b)(ii) and, therefore, may be sent to only one Respondent. Electing to execute a transaction as an RFQ to one, provided the transaction meets the requirements listed in (i) through (v) below, serves as notification to the Exchange hat the parties to the Transaction have elected treatment as a Block Trade and as such, the Transaction will be reported to the SDR as such. For the purposes of this Rule, a Block Trade executed on the SEF Trading System must:

(i)   involve a swap that is listed by the Exchange on the SEF Trading System;

(ii)   be executed pursuant the Exchange's Rules and procedures;

(iii)   meet the notional or principal amount at or above the appropriate minimum block size applicable to the swap as indicted in Chapter 10. For Package Transactions, each line item included in the Package Transaction must meet the appropriate minimum block size in order for the Package Transaction to be executed as a Block Trade as an RFQ to one;

(iv)   be reported to a SDR pursuant to the Exchange's Rules and procedures and Applicable Law;

(v)   have completed the pre-execution credit check pursuant to CFTC Regulation 1.73 at the time the order for the Block Trade is entered on the non-order book functionality of the SEF Trading System;

(vi)   be deemed void ab initio if the Block Trade is rejected on the basis of credit.

(h)   Block Trades will not set off conditional orders (e.g., Limit Orders) or otherwise affect orders on the DCM Trading System or SEF Trading System.

(i)   All details of the Block Trade, including actual or notional or principal amount must be reported by the parties to a Block Trade to the Exchange. The Platform will transmit Real-Time Data and Required Swap Creation Data of all Block Trades reported to or executed on the Exchange in accordance with this Rule 542 and Rule 545(a) to the SDR as soon as technologically practicable after their details are submitted to the DCM Trading System pursuant to Rule 542(f) or the SEF Trading System pursuant to Rule 542(g). The SDR will be responsible for delaying the public dissemination of swap transaction and pricing data relating to any Block Trade, and for disseminated of rounded notional or principal amounts in accordance with the timeframe and requirements set forth in Part 43 of the CFTC Regulations and Applicable Law.

(j)   All Persons involved in the execution of Block Trades must maintain a record of the transaction as required by Applicable Law.

RULE 545.   SDR Reporting

(a)   Transmitting and Reporting Data. The Platform shall transmit Real-Time Data and report all Required Swap Creation Data to an SDR, as soon as technologically practicable after execution of such swap on or subject to the rules of the Exchange. The Exchange reports all Real-Time Data and Required Swap Creation Data for each swap to the same SDR.

(b)   Non-Disclosure. The Exchange shall not disclose Real-Time Data of any swap executed on or pursuant to the rules of the Platform prior to public dissemination of such Real-Time Data by an SDR in accordance with CFTC Regulations.

(c)   Required Swap Continuation Data.

(i)   CFTC Regulation Part 45 requires Continuation Data to be reported to the same Swap Data Repository referenced in Rule 401(a)(1) during the life of any Transaction.

(ii)   Pursuant to CFTC Regulation § 45.4(c), Required Swap Continuation Data for any Uncleared Transaction, whether or not the Transaction is executed on the SEF Trading System, will be reported to the SDR by the Reporting Counterparty.

(iii)   The Exchange will have no obligation to fulfill any requirements to report Required Swap Continuation Data for any Participant, including Valuation Data.

(iv)   If the Exchange fulfills any requirements to report Required Swap Continuation Data for any Participant that is a Reporting Counterparty, such Participant will at all times remain

responsible for the performance of any and all regulatory reporting requirements imposed on such Participant under CFTC Regulation Part 45.

(d) Correcting Real-Time Data.

(i) If a Reporting Party becomes aware, whether through the initiative of the Reporting Party or through notice by the non-reporting counterparty to the swap, of an error or omission in Real-Time Data that was transmitted by the Platform to an SDR, the Reporting Party shall promptly submit to the Exchange, Real-Time Data correcting such error or omission and notify the Exchange of the need to correct the original Real-Time Data transmitted to the relevant SDR. The Reporting Party shall make such submission to the Exchange by email to regulatory@trueex.com.

(ii) If the Exchange becomes aware of an error or omission in Real-Time Data transmitted by it to an SDR, or receives notification from the Reporting Party pursuant to sub-paragraph (i), the Exchange shall promptly transmit Real-Time Data correcting such error or omission to the same SDR to which incorrect Real-Time Data was transmitted through such SDR's webservice or such other method as provided by the SDR.

(e) Correcting Required Swap Creation Data. The Exchange shall report corrections to any errors and omissions in Required Swap Creation Data that were transmitted by the Exchange to the SDR through the SDR's webservice or such other method as provided by the SDR. Corrections of errors or omissions in Required Swap Creation Data shall be reported to the relevant SDR as soon as technologically practicable after discovery of any such errors or omissions.

(f) Improper Cancellation or Correction. The Exchange shall not transmit or agree to transmit to an SDR a cancellation or correction to Real-Time Data with knowledge that the purpose of re-reporting such Real-Time Data is to gain or extend a delay in public dissemination of accurate Real-Time Data or to otherwise evade the reporting requirements in this part.

(g) Reporting Party Determination. For purposes of these rules, the term "Reporting Party" means, in respect of a swap executed on or pursuant to the Rules of the Exchange, the Participant that is the "reporting counterparty" after application of CFTC Regulation § 45.8. If both principal counterparties to a swap executed on or pursuant to the rules of the Exchange are Swap Dealers; or both are Major Swap Participants; or neither are Swap Dealers nor Major Swap Participants but both are financial entities as defined in CEA § 2(h)(7)(C); or neither are a financial entity as defined in CEA § 2(h)(7)(C), the Reporting Party shall be the Participant that is the fixed rate payer on the swap, and in respect of switches, the Reporting Party shall be the party that is the purchaser of the switch. If both counterparties to a swap are non-Swap Dealer/non-Major Swap Participant counterparties and only one counterparty is a U.S. person, that counterparty who is the U.S. person shall be the reporting counterparty.

RULE 546.   Transaction Confirmation.

(a) For each Transaction executed on or pursuant to the Rules of the Exchange, the Exchange will provide each Participant that is a counterparty to the Transaction on the Platform, an electronic written record of all of the terms of the Transaction at the time of execution, which terms shall legally supersede any previous agreement and serve as a confirmation of the Transaction ("the Confirmation"). The Exchange will not include specific account identifiers for accounts included in Bunched Orders if the applicable requirements of CFTC Regulation 1.35(b)(5) are met.

(b) For Uncleared Transactions:

(i)   Each Confirmation shall incorporate by reference, and shall state that it incorporates by reference, the terms of the underlying previously-negotiated freestanding agreements between the counterparties (including, without limitation, ISDA master agreements, other master agreements, terms supplements, master confirmation agreements, and incorporated industry definitions).

(ii)   Each Confirmation shall state that in the event of any inconsistency between the Confirmation and the underlying previously-negotiated freestanding agreements, the terms of the Confirmation legally supersede any contradictory terms.

(iii)   The Exchange is required to request from Participants to an Uncleared Transactions the underlying previously-negotiated freestanding agreements on request from the Commission and is required to provide such documents to the Commission as soon as they are available.

(iv)   Participants are required to provide to the Exchange copies of underlying previously-negotiated freestanding agreements upon request from the Exchange.

(v)   The information in subsections (i) through (iv) above is required pursuant to the terms of the No-Action Letter 16-25, expiring the earlier of 11:59 p.m. on March 31, 2017 or the effective date of any changes in the regulation.