



GFI SWAPS EXCHANGE LLC

Notice to Participants

Notice No.:	15-1
Issue Date:	August 6, 2015
Effective Date:	August 19, 2015
Subject:	Block Trade Treatment of Package Transactions

The following Notice to Participants describes the treatment of Package Transactions¹ that have at least one component (leg) that is a Required Transaction. This Notice is consistent with no-action relief issued by the CFTC's Division of Market Oversight.²

MAT/MAT. Each component of the Package Transaction is a Required Transaction.

- An MAT/MAT Package Transaction may be effected as a Block Trade only if each component Swap is equal to or greater than the applicable minimum block size for such Swap set forth in CFTC Regulations.

MAT/Non-MAT (Cleared). At least one component of the Package Transaction is a Required Transaction; each of the other components is a Permitted Transaction that is required to be cleared.

- An MAT/Non-MAT (Cleared) Package Transaction may be effected as a Block Trade only if each Required Transaction component is equal to or greater than the applicable minimum block size for such Swap(s) set forth in CFTC Regulations.

MAT/Non-MAT (Uncleared). At least one component of the Package Transaction is a Required Transaction; at least one of the other components is a Permitted Transaction that is not required to be cleared.

- An MAT/Non-MAT (Uncleared) Package Transaction may be effected as a Block Trade if each Required Transaction component is equal to or greater than the applicable minimum block size for such Swap(s) set forth in CFTC Regulations.

¹ The term "Package Transaction" has the meaning given that term the GFI SEF Rulebook (the "Rules"). Capitalized terms used in this Notice without definition have the meaning set forth in the Rules.

² See CFTC Letter No. 14-137, which is available at on the CFTC's website at <http://www.cftc.gov/ucm/groups/public/@lrllettergeneral/documents/letter/14-137.pdf>.

- Prior to February 12, 2016, each Swap component of this type of Package Transaction may alternatively be treated as a Permitted Transaction and effected by any means of interstate commerce permitted by the Rules.

MAT/Agency MBS. Each Swap component of the Package Transaction is a Required Transaction; all other components are agency mortgage-backed securities.

- An MAT/Agency MBS Package Transaction may be effected as a Block Trade if each Required Transaction component is equal to or greater than the applicable minimum block size for such Swap(s) set forth in CFTC Regulations.
- Prior to May 15, 2015, each Swap component of this type of Package Transaction may alternatively be treated as a Permitted Transaction and effected by any means of interstate commerce permitted by the Rules.

MAT/New Issuance Bond. At least one component of the Package Transaction is a Required Transaction; at least one individual component is a bond issued and sold in the primary market.

- An MAT/New Issuance Bond Package Transaction may be effected as a Block Trade if each Required Transaction component is equal to or greater than the applicable minimum block size for such Swap(s) set forth in CFTC Regulations.
- Prior to February 12, 2016, each Swap component of this type of Package Transaction may alternatively be treated as a Permitted Transaction and effected by any means of interstate commerce permitted by the Rules.

MAT/Futures. At least one component of the Package Transaction is a Required Transaction; all other components are futures contracts.

- An MAT/Futures Package Transaction may be effected as a Block Trade if each Required Transaction component is equal to or greater than the applicable minimum block size for such Swap(s) set forth in CFTC Regulations.
- Prior to November 14, 2015, each Swap component of this type of Package Transaction may alternatively be treated as a Permitted Transaction and effected by any means of interstate commerce permitted by the Rules.

U.S. Dollar Swap Spreads. Each Swap component of the Package Transaction is a Required Transaction; all other components are U.S. Treasury securities.

- A U.S. Dollar Swap Spreads Package Transaction may be effected as a Block Trade if each Required Transaction component is equal to or greater than the applicable minimum block size for such Swap(s) set forth in CFTC Regulations.

MAT/Non-Swap Instruments. At least one component of the Package Transaction is a Required Transaction; at least one component is not a Swap or a mixed swap. This category specifically excludes MAT/Agency MBS, MAT/New Issuance Bond, MAT/Futures and U.S. Dollar Swap Spreads.

- An MAT/Non-Swap Instruments Package Transaction may be effected as a Block Trade if each Required Transaction component is equal to or greater than the applicable minimum block size for such Swap(s) set forth in CFTC Regulations.

- Prior to February 12, 2016, each Swap component of this type of Package Transaction may alternatively be treated as a Permitted Transaction and effected by any means of interstate commerce permitted by the Rules.

MAT/Non-CFTC Swap. At least one component of the Package Transaction is a Required Transaction; at least one other component is a “mixed swap” over which the CFTC does not have exclusive jurisdiction.

- An MAT/Non-CFTC Swap Package Transaction may be effected as a Block Trade if each Required Transaction component is equal to or greater than the applicable minimum block size for such Swap(s) set forth in CFTC Regulations.
- Prior to February 12, 2016, each Swap component of this type of Package Transaction may alternatively be treated as a Permitted Transaction and effected by any means of interstate commerce permitted by the Rules.

For Package Transactions with multiple Swap components, CFTC Regulations require the reporting Swap Data Repository to delay public dissemination of each Swap component that is equal to or greater than the applicable minimum block size. Public dissemination will not be delayed for components that are less than the applicable minimum block size.

For Package Transactions in which at least one component is not a Swap (including any “mixed swaps”), only the Swap component(s) are required to and will be deemed to be effected on or pursuant to the Rules of GFI SEF. GFI SEF is not responsible for the execution of any non-Swap components, including any securities or mixed swap components.

Questions regarding this Notice may be addressed to the following:

Department	Contact	Phone
Compliance	Bill Shields, Chief Compliance Officer	(212) 968-4122
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