



April 10, 2015

BY ELECTRONIC PORTAL

Mr. Chris Kirkpatrick
Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

**Re: Regulation 40.6(a) Certification –
GFI Swaps Exchange LLC Submission # 15-0002**

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c) of the Commodity Exchange Act (the “CEA”) and Commodity Futures Trading Commission (“Commission”) Regulation 40.6(a), GFI Swaps Exchange LLC (“GFI” or the “SEF”) hereby submits amendments to GFI Rules 528(b)(ii), 529(a) and 533(b)(iii). Capitalized terms that are used herein without definition have the meaning ascribed to those terms in the Rules of the SEF.

1. Rules 528(b)(ii), 529(a) and 533(b)(iii) are being amended pursuant to a request by the Staff of the Commission’s Division of Market Oversight to amend the rules to require that non-competitive and pre-arranged transactions that are below block size be subject to a fifteen second exposure period as opposed to GFI’s existing rules that allowed executions to occur for the aforementioned transactions after a five second exposure period had elapsed.

* * *

These amendments to GFI’s Rules are consistent with the following swap execution facility core principles and Commission Regulations:

Rule 101 – Core Principle 2; Regulations 37.9(a)(1) and 37.200(d)
Rule 302 – Core Principles 2 and 5; Regulations 37.201(b)(2) and 37.500(a)
Rule 305(a) – Core Principle 2; Regulation 37.202(b)
Rule 305(b) – Core Principle 2; Regulation 37.206
Rule 307 – Core Principles 2 and 5; Regulations 37.201(b)(2) and 37.500(a)
Rule 401(a) – Core Principles 2 and 5; Regulations 37.200(d), 37.201(b)(2) and 37.500(a)
Rule 401(b) – Core Principle 2; Regulation 37.200(c)
Rule 402 – Core Principles 2 and 5; Regulations 37.201(b)(2) and 37.500(a)
Rule 405 – Core Principle 2; Regulation 37.200(c)

Rule 407 – Core Principle 2; Regulation 37.200(c)
Rule 504 – Core Principle 2; Regulation 37.202(b)
Rule 505 – Core Principle 2; Regulation 37.200(c)
Rule 535 – Core Principle 6; Regulation 37.600(b)
Rule 601 – Core Principle 2; Regulations 37.200(c), 37.201(a)
Rule 714 – Core Principle 2; Regulation 37.206
Rule 717 – Core Principle 2; Regulation 37.206
Rule 903 – Core Principle 2; Regulation 37.200(c)
Rule 910 – Core Principle 1; Regulation 37.100(b)
Rule 914 – Core Principle 1; Regulation 37.100(b)
Rule 1002 – Core Principle 7; Regulation 37.702(b)

Attached as Appendix A is a redlined version of the revisions made to Rules 528, 529 and 533.

GFI hereby certifies that: (i) the amendments to the above-referenced Rules comply with the CEA and the Commission's Regulations thereunder; and (ii) a notice and copy of this submission is being concurrently posted on the SEF's web site at <http://www.gfigroup.com/markets/swaps-exchange/rules-notice.aspx>. There were no substantive opposing views.

Please contact the undersigned at (212) 968-2982 or daniel.glatter@gfigroup.com if you have any questions or you would otherwise like to discuss this further.

Sincerely,

/s/ Daniel E. Glatter
General Counsel

cc: William Shields
Chief Compliance Officer

Marilee Dahlman
Division of Market Oversight

Attachments

APPENDIX A

528. Trading Against Customer Orders

(a) *General Prohibition.* No Participant or Sponsored Access Firm in possession of a Customer Order shall knowingly take, directly or indirectly, the opposite side of such Order for its own account, an account in which it has a direct or indirect financial interest, or an account over which it has discretionary trading authority.

(b) *Exceptions.* The foregoing restriction does not prohibit permissible Pre-Execution Communications conducted in accordance with Rule 0 and shall not apply to the following:

(i) Transactions executed pursuant to Rule **Error! Reference source not found.**;

(ii) A trade knowingly made by a Participant or Sponsored Access Firm in the Order Book against a Customer Order for its own account, an account in which it has a direct or indirect financial interest, or an account over which it has discretionary trading authority if, in any such case, the Customer Order has first been exposed in the Order Book for a minimum of ~~five~~ fifteen seconds; or

(iii) Permitted Transactions.

529. Simultaneous Buying and Selling Orders

(a) Opposite Orders for different beneficial owners that are simultaneously placed by a Participant or Sponsored Access Firm with discretion (including time and price discretion) over both accounts may be entered into the Trading Platform, as long as one Order is exposed for a minimum of ~~five~~ fifteen seconds.

(b) Independently initiated Orders on opposite sides of the market for different beneficial account owners that are immediately executable against each other may be entered without delay provided that the Orders did not involve Pre-Execution Communications.

(c) This Rule 0 shall not apply to Permitted Transactions.

533. Money Passing, Prearranged, Pre-Negotiated and Noncompetitive Trades Prohibited

(a) No Person shall prearrange or pre-negotiate any purchase or sale or noncompetitively execute any Order, except as provided in paragraph 0 below. The foregoing restriction shall not apply to Block Trades effected pursuant to Rule **Error! Reference source not found.** or to Permitted Transactions.

(b) Participants, Sponsored Access Firms, Registered Traders and Customers may engage in Pre-Execution Communications with regard to Required Transactions

executed or to be executed in the Order Book if one party (the first party) wishes to be assured that a contra party (the second party) will take the opposite side of the first party's Order, subject to the following restrictions:

(i) A party may not engage in Pre-Execution Communications with other market participants on behalf of another party unless the party for whose benefit the trade is being made has previously consented to permit such communications.

(ii) Parties to Pre-Execution Communications shall not disclose to a non-party the details of such communications or enter an Order to take advantage of information conveyed during such communications except in accordance with this Rule.

(iii) One party's Order must be entered into the Order Book and the other party's Order may not be entered into the Order Book until a period of ~~five~~ fifteen seconds has elapsed from the time entry of the first Order.

As used in this Rule 0, "**Pre-Execution Communication**" means communications between two Participants, Sponsored Access Firms, Registered Traders or Customers for the purpose of discerning interest in the execution of a transaction prior to the entry of an Order with respect to such transaction, which shall include any discussion of the size, side of the market or price of an Order or potentially forthcoming Order.

(c) No Person may enter Orders the purpose of which is to enter into Swaps without a net change in either party's open positions but a resulting profit to one party and a loss to the other party, commonly known as a "money pass."