



TRADITION SEF, LLC

Bennett Kirschner  
General Counsel and Secretary

June 2, 2023

**VIA E-MAIL (submissions@cftc.gov)**

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

**RE: CFTC Regulation 40.2(a) Certification. Request for New Product Certification of Tradition SEF's Interest Rate Swap Asset Classes Product Listing and non-substantive changes to IRS Product Listing**

**Tradition SEF Submission No. 2023-01**

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c) of the Commodity Exchange Act, as amended (the "Act"), and Commodity Futures Trading Commission ("CFTC" or the "Commission") Regulations 40.2(a) Tradition SEF, LLC ("Tradition SEF" or "The SEF") hereby notifies the Commission of revisions to the following:

Its Interest Rate Swap Asset Class Product Listing Terms and Conditions (the "IRS Product Listing Terms and Conditions") with respect to the addition of the following interest rate index underlying the interest rate swaps offered for trading: CAD Overnight Repo Rate Average (CORRA);

Redlined and clean versions of Tradition SEF Rulebook Appendix A is attached hereto as Exhibit A to reflect the changes. The effective date for these additions and revisions is June 20, 2023.

Please note that Tradition SEF Submission No. 2023-01 includes the following revisions to the IRS Product Listing and Terms and Conditions:

**Appendix A:**

- The statistics associated with Interest Rate Swaps has been updated.
- Canadian Overnight Repo Rate Average (CORRA) has been added to Section 2 of the Product List within Appendix A to the Tradition SEF Rulebook.

- Clearing information for the designated clearing organizations associated with Canadian Overnight Repo Rate Average (CORRA) swaps has been added to Section 5 of Appendix A to the Tradition SEF Rulebook.
- Reference to Canadian Overnight Repo Rate Average (CORRA) has been added to Section 6 within Appendix A to the Tradition SEF Rulebook.
- Reference to Canadian Overnight Repo Rate Average (CORRA) has been added to Table 2 within Appendix A to the Tradition SEF Rulebook detailing the available currencies and the current publisher associated with each of the aforementioned reference indexes.

Tradition SEF hereby certifies compliance with applicable provisions of the Act, including The SEF core principles (“Core Principles”) as set forth in Section 5h of the Commodity Exchange Act and Part 37 of the Commission’s regulations promulgated thereunder. In particular, the products listed in this submission adhere to Core Principles 3 (“Swaps Not Readily Susceptible to Manipulation”) and 7 (“Financial Integrity of Transactions”) and CFTC Rules 37.300-301 and 37.700-37.702.

Herein, Tradition SEF demonstrates that the contracts listed for trading on Tradition SEF are not readily susceptible to manipulation as follows:

**CAD CORRA Swaps:**

The following is a description of the Canadian Overnight Repo Rate Average (CORRA):

The Canadian Overnight Repo Rate Average (CORRA) is a measure of the cost of overnight general collateral funding in Canadian dollars using Government of Canada (GoC) treasury bills and bonds as collateral for repurchase transactions (repos). The Bank of Canada calculates CORRA based on transaction-level repo data that Canadian government securities distributors, including primary dealers, and the six largest federally regulated financial institutions in Canada submit to the Investment Industry Regulatory Organization of Canada (IIROC) through the Market Trade Reporting System (MTRS). This approach makes CORRA robust, reliable and representative, similar to overnight risk-free reference rates published by other central banks. It also aligns CORRA with the Principles for Financial Benchmarks published by the International Organization of Securities Commissions.

The CORRA calculation methodology was developed under the guidance of the Canadian Alternative Reference Rate Working Group (CARR), representing a wide range of market participants. It was also informed by CARR’s public consultations, held February to April 2019, on the methodology enhancements.

Tradition SEF hereby certifies that the products comply with the Commodity Exchange Act and the Commission's regulations promulgated thereunder. No substantive opposing views were expressed that were not incorporated into the product amendments. Tradition SEF hereby certifies that it has posted a notice of pending certification with the Commission and a copy of the submission on its website (*See <http://www.traditionsef.com/news/>*), concurrent with the filing of this submission with the Commission.

Should you require additional information related to this submission, please contact the undersigned at 212-377-2337 or [bennett.kirschner@tradition.com](mailto:bennett.kirschner@tradition.com). Please reference Tradition SEF Submission No. 2022-02 in any related correspondence.

Sincerely,

Bennett Kirschner  
General Counsel and Secretary

Att.  
Exhibit A

**EXHIBITS**

A) **Appendix A to Tradition SEF Rulebook**  
**Interest Rate Swap Product Listing**