



Tradition SEF, LLC

Participant Notice 25-12

Re: Tradition SEF - CFTC Submission No 2025-03, SOFR Spread-over Treasuries Liquidity Incentive Program (SLIP) Renewal

July 23, 2025

To : Tradition SEF Authorized Representatives
From : Tradition SEF Legal, Compliance, and Operations

Authorized Representatives,

Tradition SEF, LLC ("Tradition SEF") may from time to time introduce one or more programs that provide Participants or Customers with incentives for meeting pre-determined trading volume or liquidity thresholds. Pursuant to Tradition SEF Rule 536, Tradition SEF hereby provides notice of the renewal of the Spread-over Treasuries Liquidity Incentive Program ("SLIP") for Spread-over Treasuries swaps indexed to the Secured Overnight Financing Rate ("SOFR"). SOFR is a broad measure of the cost of borrowing cash overnight collateralized by Treasury securities published daily by the Federal Reserve Bank of New York. The effective date for the commencement of the SLIP is August 6, 2025.

The objective of the SLIP is to incentivize liquidity provision to the Tradition SEF USD IRS order book. The incentive comes in the form of fee discounts applied to USD SOFR Spread-over Treasury swap transactions transacted on Tradition SEF, for the period stated below. SLIP does not affect underlying product pricing for USD SOFR swaps, or impact Tradition SEF's ability to perform its trade practice and market surveillance obligations under the SEF Core Principles. The SEFs surveillance staff will monitor trading in SLIP's products to prevent manipulative trading and market abuse. Additionally, the SEF has implemented systems to track SLIP participants' obligations to ensure proper distribution of earned incentives. The incentives in the SLIP do not impact Tradition SEF's order execution function.

Details of the SLIP will be distributed directly to Participant's Authorized Representatives.

A request for confidential treatment for the SLIP has been submitted to the CFTC. Please note that the SLIP is considered confidential and is intended only for Tradition SEF Participants and Customers, and is not to be disseminated outside of a Participant's or Customer's organization.

TRADITION SEF, LLC SPREAD-OVER TREASURIES LIQUIDITY INCENTIVE PROGRAM FOR USD SOFR SWAPS DESCRIPTION

(To be considered in conjunction with the Tradition SEF Rulebook and Platform Supplements).

1. Liquidity Provider Eligibility:

[REDACTED – CONFIDENTIAL TREATMENT REQUESTED]

2. SLIP Incentives:

[REDACTED – CONFIDENTIAL TREATMENT REQUESTED]

3. Monitoring and Termination of SLIP Eligibility Status:

[REDACTED – CONFIDENTIAL TREATMENT REQUESTED]

4. SLIP Term:

The term of the SLIP includes trade dates beginning August 6, 2025 through and including August 5, 2027. Tradition SEF reserves the right to modify the SLIP terms, including early termination provisions and will provide adequate notice of any such changes. An Eligible Liquidity Provider may opt out of the SLIP at any time.

For Tradition SEF compliance questions, please contact:

Eric Earnhardt, CCO: (212) 791-3497 or eric.earnhardt@tradition.com

For Tradition SEF administrative questions, please contact:

Diana Kapanadze, Head of Onboarding and Client Relations: (212) 238-5908 or diana.kapanadze@tradition.com

For Legal matters, please contact:

Bennett Kirschner, General Counsel: (212) 377-2337 or bennett.kirschner@tradition.com