



Daniel E. Glatter
General Counsel and Secretary

TRADITION SEF, Inc.

October 16, 2020

VIA CFTC Portal

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

**RE: CFTC Regulation 40.6(a) Certification.
Notification of Amendments to Tradition SEF, Inc. Rulebook
Tradition SEF Submission No. 2020-05**

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”) Regulation 40.6, Tradition SEF, Inc. (“Tradition SEF”) hereby notifies the Commission of amendments to its Rules 412, 539, 541 and 544 of the Rulebook to implement the requirements contained in Regulation 37.9(d), as described below, to be effective for market participants on November 1, 2020.

Tradition SEF has amended Rule 412 (Confirmations) in subsections (a) to clarify that swap confirmations for transactions prearranged, prenegotiated or executed anonymously in swaps made available to trade shall not contain counterparty identifying information. Additionally, Rule 541(b)(1)(Counterparty Anonymity) has been amended to prohibit the disclosure of counterparty identifying information in MAT Transactions anonymously executed by Tradition SEF or submitted by a Participant, which have been prearranged or pre-negotiated anonymously on or pursuant to the rules of the SEF. Likewise, Rule 539 (Error Trade Policy for Tradition SEF Errors) has also been amended to reflect the changes necessary to give effect Rule 541 in situations when Tradition SEF resolves error transactions. Lastly, Rule 544 (Affirmation of Cleared Swaps) has also been revised to reflect the prohibitions in amended Rule 541(b)(1) for transactions submitted by Broker Firm Participants.

We have identified in Exhibit A the rule modifications and compliance with 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. A redline version of the Rulebook is attached hereto as Exhibit B to reflect the changes to the last version of the Rulebook.

Tradition SEF continues to be in compliance with applicable provisions of the Act, including the Core Principles. In particular, Tradition SEF has determined that it is in compliance with Core Principles 1

(Compliance with Core Principles) and 2 (Compliance with Rules), as further described in the compliance chart attached as Exhibit A.

Tradition SEF hereby certifies that the rule amendments 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 rule 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/regulatory/>), 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 daniel.glatter@tradition.com. Please reference Tradition SEF Submission No. 2020-05 in any related correspondence.

Sincerely,

/s/ Daniel E. Glatter
General Counsel and Secretary

Att.:
Exhibit A
Exhibit B

EXHIBIT A
Amendments to the Rulebook

Rule	Change	Explanation and Analysis of the operation, purpose, and effect of the proposed rule or rule amendment and its compliance with applicable provisions of the Act, including core principles, and the Commission's regulations thereunder.
412	Subsections (a) has been revised to clarify that swap confirmations for transactions prearranged, prenegotiated or executed anonymously in swaps made available to trade shall not contain counterparty identifying information	The changes to Rule 412 demonstrate Tradition SEF's adherence to open access principles by adding provisions that adopt regulation 37.9(d) and that promote diversity of counterparties on the SEF. Accordingly, Tradition is promoting a fair, transparent platform. The changes to the Rule comply with Core Principle 2 (Compliance with Rules) and specifically with CFTC Rule 37.6, which requires that a confirmation of each transaction be issued to a counterparty as well as Regulation 37.202, which requires impartial access to the SEF and transparent criteria governing access that is applied in a fair and nondiscriminatory manner. By complying with Core Principle 2, Tradition SEF demonstrates its compliance with Core Principle 1 (Compliance with Core Principles) and CFTC Regulation 37.100, which requires that a SEF comply with any requirement that the CFTC may impose by rule or regulation.
539	The Rule has been revised to give effect to revisions to Rule 541 prohibiting the disclosure of counterparty identifying information in situations when Tradition SEF resolves error transactions.	The changes to Rule 539 demonstrate Tradition SEF's adherence to revised Regulation 37.9(d) (Methods of execution for required and permitted transactions). As such, the revised language is also compliant with Core Principle 2 (Compliance with Rules).
541	The Rule has been amended to prohibit the disclosure of counterparty identifying information in MAT Transactions anonymously executed by Tradition SEF or submitted by a Participant, which have been prearranged or pre-negotiated anonymously on or pursuant to the rules of the SEF	The changes to Rule 541 demonstrate Tradition SEF's adherence to revised Regulation 37.9(d). Accordingly, Tradition is promoting a fair, transparent platform as required under Core Principle 2 (Compliance with Rules)

544	The Rule has been revised to reflect the prohibitions in amended Rule 541(b)(1) regarding the disclosure of counterparty identifying information for transactions submitted by Broker Firm Participants	The changes to Rule 544 demonstrate Tradition SEF's adherence to revised Regulation 37.9(d). Accordingly, Tradition is promoting a fair and transparent platform as required under Core Principle 2 (Compliance with Rules).
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EXHIBIT B
Redlined Rulebook