

# SUBMISSION COVER SHEET

Confidential Treatment has not been requested

Organization Name: Javelin SEF, LLC

Organization Type: SEF

Registered Entity Identifier: 16-04

Submission Number: 1608-2608-5108-87

Submission Date: 08/26/16 08:51:08 AM

Submission Type: Rule - 40.6(a) Rule Certification

Submission Description: Amendments made to Javelin SEF Rule 706 in response to the request of Commission Staff.

Rule Numbers: Rule 706



August 26, 2016

Submitted via CFTC Portal  
Office of the Secretariat  
U.S. Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street  
Washington, DC 20581

Re: Submission of Javelin SEF, LLC Rule Amendment (Submission No. 16-04)

To Whom It May Concern:

Pursuant to Section 5c(c) of the Commodity Exchange Act (“CEA”) and Section 40.6(a) of the regulations of the Commodity Futures Trading Commission (the “Commission”) Javelin SEF, LLC (“Javelin SEF”) hereby submits to the Commission rule amendments to its Rulebook.

Specifically, Javelin SEF has amended Rule 706 (“Rule Amendment”). The Rule Amendment will be effective September 12, 2016.

A concise explanation and analysis of the Rule Amendments is attached as Exhibit A. A marked copy of the Rule Amendments, which indicates the revisions with additions underscored and deletions overstruck as indicated, is attached as Exhibit B. A clean copy of the Rule Amendments is attached as Exhibit C.

Javelin SEF certifies that these rule amendments comply with the CEA and the Commission’s Regulations. Javelin SEF further certifies that this Submission has been concurrently posted on Javelin SEF’s website at <http://www.theJavelin.com>. No substantive opposing views were expressed with respect to Rule Amendments.

If you have any questions regarding this submission, please contact me at (646) 307-5931 or [suellen.galish@thejavelin.com](mailto:suellen.galish@thejavelin.com).

Sincerely,

/s/Suellen Galish  
Senior Managing Director  
General Counsel and  
Chief Compliance Officer

Attachments

cc: Jonathan Lave, Division of Market Oversight, Commodity Futures Trading Commission  
(Email: [jlavel@cftc.gov](mailto:jlavel@cftc.gov))

**Exhibit A**

**Explanation and Analysis of Javelin SEF Rule Changes**

The following is a concise explanation and analysis of the proposed rule amendments which includes the core principles and Commission regulations thereunder.

<b>Rule</b>	<b>Explanation of Amendment(s)</b>	<b>Applicable Core Principle and Commission Regulation</b>
706	Rule amendments made at the request of Commission Staff	Core Principle 2 Rule 37.200 Rule 37.201

EXHIBIT B

Marked Copy of Rule Amendments

**Rule 706. Rule Violations**

The following conduct and abusive trading practices by Javelin SEF's Participants and Market Participants (for the purposes of this Rule 706 collectively "Participant") shall be a violation of Javelin SEF Rules and will result in the commencement of a Disciplinary Proceeding and/or Summary Proceeding.

1. Aiding and Abetting. Participants are prohibited from aiding and abetting any Person that is alleged to have violated, or about to violate, any Javelin SEF Rule or any provision of applicable law for which Javelin SEF has jurisdiction.
2. Conduct Detrimental to Javelin SEF. Participants are prohibited from engaging in conduct that is detrimental to the welfare of Javelin SEF. Orders or RFQs entered into Javelin SEF for the purpose of upsetting the equilibrium of the market in any Product without the intent to reflect fair market values or creating a condition in which prices do not or will not reflect fair market values are prohibited, and any Participant or other person with Trading Privileges on Javelin SEF who makes or assists in entering any such order or RFQ with knowledge of the purpose thereof or who, with such knowledge, in any way assists in carrying out any plan or scheme for the entering of any such order or RFQ, will be deemed to have engaged in conduct detrimental to the welfare of Javelin SEF.
3. Disclosing of Customer Orders. Participants are prohibited from disclosing Customer orders to third-parties unrelated to the Customer order.
4. Disruptive Trading Practices. Participants are prohibited from engaging in any trading, practice or conduct that is disruptive of fair and equitable trading, in violation of the CEA, which includes without limitation (i) violating a bid or offer, (ii) intentional or reckless disregard for orderly execution of Trades during the closing period, or (iii) bidding or offering with the intent to cancel the bid or offer before execution (i.e.; "spoofing").
5. Fictitious Trades. Participants are prohibited from engaging in fictitious Trades.
6. Fraud. Participants are prohibited from engaging or attempting to engage in any fraudulent act or any manipulative device, scheme or artifice to defraud, mislead, or deceive in any activity related to their participation on Javelin SEF.

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[Balance of Rule 706 remains the same]

## EXHIBIT C

### Rule Amendments

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[Balance of Rule 706 remains the same]