February 28, 2013

Ms. Melissa Jurgens
Secretary
Commodity Futures Trading Commission
1155 21st Street NW
Washington, DC 20581

Dear Ms. Jurgens:

The undersigned firms[1] trade their own capital in the exchange-traded markets. We engage in manual, automated, and hybrid methods of trading and are active in a variety of asset classes, such as foreign exchange, commodities, fixed income, and equities. We are a critical source of liquidity in the exchange-traded markets, allowing those who use these markets to manage their business risks to enter and exit the markets efficiently.

We understand the Commission continues to consider and may soon approve final rules regarding Swap Execution Facility ("SEF") Core Principles. We know the Commission has received significant comments from other industry participants on the proposed requirement that Requests for Quote ("RFQs") be sent to at least five SEF participants. Specifically, some commenters believe the Commission's final rule should only require that an RFQ be sent to one SEF participant. As set forth in a March 2011 letter signed by many of the same firms[2], a minimum requirement of one RFQ will not change the way swaps are traded today, but rather will maintain the *status quo*. Additionally, such a requirement would, effectively, allow one lot block trades and undermine efforts to create pre-trade price transparency, a fundamental reform in Dodd-Frank. Therefore, we urge the Commission to finalize the RFQ requirement as proposed.

We emphasize that there are important differences between a market in swaps cleared through a central counterparty ("CCP") and a market in bilateral swaps. When swaps are uncleared, as most continue to be today, it is reasonable for a swap participant to restrict the number of counterparties with which it is willing to deal because of potential concerns about the creditworthiness of possible counterparties. However, that concern does not apply to swaps cleared through a CCP, registered and regulated by the Commission. Because the only transactions that market participants would be required to effect on a SEF are swaps that the counterparties are required to clear through a CCP, requiring that an RFQ be sent to five participants does not increase a SEF participant's credit risk.

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[1] These firms include: Allston Trading, LLC; Chicago Trading Company; Chopper Trading LLC; DRW Holdings, LLC; Eagle Seven, LLC; GETCO; HTG Capital Partners; IMC Financial Markets; Liger Investments Limited; Liquid Capital Markets, LLC; Marquette Partners, LP; Nico Holdings LLC; Optiver US LLC; Quantlab Financial, LLC; RGM Advisors, LLC; Spot Trading LLC; Teza Technologies LLC; Tibra Trading America LLC; TradeForecaster Global Markets LLC; Traditum Group, LLC; XR Trading, LLC

[2] http://comments.cftc.gov/PublicComments/ViewComment.aspx?id=31996&SearchText=

Commenters have also expressed concern about requiring RFQs to be sent to more than one SEF participant because of the potential for RFQ recipients to use information in the RFQ to the disadvantage of the sending party. The undersigned firms believe the Commission is already addressing this concern by establishing reasonable block trade levels. Only non block size orders would be subject to the RFQ requirements.

We believe allowing RFQs to be disseminated to fewer than five participants would work against the goals of the Dodd-Frank Act to create open, fair, competitive, and transparent markets. It would allow exclusion of all market participants except those favored to receive the RFQ, thereby eliminating the ability of others to compete. Trading firms like ours provide liquidity in centrally traded markets, competing with large banks that engage in the same types of activities. While we understand that RFQ functionality envisioned under the new swaps regime will be a reality, we believe the goal of incentivizing swap trading in the central limit order book cannot be achieved if the few major players in today's OTC markets are allowed to transmit an RFQ to only one potential counterparty.

We appreciate your consideration of our comments on this rule, as we view your decision on this matter critical to the market structure of swaps trading in the future.

Sincerely,

Allston Holdings, LLC
By: /s/ Raj Mahajan, CEO

Chicago Trading Company
By: /s/ Eric Chern, CEO

Chopper Trading LLC
By: /s/ Raj Fernando, CEO

DRW Holdings, LLC
By: /s/ Donald R. Wilson, Jr., CEO

Eagle Seven, LLC
By: /s/ Chris Lorenzen, CEO

GETCO
By: /s/ Daniel Coleman, CEO

HTG Capital Partners
By: /s/ William McNeill, Managing Director

IMC Financial Markets
By: /s/ Scott Knudsen, Managing Director, Head of Trading

Liger Investments Limited
By: /s/ Trevor Gile, Principal

Liquid Capital Markets, LLC
By: /s/ Chris Mates, Principal

Marquette Partners, LP
By: /s/ James F. Heinz, Jr., Managing Partner

Nico Holdings LLC
By: /s/ Peter J. Meyer, CEO

Optiver US LLC
By: /s/ Sebastiaan Koeling, CEO

Quantlab Financial, LLC
By: /s/ Cameron Smith, President

RGM Advisors, LLC
By: /s/ Richard B. Gorelick, CEO

Spot Trading LLC
By: /s/ Ed Haravon, Partner, CAO

Teza Technologies LLC
By: /s/ Seth Travis, General Counsel

Tibra Trading America LLC
By: /s/ Steven A. Schwab, Chief Compliance Officer & General Counsel

TradeForecaster Global Markets LLC
By: /s/ G. Keith H. Fishe, Managing Partner

Traditum Group, LLC
By: /s/ Michael C. Creadon, CEO

XR Trading, LLC
By: /s/ Matthew W. Haraburda, President