SUBMISSION COVER SHEET

Registered Entity Identifier Code (optional)   **Date**: January 11, 2013

IMPORTANT: **CHECK BOX IF CONFIDENTIAL TREATMENT IS REQUESTED.** ☐

ORGANIZATION	Eris Exchange, LLC

FILING AS A: ☒ **DCM**   ☐ **SEF**   ☐ **DCO**   ☐ **SDR**   ☐ **ECM/SPDC**

TYPE OF FILING

- **Rules and Rule Amendments**
  - ☒ Certification under § 40.6 (a) or § 41.24 (a)
  - ☐ "Non-Material Agricultural Rule Change" under § 40.4 (b)(5)
  - ☐ Notification under § 40.6 (d)
  - ☐ Request for Approval under § 40.4 (a) or § 40.5 (a)
  - ☐ Advance Notice of SIDCO Rule Change under § 40.10 (a)
- **Products**
  - ☐ Certification under § 39.5(b), § 40.2 (a), or § 41.23 (a)
  - ☐ Swap Class Certification under § 40.2 (d)
  - ☐ Request for Approval under § 40.3 (a)
  - ☐ Novel Derivative Product Notification under § 40.12 (a)

RULE NUMBERS

DESCRIPTION

The commencement of the Eris Exchange Liquidity Provider Program (2013-01).

January 11, 2013

BY ELECTRONIC FILING: submissions@cftc.gov

Ms. Sauntia S. Warfield
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: Eris Exchange Liquidity Provider Program (2013-01) (Eris Exchange, LLC Submission #2013-02)

Dear Ms. Warfield:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act (the "Act") and Commission Regulation 40.6(a), Eris Exchange, LLC ("Eris Exchange" or the "Exchange") herby notifies the Commodity Futures Trading Commission (the "Commission") of the commencement of a Liquidity Provider Program for certain Eris Exchange Interest Rate Swap Futures Contracts that are listed for trading by the Exchange (the "Liquidity Provider Program (2013-01)" or the "Program"). Exchange Rule 517 permits the Exchange to establish the Program. The Program will become effective no earlier than the effective date of this Submission, with the first notification to the Liquidity Providers of results beginning subsequent to the month of January 2013.

Exhibit 1 sets forth the terms of the Program. The Exchange reviewed the designated contract market core principles ("Core Principles") as set forth in the Act. The following Core Principles are potentially impacted: Prevention of Market Disruption, Execution of Transactions, Protection of Market Participants, and Compliance with Rules and Recordkeeping.

The Program will not impact the Exchange's ability to perform its trade practice and market surveillance obligations under the Act and the Exchange's market regulation staff will continue to monitor all market participants that trade the Program's products to prevent manipulative trading and market abuse.

Additionally, the Exchange will track Program participants' obligations under the Program to ensure eligibility for the Program incentives. The Program incentives do not impact the Eris Trading System Algorithm set forth in Exchange Rule 538. Participants in the Program will be selected by Exchange staff using criteria as further stated in Exhibit 1. Chapter 5 of the Exchange's rules includes prohibitions against fraudulent, non-competitive, unfair or abusive practices. All participants must execute a contractual agreement with the Exchange (the "Agreement") in which each participant will expressly agree to comply with and be subject to, the applicable regulations and the Exchange Rules. The Program is subject to the Exchange's record retention policies, which comply with the Act.

The Exchange certifies that the Program complies with the Act and the Regulations thereunder. This Submission was provided to the Regulatory Oversight Committee, the Exchange Practices Committee, and the Exchange Participant Committee. There were no substantive opposing

views to this Program.

The Exchange certifies that this submission has been concurrently posted on the Exchange's website at http://www.erisfutures.com/rules-notices-policies.

In the event that you have questions, please contact me at 312-626-2681 or stephen.humenik@erisfutures.com.

Sincerely,

Stephen M. Humenik
General Counsel and Chief Regulatory Officer

cc: DMOSubmissions@cftc.gov

EXHIBIT 1

Eris Exchange Liquidity Provider Program (2013-01)

Program Purpose
The purpose of this Program is to incent liquidity providers to enhance liquidity in the products listed below in Product Scope. A more liquid contract benefits all participants in the market.

Product Scope
The Eris Exchange Interest Rate Swap Futures Contract, including the Eris Standards and Eris Flexes, as designated by the Exchange from time to time (the "Contracts").

Eligible Participants
Multiple participants may be accepted into the Program. Potential participants are required to have the technological and operational capabilities to conduct transactions and/or stream bids and offers on Eris SwapBook, the Exchange's electronic trading platform. Exchange staff will use a variety of factors in determining whether or not a prospective liquidity provider is selected to participate in the Program, including, but not limited to, past performance in the Contracts, previous experience in trading the Contracts and related interest rate products, and the ability to commit to and maintain the following requirements: streaming quote obligations; request-for-quote ("RFQ") obligations; and/or, trading thresholds.

Program Term
The start date will be set forth in the respective Agreement, but in all cases will be no earlier than the effective date of this Submission, with the first notification to the Liquidity Provider of the results subsequent to the month of January 2013. The end date will be set forth in the Agreement, but will be no later than February 28, 2015.

Hours
8:20 a.m. EST to 4:30 p.m. EST, Monday through Friday, except for Eris Exchange Holidays.

Obligations
Each Program participant must provide streaming two-sided quotes on Eris SwapBook in the Contracts; provide RFQ responses to market participants pursuant to the Central Limit Order Book; and/or, satisfy certain trading thresholds, as set forth in the Agreement.

Program Incentives
Reduced fees during the Program Term for satisfying Program Obligations and additional incentives for satisfying Program Obligations, as set forth in the Agreement.

Monitoring and Termination of Status
The Exchange shall monitor trading activity and Liquidity Provider's performance and shall retain the right to revoke Liquidity Provider's Program status if the Exchange concludes that a Liquidity Provider no longer meets the eligibility requirements or fails to meet the Obligations of the Program, as set forth in the Agreement.