**Rule Self-Certification**

Nasdaq Futures, Inc.

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Philadelphia, PA 19103 / USA

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April 12, 2016

Christopher J. Kirkpatrick

Office of the Secretariat

Commodity Futures Trading Commission

Three Lafayette Center

1155 21st Street, NW

Washington, DC 20581

Re: **Rule Certification to**

**Include New Products in the Energy Broker Incentive Program**

**Reference File: SR-NFX-2016-46**

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (“Act”), and Sections 40.2 and 40.6 of the Commission’s regulations thereunder, NASDAQ Futures, Inc. (“NFX” or “Exchange”) is notifying the Commission of an amendment to the Exchange’s broker incentive program (the “Energy Broker Incentive Program” or “Program”) for certain energy contracts (the “Energy Contracts”).[[1]](#footnote-1) The Exchange wishes to include NFX Options on the NFX PJM Western Hub Real-Time Peak Financial Futures product filed under filing SR-NFX-2016-43 (the “New Contracts”) under the Program.

The Program is designed to incentivize Off-Exchange Reporting Brokers (“ORBs”) to increase their volume in certain Energy Contracts they submit to NFX as Block Trades, thereby enhancing market liquidity for these products.[[2]](#footnote-2) The terms and conditions of the Energy Broker Incentive Program are attached hereto as Exhibit A. The amendment in Exhibit A will be implemented on April 28, 2016 and will have the same Program Term as the other Energy Contracts currently in the Energy Broker Incentive Program which expires on July 24, 2016.

The Exchange believes that the Energy Broker Incentive Program complies with Core Principle 4 (Monitoring of Trading), Core Principle 9 (Execution of Transactions) and Core Principle 12 (Protection of Market Participants). The Energy Broker Incentive Program will not impact order execution priority or otherwise give participants any execution preference or advantage. The Energy Broker Incentive Program will not impact the Exchange’s ability to perform its trade practice and market surveillance obligations under the Act and Exchange staff will monitor trading in the Energy Broker Incentive Program’s products to prevent manipulative trading and market abuse. Additionally, the Exchange has systems to track Energy Broker Incentive Program participants’ volume to ensure proper distribution of earned incentives. Finally, NFX rules include prohibitions against fraudulent, non-competitive, unfair or abusive practices.

There were no opposing views among the NFX’s Board of Directors, members or market participants. The Exchange hereby certifies that the amendment to include the New Contracts to the Energy Broker Incentive Program complies with the Commodity Exchange Act and regulations thereunder. The Exchange also certifies that notice of pending certification and a copy of this submission have been concurrently posted on the Exchange’s website at <http://business.nasdaq.com/futures>.

If you require any additional information regarding the submission, please contact Stephen Matthews at +1 301 978 8458 or via e-mail at steve.matthews@nasdaq.com. Please reference SR-NFX-2016-46 in any related correspondence.



Regards,

Daniel R. Carrigan

President

Attachment:

Exhibit 1: Amendment to Energy Broker Incentive Program

1. The Exchange initially filed the broker incentive plan as SR-NFX-2015-45 on June 19, 2015 and the Program launched on July 24, 2015. The Program has since been amended a number of times. [↑](#footnote-ref-1)
2. “Off-Exchange Reporting Broker” is defined in Chapter I, Section 1 of the NFX Rulebook as an Authorized Customer who has received authorization from the Exchange as provided in Chapter V, Section 4(m) which in turn provides that an Off-Exchange Reporting Broker may access the Trading System directly for the purpose of submitting transactions for reporting and clearing if the Off-Exchange Reporting Broker has received authorization from the Exchange and from a Clearing Futures Participant in a form prescribed by the Exchange. [↑](#footnote-ref-2)