



Rule Self-Certification

May 4, 2015

VIA ELECTRONIC PORTAL

Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Center
1155 21st Street, N.W.
Washington, DC 20581

Re: **Regulation §40.6 Submission Certification**
Corrections to Rulebook
Reference File: SR-NFX-2015-26

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (“Act”), and Section 40.6(a) of the regulations promulgated by the Commodity Futures Trading Commission under the Act, NASDAQ Futures, Inc. (“NFX” or “Exchange”) amends Chapter I, Sections 1 and 6; Chapter II, Sections 1 and 11; Chapter III, Sections 10, 20, 21, 22, 23 and 25; Chapter IV, Sections 3 and 4; Chapter V, Sections 1, 2 and 5; Chapter VI, Sections 6 and 15; and Chapter VII, Section 1. The Exchange’s amendments correct errors in the Exchange’s rule text. The text of these amendments is set forth in Exhibit A. The amendments will be implemented on May 19, 2015.

The Exchange is amending its Rulebook to make various amendments to correct capitalizations, punctuation, typographical errors and combine certain rules, eliminate unnecessary rule text and add missing rule text.

With respect to the designated contract market core principles (“Core Principles”) as set forth in the Act:

- *Compliance with Rules:* The Exchange has in place Rules which describe the manner in which Futures Participants may access and trade on NFX. Chapter II, Section I provides for the qualifications and rules of participation applicable to Futures Participants as well as Authorized Traders. Chapter V, Section 18 describes prohibited activities with respect to the Trading System. Trading is subject to the Rules at Chapter III of the Exchange’s Rulebook, which

include prohibitions against fraudulent, noncompetitive, unfair and abusive practices. Additionally, trading is subject to the trading procedures and standards in Chapter V of the Rulebook. The Exchange's disciplinary Rules are contained in Chapter VI of the Rulebook.

- *Prevention of Market Disruption:* The Exchange's Regulatory Department, which handles real-time surveillance, monitors trading activity on the Exchange with a SMARTS Surveillance Application through which the Exchange can track activity of specific Authorized Traders, monitor price and volume information and receive alerts regarding market messages. The Exchange's Regulatory Department, which handles real-time surveillance in conjunction with staff that handles T+1 surveillance, utilizes data collected by the SMARTS Surveillance Application to monitor price movements, as well as market conditions and volumes to detect suspicious activity such as manipulation, disruptive trading and other abnormal market activity.

- *Execution of Transactions.* The Exchange operates an electronic trading facility that provides Futures Participants with the ability to execute Orders within the Exchange's Order Book and offers within a predetermined automated trade matching and execution algorithm. Orders submitted into the Trading System will continue to be matched in either Price-Time priority or Size Pro-Rata priority order, as specified by the Exchange. The Exchange specifies the types of Orders that will be accepted by the Trading System in recently filed Chapter IV, Section 4. The Exchange provides a competitive, open and efficient market and mechanism for executing transactions that protects the price discovery process and also authorizes for bona fide business purposes rules for Block Trades and Exchange for Related Positions at Chapter IV, Sections 10 and 11.

- *Trade Information.* As previously described, the Exchange has established audit trail processes that capture trading information to facilitate the Exchange's trade practice and market surveillance activities. The audit trail program is based on original source documents that are unalterable, sequentially identified records. The audit trail contains a history of all Orders as well as other identifying information. All data gathered as part of the audit trail is maintained in accordance with the Commission's recordkeeping requirements and in a manner that does not allow for unauthorized alteration, erasure or other potential loss.

- *Protection of market participants.* Chapter III of the Exchange's Rulebook contains prohibitions precluding intermediaries from

disadvantaging their customers. These rules apply to trading in all Contracts.

There were no opposing views among the Exchange's Board of Directors, members or market participants. The Exchange hereby certifies that the amendments to Chapter I, Sections 1 and 6; Chapter II, Sections 1 and 11; Chapter III, Sections 10, 20, 21, 22, 23 and 25; Chapter IV, Sections 3 and 4; Chapter V, Sections 1, 2 and 5; Chapter VI, Sections 6 and 15; and Chapter VII, Section 1. comply with the Act and regulations thereunder. The Exchange also certifies that a notice of pending certification with the Commission and a copy of this submission have been concurrently posted on the Exchange's website at <http://www.nasdaqomx.com/transactions/markets/nasdaq-futures>.

If you require any additional information regarding the submission, please contact Angela S. Dunn at +1 215 496 5692 or via e-mail at angela.dunn@nasdaq.com. Please reference SR-NFX-2015-26 in any related correspondence.

Regards,

A handwritten signature in black ink that reads "Daniel R. Carrigan". The signature is written in a cursive, flowing style.

Daniel R. Carrigan
President

cc: National Futures Association
The Options Clearing Corporation

Exhibit A

New text is underlined and deleted text is in brackets.

NASDAQ Futures—Rules

DEFINITIONS

Chapter I Definitions and Governance of the Exchange

Section 1 Definitions

Unless otherwise specifically provided in the By-Laws or Rules of the Exchange or the context otherwise requires, the terms defined herein shall for all purposes of the By-Laws and Rules of the Exchange, have the meanings therein specified.

* * * * *

Authorized Trader. The term "Authorized Trader" means an authorized employee or agent of a Futures Participant who is authorized by that Futures Participant and the Exchange to submit Orders into the Trading System. An Authorized Trader may also be associated with an Authorized Customer pursuant to Chapter V, Section 4. Only a natural person can be an Authorized Trader. An Authorized Trader is considered a [p]Person associated with a Futures Participant for purposes of the By-Laws and Rules.

* * * * *

Business Day. The term "Business [d]Day" means any day, other than Sunday, the Exchange shall be regularly open for business in any Contract. The "trade date" in respect of any confirmed trade will be the day on which the transaction occurred, except that the trade date in respect of confirmed trades that are effected in Trading Sessions beginning on one calendar day and ending on the next calendar day shall be deemed to be the calendar day on which such Trading Session ends.

* * * * *

Trading System Complex. The term "Trading System Complex" shall mean the Exchange, the Trading System, the Automated System, the Clearing Corporation, and any other systems, services, and facilities of or afforded by the Exchange.

For all purposes of the Rules, unless otherwise expressly provided:

- (1) any time period which expires on a day which is not a trading day will expire on the preceding trading day;
- (2) all references to the Act or the Commission's regulations or Rules of the Exchange or Rules of the Clearing Corporation include such provisions as amended, modified, supplemented, restated, or replaced from time to time;

(3) all references to the Commission include any successor to the Commission; and

(4) as permitted by the context any reference in the singular includes the plural and vice versa.

* * * * *

Section 6 Communications Regarding Regulatory Matters

Futures Participants shall not discuss with Exchange [d]irectors or non-regulatory personnel issues, questions, concerns, or complaints about regulatory matters, except to the extent permitted by the Rules of the Exchange.

* * * * *

Chapter II Membership Rules

Section 1 Qualification and Participation of Futures Participants

(a) A Futures Participant must be designated as such prior to transacting business on the Exchange. A prospective Futures Participant must:

- i. complete a Futures Participant Application in the form prescribed by the Exchange;
- ii. execute the Services Agreement; and
- iii. provide such other information as required by the Exchange.

(b) Notwithstanding the provisions of Section 3 of this Chapter, the Exchange requires compliance with the following:

- (i) A Futures Participant must be actively engaged in a Futures business in the United States.
- (ii) A Futures Participant must be acting as either a futures commission merchant or introducing broker and a member of NFA or another designated contract market.
- (iii) Participation in the Exchange as a Futures Participant requires a permit. The issuance by the Exchange of such permit shall be conditioned upon the Futures Participant's initial and continuing compliance with the following requirements:
 - (1) execution of applicable agreements with the Exchange, including but not limited to an agreement to abide by the Certificate, By-Laws and Rules of the Exchange, as they may be amended from time to time; and
 - (2) maintenance of a clearing account with a Clearing Futures Participant, or maintenance of a clearing account directly with The Options

Clearing Corporation (“OCC”); notwithstanding the foregoing, [F]utures [C]ommission [M]erchants, as defined in Commission Regulation §1.3(p), must maintain a clearing account directly with [The Options Clearing Corporation]OCC.

In addition the following requirements apply:

(a) – (g) No Change

(3) – (6) No Change.

(iv) – (ix) No Change.

* * * * *

Section 11 Notice of Changes

(a) Each Futures Participant, as applicable, shall give prompt written notice to the Exchange on such form as may be required by the Exchange: (1) of the death, termination, resignation or any change in status of a Executive Representative, Authorized Trader or Authorized Risk Officer of the Futures Participant; (2) of the sale of substantially all of the assets, merger, consolidation, liquidation, or dissolution of the Futures Participant; and (3) of any material change in the ownership interests of the Futures Participant.

(b) Any Futures Participant that files an application for registration with the Commission to become a futures commission merchant[,] or introducing broker [or floor broker] shall concurrently deliver a copy of such application to the Exchange, and shall promptly notify the Exchange of any action taken by the Commission with respect to such application.

* * * * *

Chapter III Obligations of Futures Participants and Authorized Traders

* * * * *

Section 10 Discretionary Accounts

(a) No Futures Participant or Authorized Trader which is a futures commission merchant or an introducing broker or an associated person thereof may directly or indirectly effect a transaction in a commodity interest for the account of any [c]Customer unless, prior to the transaction being effected, the [c]Customer or person designated by the [c]Customer (by use of a power of attorney or other authorization) to control the account:

(1) specifically authorized the Futures Participant or associated person thereof to effect the transaction (a transaction is "specifically authorized" if the [c]Customer or person designated by the [c]Customer to control the account specifies:

- (i) the precise commodity interest to be purchased or sold and
 - (ii) the exact amount of the commodity interest to be purchased or sold, or
- (2) authorized (by use of a power of attorney or other written authorization) the Futures Participant or associated person thereof to effect transactions in commodity interests for the account without the [c]Customer's specific authorization. Where discretionary trading has been authorized pursuant to this subparagraph (a)(2) with respect to an option [c]Customer account, the following additional requirements shall be complied with by a Futures Participant which is a futures commission merchant or an introducing broker:
- (i) the Futures Participant or associated person thereof must ensure that the option [c]Customer is provided with an explanation of the nature and risks of the strategy or strategies to be used in connection with the option [c]Customer's account;
 - (ii) an officer, general partner, sole proprietor, or branch office manager of the Futures Participant (other than an individual authorized to exercise discretion in trading the account) must approve, in writing, the discretionary authority prior to any trading for the account involved;
 - (iii) the Futures Participant or associated person thereof must identify as discretionary each order for a discretionary account on the order at time of entry and an officer, general partner, sole proprietor or branch office manager of the Futures Participant (other than an individual authorized to exercise discretion in trading the account) must approve, initial and date all orders for a discretionary account; and
 - (iv) the Futures Participant must frequently review discretionary accounts; provided, however, that the provisions of subparagraphs (a)(2)(i)-(iv) shall not apply to any [c]Customer account:
 - (A) of a commodity pool, the operator of which is registered with the Commission as a commodity pool operator;
 - (B) where the person who has discretionary authority is the spouse, parent or child of the option [c]Customer; or
 - (C) which is an omnibus account of another futures commission merchant.
- (b) All authorizations made pursuant to subparagraph (a)(2) must precisely define the terms of the discretionary power or authority.

* * * * *

Business Conduct

Section 2[0]1 Disciplinary Action By Other Organizations

A Futures Participant shall immediately notify the Exchange in writing of any disciplinary action, including the basis therefor, taken against the Futures Participant or any person associated with such Futures Participant by the Commission or by another self-regulatory organization.

Section 2[1]2 Just and Equitable Principles of Trade

A Futures Participant or Authorized Trader or person associated with or employed by a Futures Participant shall not engage in conduct inconsistent with just and equitable principles of trade.

Section 2[2]3 Information Requests and Information Sharing Agreements

(a) Each Futures Participant or Authorized Trader shall timely furnish such information as may from time to time be requested by the Board, any committee of the Board or the Exchange, or any employee of the Exchange, acting in the course of its, their, his or her duties.

[Section 23 Information Sharing Agreements]

(b) The Exchange shall have the ability and authority to obtain any necessary information to perform any function described in Section 5 of the Commodity Exchange Act, including the capacity to carry out such international information-sharing agreements as the Commission may require.

* * * * *

Section 25 Adherence to Law

No Futures Participant [Trading Privilege Holder] (including its Related Parties) shall engage in conduct in violation of Applicable Law, the Rules of the Exchange, the Rules of the Clearing Corporation (insofar as the Rules of the Clearing Corporation relate to the reporting or clearance of any transaction in Contracts) or any agreement with the Exchange.

* * * * *

Chapter IV Trading System

Section 3 Trading Sessions

(a) – (c) No Change.

(d) Post Close Session. At the end of the Close Session, a Post Close Session will commence. During the Post Close Session, Futures Participants may not modify and cancel Orders.

Section 4 Acceptable Orders

Orders entered into the Trading System for display and/or execution, as appropriate, are executable against marketable contra-side Orders in the Trading System.

(a) Types of Orders accepted by the Trading System are as follows:

(i) – (ix) No Change

(x) Cross Order. A "Cross Order" is a two-sided Order to buy or sell an equal number of Contracts at a specified price which will first, trade with any preexisting interest in Order Book, next, the remaining interest of the Cross Order will cross, resulting in an execution[.,]. Any unexecuted remaining volume will be cancelled. A Cross Order must be submitted in accordance with the procedures specified Chapter V, Section 11. A Cross Order is not a Limit Order and no time conditions shall apply. A Cross Order may not be a Combination Order.

(b) No Change.

* * * * *

Chapter V Trading Procedures and Standards

Section 1 Authorized Traders and Trader IDs

(a) – (c)

(d) Trader IDs are subject to the following requirements (except in relation to Automated Systems, with respect to which paragraph (e) below is applicable):

(i) No Change.

(ii) A Trader ID issued for a natural person may only be used by that natural person. A Trader ID issued for a natural person may not be used by any other natural person or entity and may not be used as the Trader ID for an Automated System.

(a) An Authorized Trader is responsible for transactions executed by or through the Futures Participant's Exchange Account. Each Authorized Trader must sign a written statement provided by the Exchange whereby the Authorized Trader consents to the jurisdiction of the Exchange and the Commission and agrees to observe and be bound by the By-[I]Laws and Rules of the Exchange, the Act, Commission regulations and related requirements, and all Exchange regulatory and operational guidance and procedures. Among other duties and responsibilities that the Exchange may impose, an Authorized Trader must:

(1) – (3) No Change.

(iii) No Change.

(e) and (f) No Change.

([h]g) All written Orders and any other original records pertaining to Orders entered through the Trading System must be retained for five years and otherwise in accordance with the provisions of Commission Regulation 1.31. A Futures Participant shall retain all memoranda reflecting Orders for a Customer Account in accordance with Chapter III, Section 1 and shall retain those memoranda for the period required in Chapter III, Section 1. A Futures Participant receiving a Customer Order other than in the form of an electronic or written record must comply with the requirements of Commission regulation 1.35.

Section 2 Clearing

(a) and (b) No Change.

(c) The Options Clearing Corporation's default rules and procedures will govern in the event of a default by a [Futures] Clearing Futures Participant.

* * * * *

Section 4 Direct Access

Authorized Customers of any Clearing Futures Participant may access the Trading System directly, provided that the following provisions of this Rule are satisfied.

(a) - (l) No Change.

(m) 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. Off-Exchange Reporting Brokers may submit either Block Trades in accordance with Chapter IV, Section 10 or Exchange for Related Position transactions in accordance with Chapter IV, Section 11 and in accordance with other procedures and rules specified by the Exchange.

(i) No Change.

(ii) An Authorized Customer granted access as an Off-Exchange Reporting Broker by a Clearing Futures Participant shall:

(1) – (3) No Change.

(4) agree to [agreement to] abide by the Exchange's Certificate, By- Laws and Rules of the Exchange, as they may be amended from time to time;

(5) – (9) No Change.

* * * * *

Chapter VI Disciplinary Rules

* * * * *

Section 6 Summary Disciplinary Proceedings

(a) – (h) No Change.

(i) The following violations are subject to the provisions set forth in Section 6:

Failure to Comply with an Exchange Inquiry

Each Futures Participant or Authorized Person is required to promptly comply with any request of information made by the Exchange, or any other regulatory authority acting on behalf of the Exchange, in connection with any regulatory inquiry, investigation or examination relating to the Exchange's disciplinary jurisdiction or regulatory obligations.

For the purpose of this rule, information received within ten (10) business days from the date of the original request shall be deemed to meet the requirement of prompt compliance, except for purposes of Examinations Department requests, information received within two business days from the date of the original request shall be deemed to meet the requirement of prompt compliance.

The Exchange may under extenuating circumstances grant extensions to allow for responses beyond the allotted requirement. Requests for extensions must be submitted in writing to the appropriate department, prior to the due date of the outstanding request. Each additional request for information not furnished within the allotted time periods may be considered a separate occurrence for purposes of the fine schedule below.

FINE SCHEDULE (Implemented on a three year running calendar basis.)

1st Occurrence	\$1,000.00
2nd Occurrence	\$2,500.00
3rd and Thereafter	Sanction is discretionary with Business Conduct Committee

Failure to Report Large Trader or Open Interest

All data, records, and other information required by Exchange Rules to be reported to the Exchange must be submitted in an accurate, complete and timely manner. For purposes of this Rule, information received within one (1) business day will be deemed to meet the requirement of prompt compliance.

FINE SCHEDULE (Implemented on a three year running calendar basis.)

1st Occurrence	\$1,000.00
----------------	------------

2nd Occurrence	\$2,500.00
3rd and Thereafter	Sanction is discretionary with Business Conduct Committee

Failure to Comply with Order Marking Requirement for Block Trades and Exchange for Related Positions (Chapter IV, Sections 1[1]0 and 1[2]1)

All data, records, and other information required by Exchange Rules to be reported to the Exchange must be submitted in an accurate, complete and timely manner. For purposes of this Rule, correct information must be received upon Block Trade and Exchange for Related Positions submission.

FINE SCHEDULE (Implemented on a three year running calendar basis.)

1st Occurrence	\$1,000.00
2nd Occurrence	\$2,500.00
3rd and Thereafter	Sanction is discretionary with Business Conduct Committee

Failure to Provide the Correct Order ID, Party Identifier or, Capacity of Customer Placing the Order or Type of Business Conducted.

All data, records, and other information required by Exchange Rules to be reported to the Exchange must be submitted in an accurate, complete and timely manner. For purposes of this Rule, correct information must be received upon Order entry.

FINE SCHEDULE (Implemented on a three year running calendar basis.)

1st Occurrence	\$1,000.00
2nd Occurrence	\$2,500.00
3rd and Thereafter	Sanction is discretionary with Business Conduct Committee

* * * * *

Section 15 Consent to Jurisdiction

(a) No Change.

(b) The scope of applicable Rules include Chapter I, Chapter II, Section I (vi), [and] (vii), (viii) and (ix), Chapter III, Section [11]21, 22, 24 and 25, Chapter IV, Sections 5 and 7, and Chapter V, Sections 1 and 4.

* * * * *

Chapter VII Arbitration Rules

Section 1 Arbitration

Matters Subject to Arbitration; Incorporation by References

(a) Any dispute, claim or controversy between a [c]Customer, on one hand, and a Futures Participant (including the Related Parties of such Futures Participant), on the other hand, in each case in connection with, or otherwise related to, the Exchange business of such parties, shall, at the request of any such party, be arbitrated before an arbitration committee or panel constituted in accordance with, and subject to NFA's Code of Arbitration as in effect from time to time, which code is hereby incorporated by reference into this Chapter; provided, however, that a Customer shall not be subject to arbitration pursuant to this Chapter without written consent by such Customer given in accordance with Commission Regulation §166.5.

(b) – (g) No Change.

* * * * *