**Rule Self-Certification**

July 15, 2016

Christopher J. Kirkpatrick

Office of the Secretariat

Commodity Futures Trading Commission

Three Lafayette Center

1155 21st Street, NW

Washington, DC 20581

Re: **NFX Fee Schedule Amendments for**

**Four New Fuel Oil Contracts**

**Reference File: SR-NFX-2016-70**

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (“Act”), and Section 40.6 of the Commission’s regulations thereunder, NASDAQ Futures, Inc. (“NFX” or “Exchange”) is amending its fee schedule in connection with the listing of four new fuel oil futures contracts (together, the “New Contracts”). The Exchange anticipates listing the New Contracts beginning July 31, 2016, for trade date August 1, 2016.[[1]](#footnote-1) The fee schedule amendments, attached hereto as Exhibit 1, will be effective on the listing of the New Contracts and are explained briefly below.

Base Transaction Fees and Block Trade/EFRP Surcharges

Currently, the Exchange assesses Base Transaction Fees and Block Trade/EFRP Surcharges that vary by contract. The Base Transaction Fee is assessed per cleared side, on a trade date basis, to the Clearing Futures Participant for the execution that is identified on the trade record for the applicable transaction, regardless of whether the trade is given up to another Clearing Futures Participant for clearing. The Base Transaction Fee is a combined charge for Exchange execution and for The Options Clearing Corporation (“OCC”) clearing fee.[[2]](#footnote-2) The Exchange will now assess Base Transaction Fees and Block Trade/EFRP Surcharges for transactions in the New Contracts. The Exchange is amending the fee schedule as set forth on Exhibit 1 with respect to the New Contracts to establish $3.25 as the Base Transaction Fee and $0.05 as the Block Trade/EFRP surcharge.

New Client Transaction Fee and Designated Market Maker Fee Waiver

To the extent applicable, the Designated Market Maker Fee Waiver will apply to transactions in the New Contracts in the same manner it applies to transactions in all existing contracts.[[3]](#footnote-3) However, New Client Transaction Fees will not apply to transactions in the New Contracts.[[4]](#footnote-4)

DCM Core Principles

The Exchange believes the fee schedule amendments are consistent with Designated Contract Market (“DCM”) Core Principles. The Exchange will publish the amended fee schedule on its website to ensure that market participants have been advised of the Base Transaction Fees and the Block Trade/EFRP Surcharge for the New Contracts. The Exchange believes the level at which the fees are set is reasonable and furthers the Exchange’s goal of offering products to the marketplace that are competitively priced. The revenue generated by the proposed fees will enhance the Exchange’s ability to discharge its financial, operational and managerial responsibilities as a DCM.

Certification

There were no opposing views among NFX’s Board of Directors, members or market participants. The Exchange hereby certifies that the fee schedule amendments as set forth herein comply with the Act and the Commission’s 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 [business.nasdaq.com/futures](http://business.nasdaq.com/nasdaq-futures/nfx-market).

If you require any additional information regarding the submission, please contact Carla Behnfeldt at (215) 496-5208 or Stephen Matthews at (301) 978-8458. Please refer to SR-NFX-2016-70 in any related correspondence.



Regards,

Daniel R. Carrigan

President

Attachments:

Exhibit 1: NASDAQ Futures, Inc. Fee Schedule Amendments

**Exhibit 1 to SR-NFX-2016-70**

(additions are underlined; deletions are ~~overstruck)~~

**NASDAQ FUTURES FEE SCHEDULE**

**TABLE OF CONTENTS**

\* \* \* \* \*

**New Client Transaction Fee**. With respect to transactions in trading accounts of NFX market participants whose trading on NFX has been identified by NFX as having commenced from May 1, 2016 up to and including July 31, 2016, New Client Transaction Fees shall be assessed instead of Base Transaction Fees for three calendar months of trading (including the month or portion thereof in which the first transaction occurred) in the market participants' trading accounts. With respect to transactions in trading accounts of NFX market participants whose trading on NFX has been identified by NFX as having commenced on or after August 1, 2016, New Client Transaction Fees shall be assessed instead of Base Transaction Fees for one calendar month of trading (including the month or portion thereof in which the first transaction occurred) in the market participants' trading accounts. The New Client Transaction Fees shall be assessed at:

(a) for transactions in power contracts, $0.25 per cleared side unless the Base Transaction Fee for that contract is lower than $0.25, in which case the Base Transaction Fee shall apply;

(b) for transactions in oil and refined products or natural gas contracts, $0.05 per cleared side rather than the Base Transaction Fee, provided, however, that transactions in NFX Fuel Oil 3.5% FOB Rotterdam Barges Financial Futures (BARQ), NFX Fuel Oil 3.5% FOB MED Cargoes Financial Futures (FOMQ), NFX Fuel Oil 380 CST Singapore Financial Futures (SYSQ) and NFX Fuel Oil 180 CST Singapore Financial Futures (SZSQ) are not eligible for New Client Transaction Fees and will instead be subject to Base Transaction Fees.

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| --- | --- | --- | --- |
| **CHAPTER** | **PRODUCT NAME AND SYMBOL** | **BASE TRANSACTION FEE** | **BLOCK TRADE/EFRP SURCHARGE** |
|  | **OIL AND REFINED PRODUCTS** |  |  |
|  | \* \* \* \* \* |  |  |
| 108 | NFX Fuel Oil 3.5% FOB Rotterdam Barges Financial Futures (BARQ) | $3.25 | $0.05 |
| 109 | NFX Fuel Oil 3.5% FOB MED Cargoes Financial Futures (FOMQ) | $3.25 | $0.05 |
| 110 | NFX Fuel Oil 380 CST Singapore Financial Futures (SYSQ) | $3.25 | $0.05 |
| 111 | NFX Fuel Oil 180 CST Singapore Financial Futures (SZSQ) | $3.25 | $0.05 |

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1. The Exchange is separately certifying the New Contracts pursuant to Rule 40.2 in submission SR-NFX-2016-68. [↑](#footnote-ref-1)
2. OCC options exercise fees and any other OCC fees remain the responsibility of Clearing Futures Participants. [↑](#footnote-ref-2)
3. The fee schedule provides that Transaction Fees are waived for Exchange-selected Designated Market Makers (“DMMs”) participating in the Exchange’s Energy DMM Program in their assigned DMM contracts. Base Transaction Fees and New Client Transaction Fees are also waived for DMMs’ hedging transactions in futures contracts underlying their assigned options. The Block Trade/EFRP surcharge is not waived. Upon the termination of participation of a DMM in an Exchange DMM program, transactions of the DMM are subject to the New Client Transaction Fee rather than the Base Transaction Fee for a period of 3 calendar months (including the month or portion thereof in which the entity’s participation in the DMM program terminates). [↑](#footnote-ref-3)
4. The fee schedule provides that New Client Transaction Fees apply in lieu of Base Transaction Fees for a limited period of time for transactions of certain new NFX market participants. Exhibit 1 hereto reflects fee schedule amendments previously submitted to the Commission in SR-NFX-2016-72 regarding the manner in which eligibility for New Client Transaction Fees is determined. [↑](#footnote-ref-4)