**Rule Self-Certification**

December 7, 2016

Christopher J. Kirkpatrick

Office of the Secretariat

Commodity Futures Trading Commission

Three Lafayette Center

1155 21st Street, NW

Washington, DC 20581

Re: **Amendment to Chapter III of the NFX Rulebook**

**Reference File: SR-NFX-2016-109**

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 (“CFTC” or the “Commission”) under the Act, NASDAQ Futures, Inc. (“NFX” or “Exchange”) amends Chapter III of its rulebook to revise language regarding General Trading Standards and Prohibited Practices as requested by CFTC staff. The effective trade date of the amendments will be December 21, 2016, for the trade date starting December 22, 2016.

The Exchange certifies that the amendments comply with the Act and CFTC regulations promulgated thereunder. There were no opposing views among the Exchange’s Board of Directors, members or market participants. 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 [business.nasdaq.com/futures](http://business.nasdaq.com/futures).

If you require any additional information regarding the submission, please contact Aravind Menon at +1-301-978-8416 or via e-mail at [aravind.menon@nasdaq.com](mailto:aravind.menon@nasdaq.com). Please reference SR-NFX-2016-109 in any related correspondence.

 Regards,

Daniel R. Carrigan

President

**Exhibit A to SR-NFX-2016-109**

*New text is underlined; deleted text is stricken*

### Chapter III Obligations of Futures Participants and Authorized Traders

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##### Section 24 General Trading Standards and Prohibited Practices

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(g) Futures Participants and Authorized Traders shall not:

(1) Engage, or attempt to engage in practices that may cause degradation of the Exchange's services or facilities, or that may cause a disorderly market, including but not limited to, unwarranted use of cancelling and resubmitting Orders;

(2) Engage in pre-arranged transactions other than transactions executed in compliance with Chapter IV, Sections 11 (Block Trades) and 12 (Exchange for Related Positions) and Chapter V, Section 12 (Pre- Negotiated Business and Cross Transactions); or

(3) Engage, or attempt to engage in acts, practices, or conduct contrary to the purposes of the Exchange or likely to bring the Exchange into disrepute, or which operates or would operate as a fraud or deceit upon any Person. These prohibited practices include, but are not limited to:

(i) effecting, or attempting to effect a transaction in, or inducing, or attempting to induce the purchase or sale of, any Contract through any manipulative, deceptive, or fraudulent device or contrivance;

(ii) engaging, or attempting to engage in price manipulation or cornering of the market;

(iii) engaging, or attempting to engage in wash transactions (or other activities that may or may not involve the making of a Contract) that could create~~s~~ the ~~a~~ misleading appearance of activity occurring on the Trading System and/or causes the reporting of a misleading price level;

(iv) engaging in, or attempting to engage in accommodation transactions, by which one party enters into a Contract with another party knowing or having reason to know that such transaction was an attempt to conceal a trading abuse;

(v) engaging in "front-running" or "trading-ahead," where a party knowingly places an Order or executes a trade for a Contract while in possession of material nonpublic information concerning an imminent Block Trade or Customer Order;

(vi) engaging in, or attempting to engage in "cherry picking," where a party assigns a trade for a Customer to the account of another Customer or party (for any reason, even if only temporarily, where the situation is not remedied) and the trade assigned to the other Customer or party is at a superior price than the trade price received by the Customer;

(vii) withdrawing, withholding, disclosing, or taking advantage of a Customer Order in whole or in part for the benefit of any other Person;

(viii) engaging in, or attempting to engage in compensation trades, where one or more parties executes non-competitive trades to transfer money between accounts; and

(ix) engaging in, or attempting to conduct or practices detrimental to the best interests of the Exchange.

(x) engaging in, or attempting to engage in any other manipulative or disruptive trade practices prohibited by the Commodity Exchange Act, as amended, or Commission regulations, including but not limited to, "spoofing," "improper cross trading," "money passes," and trading against a Customer Order

(4) ~~Knowingly e~~ Enter any bid or offer for the purposes of making a market price which does not reflect the true state of the market, or knowingly entering, or causing to be entered bid or offers other than in good faith for the purposes of executing a bona fide transaction. Additionally, all non-actionable Orders must be entered in good faith for legitimate purposes.

(i) No Futures Participant shall enter or cause to be entered an Order with the intent, at the time of order entry, to cancel the Order before execution or to modify the Order to avoid execution;

(ii) No Futures Participant shall enter or cause to be entered an actionable or non-actionable message or messages with intent to or with reckless disregard for the potential to mislead other market participants;

(iii) No Futures Participant shall enter or cause to be entered an actionable or non-actionable message or messages with intent to overload, delay, or disrupt the systems of the Exchange or other market participants; and

(iv) No Futures Participant shall enter or cause to be entered an actionable or non-actionable message with intent to disrupt, or with reckless disregard for the adverse impact on, the orderly conduct of trading or the fair execution of transactions during any part of the trading day, including but not limited to the closing period.

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Section 27 Prohibition on Misstatements

It shall be an offense to make any misstatement of a material fact to the Exchange, including the Board, any committee thereof or any director, officer or employee of the Exchange.  It shall also be an offense to violate any provision CFTC Regulation 180.1.

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