**Rule Self-Certification**

December 14, 2018

Christopher J. Kirkpatrick

Office of the Secretariat

Commodity Futures Trading Commission

Three Lafayette Center

1155 21st Street, NW

Washington, DC 20581

Re: **Rule Certification for Amendments to the**

**NFX Fee Schedule**

**Reference File: SR-NFX-2018-70**

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 to (1) increase certain fees for the Treasury futures contracts (“TF Contracts”); and (2) introduce a distinction between active and passive trades in the TF Contracts for pricing purposes.

These changes will become effective on January 1, 2019. The corresponding amendment is contained in Exhibit A and Exhibit B below.

The reduced fee for DMMs is included in the fee schedule and will be offered to any market participant who is willing to make markets by providing continuous quotes during the hours of 8AM – 4PM EPT, Monday through Friday. Participation as a DMM will be by simple application to the Exchange, and completion of a participation agreement. There will be no competitive tender process, and no limit to the number of firms able to participate. If a participant fails to provide continuous quoting in the TF Contracts it will no longer be eligible for the reduced fee.

The changes also introduce a distinction between “active” and “passive” trades. “Passive” refers to adding liquidity, or resting liquidity. “Active” refers to taking liquidity, or executing against resting liquidity. The fees are currently the same for the Standard Screen Fee, but differ for DMMs. DMMs do not pay a fee for “passive” trades.

**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 changes. The Exchange believes the amendments are reasonable and that they continue the Exchange’s goal of offering liquidity to the marketplace.

The Exchange believes that these amendments comply with Core Principle 4 (Monitoring of Trading), Core Principle 9 (Execution of Transactions) and Core Principle 12 (Protection of Market Participants). The amendments will not impact order execution priority or otherwise give participants any execution preference or advantage. They 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 by market participants to prevent manipulative trading and market abuse. Additionally, the Exchange has systems to track program participants’ volume to ensure proper distribution of earned incentives. Finally, NFX rules include prohibitions against fraudulent, non-competitive, unfair or abusive practices.

The Exchange has reviewed the designated contract market core principles as set forth in the Act in connection with the amendments presented herein. Consistent with Core Principle 7 - Availability of General Information, the Exchange will post general information, including the NFX Rulebook as amended herein, on its website: [business.nasdaq.com/futures](http://business.nasdaq.com/nasdaq-futures/nfx-market).

**Certifications**

There were no opposing views among NFX’s Board of Directors, members or market participants. The Exchange hereby certifies that the amendments to the fee schedule set forth herein complies 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 this submission, please contact Stephen Matthews at (301) 978-8458 or steve.matthews@nasdaq.com. Please refer to SR-NFX-2018-70 in any related correspondence.

Regards,



Kevin Kennedy

Chief Executive Officer

Attachments:

Exhibit A: NASDAQ Futures, Inc. Fee Schedule Amendments

Exhibit B: Amended Fee Schedule effective January 1, 2019