

Rule Self-Certification

July 12, 2012

Office of the Secretary
Commodity Futures Trading Commission
Three Lafayette Center
1155 21st St., N.W.
Washington, D.C. 20581

Re: Quote Matching
Reference File: SR-NFX-2012-16

Ladies and Gentlemen:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (“Act”), and Section 40.6 of the regulations promulgated by the Commodity Futures Trading Commission (“Commission”) under the Act, the NASDAQ OMX Futures Exchange, Inc. (“NFX” or “Exchange”) submits this self-certification to amend Rule E18, entitled “Order and Quote Matching.” This amendment will be effective on July 27, 2012.

NFX Rule E18 addresses both order and quote matching in the NFX XL trading system. With respect to quotes, Rule E18(b) provides that when NFX XL, the Exchange’s trading system, receives a quote that locks (i.e. highest bid equals the lowest offer) or crosses (i.e. the highest bid exceeds the lowest offer) the NFX XL Best Bid and Offer, the trading system will first disseminate a new NFX XL Best Bid and Offer at either the locked price or the resting price crossed by the Order, then calculate and disseminate a new NFX XL Best Bid or Offer. NFX will amend the Rule to create a one-second “counting period” during which time a Market Maker may eliminate the locked or crossed market caused by their electronic quotation. Any unresolved locked or crossed markets remaining after the counting period would be automatically executed. Notwithstanding the counting period, Market Makers shall be obligated to execute orders at their disseminated quotation.

The Exchange is not proposing to apply this counting period to orders, only quotes entered by Market Makers. The Exchange believes the addition of a counting period should improve market efficiency by eliminating locked and crossed markets in a more timely fashion.

There were no opposing views among NFX's Board of Directors, members or market participants. NFX hereby certifies that the amendment to Rule E18, relating to locked and crossed quotes complies with the Commodity Exchange 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.

Regards,

A handwritten signature in black ink that reads "Daniel Carrigan". The signature is written in a cursive style with a large, sweeping "D" and "C".

Daniel Carrigan
President

cc: Mr. J. Goodwin
National Futures Association

EXHIBIT A

New text is underlined; deleted text is in brackets.

NASDAQ OMX Futures Exchange (NFX)—Rules

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Rule E18. Order and Quote Matching

(a) Except as described in Rule E18(d), NFX XL matches Orders and Quotes in price priority with the highest bid or lowest offer for a Contract having priority over all other Orders and Quotes for the same Contract. When NFX XL has multiple Orders or Quotes for a contract at the highest bid or lowest offer, then

(1) Orders for Clearing Account Type "C" receive priority over Orders for any other Clearing Account Type; and among Orders for Clearing Account Type "C", the first such Order in time at a price has priority over all other such Orders at the same price; and

(2) Orders for Clearing Account Types "F" and "M" and Quotes at the same price participate in proportion to the Order or Quote quantity relative to the total quantity of all such Orders and Quotes at the same price.

(b) When NFX XL receives a Quote that locks (i.e., the highest bid equals the lowest offer) or crosses (i.e., the highest bid exceeds the lowest offer) the NFX XL Best Bid and Offer, NFX XL will first disseminate a new NFX XL Best Bid and Offer at either the locked price or the resting price crossed by the Quote, a counting period of one second will begin during which Market Makers whose quotations are locked or crossed may eliminate the locked or crossed market [then execute the Quote at that price]. If at the end of the one second counting period the quote remains locked or crossed, the locked or crossed quotations will be executed. Notwithstanding the counting period, Market Makers shall be obligated to execute orders at their disseminated quotation. The quote that is locked or crossed may be executed by an order during the one second counting period.

(c) When NFX XL receives an Order that locks or crosses the NFX XL Best Bid and Offer, NFX XL will first execute the Order at either the locked price or the resting price crossed by the Order, then calculate and disseminate a new NFX Best Bid and Offer.

(d) An electronic auction occurs on NFX XL when two or more Orders or Quotes for a Contract are submitted, modified, or cancelled virtually simultaneously that would lock or cross market. During an electronic auction, NFX XL determines the price at which the most Contracts will trade based on all Orders in the Order Book and Quotes in NFX XL, with each Order or Quote filled receiving its stated price or better. During an electronic auction, a trade may occur outside the last disseminated NFX Best Bid and Offer.

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