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165 Broadway, 47th Floor, New York, NY 10006

RULE CERTIFICATION

September 29, 2003

By Electronic Mail

Ms. Jean A. Webb
Secretary of the Commission
Office of the Secretariat
Commodity Futures Trading Commission
1155 21st Street, NW
Washington, DC 20581

Re: Rule Certification by NQLX LLC

Dear Ms. Webb,

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act and Regulations 38.4(b) and 40.6, NQLX LLC hereby certifies the enclosed Notice to Members related to the imposition of a fee for members filing late financial statements, *NQLX Notice to Members 04-2003* (Sept. 29, 2003).

The proposed adoption and effective date of this Notice to Members is September 30, 2003. This Notice to Members has been approved for adoption by management of NQLX pursuant to NQLX's rules. There were no substantive opposing views expressed as to its adoption. NQLX hereby certifies that *NQLX Notice to Members 04-2003* (Sept. 29, 2003) complies with the Commodity Exchange Act and the regulations thereunder.

Please contact me at (212) 858-4471 if you have any questions concerning the enclosed Notice.

Sincerely,

Kathleen M. Hamm
Senior Vice President
Regulation and Compliance

Jean Webb, Secretary
Commodity Futures Trading Commission
September 29, 2003
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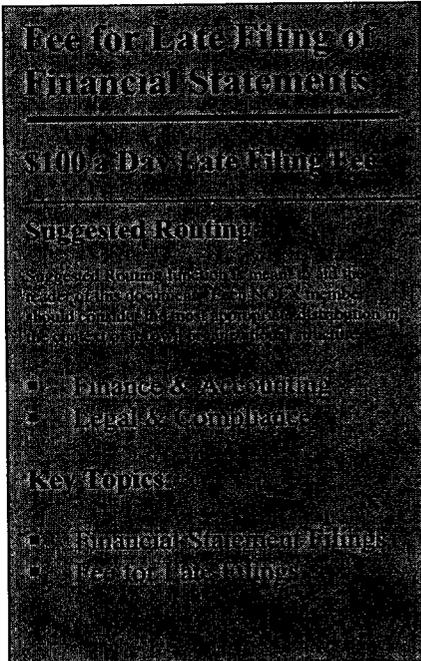
cc: Michael Gorham
Director, Division of Market Oversight

Stephen Braverman
Deputy Director, Division of Market Oversight

David Van Wagner
Associate Director, Division of Market Oversight

Allen Cooper
Branch Chief, CFTC New York Regional Office





Executive Summary

The financial statement filing rules and requirements that NQLX LLC has established for our members are designed to enable the exchange to monitor the financial integrity of our members. In that regard, it is important that members file their required financial statements in a timely manner. Thus, any failure to timely file required financial statements not only violates the rules of NQLX[®], but also impedes the exchange's ability to effectively discharge its responsibilities as a

self-regulatory organization. Despite the importance of timely filing financial statements and reminders from NQLX, some members continue to file financial statements late with NQLX. Therefore, for any financial statement filings due on or after September 30, 2003, NQLX will assess a fee of \$100 for each business day that a member is tardy with those filings.

Please direct any questions concerning this *Notice* to Kathleen M. Hamm, Senior Vice President, Regulation and Compliance, at (212) 858-4471, or Michael M. Sullivan, Assistant Vice President, Market Regulation, at (212) 858-5165. For questions regarding payments, please contact Robert Ledvora, Executive Vice President and Chief Financial Officer, at (312) 553-4819.

Members' Obligation to Submit Financial Statements

Pursuant to NQLX's rules, members are required to provide their current financial statements to NQLX *simultaneously* with their submission to the Securities and Exchange

Commission ("SEC"), Commodity Futures Trading Commission ("CFTC"), or the member's designated examining authority or designated self-regulatory organization, as applicable.¹ In addition, members that are not registered, or required to register, with the SEC as broker-dealers or with the CFTC as futures commission merchants or introducing brokers, must submit annual audited, certified financial statements to NQLX within ninety calendar days of the member's fiscal year-end.²

Amount and Effective Date of Late Filing Fee

NQLX has determined to assess any member filing financial statements with NQLX after their due date with a fee of \$100 for each business day late. This fee will apply to all financial statement filings due on or after September 30, 2003. Thus, to ensure that no late fees are assessed, members should adopt and adhere to all necessary and appropriate policies and procedures to ensure that their

¹ See NQLX Rule 315(a)(2).

² See Rule 317(c).

financial statements are timely filed with NQLX.

Payment of Late Fees

Members must submit payment in full for any late fee assessed simultaneously with the filing of the member's late financial statements. In addition to following NQLX's *Regulatory Bulletin 01-2003* regarding the mechanics of filing financial statements with NQLX,³ members that submit financial statements late to NQLX must do two additional things at the same time that those members file their late financial statements.

First, the member must send a check payable to NQLX for the full amount of the late payment to the attention of Robert Ledvora, CFO-NQLX, at One North Franklin, Suite 2300, Chicago, Illinois 60606 and indicate in the memo portion of the check that the payment is for a late filing fee. Second, the member must send a facsimile copy of the check to the attention of Michael Levickas, Supervisor of Examiners, NASD-Chicago District office, at (312) 899-4399.

Please note that payment by a member, and acceptance by NQLX, of any late fee does not limit in any way the exchange's ability to take disciplinary or other necessary and appropriate

³ See *Regulatory Bulletin 01-2003 – Members' Obligations to Submit Financial Statements* (Jan. 7, 2003).

actions against members consistent with NQLX's rules.

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