



Nasdaq Futures, Inc.  
1900 Market Street  
Philadelphia, PA 19103 / USA  
business.nasdaq.com/futures

## Rule Self-Certification

December 14, 2016

Christopher J. Kirkpatrick  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Center  
1155 21<sup>st</sup> Street, NW  
Washington, DC 20581

Re: **NFX Fee Schedule Amendments**  
**Reference File: SR-NFX-2016-111**

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 for certain listed contracts (“Fee Schedule”). The Fee Schedule amendments, attached hereto as Exhibit A, will be effective on January 2, 2017 for trade date January 3, 2017.

### 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.<sup>[1]</sup> NFX is amending the Fee Schedule for certain listed contracts to increase the base transaction fee and provide a reduced fee for those market participants that exceed specific pre-defined volume thresholds within a calendar month. Under the terms of the new Fee Schedule, once a market

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[1] OCC options exercise fees and any other OCC fees remain the responsibility of Clearing Futures Participants.

participant exceeds a specified average-daily volume (“ADV”) threshold, calculated on a monthly basis, they will receive a reduced fee for each contract traded in accordance with the rules of NFX. NFX is implementing this new Fee Schedule in response to demand from market participants. The new Fee Schedule will align NFX’s fee structure with the fee structure employed by other established DCMs regulated by the CFTC. The amended Fee Schedule is open to all market participants trading on the NFX platform. The amended Fee Schedule is attached as Exhibit A.

### DCM Core Principles

The Exchange believes the Fee Schedule amendments are consistent with the Act and Designated Contract Market (“DCM”) Core Principles. In particular, the amendments comply with Core Principle 4 (Monitoring of Trading), Core Principle 9 (Execution of Transactions) and Core Principle 12 (Protection of Market Participants). The Fee Schedule does not impact order execution priority or otherwise give participants any execution preference or advantage. In addition, NFX Surveillance actively monitors for trading abuses using electronic exception reports and will take appropriate action against any participants engaging in market abuses. The Exchange will publish the amended Fee Schedule on its website to ensure that market participants have been advised of the Fee Schedule and the Block Trade/EFRP Surcharges for all products traded on the NFX platform. 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/futures).

If you require any additional information regarding the submission, please contact Aravind Menon at (301) 978-8416. Please refer to SR-NFX-2016-111 in any related correspondence.

Regards,



Daniel R. Carrigan  
President

Attachments:

Exhibit A: NASDAQ Futures, Inc. Fee Schedule

**Exhibit A to SR-NFX-2016-111**

(additions are underlined, deleted language is ~~stricken~~)

**NASDAQ FUTURES FEE SCHEDULE**

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**Section I-Transaction Charges**

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**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 the first full calendar month of trading (and in addition, the portion of the calendar month in which the first transaction occurred, if any) 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), NFX Fuel Oil 180 CST Singapore Financial Futures (SZSQ), NFX Fuel Oil Diff—NFX Fuel Oil 380 CST Singapore Financial Futures vs NFX Fuel Oil 3.5% FOB Rotterdam Barges Financial Futures (SJSQ), and NFX Fuel Oil Diff—NFX Fuel Oil 180 CST Singapore Financial Futures vs NFX Fuel Oil 380 CST Singapore Financial Futures (STSQ) 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	LEVEL 1	LEVEL 2	LEVEL 3	BLOCK TRADE/ EFRP SURCHARGE
			AVERAGE DAILY VOLUME	AVERAGE DAILY VOLUME	AVERAGE DAILY VOLUME	
			0-999	1,000- 2,499	>2,500	
			BASE TRANSACTION FEE	BASE TRANSACTION FEE	BASE TRANSACTION FEE	
<b>OIL AND REFINED PRODUCTS</b>						
101	NFX Brent Crude Financial Futures (BFQ)	\$0.25	\$0.40	\$0.30	\$0.20	\$0.10
101A	NFX Brent 1st Line Financial Futures (IBQ)	\$0.25	\$0.40	\$0.30	\$0.20	\$0.10
101B	NFX Brent 1st Line Mini Financial Futures (IMMQ)	\$0.05	\$0.15	\$0.10	\$0.05	\$0.10
101C	NFX Options on NFX Brent 1st Line Financial Futures (IOQ)	\$0.25	\$0.40	\$0.30	\$0.20	\$0.10
102	NFX Options on NFX Brent Crude Financial Futures (BCQ)	\$0.25	\$0.40	\$0.30	\$0.20	\$0.10
103	NFX WTI Crude Oil Financial Futures (CLQ)	\$0.25	\$0.40	\$0.30	\$0.20	\$0.10
103A	NFX WTI Crude Oil Penultimate Financial Futures (TQ)	\$0.25	\$0.40	\$0.30	\$0.20	\$0.10
103B	NFX WTI 1st Line Financial Futures (RTIQ)	\$0.25	\$0.40	\$0.30	\$0.20	\$0.10
103C	NFX WTI 1st Line Mini Financial Futures (RMMQ)	\$0.05	\$0.15	\$0.10	\$0.05	\$0.10
103D	NFX Options on WTI 1st Line Financial Futures (TIQ)	\$0.25	\$0.40	\$0.30	\$0.20	\$0.10
104A	NFX Options on NFX WTI Crude Oil Penultimate Financial Futures (TOQ)	\$0.25	\$0.40	\$0.30	\$0.20	\$0.10
105	NFX Low Sulphur Gasoil Financial Futures (GOQ)	\$0.25	\$0.40	\$0.30	\$0.20	\$0.10
105A	NFX Low Sulphur Gasoil 1st Line Financial Futures (ULAQ)	\$0.25	\$0.40	\$0.30	\$0.20	\$0.10
105B	NFX Gasoil Crack Financial Futures (in BBLs) - Low Sulphur Gasoil 1st Line vs. Brent 1st Line (GZQ)	\$0.25	\$0.40	\$0.30	\$0.20	\$0.10
106	NFX Heating Oil Financial Futures (HOQ)	\$0.25	\$0.40	\$0.30	\$0.20	\$0.10
106A	NFX Heating Oil Penultimate Financial Futures (OQ)	\$0.25	\$0.40	\$0.30	\$0.20	\$0.10
106B	NFX Heating Oil 1st Line Financial Futures (HOFQ)	\$0.25	\$0.40	\$0.30	\$0.20	\$0.10
107	NFX RBOB Gasoline Financial Futures (RBQ)	\$0.25	\$0.40	\$0.30	\$0.20	\$0.10

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107A	NFX RBOB Gasoline Penultimate Financial Futures (RQ)	\$0.25	\$0.40	\$0.30	\$0.20	\$0.10
107B	NFX RBOB Gasoline 1st Line Financial Futures (RBSQ)	\$0.25	\$0.40	\$0.30	\$0.20	\$0.10
107C	NFX Gasoline Crack Financial Futures (in BBLs) - RBOB Gasoline 1st Line vs Brent 1st Line (RBRQ)	\$0.25	\$0.40	\$0.30	\$0.20	\$0.10
108	NFX Fuel Oil 3.5% FOB Rotterdam Barges Financial Futures (BARQ)	-	-	-	-	-
109	NFX Fuel Oil 3.5% FOB MED Cargoes Financial Futures (FOMQ)	\$3.25	\$5.00	\$4.00	\$2.50	\$0.10
110	NFX Fuel Oil 380 CST Singapore Financial Futures (SYSQ)	\$3.25	\$5.00	\$4.00	\$2.50	\$0.10
111	NFX Fuel Oil 180 CST Singapore Financial Futures (SZSQ)	\$3.25	\$5.00	\$4.00	\$2.50	\$0.10
112	NFX Fuel Oil Diff - NFX Fuel Oil 380 CST Singapore Financial Futures vs NFX Fuel Oil 3.5% FOB Rotterdam Barges Financial Futures (SJSQ)	\$3.25	\$5.00	\$4.00	\$2.50	\$0.10
113	NFX Fuel Oil Diff - NFX Fuel Oil 180 CST Singapore Financial Futures vs NFX Fuel Oil 380 CST Singapore Financial Futures (STSQ)	-	-	-	-	-

**NATURAL GAS PRODUCTS**

203	NFX Henry Hub Natural Gas Financial Futures - 10,000 (HHQ)	\$0.25	\$0.40	\$0.30	\$0.20	\$0.10
204	NFX Henry Hub Natural Gas Penultimate Financial Futures - 10,000 (HUQ)	\$0.25	\$0.40	\$0.30	\$0.20	\$0.10
205	NFX Options on NFX Henry Hub Penultimate Financial Futures - 10,000 (LNQ)	\$0.25	\$0.40	\$0.30	\$0.20	\$0.10

			<b>LEVEL 1 AVERAGE DAILY VOLUME PER MONTH 0-2,499</b>	<b>LEVEL 2 AVERAGE DAILY VOLUME PER MONTH 2,500- 4,999</b>	<b>LEVEL 3 AVERAGE DAILY VOLUME PER MONTH &gt;5,000</b>	
		<b>BASE TRANSACTION FEE</b>	<b>BASE TRANSACTION FEE</b>	<b>BASE TRANSACTION FEE</b>	<b>BASE TRANSACTION FEE</b>	<b>BLOCK TRADE/ EFRP SURCHARGE</b>
201	NFX Henry Hub Natural Gas Financial Futures - 2,500 (NNQ)	\$0.10	\$0.20	\$0.15	\$0.10	\$0.10
202	NFX Henry Hub Natural Gas Penultimate Financial Futures - 2,500 (NPQ)	\$0.10	\$0.20	\$0.15	\$0.10	\$0.10

**POWER CONTRACTS**

		<b>BASE TRANSACTION FEE</b>
302	NFX CAISO NP-15 Hub Day-Ahead Peak Financial Futures (NPMQ)	\$0.50 \$1.00
304	NFX CAISO SP-15 Hub Day-Ahead Peak Financial Futures (SPMQ)	\$0.50 \$1.00

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306	NFX ISO-NE Massachusetts Hub Day-Ahead Peak Financial Futures (NEPQ)	<del>\$1.00</del>	<u>\$2.00</u>
308	NFX MISO Indiana Hub Real-Time Peak Financial Futures (CINQ)	<del>\$1.00</del>	<u>\$2.00</u>
310	NFX PJM AEP Dayton Hub Real-Time Peak Financial Futures (MSOQ)	<del>\$1.00</del>	<u>\$2.00</u>
312	NFX PJM Northern Illinois Hub Real-Time Peak Financial Futures (PNLQ)	<del>\$1.00</del>	<u>\$2.00</u>
313	NFX PJM Western Hub Day-Ahead Peak Financial Futures (PJCQ)	<del>\$1.00</del>	<u>\$1.50</u>
316	NFX PJM Western Hub Real-Time Peak Financial Futures (PJMQ)	<del>\$1.00</del>	<u>\$1.50</u>
316C	NFX Options on NFX PJM Western Hub Real-Time Peak Financial Futures (PJOQ)	<del>\$1.00</del>	<u>\$1.50</u>
317	NFX ERCOT North 345 KV Hub Real-Time Peak Financial Futures (ERNQ)	<del>\$1.00</del>	<u>\$2.00</u>
318	NFX ERCOT Houston 345 KV Hub Real-Time Peak Financial Futures (ERHQ)	<del>\$1.00</del>	<u>\$2.00</u>
319	NFX ERCOT South 345 KV Hub Real-Time Peak Financial Futures (ERSQ)	<del>\$1.00</del>	<u>\$2.00</u>
320	NFX ERCOT West 345 KV Hub Real-Time Peak Financial Futures (ERWQ)	<del>\$1.00</del>	<u>\$2.00</u>
325	NFX PJM AEP Dayton Hub Day-Ahead Peak Financial Futures (ADBQ)	<del>\$1.00</del>	<u>\$2.00</u>
327	NFX PJM Northern Illinois Hub Day-Ahead Peak Financial Futures (NIBQ)	<del>\$1.00</del>	<u>\$2.00</u>
329	NFX MISO Indiana Hub Peak Day-Ahead Financial Futures (MCCQ)	<del>\$1.00</del>	<u>\$2.00</u>
331	NFX NYISO Zone A Day-Ahead Peak Financial Futures (NAYQ)	<del>\$1.00</del>	<u>\$2.00</u>
333	NFX NYISO Zone C Day-Ahead Peak Financial Futures (NCYQ)	<del>\$1.00</del>	<u>\$2.00</u>
335	NFX NYISO Zone D Day-Ahead Peak Financial Futures (NDYQ)	<del>\$1.00</del>	<u>\$2.00</u>
337	NFX NYISO Zone F Day-Ahead Peak Financial Futures (NFYQ)	<del>\$1.00</del>	<u>\$2.00</u>
339	NFX NYISO Zone G Day-Ahead Peak Financial Futures (NGYQ)	<del>\$1.00</del>	<u>\$2.00</u>
341	NFX NYISO Zone J Day-Ahead Peak Financial Futures (NJYQ)	<del>\$1.00</del>	<u>\$2.00</u>

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