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Rule Self-Certification

December 14, 2016

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

Re: **NFX Amended TradeGuard User's Guide**
Reference File: SR-NFX-2016-112

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 TradeGuard User’s Guide (“the User Guide”) to reflect new functionality added to the NFX Trading System (“Trading System”) and make various changes to copy write language in the user guide. On December 12, 2016 NFX implemented service release no. 6 (“SR6”) to the Trading System.¹ SR6 included numerous functional upgrades, including a change to the Order Rate Risk Check which allows users to select the number of Orders that may be entered into the NFX Trading System within a particular time period. The User Guide is being amended to reflect these upgrades in system functionality. The document also contains edits to reflect new references to the NFX Trading System and not the formerly referenced Genium INET. The amended User Guide, attached hereto as Exhibit A, will be effective on January 2, 2017.

Certification

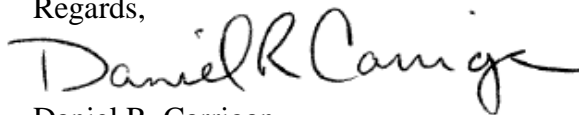
There were no opposing views among NFX’s Board of Directors, members or market participants. The Exchange hereby certifies that the amended User Guide complies with the Act and the Commission’s regulations thereunder. The Exchange also certifies that notice of pending certification and a copy of this submission have been concurrently posted on the Exchange’s website at business.nasdaq.com/futures.

¹ SR-NFX-2016-106 was certified to the Commission by filing dated November 22, 2016.

Commodity Futures Trading Commission
December 14, 2016
SR-NFX-2016-112
Page 2

If you require any additional information regarding the submission, please contact Aravind Menon at (301) 978-8416. Please refer to SR-NFX-2016-112 in any related correspondence.

Regards,

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

Daniel R. Carrigan
President

Attachments:

Exhibit A: NFX TradeGuard User's Guide

Exhibit A to SR-NFX-2016-112

New language is underlined; deleted language is ~~stricken~~.



~~Genium~~ ~~INET~~ NFX™

TradeGuard User's Guide

~~NFX~~ NASDAQ Futures, Inc. (NFX)

Version: ~~4.1.1201.1~~ 4.1.1229

Document Version: 4-5

Publication Date: ~~Thursday, 4th Jun, 2015~~ Monday, 29th Dec, 2016

Confidentiality: Non-confidential

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Introduction

Purpose

This user guide explains how to use the ~~Genium INET TradeGuard application~~ NFX Trading System to set limits on the risk exposure of order activity at an exchange.

Audience

This document is intended for ~~Genium INET TradeGuard application~~ NFX Trading System TradeGuard application users that need to configure and monitor the real-time risk exposure by participants at an exchange NASDAQ Futures, Inc. (NFX).

References

None.

Overview

The ~~Genium-INT~~NFX Trading System TradeGuard application provides an exchange with a way to monitor and control trading risk. ~~TradeGuard~~ The system also shows at-a-glance risk across the exchange, with a hierarchy of sponsoring, sponsored members, and trading users.

Specifically, ~~TradeGuard~~ the NFX Trading System allows an exchange to:

- Control the risk exposure by setting exposure limits on groups of users, or groups of accounts, belonging to a Participant.
- Monitor the real-time risk exposure of each Pre-Trade Limit Group.
- Set limits on order rate, max order size, and max trade report size.
- Set limits on group exposure per Tradeable.
- Restrict individual groups to only trade in instruments with established limits.
- Generate email alerts when a Tradeable's exposure crosses a notification threshold, or breaches set limits.
- Block the members of a group (using user-based or account-based groups) from trading past established limits.
- Manually block and unblock a group so the members of the group (user-based or account-based) cannot enter new orders.
- Mass cancel all open orders for users and accounts connected to a Pre-Trade Limit Group.

Getting Started

System Requirements

To run the ~~Genium INET~~ NFX Trading System TradeGuard application, you must have Java® 7 or higher installed on your computer. You will also need connectivity to the NASDAQ OMX extranet, and a Web browser.

Supported Browsers

Desktop Browser	Supported Version(s)
Microsoft® Internet Explorer™	7.x – 9.x
Mozilla Firefox	10 or Higher
Google® Chrome™	13.x or Higher

Launching the Application the First Time

From the TradeGuard landing page, you can install Java (if needed), and then log in to the system. To download and run the application, complete the following steps:

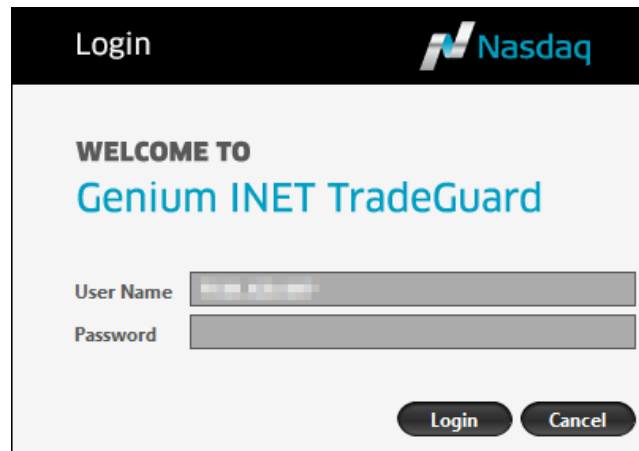
- 1) Open web browser and go to the launch page.
- 2) **Optional:** If you do not have Java installed, click the Java icon, and download it.
- 3) Click the Launch ~~Genium INET~~ NFX Trading System TradeGuard link.



~~Genium INET~~ NFX Trading System TradeGuard Launch Page

The application will download, and then display a login prompt.

- 4) Enter your user name and password.
- 5) Click the **Login** button.



Login Window

Launching the Application after Installation

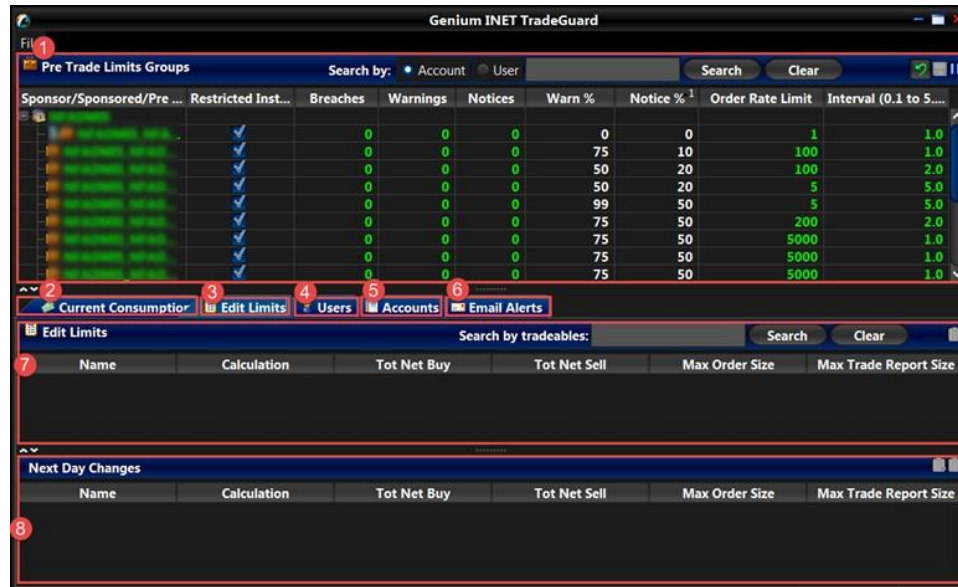
After downloading the application, a shortcut will be placed in the Start menu and as on the desktop as well.



Start Menu and Desktop Shortcut

Window Layout

The Genium INET NFX Trading System TradeGuard user interface shows each Sponsoring Participant, Sponsored Participants, and Pre Trade Limit Groups in real-time as well as allowing users to view or edit risk limit parameters.

Genium INET NFX Trading System TradeGuard Window

The Genium INET NFX Trading System TradeGuard window is composed of the following parts:







1	Trader Panel: This panel displays a hierarchy of Sponsoring Participants, Sponsored Participants, and Pre-Trade Limit Groups assigned to each Sponsored Participant.
2	Current Consumption Tab: The Current Consumption tab shows the usage of all limits set on a Pre-Trade Limit Group.
3	Edit Limits Tab: The Edit Limits tab lets you create and edit limits on a Pre-Trade Limit Group.
4	Users Tab: If a group is user-based, the Users tab will let you add, remove, and view which participant users are assigned to the group.
5	Accounts Tab: If the group is account-based, the Accounts tab will let you view and edit which accounts from the sponsored member are assigned to the Pre-Trade Limit group.
6	Email Alerts Tab: The Email Alerts tab shows the alert notification list for the Pre-Trade Limit Group, and lets you set which kinds of alerts will be sent to that group.
7	Intraday Changes: The Intraday Changes pane shows changes that when saved in the interface, are applied immediately.
8	Next Day Changes: The Next Day Changes pane shows changes that when saved in the interface, are sent to the exchange database, and become effective when the system is started the next day.

Window Buttons






From left to right:

Minimize: Minimizes the application to your taskbar. **Maximize:** Maximizes the application to fill your entire screen. **Close:** Closes the application.

	Revert: Undoes any unsaved changes.
	Save: Saves your current changes.
 	Stop: Stops updates to the user interface. Start: Resumes updates to the user interface.
	Add: Adds a limit, user, account, or email recipient.
	Remove: Removes a limit, user, account, or email recipient.


Window Icons

In the Trader, the Same Day Changes, and the Next Day Changes panel, there are several icons that indicate the status of that item.

	Removed: Indicates that this item has been saved and is marked for removal in a next day change.
	Added: Indicates that this item has been saved and is marked to be added in a next day change.
	Unsaved: Indicated that this item has not yet been saved. You must press the save button if you want this item to be saved.

Expanding and Collapsing Panels

If you do not want to view a particular panel in the ~~Genium INET-NFX Trading System~~ TradeGuard application, you can hide it using collapse buttons. Alternatively, you can display it using the expand buttons.

	Clicking these buttons in the top left of every panel will hide and display panels in the application.
---	--

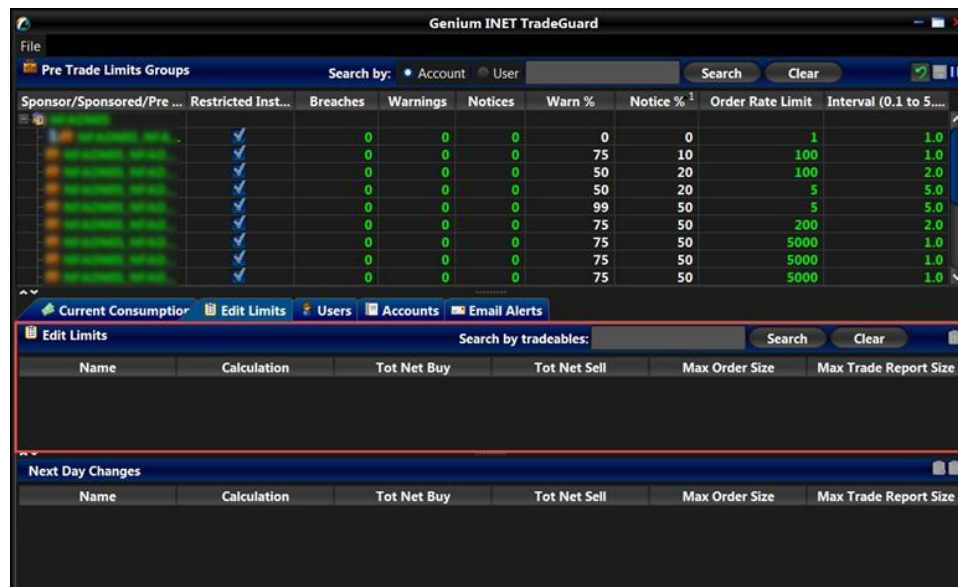
Understanding Intraday vs Next Day Changes

Intraday Changes

The following changes can be made, and are effective, at any time in the Genium INET NFX Trading System TradeGuard application interface:

- [Updating Limit Values](#)
- [Setting Warn and Notice Percentages](#)
- [Setting the Order Rate Limit](#)
- [Setting Email Alerts](#)
- [Adding New Email Alert Recipients](#)
- [Blocking a Pre-Trade Limit Group](#)
- [Unblocking a Pre-Trade Limit Group](#)
- [Mass Canceling Orders on a Pre-Trade Limit Group](#)
- [Unblocking an Order Rate Breach](#)
- [Restricting Instruments for a Pre-Trade Limit Group](#)

Unsaved intraday changes are displayed in the Intraday changes panel.



Intraday Changes Panel

Next Day Changes

The following changes are 'next day'. When saved in the interface, these changes will be sent to the exchange database, and become effective when the system is started the next day:

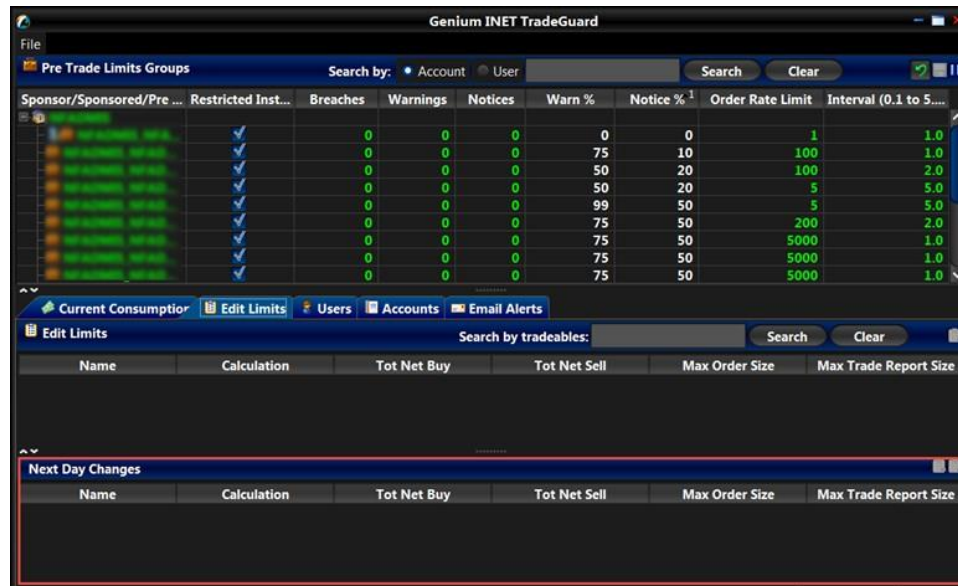
- [Adding a New Trade Limit](#)

- [*Deleting an Existing Trade Limit*](#)
- [*Changing Which Thresholds Trigger Email Alerts*](#)
- [*Removing Email Alert Recipients*](#)
- [*Adding a User to a Pre-Trade Limit Group*](#)
- [*Adding a Pre-Trade Limit Group*](#)

- [Deleting a Pre-Trade Limit Group](#)
- [Removing a User from a Pre-Trade Limit Group](#)
- [Changing a Monitored User](#)
- [Setting the Default User to Contribute to a Pre-Trade Limit Group](#)
- [Assigning Accounts to a Pre-Trade Limit Group](#)
- [Removing Accounts from a Pre-Trade Limit Group](#)

Next day changes display in a different panel to illustrate that they are pending changes to the system and will not be applied during the current trading day.

If you add a next day change, and you need to modify that next day change before the next day, you must delete that change and then add a new one.



Next Day Changes Panel



Note: Intraday and next day changes cannot be saved for a group at the same time. In this case the intraday changes must be made first, and saved to the group configuration. Then, next day

Understanding Breaches versus Blocks

Breaches

A breach can occur on a tradeable level or a group level.

Pre-Trade Enforcement

Because NFX enforces its limits in a pre-trade fashion, breaches are less common than in other releases of TradeGuard. However, breaching a limit is still possible.

Tradeable Level

Breaches are first checked at the tradeable level. Breaches at the tradeable level are caused by orders on a tradeable surpass one of the position checks. When a breach occurs at the tradeable level, no orders in this tradeable are allowed.

New orders are rejected for a breached tradeable. See [Unbreaching a Pre-Trade Limit Group](#) for more information.

Group Level

Secondly, breaches are checked at the group level. Currently the only group level check is the Order Rate check. When a breach occurs at the group level, no orders are allowed for the user who caused the breach.

Manual Blocks and Monitored User Disconnect

A manual block can be placed at the group level. No orders will be allowed for the group when this is in effect. See [Blocking a Pre-Trade Limit Group](#) and [Unblocking a Pre-Trade Limit Group](#) for more information.

Another typed of "block" is a monitored user disconnect block. This "block" is automatic. If the monitored clearing member disconnects, traders in the group will be automatically blocked from entering transactions. See [Changing or Removing a Monitored User](#) for more information.

Understanding Account Groups and User Groups

TradeGuard for NFX supports 'user-based' groups and 'account-based' groups. Orders sent to the exchange normally contain both of these identifying fields. This means that it is possible for the risk assessment from each order to be accumulated into two different Pre-Trade Limit Groups.

However, aside from this distinction which identifier matches the risk from an order to a group, all Pre-Trade Limit Groups have the same capability. Instruments and limits available to each kind of group are the same. The risk calculations done for both kinds of groups are identical. Breaches and order rejects for both kinds of group are identical.

User-Based Groups

When a Pre-Trade Limit Group is user-based:

- The *Users tab* is enabled for the group.
- Only users are assigned to the group.
- Activity from orders containing those users will accumulate for the group.

Account-Based Groups

When a Pre-Trade Limit Group is account-based:

- The *Accounts tab* is enabled.
- Only participant accounts can be assigned to the group.
- The calculated risk of the group is the accumulation of orders from the accounts assigned to the group.



Note: Mass quotes do not have accounts set on the order message. They will be assigned to account-based groups by looking up the default account of the user on the order, as set in the PD

Trader Panel

The trader panel shows all Sponsoring Participants, Sponsored Clients, and Pre-Trade Limit Groups in a hierarchical tree.

The hierarchy contains the following levels:

- **Top level—Sponsoring Participant:** A trading participant who sponsors one or more participant's direct connection to the market.
- **2nd level—Sponsored Client:** A Participant who is controlled by a Sponsoring Participant. A Sponsored Client is only associated to one Sponsoring Participant.
- **3rd level—Pre-Trade Limit Groups:** A logical grouping of users or account connected to a Sponsored Participant. The members of the group are defined by the IDs shown on the Users panel or the Accounts panel.

Risk checks are enforced on each Pre-Trade Limit Group in real time as execution messages are read from the trading engine.

Columns Displayed

The following columns display on the Trader Panel:

- **Restricted Instruments:** This checkbox shows if the group is restricted to trading only instruments for which they have defined trading limits. If unchecked, the group can trade in any instruments, and only those that have defined limits will be checked for risk breaches.
- **Breaches:** Displays the number of risk check breaches by the participant, or group.
- **Warnings:** Displays the number of risk check warnings made by the participant or group.
- **Notices:** Displays the number of notices generated by the participant or group.
- **Warn %:** When the trader or group reaches this limit percentage, warning email alerts will be generated.
- **Notice %:** When the trader or group reaches this limit percentage, warning email alerts will be generated.
- **Order Rate Limit:** Displays the limit set by the Participant for a Pre-Trade Limit Group. Exceeding the Order Rate limit will only generate Breach emails. Exceeding the Order Rate limit will not generate Warnings or Notices; and will breach the group; this means that future orders will be rejected until the group is un-blocked.
- **Order Rate Interval:** Displays the interval by which the Order Rate limit is calculated. If the order rate exceeds the Order Rate limit within the time interval, the Order Rate limit will breach.

Notice, Warn, and Breach Notices in the Trader Panel

Pre-Trade Limit Groups in the trader panel will display in different colors. The color corresponds to the any notice, warn, and breach events that have occurred for that group.

- **Green:** The exposure of the group is currently below the notice threshold.
- **Yellow:** The group has passed the notice level on a limit.
- **Orange:** The group has passed the warning level on a limit.
- **Red:** The group has breached a limit.

The screenshot displays the 'Pre Trade Limits Groups' table in the Genium INET TradeGuard application. The table has columns for 'Restricted I...', 'Breaches', 'Warnings', 'Notices', 'Warn %', 'Notice %', 'Order Rate Li...', and 'Interval (0.1 t...'. A red box highlights a row with 1 breach and 1 warning. Below this, the 'Edit Limits' section shows a table of tradeables with columns for 'Name', 'Calculation', 'Tot Net Buy', 'Tot Net Sell', 'Max Order Size', and 'Max Trade Report Size'. A red box highlights the 'BFQ Futures' row with a quantity of 200.

Sponsor/Sponsored/Pre Trade Limits Group	Restricted I...	Breaches	Warnings	Notices	Warn %	Notice %	Order Rate Li...	Interval (0.1 t...
	✓	0	0	0	0	0	0	1.0
	✓	1	1	1	75	50	3	3.0
	✓	0	0	0	50	20	100	2.0
	✓	0	0	0	75	50	200	3.0
	✓	1	1	0	50	10	3	3.0
	✓	0	0	0	75	50	5000	1.0
	✓	0	0	0	75	50	5000	1.0
	✓	0	0	0	75	50	5000	1.0

Name	Calculation	Tot Net Buy	Tot Net Sell	Max Order Size	Max Trade Report Size
BFQ TMC	QUANTITY	1,000	1,000	200	2,000
CLQ TMC	QUANTITY	200	200	100	1,000
BFQ Calendar Spread	QUANTITY	200	200	100	1,000
CLQ Calendar Spread	QUANTITY	1,000	1,000	200	2,000
BFQ Futures	QUANTITY	200	1,000	200	2,000
CLQ Futures	QUANTITY	200	2,000	200	1,000

Display of Breaches for a Group Breach Displays

While the group is breached:

- Members of the group cannot submit any orders for the instruments of the breached limit.
- Members of the group can still cancel open orders.

To unbreach a group, see [Unbreaching a Tradeable Limit](#).

Restricted Instruments

The trader panel displays a column for Restricted Instruments. This setting controls whether or not the group can only trade in Tradeables that have defined risk limits. If restricted instruments is unchecked, the group can trade in all exchange instruments and only the limits set will be monitored and create breaches.

Changing restricted instruments cannot be done via the TradeGuard application. Only exchange operators can lift the restricted instrument setting via internal applications.

When a new Pre-Trade Limits Group is first created, restricted instruments will be active for the group until lifted by the exchange.

Setting the Order Rate Limit

The order rate limit is set on a group from the trader limit panel. This limit measures orders sent to the trading engine from all members in the group.

The Order Rate Limit check is based on new orders inserted into the book. If an order is traded at entry it will also count towards the Order Rate Limit.

The following order types are ignored by the Order Rate Limit check:

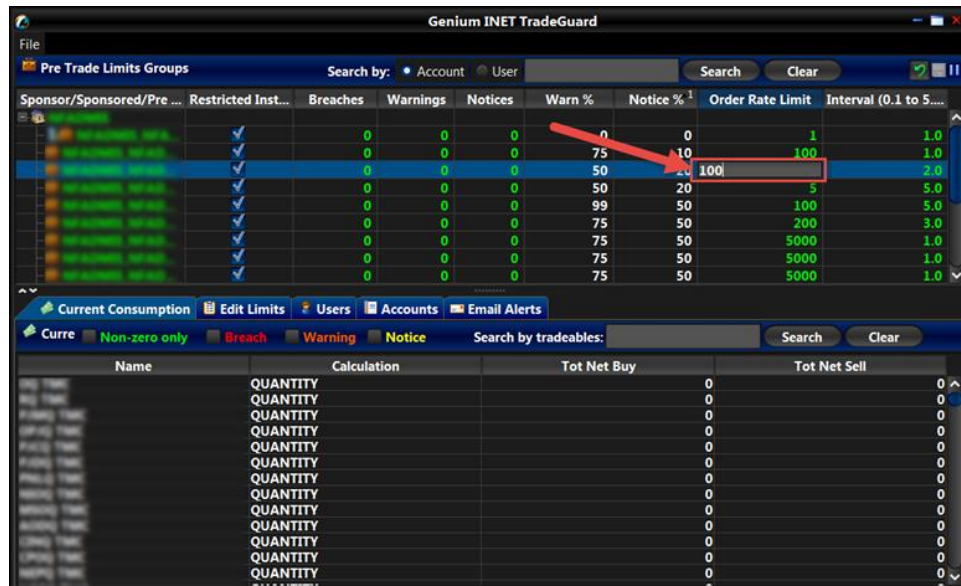
- Order Cancel Requests
- Rejected orders

- Order modifications
- Order types that do not stay in the book, such as IOC or FOK.
 - These orders will be counted if they trade.
 - During auction times these types do stay in the order book.

The order rate limit is checked every 1/10th of a second. This limit will be breach if the order rate is higher than one tenth of the set limit within one tenth of a calculated over a configurable time interval in seconds, indicated by the Interval column. The order rate limit will breach if the order rate exceeds the order rate limit within the time interval. By default, the interval is set to 1.0 second. See [Unblocking an Order Rate Breach](#) for how to lift this breach condition.

To set an order rate limit on a Pre-Trade Limit Group:

- 1) Double-click the order rate the **Order Rate Limit** column in the row of a Pre-Trade Limit Group.
- 2) Enter a new value for the order rate.



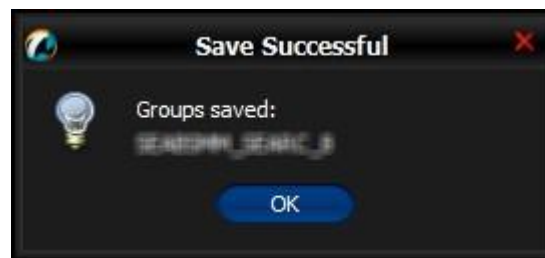
Setting the Order Rate Limit

- 3) Click the **Save** button in the trader panel to save your changes.




Save Button on Trader Panel

The Save Successful dialog box appears confirming your changes for the group or groups you have changed.



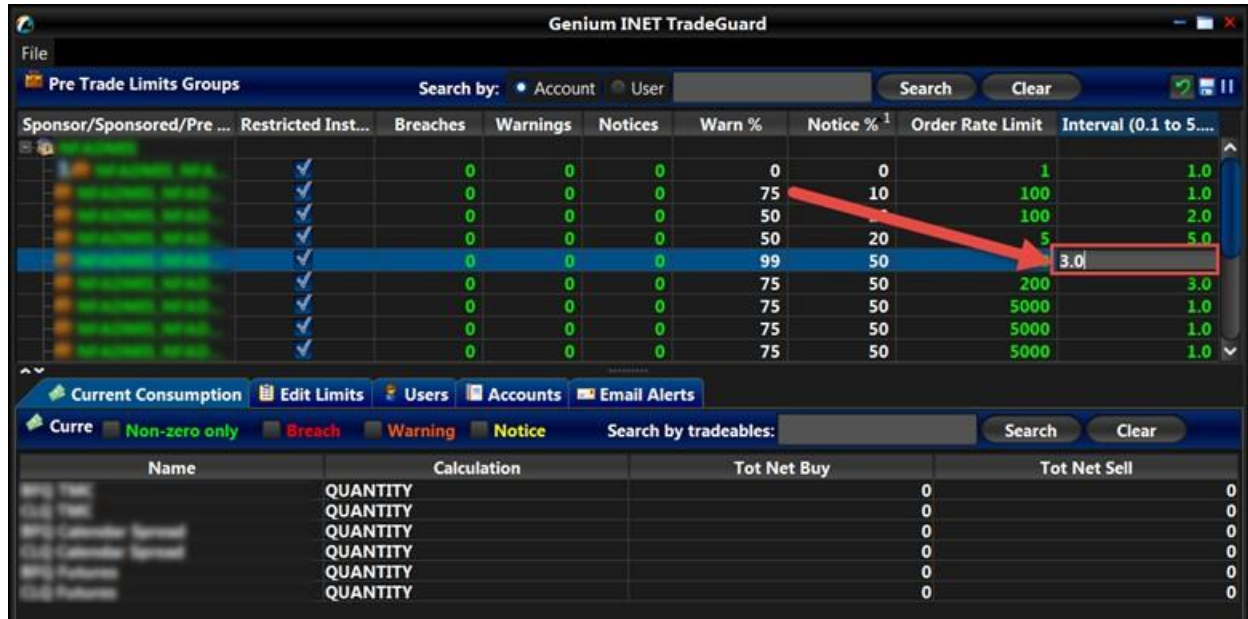
Save Successful Dialogue Box

- 4) Click the **OK** button.

 **Note:** This is an intraday change. This change takes effect immediately. See [intraday changes](#) for more information about intraday changes.

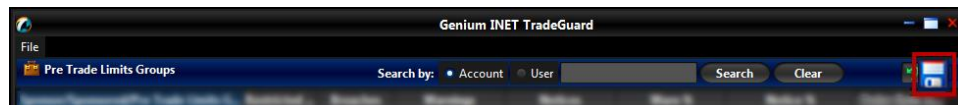
To set the interval in which the order rate limit is checked:

- 1) Double-click the **Interval (0.1 to 5.0)** column in the row of a Pre-Trade Limit Group.
- 2) Enter a value between 0.1 and 5.0 for the interval.



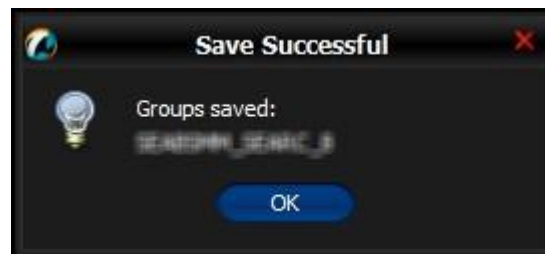
Setting the Order Rate Interval

- 3) Click the **Save** button in the trader panel to save your changes.




Save Button on Trader Panel

The Save Successful dialogue box appears confirming your changes for the group or groups you have changed.



Save Successful Dialogue Box

- 4) Click the **OK** button.

 **Note:** This is an intraday change. This change takes effect immediately. See [intraday changes](#) for more information about intraday changes.

Setting Warn and Notice Percentages

You can configure warn and notice percentages to receive additional alerts as the usage of a group nears its set limit.

The values associated with breaches are further defined by level and are color coded to provide a visual indicator.

- Notice is the lowest level of alert. Notice values will be less than Warning values.
- Warning is next highest level of alert. Warn values are higher than Notice values. To set

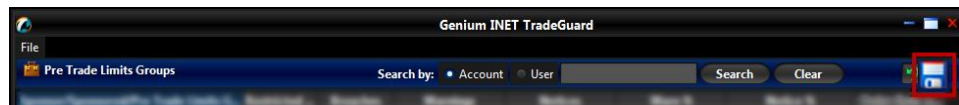
warn and notice percentages on a Pre-Trade Limit Group:

- 1) Double click the **Warn %** or **Notice %** column in the row of a Pre-Trade Limit Group.
- 2) Enter a new value for the Warn % or Notice %.

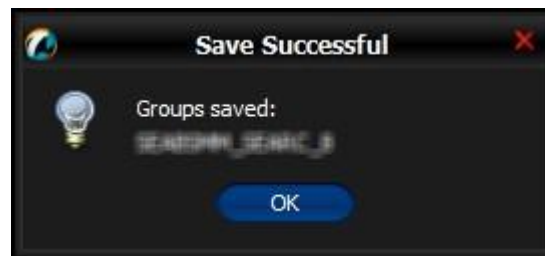
Sponsor/Sponsored/Pre Trade Limits Group	Restricted Ins...	Breaches	Warnings	Notices	Warn %	Notice %
		0	0	0	50	30
		0	0	0	70	30
		0	0	0	80	50
		0	0	0	0	0

Setting Warn and Notice Percentages

- 3) Click the **Save** button in the trader panel to save your changes.



The Save Successful dialogue box appears confirming your changes for the group or groups you have changed.



Save Successful Dialogue Box

- 4) Click the **OK** button to confirm your change.





Note: This is an intraday change. This change takes effect immediately. See [intraday changes](#) for more information about intraday changes.

Starting and Stopping Updates

Click the Stop Updates button to stop data updates and review details displayed in the application. Stopping data updates does not affect server processing, only updates to the application will be paused. The server will continue

monitoring and risk checking orders for all Pre-Trade Limit Groups. To resume updates, click the Start Updates button.

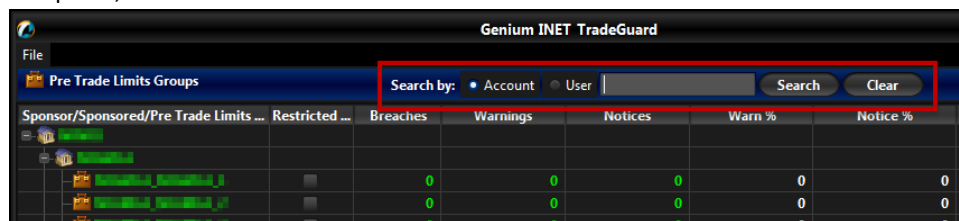
 	<ul style="list-style-type: none"> To pause updates, click the Stop Updates button in the top right corner of a panel. To resume updates to the user interface with the latest server data, click the Start Updates button in the top right corner of a panel.
--	--

Searching for Groups and Accounts

You can filter the groups shown in the trader panel by searching for an account or user belonging to that group.

To search for a particular account or group, complete the following steps:

- From the trader panel, click the search bar.



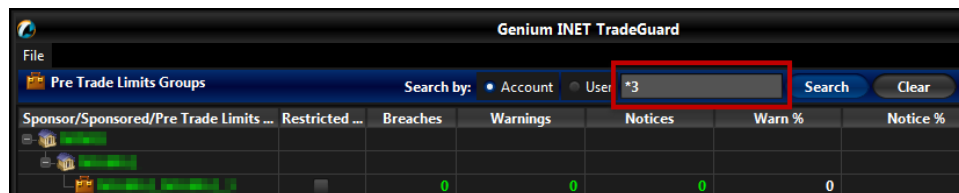
Trader Panel Search Bar

- Select whether to search for user names or account names.
- Type a search string. An asterisk (*) can be used as a wildcard character in the search string.

For example, searching for ACCT* will display all groups containing any account that starts with the characters ACCT, followed by any other characters.

- Click **Search**.

The Trader Panel is filtered, and only displays groups that have users or accounts that match the search string.



Filtered Trader Panel

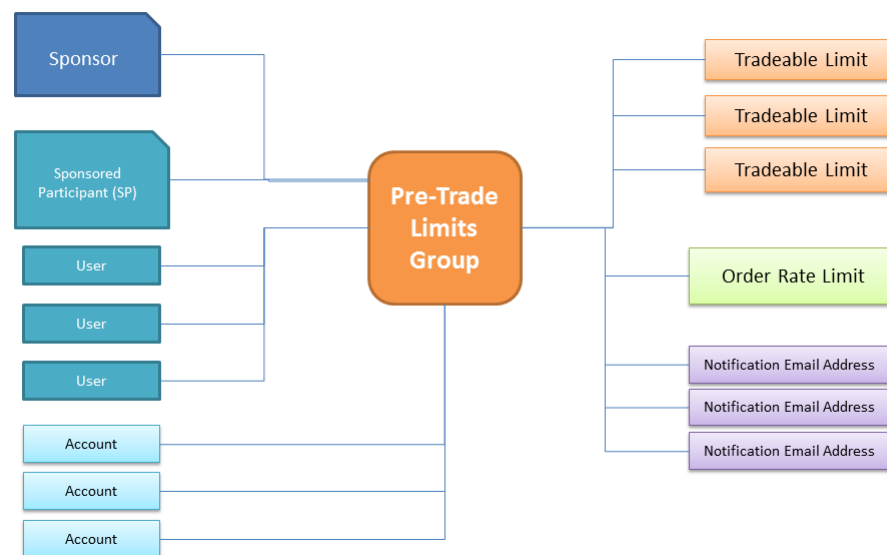
- To show the entire hierarchy again, click the **Clear** button.

Pre-Trade Limit Groups Overview

A Pre-Trade Limit Group is the central conceptual unit where risk is monitored in the Genium-INET NFX Trading System TradeGuard application.

A Pre-Trade Limit Group is composed of the following parts:

- A Sponsoring Participant.
- A Sponsored Client.
- A set of users associated with the Sponsored Client to be controlled by the group limits. These are used if the group is user-based.
- A set of accounts from the sponsored member. These are used if the group is account-based.
- Position limits for Tradeables.
- An order rate limit for the group.
- A list of email addresses which will receive alerts concerning the groups' exposure.
- A restricted instrument flag. If set, the group will be limited to trading only instruments that have defined risk limits.
- A default user flag. If set, transactions from the sponsoring participant's default user will be added to the group.

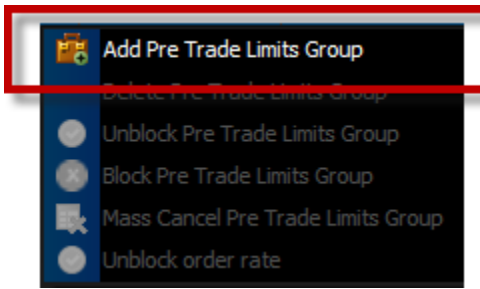


Components of a Pre-Trade Limit Group

Adding a Pre-Trade Limit Group

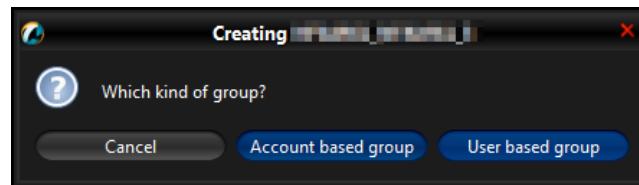
To add a Pre-Trade Limit Group to a market participant, complete the following steps:

- 1) From the Trader Panel, select a sponsoring or sponsored participant.
- 2) Using the mouse, right-click, and then select **Add Pre Trade Limits Group** from the right-click menu.



Participant Right-click Menu

A group type dialogue appears.

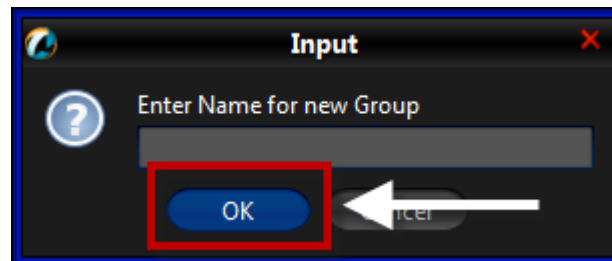


Selecting the Group Type

- 3) Click on the type of identifier that the group will use. See [Understanding Account Groups and User Groups](#) for more details on this distinction.


Next, the Group Name window appears.

- 4) Enter the name of the new group. A Pre-Trade Limit Group must be given a unique identifier. The identifier should use the following naming convention: [sponsoring participant ID]_[Sponsored Client ID]_[Group Name]
- 5) Click the **OK** button. (Alternatively, you can click the Cancel button to cancel the action.)

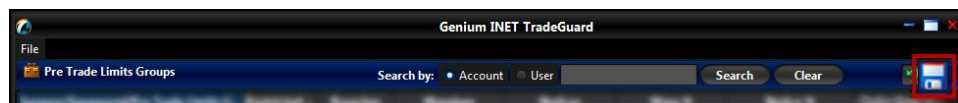


Entering a Name for a Group

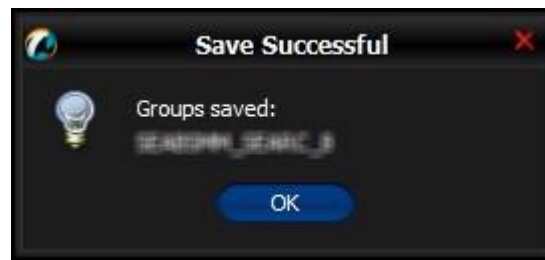
Note: By default *restricted instruments* will be active on a new group. This means that users of the group will not be allowed to trade until Tradeable limits are established for the group.

- 6) Next, assign limits to tradeables to the new group by clicking the **Add new Tradeable**  button. See [Adding a New Trade Limit](#) if need help doing this.

- 7) Click the **Save** button of the trader panel to save your changes.



The Save Successful dialogue box appears confirming your changes for the group or groups you have changed.



Save Successful Dialogue Box

- 8) Click the **OK** button to confirm your change.

Note:

This is a next day change. Saving the change sends it to the exchange database and becomes effective when the system is started the next day. See [next day change](#) for more information about next day changes.

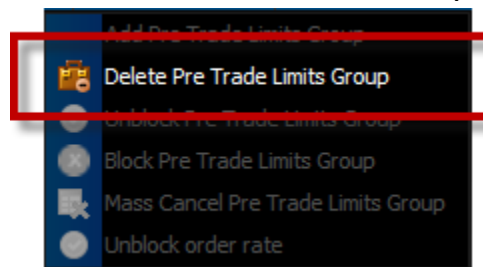
Changing an Already Added Next Day Change

If you add a next day change, and you need to modify that next day change before the next day, you

Deleting a Pre-Trade Limit Group

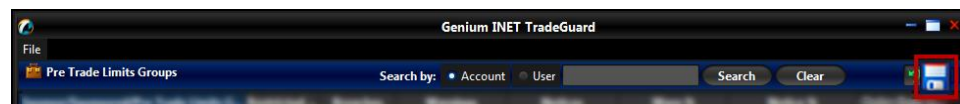
To delete a Pre-Trade Limit Group, complete the following steps:

- 1) From the Genium INET NFX Trading System TradeGuard window, in the Trader Panel, select a Pre-Trade Limit Group.
- 2) Using the mouse, right-click, and then select **Delete Pre Trade Limits Group** from the right-click menu.



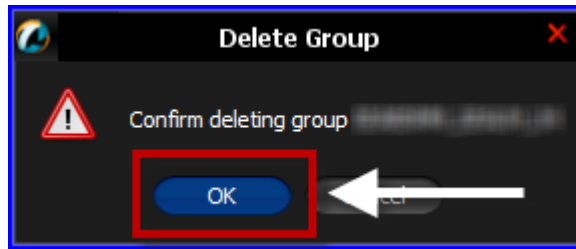
Pre-Trade Limit Group Right Click Menu

- 3) Click the **Save** button.



A confirmation window appears.

- 4) Click the **OK** button to delete the group. (Alternatively, you can click the Cancel button to cancel the action.)



Confirmation to Delete a Group

**Note:**

This is a next day change. Saving the change sends it to the exchange database and becomes effective when the system is started the next day. See [next day changes](#) for more information about next day changes.

Changing an Already Added Next Day Change

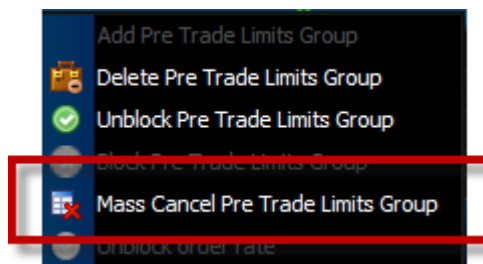
If you add a next day change, and you need to modify that next day change before the next day, you must delete that change and then add a new one.

Mass Canceling Orders on a Group

Mass canceling allows you to cancel all open orders for users and accounts of a particular Pre-Trade Limit Group.

To mass cancel orders for a group, complete the following steps:

- 1) From the Genium-INT NFX Trading System TradeGuard window, in the Trader Panel, select a Pre-Trade Limit Group.
- 2) Using the mouse, right-click, and then select **Mass Cancel Pre Trade Limits Group** from the right-click menu.



Right Click Menu for Pre-Trade Limit Group

All open orders for the group will then be canceled.



Note: This is an intraday change. This change takes effect immediately. See [intraday changes](#) for more information about intraday changes.

Blocking a Pre-Trade Limit Group

A Pre-Trade Limit Group can be blocked manually by the Participant or by exchange personnel. A blocked group's users cannot enter new orders, trade reports, nor can they alter existing orders.

Blocked users of a group are:

- Able to delete existing orders and quotes,
- Allowed to login, and
- Allowed to receive broadcasts, send queries, thus being able to view the market.

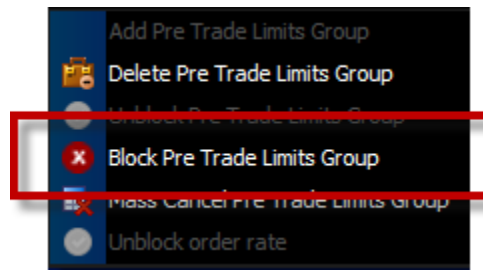
The Participant and the exchange personnel can still act on behalf of a blocked group (in the same way as before the group was blocked).

Pre-Trade Limit Groups are never unblocked automatically intraday. A blocked group can be unblocked intra-day by the Participant or by the exchange.

If the blocked group is not unblocked manually during that trading day, the group will be unblocked automatically at the beginning of the next trading day.

To block a Pre-Trade Limit Group, complete the following steps:

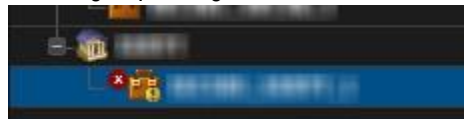
- 1) From the Genium-NET NFX Trading System TradeGuard window, in the Trader Panel, select a Pre-Trade Limit Group.
- 2) Using the mouse, right-click, and then select **Block Pre Trade Limits Group** from the right-click menu.



Pre-Trade Limit Group Right Click Menu

- **Block Pre Trade Limits Group:** Select this option and users for the group are allowed neither to enter new orders nor alter existing orders.

The group will be blocked. The icon for the group changes to indicate this condition.



Blocked Pre-Trade Limit Group

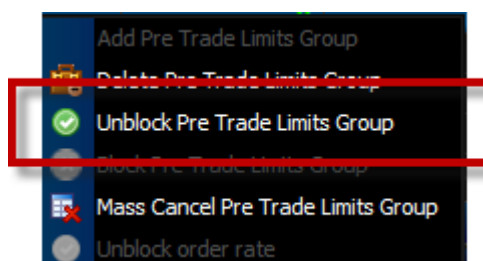


Note: This is an intraday change. This change takes effect immediately. See [intraday changes](#) for more information about intraday changes.

Unblocking a Group

To unblock a Pre-Trade Limit Group, complete the following steps:

- 1) From the Genium-NET NFX Trading System TradeGuard window, in the Trader Panel, select a group.
- 2) Using the mouse, right-click, and then select **Unblock Pre Trade Limits Group** from the right-click menu.



The group will be unblocked. The icon for the group changes to indicate this condition. After you unblock the group, they are allowed to trade normally.



Note: This is an intraday change. This change takes effect immediately. See [intraday changes](#) for more information about intraday changes.

Unblocking an Order Rate Breach

If a Pre-Trade Limit Group breaches their order rate limit, they will not be able to submit any orders. A manual unblock is required to lift the breach restriction.

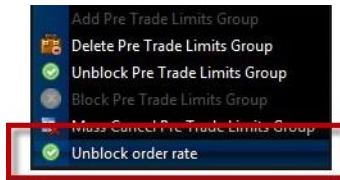
To unblock an order rate breach, complete the following steps:

- 1) From the ~~Genium-INT~~ NFX Trading System TradeGuard window, in the Trader Panel, select a breached group.



Breached Group

- 2) Using the mouse, right-click, and then select **Unblock order rate** from the right-click menu.



Unblocking an Order Rate Right Click Menu

The breach is lifted. The group will be able to trade normally.



Note: This is an intraday change. This change takes effect immediately. See [intraday changes](#) for more information about intraday changes.

Unbreaching a Tradeable Limit

When a Pre-Trade Limit Group is in breach of a Tradeable limit, users in that group can:

- Cancel open orders.
- Trade normally in Tradeables that are not breached.

When a Pre-Trade Limit Group is in breach of a Tradeable limit, users in that group cannot:

- Place new orders on the breached Tradeable.
- Modify an order for the breached Tradeable.

If a trader cancels and amends down until their limit is no longer in breach, the breach restriction is lifted and they can trade normally.

A Sponsoring Participant can also raise the breached limit to unbreach a group.

The sponsoring partner, or exchange personnel can take several courses of action on a breached group:

- 1) Leave the group breached—messages will be rejected.

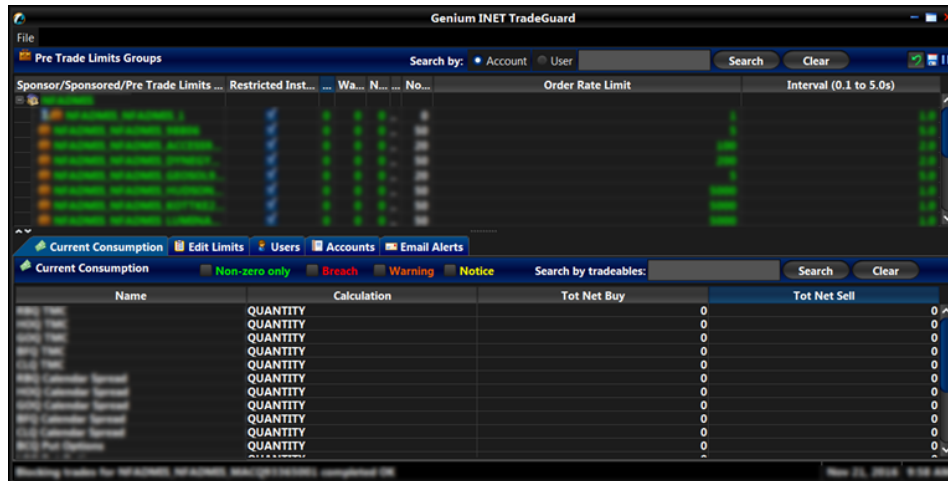
2) Raise the associated limit on the group.



Note: The NFX engine enforces limits in a pre-trade fashion. This means that breaching limits is rarer than when the system performs at-trade risk analysis. In the TradeGuard system for NFX, a breach

Current Consumption Tab

The Current Consumption tab displays the defined limits for the selected group and the current usage of those



limits by trading activity.

Current Consumption Tab

You can filter tradeables using the checkboxes at the top of the Current Consumption tab.



Current Consumption Filters

- **Non-zero only:** Filter by tradeables with non-zero consumption.
- **Breach:** Filter by breach tradeables.
- **Warning:** Filter by warning tradeables.
- **Notice:** Filter by notice tradeables.

To search for specific tradeables, enter the tradeable in the **Search by tradeables** field and then click search. To clear results, click the **Clear** button.

The following columns display on the Current Consumption tab:

- **Name:** The name of the Tradeable instrument.
- **Calculation:** The calculation method for the limits.
- **Tot Net Buy:** Traded Bought – Traded Sold + Open Buy for the Tradeable.
- **Tot Net Sell:** Traded Sold – Traded Bought + Open Sell for the Tradeable.

Editing Limits Overview

The screenshot shows the 'Genium INET TradeGuard' application interface. The top section is titled 'Pre Trade Limits Groups' and contains a table with the following columns: Sponsor/Sponsored/Pr..., Restricted Ins..., Breaches, Warnings, Notices, Warn %, Notice %, Order Rate Limit, and Interval (0.1 to ...). The table lists several tradeable instruments with their respective limit values. Below this, there are tabs for 'Current Consumption', 'Edit Limits', 'Users', 'Accounts', and 'Email Alerts'. The 'Edit Limits' tab is active, showing a table with columns: Name, Calculation, Tot Net Buy, Tot Net Sell, Max Order Size, and Max Trade Report Size. The table lists several tradeable instruments with their respective limit values. Below this, there is a section for 'Next Day Changes' with a similar table structure.

Edit Limits Tab

The risk exposure for a given tradeable limit will be all activity for that tradeable from all users or accounts in the Pre-Trade Limits Group. This combined exposure can be limited according to several calculations.

In the [Genium INET NFX Trading System TradeGuard](#) application, a limit is set by defining the following parameters:

- 1) An instrument class or instrument type (regular or combination). All limits set will operate on the instruments belonging to an instrument class or type.
- 2) A calculation type for the exposure value. This can be one of the following:
 - **Quantity:** The exposure is calculated by summing the share quantity for each order submitted by members of the group.
 - **Volume:** The exposure is calculated by summing the volume (shares * *price quotation factor*) of all orders submitted by members of the group.
- 3) One or more limits to the following risk parameters:
 - **Total Net Buy:** Traded Bought – Traded Sold + Open Buy orders for the Tradeable.
 - **Total Net Sell:** Traded Sold – Traded Bought + Open Sell orders for the Tradeable.
 - **Max Size:** A pre-trade limit on the total computed exposure of a regular order. If an order exceeds the limit it is rejected before being accepted by the exchange.
 - **Max Trade Report Size:** A pre-trade limit on the total computed exposure of a trade report transaction. Any trade report exceeding that equals or exceeds the limit is rejected before being accepted by the exchange.

Pre-trade Risk Checks

The NFX version of TradeGuard enforces position limits in a pre-trade fashion. This means that the impact of an order on the defined limits is inspected before it goes to the exchange. If an order would cause a breach, then it will be rejected. Other versions of TradeGuard analyze trades in a at-trade fashion. After a trade is executed, the effect of that execution is added into risk counters. When this causes a breach of limits, *subsequent* orders are rejected.

Breached Limits

If any of the risk limits are exceeded, the system rejects new orders submitted in any of the instruments connected to the affected Tradeable from any of the User IDs, or account IDs, that are part of the group. However, a user can still cancel open orders for the affected instrument when the limit is breached.



Note:

- Because the NFX engine enforces limits in a pre-trade fashion, breaching limits is somewhat rare. However, this can happen if a limit is reduced to less than a group's current exposure.
- TAS (Trade at Settlement) instruments count as derivative instruments to their reference series. This means that limits cannot be placed on individual TAS instruments. Instead their risk exposure is automatically contributed to limits on the reference series.

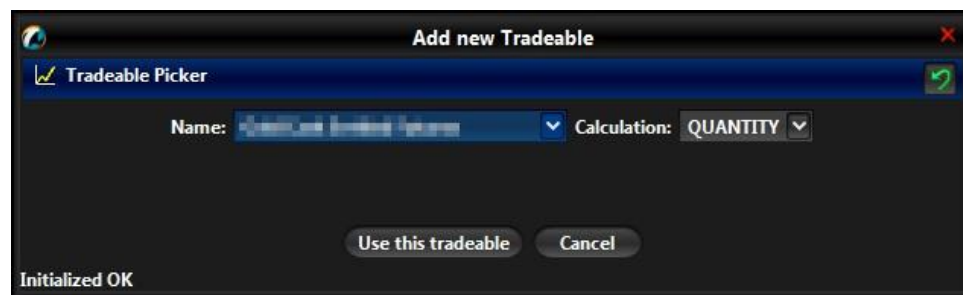
You can search to view or edit the limits for a specific tradeable using the search functionality. To search for specific tradeables, enter the tradeable in the **Search by tradeables** field and then click search. To clear results, click the **Clear** button.

Adding a Trade Limit

To add a new trade limit to a Pre-Trade Limits Group, complete the following steps:

- 1) Click the group for which you want to edit limits, and then click the **Edit Limits** tab.
- 2)

Click the **Add new Tradeable**  button.



The Add new Tradeable window displays.

Adding a Limit

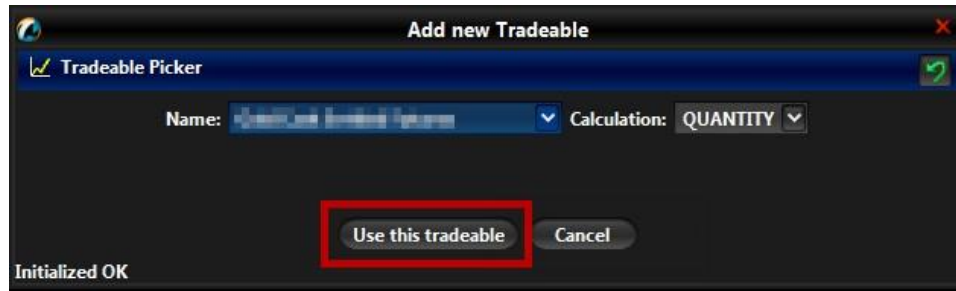
- 3) Select an instrument:
 - **Name:** The name of the tradeable to monitor.



Note: The instruments listed will only show regular and combination instrument classes and types specified in the Legal Instrument Type for the user logged in.

- 4) Select the calculation method for the limit:
 - **Quantity:** The exposure is calculated based on the share quantity of all orders.

- **Volume:** The exposure is calculated based on the volume (shares * *price quotation factor*) of all orders.
- 5) Click the **Use this tradeable** button.




Use This Tradeable Button

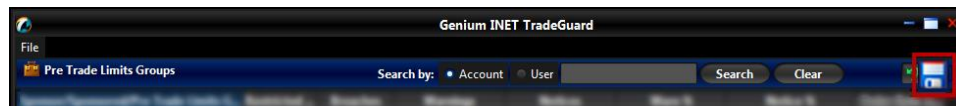
A row with the new tradeable instrument will appear in the Edit Limits panel.

- 6) Set any limits to be enforced on the selected securities.

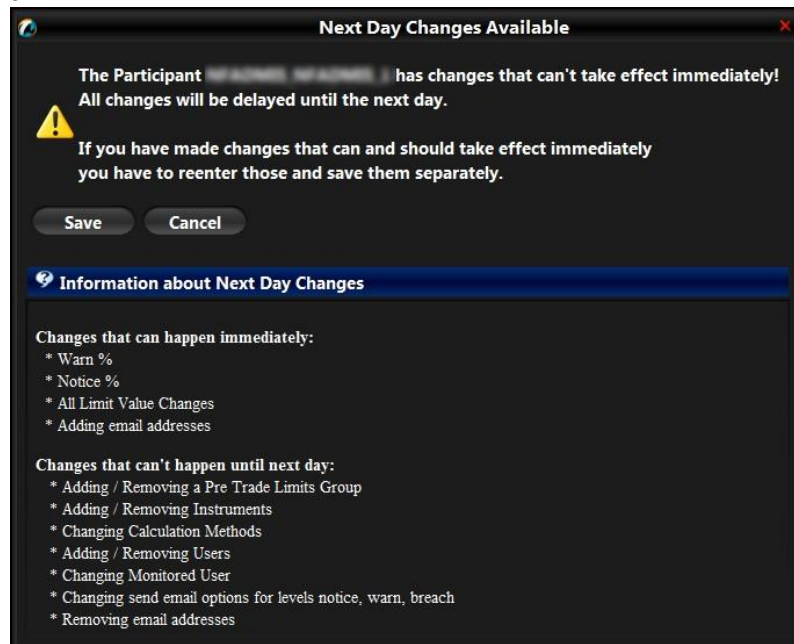
When a new tradeable is added it will have the most restrictive limits set on it by default. This will be a limit of 1 for all risk checks. Raising limits to reasonable levels, or disabling certain limits with a 0 setting, must then be done manually for each risk check on the Tradeable.

 **Note:**
A limit value of zero means no limit, and no breach is possible for that risk counter.

- 7) Click the **Save** button.



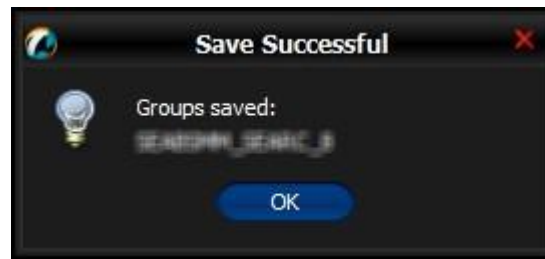
The Next Day Changes Available confirmation window appears.



Next Day Changes Save Button

- 8) Click the **Save** button.

The Save Successful dialogue box appears confirming your changes for the group or groups you have changed.



Save Successful Dialogue Box

- 9) Click the **OK** button to confirm your change.

**Note:**

This is a next day change. Saving the change sends it to the exchange database and becomes effective when the system is started the next day. See [next day change](#) for more information about next day changes.

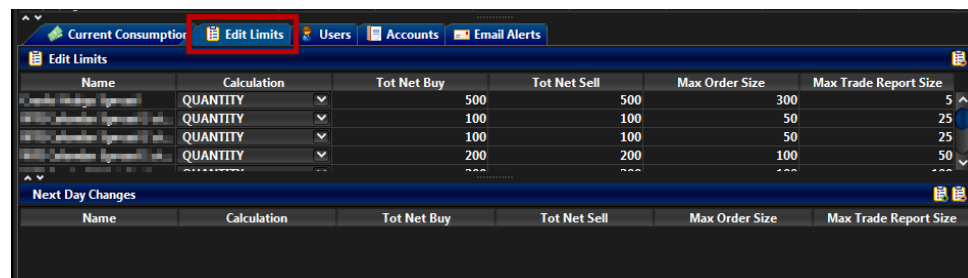
Changing an Already Added Next Day Change

If you add a next day change, and you need to modify that next day change before the next day, you

Editing Trade Limits

To edit a limit on a Pre-Trade Limit Group, complete the following steps:

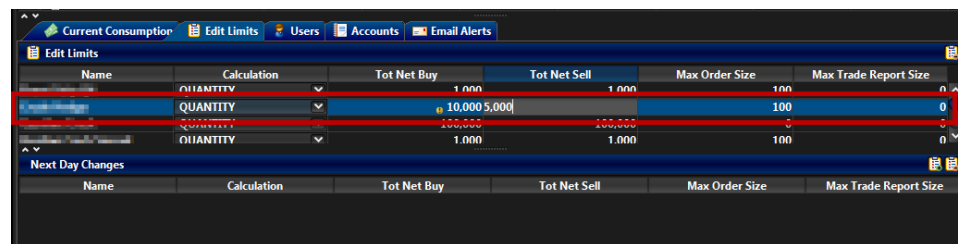
- 1) From the [Genium-NET NFX Trading System TradeGuard](#) window, click the group for which you want to edit



limits, and then click the **Edit Limits** tab.

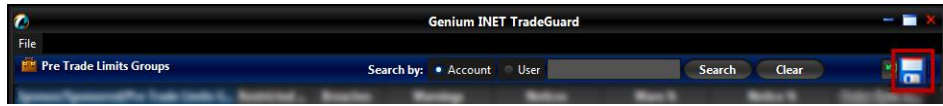
Limits for a Group

- 2) In the Same Day Changes panel, review or change the fields as necessary. See the [Editing Limits Overview](#) for definitions of any of the fields.

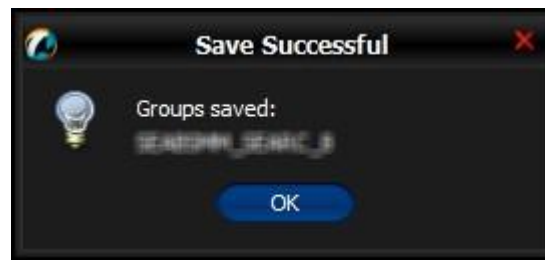


Limits for a Pre-Trade Limit Group

- 3) Click the **Save** button.



The Save Successful dialogue box appears confirming your changes for the group or groups you have changed.



Save Successful Dialogue Box

4) Click the **OK** button to confirm your change.

Note:

Changing a trade limit can be either an intraday day or a next day change. If the change only affects risk counter limits, it will be an intraday change.

If the change affects the limit calculation, the limit will appear in the Next Day changes panel and be applied

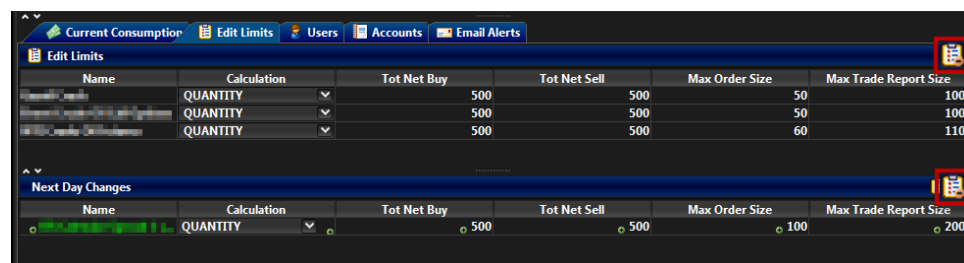
Note:

- Setting a limit to zero disables the pre-trade limit check.
- Changing a limit from zero to a non-zero value intra-day may cause unpredictable results. RX does not accumulate intraday activity when the limit is set to zero.

Deleting an Existing Trade Limit

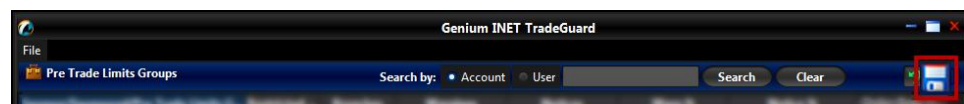
To delete an existing trade limit to on a group, complete the following steps:

- 1) Click the Pre-Trade Limit Group for which you want to edit limits, and then click the **Edit Limits** tab.
- 2) In either the Same Day Changes or the Next Day Changes panel, select the limit to delete.
- 3) In the appropriate panel, click the **Remove Tradeable** button.



Deleting a Trade Limit

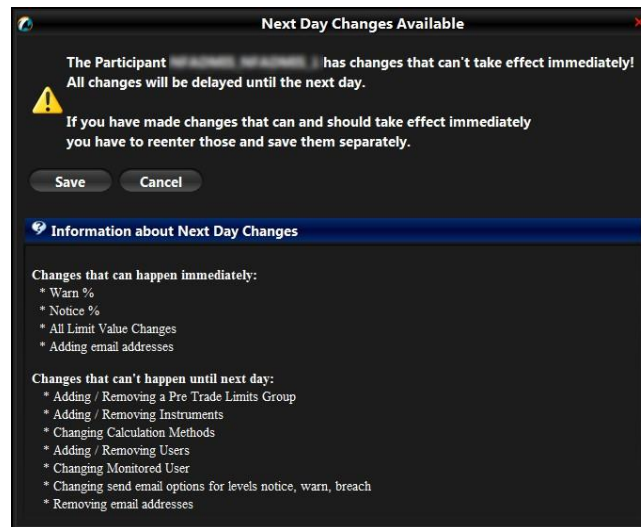
4) Click the **Save** button.



Saving Changes to the Group

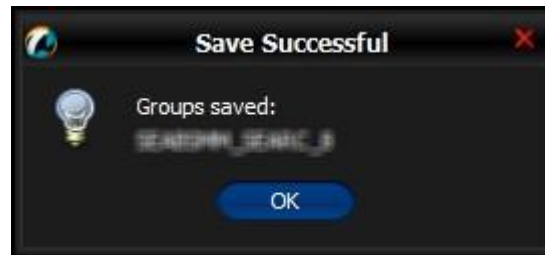
The Next Day Changes Available confirmation window appears.

5) Click the **Save** button.



Next Day Changes Save Button

The Save Successful dialog box appears confirming your changes for the group or groups you have changed.



Save Successful Dialogue Box

6) Click the **OK** button to confirm your change.

After you delete the trade limit click the Save button, the limit will appear in the Next Day Changes panel and be removed the next trading. The limit will appear in the Next Day Changes panel and be removed the next trading.



Note:

This is a next day change. Saving the change sends it to the exchange database and becomes effective when the system is started the next day. See [next day change](#) for more information about next day changes.

Changing an Already Added Next Day Change

If you add a next day change, and you need to modify that next day change before the next day, you

Managing Email Alerts Overview

The Genium INET NFX Trading System TradeGuard server monitors the activity of all Pre-Trade Limit Groups in real-time. If the calculated current risk of a group exceeds any of the established notification levels, emails are sent to all members of the notification list for that group. The notification levels are set as a percentage of the limit and can be set individually for each group.

The Genium INET NFX Trading System TradeGuard application can be configured to send three types of email alerts:

- 1) Notices: Lowest level of alert.
- 2) Warnings: Highest level of alert.
- 3) Breaches: Risk limit values have been exceeded.

The values associated with breaches are defined by level and are color coded to provide a visual indicator of risk.

- Notice (yellow) is the lowest level of alert.
- Warning (orange) is next highest level of alert.
- Breach (red) indicates that the set values have been exceeded.

Each limit defined for a Pre-Trade Limit Group will only send one notice, warn, and breach email alert per trading day.

If a limit is altered during the trading day, this limitation will be reset, and the limit will again generate one email alert for each notification level regardless of any that were sent previously.

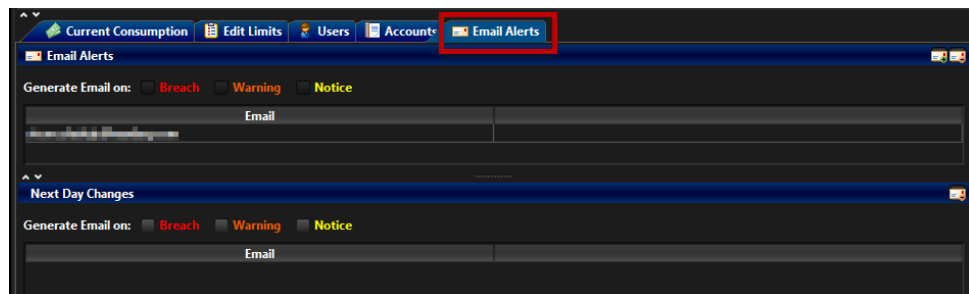


Note: The Order Rate limit only generates breach emails. It does not create notice or warning email alerts. Each time the Order Rate limit breaches it will send an email alert.

Setting Email Alerts

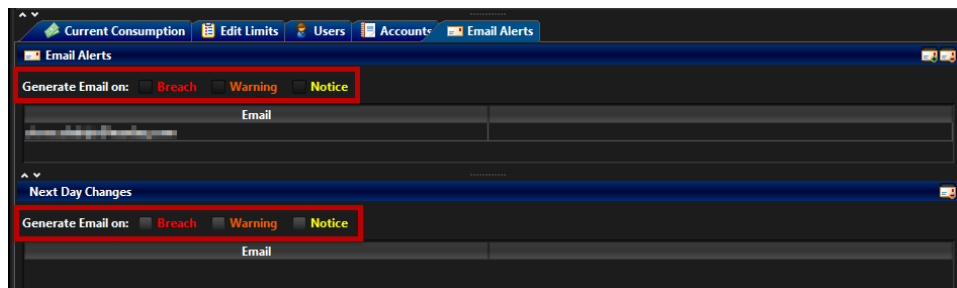
To set email alerts, complete the following steps:

- 1) From the Genium INET NFX Trading System TradeGuard window, in the Trader Panel, select the Pre-Trade Limit Group for which you want to define new email alerts, and then click the **Email Alerts** tab.



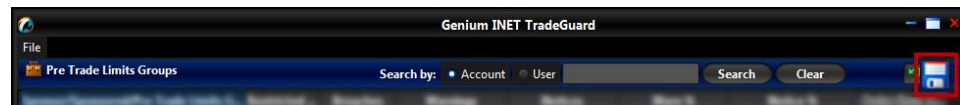
Email Alerts Tab

- 2) Select or deselect the following check boxes to turn them on or off.
 - **Breach:** Send emails when the group breaches a set limit.
 - **Warning:** Send emails when the group reaches the warning level of a limit.
 - **Notice:** Send emails when the group reaches the notice level of a limit.



Selecting Alerts

- 3) Click the **Save** button in the trader panel to save your changes.



After you set and save email alerts, all members of the email alert group receive notifications when the selected events occur.



Note:

This is a next day change. Saving the change sends it to the exchange database and becomes effective when the system is started the next day. See [next day change](#) for more information about next day changes.

Changing an Already Added Next Day Change

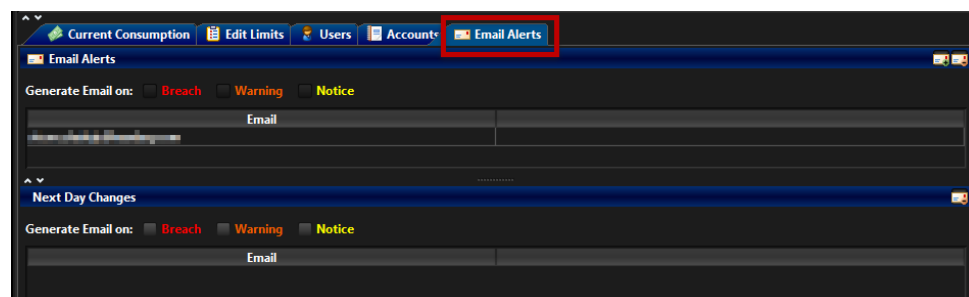
If you add a next day change, and you need to modify that next day change before the next day, you

Adding New Email Alert Recipients

You can add new email addresses to be alerted when a Pre-Trade Limits Group generates notice, warn, and breach events.

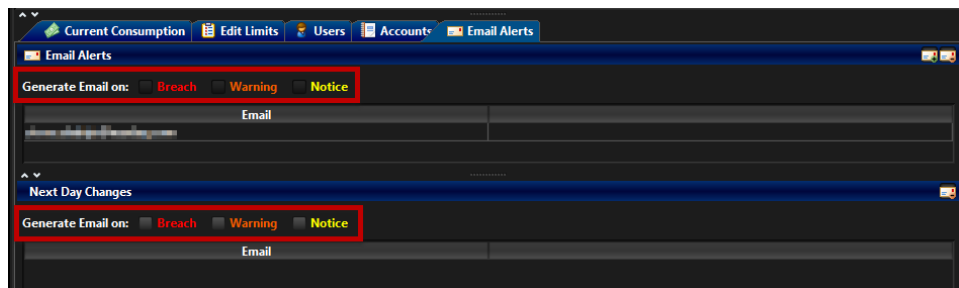
To add new email alerts, complete the following steps:

- 1) From the Genium INET NFX Trading System TradeGuard window, in the Trader Panel, select the group for which you want to define new email alerts, and then click the **Email Alerts** tab.



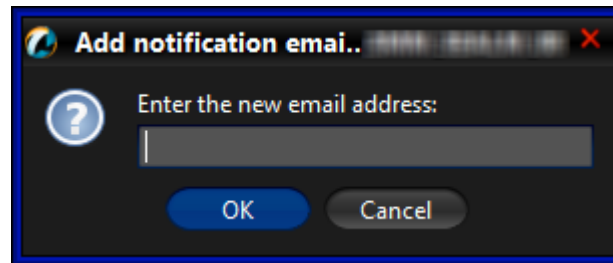
Email Alerts Tab

- 2) Click the **Add New Email** button.



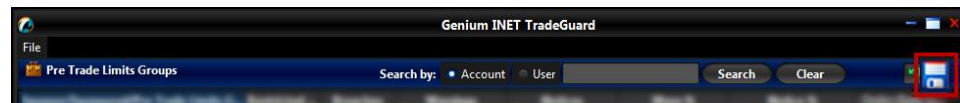
Add New Email Recipient

The Add notification email window displays.

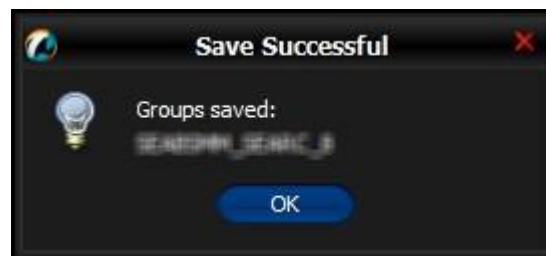


Add Notification Email Window

- 3) Enter the new email address.
- 4) Click the **OK** button.
- 5) Click the **Save** button in the trader panel to save your changes.



The Save Successful dialogue box appears confirming your changes for the group or groups you have changed.

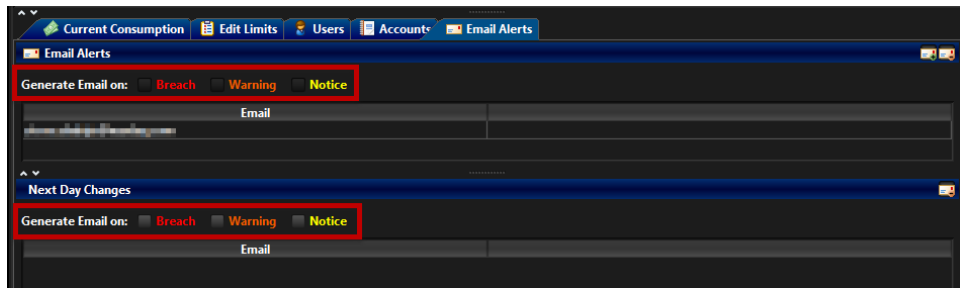


Save Successful Dialogue Box

- 6) Click the **OK** button to confirm your change.

The email address is immediately added to the notification list for the group.

Note: This is an intraday change. This change takes effect immediately. See [intraday changes](#) for more information about intraday changes.

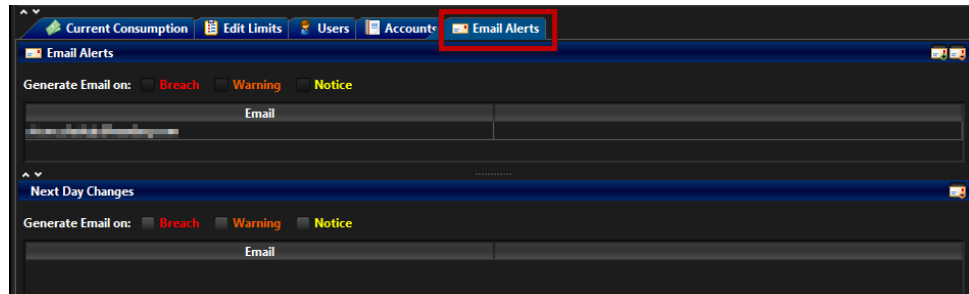


Editing Email Alert Recipients

To edit the email alert levels for a group, complete the following steps:

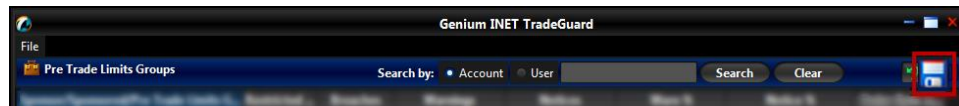
- 1) From the Genium INET NFX Trading System TradeGuard window, in the Trader Panel, select the Pre-Trade Limit Group for which you want to define new email alerts, and then click the **Email Alerts** tab.

The Email Alerts panel displays.



Genium Email Alerts Tab

- 2) Select the set of notice levels that will generate email alerts:
 - **Breach:** Notify recipients when the group breaches a limit.
 - **Warning:** Notify recipients when the group passes the warning threshold and is close to a breach.
 - **Notice:** Notify recipients when the group passes the notice threshold.
- 3) Click the **Save** button.



You can edit the email address of any notification recipient at any time. After you edit the email alert recipients and click the Save button, they begin to receive email alerts immediately.

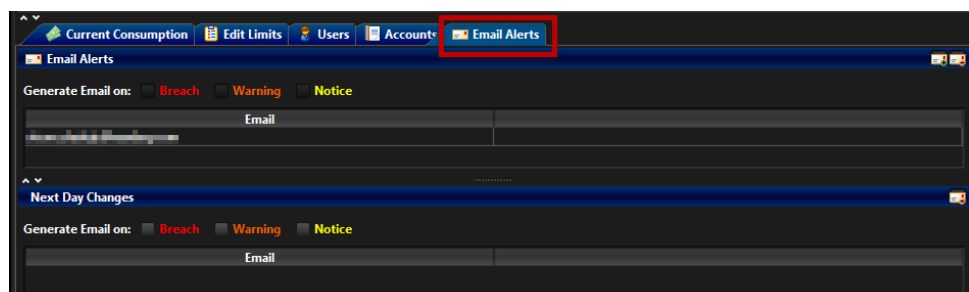


Note: This is an intraday change. This change takes effect immediately. See [intraday changes](#) for more information about intraday changes.

Removing Email Alert Recipients

To remove an email address from the alert list, complete the following steps:

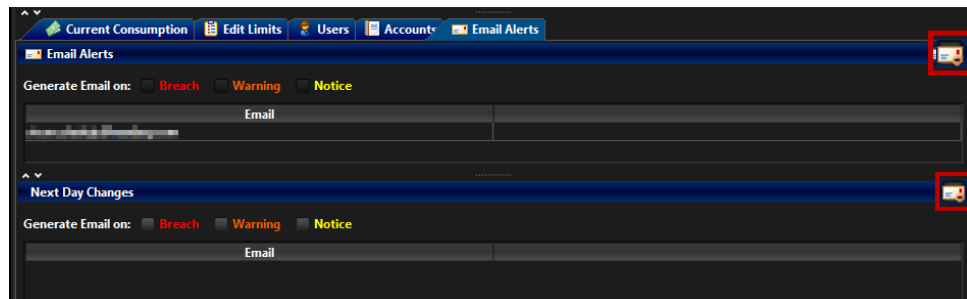
- 1) From the Genium INET NFX Trading System TradeGuard window, in the Trader Panel, select a group, and then click the **Email Alerts** tab.



Email Alerts Tab

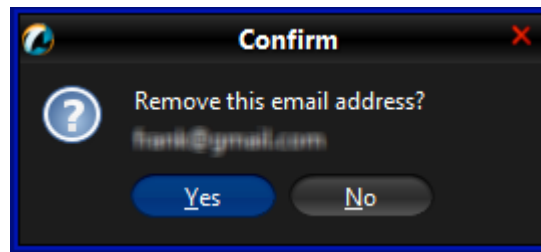
- 2) Click the desired email recipient.

3) Click the **Remove Email** button.



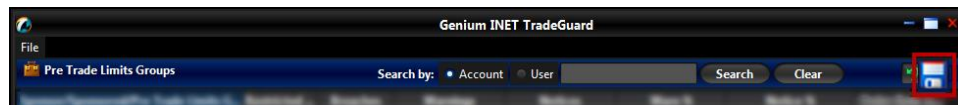
Remove Email Recipient

A confirmation dialogue appears.



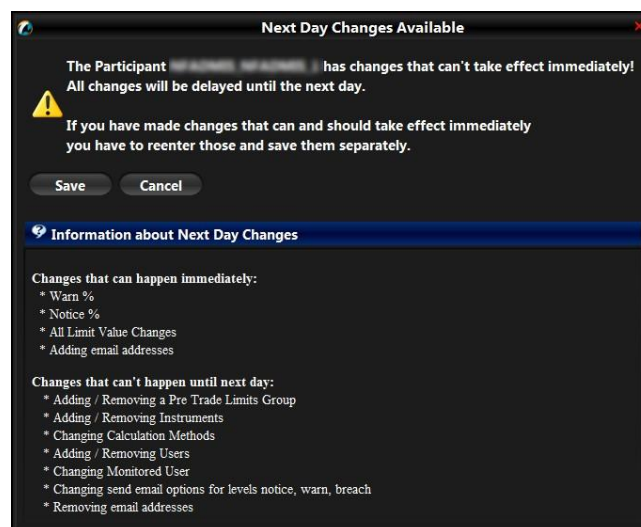
Removing Email Alert Recipients

- 4) Click the **Yes** button.
- 5) Click the **Save** button.



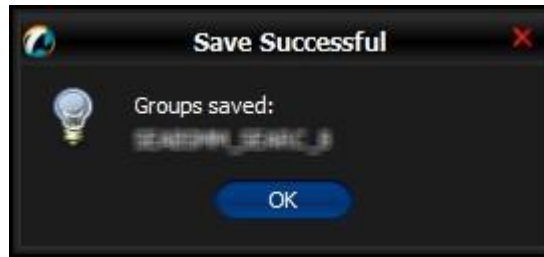
The Next Day Changes Available confirmation window appears.

- 6) Click the **Save** button.



Next Day Changes Save Button

The Save Successful dialogue box appears confirming your changes for the group or groups you have changed.



Save Successful Dialogue Box

7) Click the **OK** button to confirm your change.

**Note:**

This is a next day change. Saving the change sends it to the exchange database and becomes effective when the system is started the next day. See [next day change](#) for more information about next day changes.

Changing an Already Added Next Day Change

If you add a next day change, and you need to modify that next day change before the next day, you

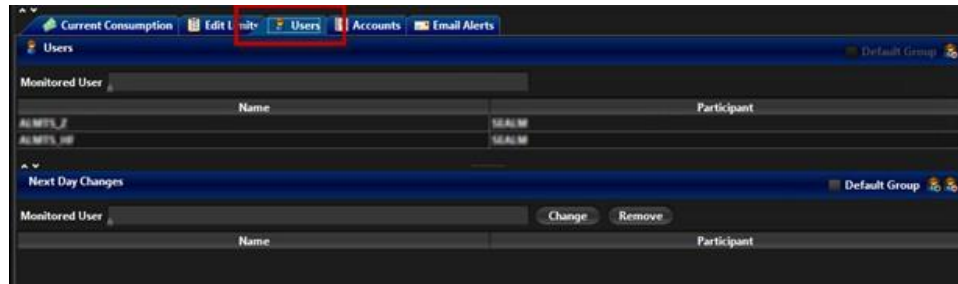
Managing Users Overview

If a Pre-Trade Limit Group is user-based, then the users tab will be enabled for the group. This tab allows you to view and to alter which Genium-INET NFX Trading System user accounts are assigned to a given Pre-Trade Limits Group.

Viewing Users


To view users that are assigned to a Pre-Trade Limit Group, complete the following steps:

- 1) From the main window, click the Pre-Trade Limit Group for which you want to view users, and then click the **Users** tab.




Genium-INET NFX Trading System TradeGuard Users Tab

- 2) Review the users assigned to the group.

 **Note:** You cannot edit any user properties here.

- **Name:** Displays the signature of the user.
- **Participant:** Shows the Participant the user belongs to.

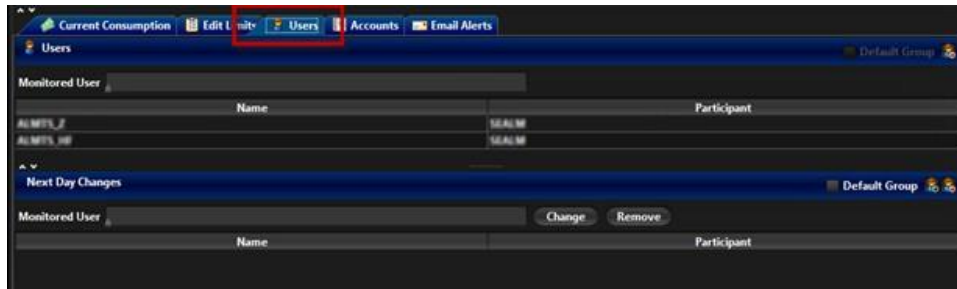
 **Note:** In order to see a user that was added intra-day, you need to log out and log back into the application.

Adding a User to a Group

Genium-INET NFX Trading System users need to be assigned to a Pre-Trade Limit Group. A user can belong to only one group at a time in the TradeGuard application.

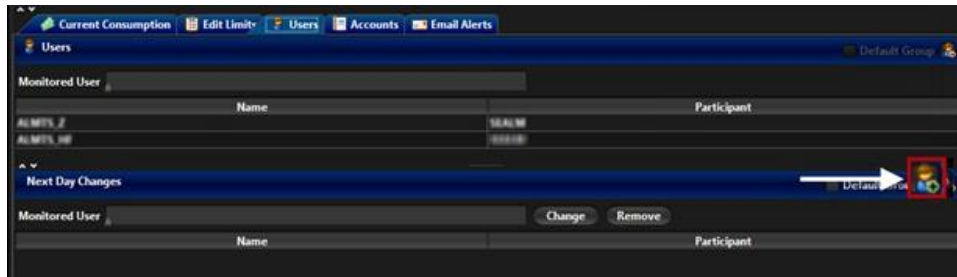
To add a user to a Pre-Trade Limit Group, complete the following steps:

- 1) From the Genium-INET NFX Trading System TradeGuard window, click the Pre-Trade Limit Group for which you want to add a new user, and then click the **Users** tab.



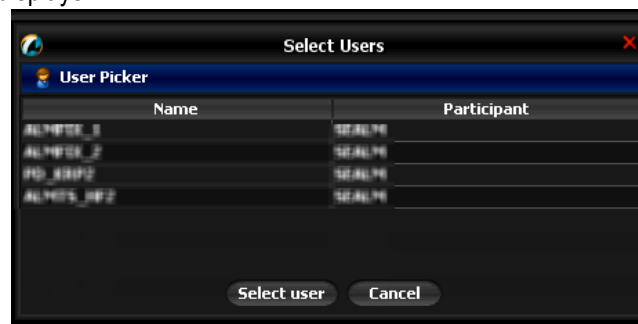
Users Tab

2) Click the **Add New User** button.



Add New User Button

The Select Users window displays.



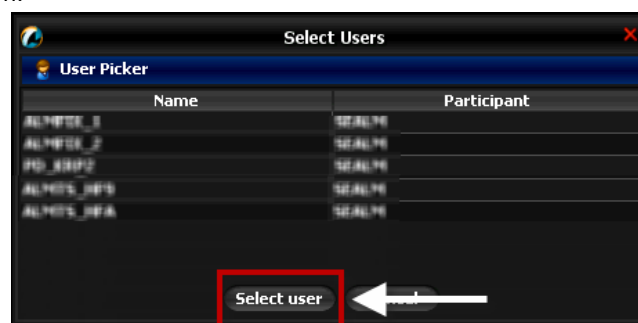
Select Users Window

3) The table shows users who are unassigned to Pre-Trade Limit Groups. Review the following fields to determine which user you want to add:

- **Name:** Displays the signature of the user.
- **Participant:** Shows the Participant ID the user belongs to.

4) Select a user from the table.

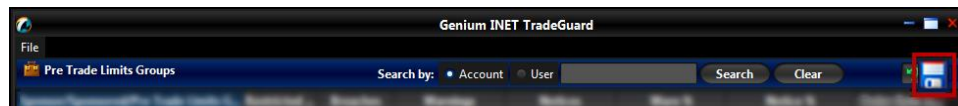
5) Click the **Select user** button.



Select User Button

The new user is added to the Users tab.

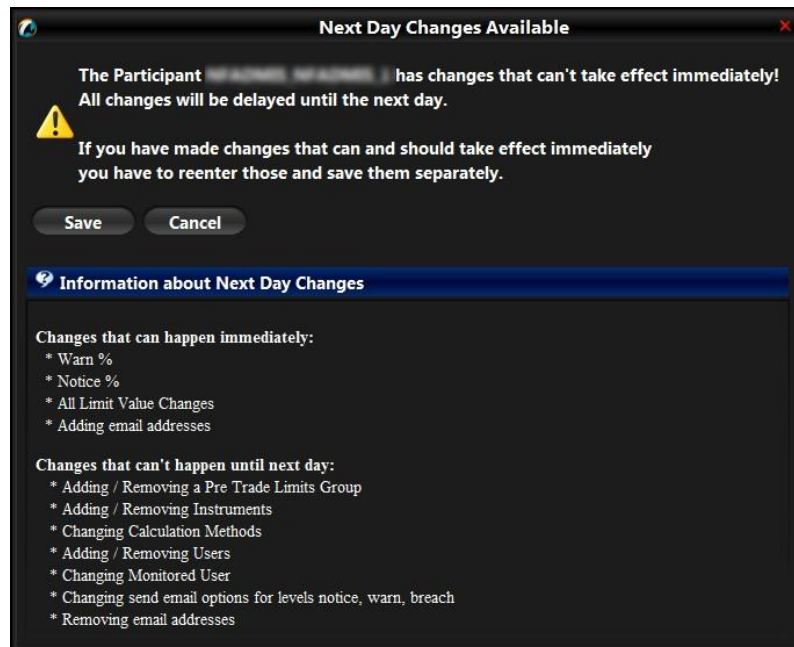
- 6) Click the **Save** button.



Save Button on Trader Panel

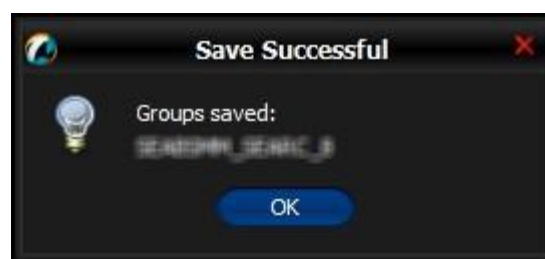
The Next Day Changes Available confirmation window appears.

- 7) Click the **Save** button.



Next Day Changes Save Button

The Save Successful dialogue box appears confirming your changes for the group or groups you have changed.



Save Successful Dialogue Box

- 8) Click the **OK** button to confirm your change. The user appears in the Next Day Changes pane and will be added the next trading day.

Note:

This is a next day change. Saving the change sends it to the exchange database and becomes effective when the system is started the next day. See [next day changes](#) for more information about next day changes.

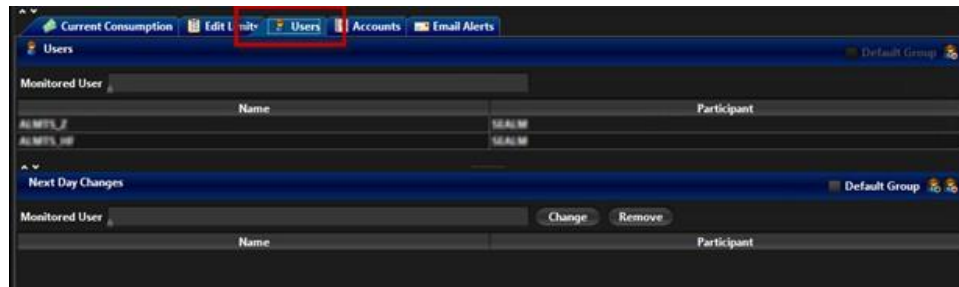
Changing an Already Added Next Day Change

If you add a next day change, and you need to modify that next day change before the next day,

Removing a User From a Group

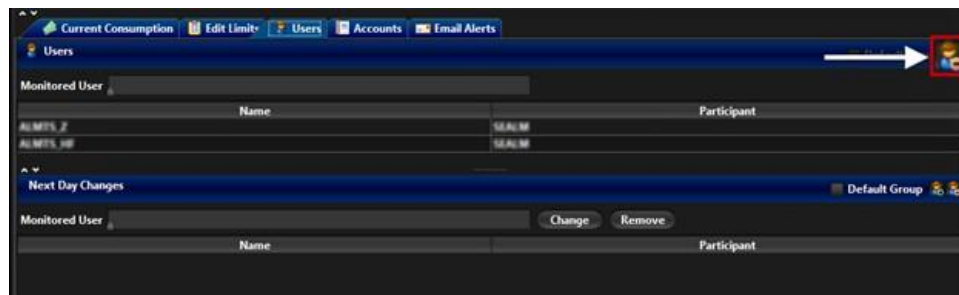
To remove a user from a Pre-Trade Limit Group, complete the following steps:

- 1) Click the group you want to modify, and then click the **Users** tab.



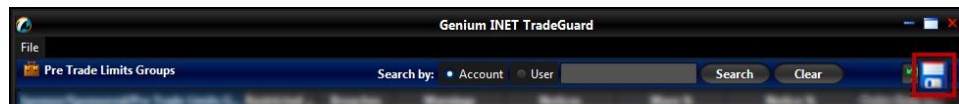
Users Tab

- 2) Select the user to remove.
- 3) Click the **Remove User** button.



Remove User Button

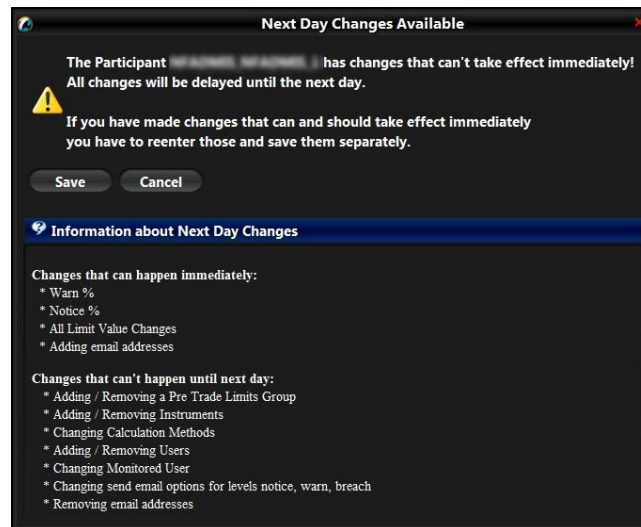
- 4) Click the **Save** button.



Save Button on Trader Panel

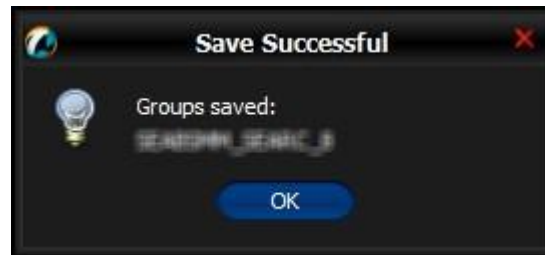
The Next Day Changes Available confirmation window appears.

- 5) Click the **Save** button.



Next Day Changes Save Button

The Save Successful dialog box appears confirming your changes for the group or groups you have changed.



Save Successful Dialogue Box

6) Click the **OK** button to confirm your change.

Note:

This is a next day change. Saving the change sends it to the exchange database and becomes effective when the system is started the next day. See [next day change](#) for more information about next day changes.

Changing an Already Added Next Day Change

If you add a next day change, and you need to modify that next day change before the next day, you

Changing or Removing a Monitored User

A Pre-Trade Limit Group can be configured to monitor the connection status of a Sponsoring Participant's real-time feed session (FIX and/or OMnet). For example, this can be used to monitor the drop-copy feed connection status of a specific clearing member user. If the clearing member disconnects, traders in the group will be automatically blocked from entering transactions.

If the Monitored User disconnects from the exchange, any groups that monitor that users will be blocked (unable to submit orders and quotes).

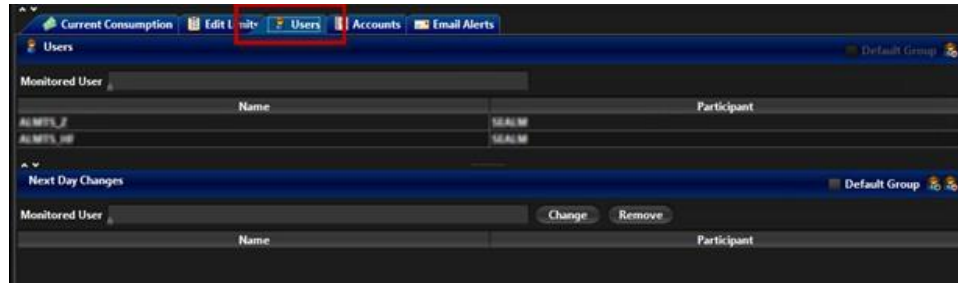
Setting a Monitored User is optional. The monitored user must belong to the group's Sponsoring Participant.



Note: The monitored user id should NEVER be used to log into the Genium-INET NFX Trading System TradeGuard

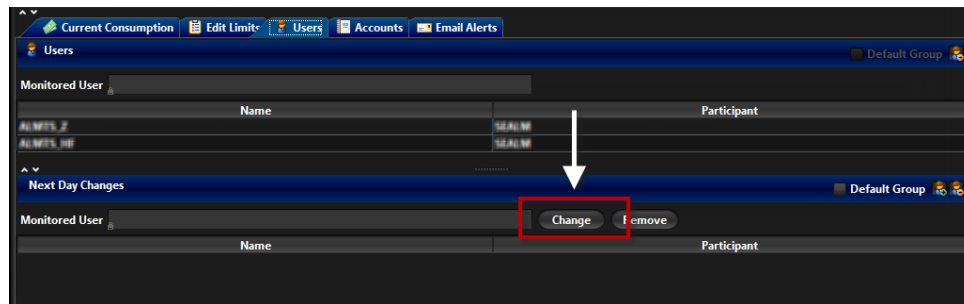
To change a Monitored User, complete the following steps:

- 1) From the Genium-INET NFX Trading System TradeGuard window, click the Pre-Trade Limit Group for which you want to change a Monitored User, and then click the **Users** tab.



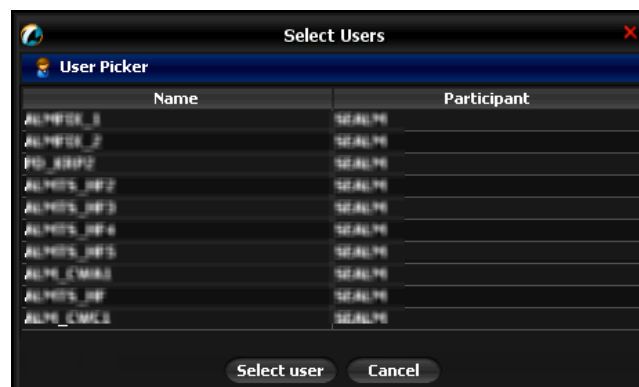
Users Tab

- 2) Click the **Change** button. Alternatively, click the **Remove** button to remove the selected user.



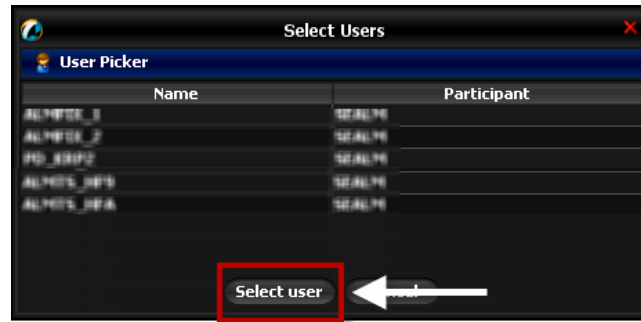
Change Button

The user selection window appears.



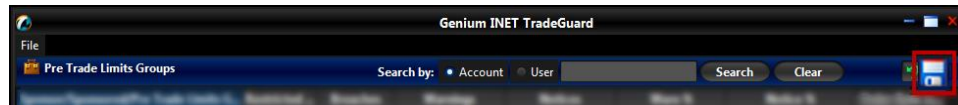
Picking a Monitored User

- 3) Click the user to be monitored, and then click the **Select User** button.

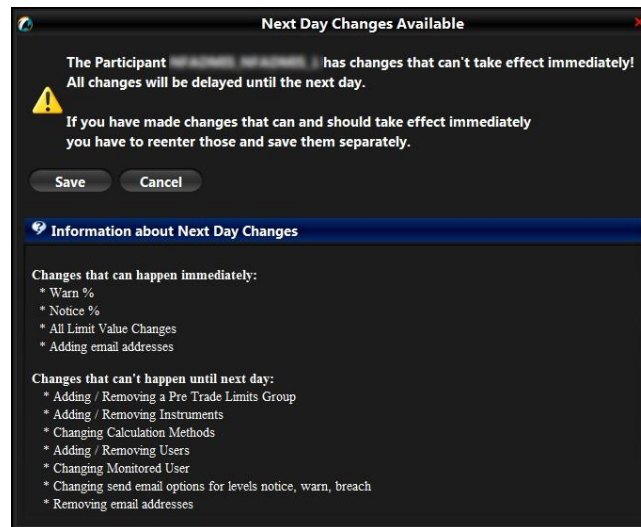


Select User Button

- 4) Click the **Save** button in the trader panel to save your changes.

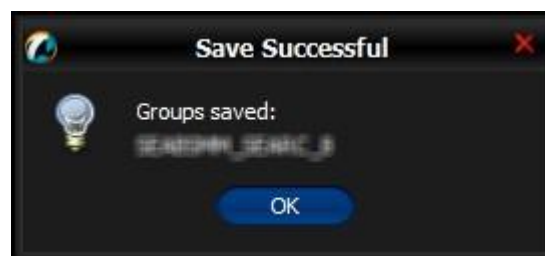


- 5) The Next Day Changes Available confirmation window appears.
6) Click the **Save** button.



Next Day Changes Save Button

The Save Successful dialogue box appears confirming your changes for the group or groups you have changed.



Save Successful Dialogue Box

- 7) Click the **OK** button to confirm your change.



Note:

This is a next day change. Saving the change sends it to the exchange database and becomes effective when the system is started the next day. See [next day change](#) for more information about next day changes.

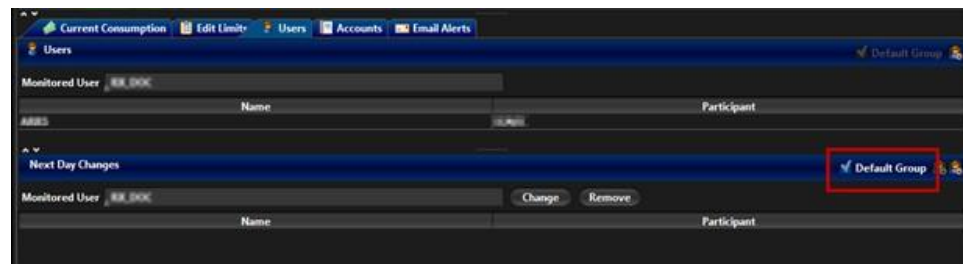
Changing an Already Added Next Day Change

Default Group

Designating a group as the default group associates transactions from the default user into the group. Transactions by the default user are those the user field does not contain a valid user ID. This can occur when a two-party trade is entered, or when the exchange enters or modifies an order on behalf of a member. Unless a Pre-Trade Limit Group is designated as the default group, these transactions will not be represented in the calculated risk.

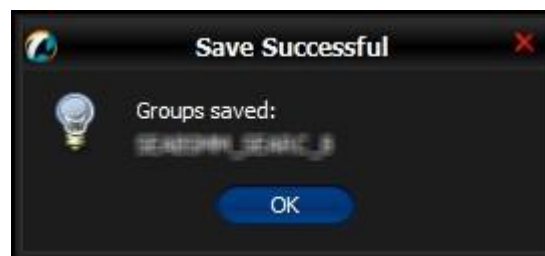
To assign the default user to a Pre-Trade Limit Group, complete the following steps:

- 1) Select a group that will accumulate the default user's risk.
- 2) Click the **Users** tab.
- 3) Click the **Default Group** check box in the next day changes panel.



- 4) Click the **Save** button.

A save confirmation appears.



Note:

This is a next day change. Saving the change sends it to the exchange database and becomes effective when the system is started the next day. See [next day change](#) for more information about next day changes.

Changing an Already Added Next Day Change

If you add a next day change, and you need to modify that next day change before the next day, you

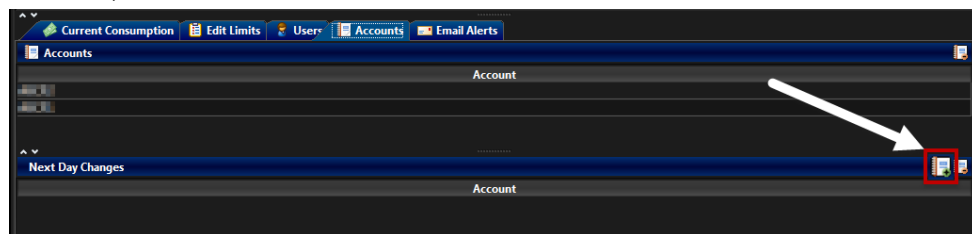
Accounts Tab

If a Pre-Trade Limit Group is account-based then the Accounts tab will be enabled for that group. This tab allows you to view and edit which accounts of the market participant are assigned to the group.

Assigning Accounts

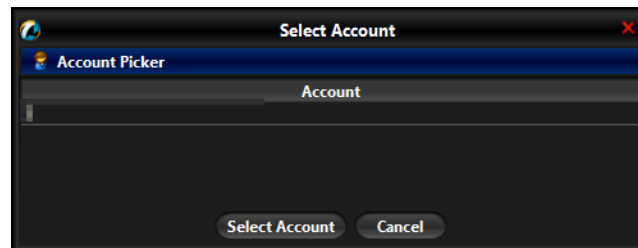
To assign an account to a group, complete the following steps:

1. From the Account tab, click the **Add Account** button.




Add Account Button

The Select Account window appears.



Account Picker

2. Click an account name to add to the group.

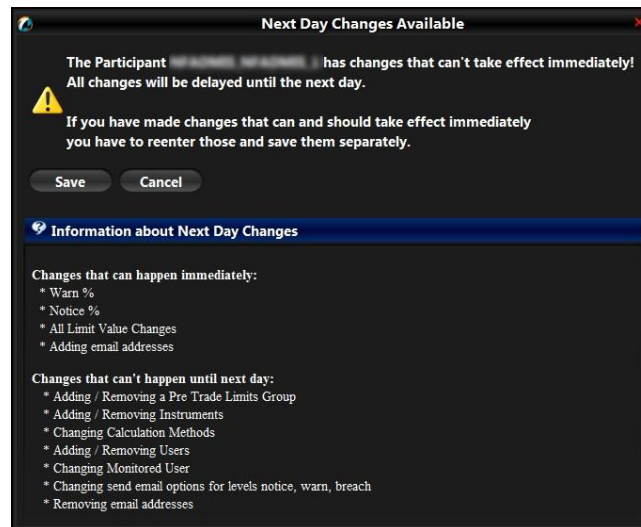
 **Note:** Accounts of the sponsored participant are available to all groups under that participant. A participant account can only be assigned to one Pre-Trade Limit Group.

3. Click the **Select Account** button.

The selected account will be shown in the next day changes panel.

4. Click the **Save** button on the trader panel. A

confirmation window will appear.



Next Day Changes Save Button

5. Click the **Save** button.

The change will be sent to the exchange database and be applied the next trading day.

**Note:**

This is a next day change. Saving the change sends it to the exchange database and becomes effective when the system is started the next day. See [next day change](#) for more information about next day changes.

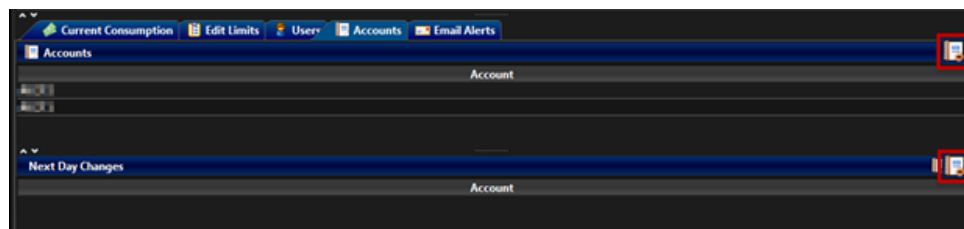
Changing an Already Added Next Day Change

If you add a next day change, and you need to modify that next day change before the next day, you

Removing Accounts

To remove an account from a Pre-Trade Limit Group, complete the following steps:

1. From the Account tab, click the **Remove Account** button.

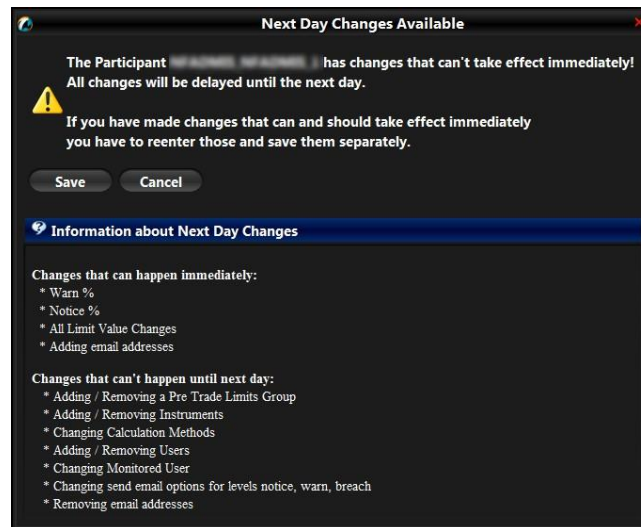


Delete Account Button

The account will be shown in the next day changes panel with an icon indicating its pending removal.

2. Click the **Save** button.

A confirmation window will appear.



Next Day Changes Save Button

**Note:**

This is a next day change. Saving the change sends it to the exchange database and becomes effective when the system is started the next day. See [next day change](#) for more information about next day changes.

Changing an Already Added Next Day Change

If you add a next day change, and you need to modify that next day change before the next day, you

Appendix

Glossary

At-Trade

This term pertains to limits that are checked by the TradeGuard server after it receives a copy of the order detail or match detail message. If an at-trade limit is exceeded, then the TradeGuard server sends a “breach message” to the matching engine to block further order flow until the breach condition is resolved.

Monitored User

A user belonging to a Sponsoring Participant, who is used to monitor the trading activities of Pre-Trade Limit Groups.

Pre-Trade

The impact of an order against is checked against the limits in place, and an order is possibly rejected, before the order is allowed to enter the order-book of the exchange matching engine.

Pre-Trade Limits Group

A group of users or accounts from the same market participant. Pre-Trade Limit Groups are set up by a Sponsoring Participant to control the risk of a group of users within a Sponsored Client. Sometimes abbreviated as PTLG.

Price Quotation Factor

A number which describes the volume of underlying units represented by a derivative instrument. For instance, if a single futures contract represents the right to buy or sell 100 units of the contract's underlying instrument, the price quotation factor for the futures contract would be 100. Also known as contract multiple.

Sponsored Client

A market participant who is granted direct trading access on the basis of a Sponsoring Participant accepting responsibility for all entered transactions.

Sponsoring Participant

Sponsoring Participant means a market participant who sponsors one or more clients so that they can have a direct connection to an exchange.

Trade Report

A trade report is a trade arranged without submitting orders to the exchange to be matched. Even though this order was matched off the exchange, a record of the transaction is still sent to the exchange with a specialized message type.

Tradeable

A set of instruments traded in ~~Genium-INT~~ NFX Trading System, which typically has some common characteristics. This group of instruments may either be an “instrument type” or “instrument class”. The exposure of each Pre-Trade Limit Group to a tradeable is monitored and limited by the TradeGuard application.



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

Change Log

Revision	Date	Description
1	25/Feb/2015	First release for NFX. Update content for addition of Accounts tab.
2	09/Apr/2015	Change application name from PRM to TradeGuard and update screen shots with new logos. Add Max Trade Report risk check.
3	05/May/2015	Corrections for some screenshots.
4	02/Jun/2015	Restricting Instruments is no longer available from the TradeGuard application. When a new tradeable is added to a group, the limits for all risk checks default to 1. Changed content in Adding a Trade Limit and Adding a Pre-Trade Limit Group .
<u>5</u>	<u>21/Nov/2016</u>	<u>Added the filters on the Current Consumption tab, and the search functionality to the Edit Limits and Current Consumption tabs. Added the Interval column in the PTLG display.</u>