



July 24, 2015

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

Re: **Rule 40.6(d) Notification**
NASDAQ Futures, Inc. (“NFX” or “Exchange”) Weekly Notification of Rule
Amendments
Reference File: SR-NFX-2015-58

Dear Mr. Kirkpatrick:

Pursuant to Commission Rule 40.6(d), the Exchange submits this weekly notification of the following rule amendments made effective during the week of July 20, 2015.

On July 24, 2014, NFX issued Futures Regulatory Alert (“FRA”) 2015-13, available at <http://www.nasdaqtrader.com/MicroNews.aspx?id=FRA2015-13>.

The FRA included links to the final (7/24/15) versions of Rulebook Appendix A, Listed Contracts,¹ and Rulebook Appendix B, Table of Position Limits, Position Accountability Levels and Large Trader Reporting Levels,² implemented on July 24, 2015, which (1) incorporate various amendments made to the initial versions of those appendixes in subsequent Commission filings³, and (2) delete rules in Rulebook Appendix A and Rulebook Appendix B, as initially filed, with respect to two power contracts which the Exchange has determined it will not implement at this time.⁴ The FRA also contained links to the NFX Position Limit Exemption

¹ Initially filed in SR-NFX-2015-10, March 11, 2015.

² Initially filed in SR-NFX-2015-10, March 11, 2015.

³ SR-NFX-2015-48, filed June 23, 2015 (amending Rulebook Appendix A as initially filed), and SR-NFX-2015-34, filed May 29, 2015 (amending Rulebook Appendix B as initially filed).

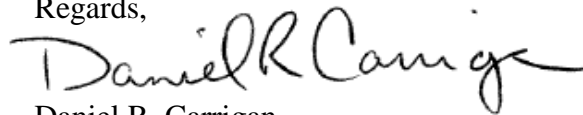
⁴ NFX PJM Western Hub Day-Ahead Off-Peak Financial Futures (PJDQ) and NFX PJM Western Hub Day-Ahead Peak Financial Futures (PJCQ).

Application and NFX Henry Hub Conditional Position Limit Application forms to which the Exchange has made nonsubstantive changes by adding a date (7/24/15) for version control and by updating the email address for submission of applications.

Rulebook Appendix A, the NFX Position Limit Exemption Application, and the NFX Henry Hub Conditional Position Limit Application marked to show the changes made to the previously filed versions, are attached as Exhibit 1. Submitted under separate cover as Exhibit 2 is Rulebook Appendix B, also marked to show the changes made to the previously filed version. As noted above, Rulebook Appendix A and Rulebook Appendix B as amended have been implemented as of July 24, 2015, the date of the initial listing of the 26 energy contracts provided for therein.

If you require additional information regarding this submission, please contact Carla Behnfeldt at (215) 496-5208 or carla.behnfeldt@nasdaq.com. Please refer to SR-NFX-2015-58 in any related correspondence.

Regards,



Daniel R. Carrigan
President

Attachments:

Exhibit 1: Amendments to Rulebook Appendix A, NFX Henry Hub Conditional Position Limit Application form and the NFX Henry Hub Conditional Position Limit Application form

Exhibit 2: Amendments to Rulebook Appendix B, Table of Position Limits, Position Accountability Levels and Large Trader Reporting Levels (under separate cover)

Exhibit 1

Amendments to Rulebook Appendix A, NFX Henry Hub Conditional Position Limit Application form and the NFX Henry Hub Conditional Position Limit Application form

RULEBOOK APPENDIX A

LISTED CONTRACTS

Introduction

* * * * *

Chapter 313

~~NFX PJM Western Hub Day-Ahead Off-Peak Financial Futures (PJDQ) RESERVED~~

~~313.01 — Unit of Trading~~

~~The unit of trading for one contract is 50 MWh.~~

~~313.02 — Contract Months~~

~~The Exchange may list for trading up to 36 consecutive monthly contracts.~~

~~313.03 — Prices and Minimum Increments~~

~~Prices are quoted in U.S. dollars and cents per MWh. The minimum trading increment is \$0.01 per MWh which is equal to \$0.50 per contract.~~

~~313.04 — Last Trading Day~~

~~Trading for a particular contract month terminates on the last business day of the contract month. Trading ceases at 5:00 PM EPT on the last trading day.~~

~~313.05 — Final Settlement Date~~

~~The final settlement date for any contract month shall be the seventh business day on which the Clearing Corporation is open for settlement following the last trading day for that contract month. On the final settlement date the Clearing Corporation shall effect the final variation payment to be made on each contract.~~

~~313.06 — Final and Daily Settlement and Settlement Prices~~

- ~~(a) Final settlement for contracts held to their maturity date is by cash settlement in U.S. dollars.~~
- ~~(b) Pursuant to Chapter V, Section III, the daily settlement price shall be set by exchange staff based on third-party broker quotes and transactions as well as transactions executed on the Exchange.~~
- ~~(c) Pursuant to Chapter V, Section III, the final settlement price will be equal to the mathematical average of the day-ahead hourly off-peak locational marginal prices (“LMPs”) for the contract month for the Western Hub as published by PJM Interconnection, LLC (“PJM”) at 5:00 PM EPT on the fifth business day following the last trading day where the off-peak hours are the hours ending 1:00-07:00 and 24:00 EPT for each Monday through Friday, excluding NERC holidays, and the hours ending 01:00~~

~~—24:00 EPT for each Saturday, Sunday and NERC holiday.[†]—All PJM day-ahead hourly off-peak LMPs for the contract month will be considered final at 5:00 PM EPT on the fifth business day following the last trading day, and the final settlement price will not be adjusted in the event that PJM adjusts any LMPs at a later time for any reason.~~

~~(d) If the daily settlement price described in (b) above is unavailable the Exchange may in its sole discretion establish a daily settlement price that it deems to be a fair and reasonable reflection of the market. If the final settlement price is not available or the normal settlement procedure cannot be utilized due to a trading disruption or other unusual circumstance, the final settlement price will be determined in accordance with the Rules and By Laws of the Clearing Corporation.~~

~~313.07~~ ~~Trading Algorithm~~

~~Pursuant to Chapter IV, Section 5, the trading system shall execute orders within the trading system pursuant to the price-time priority execution algorithm.~~

~~313.08~~ ~~Block Trade Minimum Quantity Threshold and Reporting Window~~

~~Pursuant to Chapter IV, Section 10, block trades shall be permitted with a minimum quantity threshold of 10 contracts and the Reporting Window shall be fifteen minutes.~~

~~313.09~~ ~~Order Price Limit Protection~~

~~Pursuant to Chapter IV, Section 8, the Order Price Limits shall be \$2.00 above and \$2.00 below the Reference Price as defined in Chapter IV, Section 8.~~

~~313.10~~ ~~Non-Reviewable Range~~

~~For purposes of Chapter V, Section 5, the non-reviewable range shall be from \$2.00 above to \$2.00 below the true market price for the Contract as set forth in the Exchange's Error Trade Policy.~~

~~313.11~~ ~~Disclaimer~~

~~NEITHER NASDAQ FUTURES, INC. ("NFX"), ITS AFFILIATES NOR PJM OR ITS AFFILIATES GUARANTEES THE ACCURACY NOR COMPLETENESS OF THE PRICE ASSESSMENT OR ANY OF THE DATA INCLUDED THEREIN. NFX, ITS AFFILIATES OR PJM MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE PRICE ASSESSMENT, TRADING AND/OR CLEARING BASED ON THE PRICE ASSESSMENT,~~

[†]As of March 9, 2015, PJM publishes the hourly LMP at the following page on its website: <http://www.pjm.com/markets-and-operations/energy/day-ahead/impda.aspx>. The respective LMP prices will be listed as WESTERN HUB on the file. The web page where the information is available could change.

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Chapter 314
~~NFX PJM Western Hub Day Ahead Peak Financial Futures (PJCQ)~~RESERVED

~~314.01~~ — ~~Unit of Trading~~

~~The unit of trading for one contract is 800 MWh.~~

~~314.02~~ — ~~Contract Months~~

~~The Exchange may list for trading up to 36 consecutive monthly contracts.~~

~~314.03~~ — ~~Prices and Minimum Increments~~

~~Prices are quoted in U.S. dollars and cents per MWh. The minimum trading increment is \$0.01 per MWh which is equal to \$8.00 per contract.~~

~~314.04~~ — ~~Last Trading Day~~

~~Trading for a particular contract month terminates on the last business day of the contract month. Trading ceases at 5:00 PM EPT on the last trading day.~~

~~314.05~~ — ~~Final Settlement Date~~

~~The final settlement date for any contract month shall be the seventh business day on which the Clearing Corporation is open for settlement following the last trading day for that contract month. On the final settlement date the Clearing Corporation shall effect the final variation payment to be made on each contract.~~

~~314.06~~ — ~~Final and Daily Settlement and Settlement Prices~~

- ~~(a) Final settlement for contracts held to their maturity date is by cash settlement in U.S. dollars.~~
- ~~(b) Pursuant to Chapter V, Section III, the daily settlement price shall be set by exchange staff based on third-party broker quotes and transactions as well as transactions executed on the Exchange.~~
- ~~(c) Pursuant to Chapter V, Section III, the final settlement price will be equal to the mathematical average of the day-ahead hourly peak locational marginal prices (“LMPs”) for the contract month for the Western Hub as published by PJM Interconnection, LLC (“PJM”) at 5:00 PM EPT on the fifth business day following the last trading day where the peak hours are the hours ending 8:00-23:00 EPT for each Monday through Friday,~~

excluding NERC holidays.² ~~All PJM day-ahead hourly peak LMPs for the contract month will be considered final at 5:00 PM EPT on the fifth business day following the last trading day, and the final settlement price will not be adjusted in the event that PJM adjusts any LMPs at a later time for any reason.~~

~~(d) If the daily settlement price described in (b) above is unavailable the Exchange may in its sole discretion establish a daily settlement price that it deems to be a fair and reasonable reflection of the market. If the final settlement price is not available or the normal settlement procedure cannot be utilized due to a trading disruption or other unusual circumstance, the final settlement price will be determined in accordance with the Rules and By Laws of the Clearing Corporation.~~

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²As of March 9, 2015, PJM publishes the hourly LMP at the following page on its website: <http://www.pjm.com/markets-and-operations/energy/day-ahead/Impda.aspx>. The respective LMP prices will be listed as WESTERN HUB on the file. The webpage where the information is available could change.

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* * * * *

NFX Position Limit Exemption Application

Submit completed applications
to FuturesReg@nasdaqmx.com

Please refer to NFX Rulebook Chapter V, Section 13, Position Limits and Position Accountability, for NFX requirements related to position limits.

Applicant Account (Name): _____

Clearing Futures Participant (Name): _____

Contract(s): _____

Type of Exemption Requested: Bona Fide Hedge Risk Management Arbitrage Spread

Desired Duration of Time to Exceed Speculative Position Limit Level(s): _____

Account Information				Futures Position	
Tax I.D. Number	Name	Address	Applicant Account Number	Maximum Number of Long Contracts Market Participant Intends to Enter	Maximum Number of Short Contracts Market Participant Intends to Enter
			TOTAL		

Provide a description of the current size and nature of the positions: _____

Provide a description of the nature of the underlying exposure related to these positions: _____

Provide a description of the trading strategy employed with respect these positions: _____

Provide a description of the bona fide hedging or risk management activities with respect to these positions: _____

Provide a detailed description of how the proposed transaction or position qualifies as a bona fide hedge transaction as defined in CFTC Rule 1.3(z), a risk management position that is consistent with CFTC guidelines, or an arbitrage or a spread transaction that is consistent with CFTC guidelines: _

Provide a description of whether the positions are subject to common ownership or control. An account is considered to be under common ownership or control if the person has a 10 percent or greater financial interest (i.e., ownership or profit interest) in the account or the person directs the trading in the account via a power of attorney or otherwise: _____

Applicant covenants and represents to NFX as follows:

1. Each transaction or position described above constitutes a bona fide hedge transaction as defined in CFTC Rule 1.3(z), a risk management position consistent with CFTC guidelines, or an arbitrage or a spread transaction, and such transaction or position is not used to attempt to violate or avoid any NFX Rule.
2. Each transaction or position described above is necessary or advisable as an integral part of the business of Applicant. A description of the Applicant's business is as follows: _____

3. The current and planned activity in the market underlying the Contract for which such exemption is requested is as follows: _____

4. The positions involved will be moved in an orderly manner based upon the characteristics of the market for which the exemption is sought and not initiated or liquidated in a manner calculated to cause unwarranted price changes or unreasonable price fluctuations.
5. Applicant has complied and will comply with all applicable CFTC requirements relating to hedging, risk management, arbitrage or spread transactions, as applicable.
6. Each bona fide hedge, risk management, arbitrage or spread transaction is accurately described in detail as follows:
 - a. Type of position(s) hedged, risk managed, arbitrated, or spread (include the dollar value of each position): _____

 - b. Calculation(s) utilized in determining the number and type of hedge, risk management, arbitrage, or spread requested: _____

 - c. Strategies which will be employed to manage the requested position(s): _____

 - d. Applicant's guidelines or policies regarding position management prior to or upon contract expiration: _____

 - e. Method of monitoring positions to ensure that all positions are executed pursuant to strategies described above and that the maximum limit is not exceeded: _____

 - f. Pre-determined levels of price movements, if any, that would cause a significant adjustment to the Applicant position: _____

7. Upon request of NFX, Applicant will promptly provide information or documentation regarding the Applicant's financial condition.
8. In its sole discretion NFX may require the Applicant (a) not to further increase any positions that are above the applicable position limits, (b) to reduce any positions above the applicable speculative position limits, or (c) to comply with any prospective limits established by NFX which exceed the size of the positions controlled by the Applicant.
9. Applicant will initiate and liquidate positions in an orderly manner.

10. Applicant will comply with any terms, conditions, or limitations imposed by the Exchange with respect to the exemption.
11. At any time, NFX may limit, condition or rescind any exemption.
12. Applicant will promptly submit a detailed supplemental statement explaining any material change in circumstances that may affect the nature of its positions and any material change to the information provided herein.
13. Applicant will comply with all NFX rules and not use the positions involved to avoid or violate any NFX rule.
14. Applicant has notified the Clearing Futures Participant identified on page 1 that this NFX Position Limit Exemption Application has been filed with NFX.
15. All information set forth in this form by Applicant is accurate and complete.

Application Date

Prepared by: _____

Signature _____

Attach additional sheets as needed to complete the above questions.

NFX Henry Hub Conditional Position Limit Application

Submit completed applications
to FuturesReg@nasdaqomx.com

Please refer to NFX Rulebook Chapter V, Section 13, Position
Limits and Position Accountability, for NFX requirements related
to position limits.

Applicant Account (Name): _____

Clearing Futures Participant (Name): _____

Tax I.D. Number	Name	Address	Applicant Account Number
TOTAL			

NFX Rulebook Chapter V, Section 13(a)(ii) provides that a conditional limit in the NFX Henry Hub Natural Gas Financial Futures – 10,000 contract (HHQ) and in the NFX Henry Hub Natural Gas Financial Futures – 2,500 contract (NNQ) of up to the equivalent of five times the otherwise applicable spot month position limit for HHQ may be granted by the Exchange for the period that spot month position limits are in effect, subject to certain conditions. Application for the conditional limit shall be made by completing this form and submitting it to the Exchange by email at FuturesReg@nasdaqomx.com no later than 4 business days prior to exceeding the position limit.

Provide a complete description of all Henry Hub contracts (including but not limited to Physicals/Forwards/Futures/Swaps) as of the date of submission of this application: _____

Applicant represents and covenants to NFX that: (A) it will not hold or control a position in the corresponding CME/NYMEX Natural Gas Futures (NG)_contract during the last three days of trading; (B) it will provide the Exchange with information on all positions related to Henry Hub contracts; and (C) it will provide such other information as may be requested by the Exchange.

Applicant further represents that it has notified the Clearing Futures Participant identified on page 1 that this NFX Henry Hub Conditional Position Limit Application has been filed with NFX, and that all information set forth in this form by Applicant is accurate and complete.

Date

Prepared by: _____

Signature: _____

Attach additional sheets as needed to complete the above questions.

Exhibit 2

Amendments to Rulebook Appendix B, Table of Position Limits, Position Accountability Levels
and Large Trader Reporting Levels

(under separate cover)