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

RULE CERTIFICATION

August 27, 2003

By Electronic Mail

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

Re: Rule Certification by NQLX LLC

Dear Ms. Webb,

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act ("CEA") and Regulations 38.4(b) and 40.6, NQLX LLC hereby certifies the enclosed changes to NQLX's Rule 408. These changes were made because NQLX determined that Rule 408(c)(6)'s requirement that Members record on order tickets the alpha-code for the relevant Clearing Account Indicator¹ was redundant and unnecessary so long as at the time of order entry Members submit the appropriate Clearing Account Indicator to NQLX's automated trading system. A redlined copy of the rule amendments is included with this letter, with additions underlined and deletions in brackets.

The proposed adoption and effective date of these rule amendments is August 28, 2003. These rule amendments were approved for adoption by management of NQLX pursuant to NQLX's rules. There were no substantive opposing views expressed as to the adoption of these rule changes. NQLX hereby certifies that the rule changes comply with the CEA and the regulations thereunder.

¹ NQLX Rule 101(a)(15) defines "Clearing Account Indicator" as "the type of account designated by the Clearing Organization." In this context, the type of account means the clearing account type at The Options Clearing Corporation (i.e., market maker, firm/proprietary, or customer).

Jean Webb, Secretary
Commodity Futures Trading Commission
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Please contact me at (212) 858-4471 if you have any questions concerning the enclosed rule amendments.

Sincerely,

Kathleen M. Hamm
Senior Vice President
Regulation and Compliance

cc: Michael Gorham
Director, Division of Market Oversight

Stephen Braverman
Deputy Director, Division of Market Oversight

David Van Wagner
Associate Director, Division of Market Oversight

Allen Cooper
Branch Chief, CFTC New York Regional Office

NQLX

Rule 408 Submitting Orders

- (a)-(b) No Change
- (c)(1)-(5) No Change
- [(6) Clearing Account Indicator,]
- [(7)6] Exchange Contract,
- [(8)7] delivery or expiration month,
- [(9)8] quantity,
- [(10)9] buy or sell,
- [(11)10] price or price limit or range,
- [(12)11] put or call and exercise price (if applicable),
- [(13)12] open or close position indicator (if applicable),
- [(14)13] Order instructions from Rule 410 (if applicable),
- [(15)14] Strategy type indicator (if applicable), and
- [(16)15] code indicator for a Cross Transaction, Block Trade, or Exchange for Physical Trade (if applicable).
- (d) A Member or Person Associated with a Member must ensure that the information from items (4) through (16) in Rule 408(c) as well as the appropriate Clearing Account Indicator [is] are [also] submitted to the ATS for all Orders at the time of Order entry.
- (e) If at the time of Order entry the Member or Person Associated with the Member fails to provide the appropriate Clearing Account Indicator as required by Rule[s] 408[(c)(6) and](d), then the Member or Person Associated with the Member must timely provide the appropriate Clearing Account Indicator for the trade through the Trade Registration System.

NQLX