Rule Self-Certification

July 18, 2013

Office of the Secretary
Commodity Futures Trading Commission
Three Lafayette Center
1155 21^{st} Street, NW
Washington, DC 20581

Re: Regulation §40.6 Submission Certification
Frequently Asked Questions and Guidance on Rules
Reference File: SR-NFX-2013-08

Ladies and Gentlemen:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended ("Act"), and Section 40.6 of the regulations promulgated by the Commodity Futures Trading Commission under the Act, NASDAQ OMX Futures Exchange, Inc. ("NFX" or "Exchange") adopts a document entitled "Frequently Asked Questions" or "FAQs" concerning the Exchange's new Trading Platform Rules,[1] as well as guidance on new and amended Trading Rules concerning Pre-Trade Risk Parameters, Block Trades, Exchange For Related Positions and Error Trades. These amendments will be effective on August 5, 2013.

The text of the FAQ is attached as Exhibit 1, the guidance concerning Pre-Trade Risk Parameters is attached as Exhibit 2. The guidance concerning Block Trades and Exchange For Related Positions is attached as Exhibit 3 and the Exchange's Error Trade Policy is attached as Exhibit 4. The Exchange will post the FAQ on its website. The guidance concerning Pre-Trade Risk Parameters, Block Trades, Exchange For Related Positions and Error Trades will be posted on the Exchange's website as appendices to the Rulebook.

The Exchange certifies that the Pre-Trade Risk Parameter guidance complies with the requirements of the Act and the Rules and regulations promulgated thereunder. Specifically, this guidance further expands on the Exchange's Rules, which provide that all matched trades generated by the Trading System, after the application of Pre-Trade Risk Parameters, will be automatically submitted to the Clearing Corporation as described in new Chapter V, Section 2. The guidance is made in furtherance of Core Principle 7 (Availability of Information) to provide market participants additional information concerning the electronic matching platform and the operation of the market. In addition, in compliance with Core Principle 11 (Financial Integrity of Transactions) the Exchange provides this guidance in connection with direct access

[1] See Trading Rules which were filed separately today as SR-NFX-2013-07.

permissions on the Exchange and describes automated pre-trade controls that enable Clearing Futures Participants to implement appropriate financial risk limits for Futures Participants or Authorized Customers.

The Exchange certifies that the guidance concerning Block Trades and Exchange for Related Positions complies with the requirements of the Act and the Rules and regulations promulgated thereunder. Specifically, with respect to Core Principle 9 (Execution of Transactions) the Exchange provides a competitive, open and efficient market and mechanism for executing transactions that protects the price discovery process and also authorizes for bona fide business purposes rules for Block Trades and Exchange For Related Positions. In addition the guidance is made in furtherance of Core Principle 7 (Availability of Information). The Block Trade and Exchange for Related Position guidance provides specific information regarding Exchange Rules at Chapter IV, Sections 11 and 12.

The Exchange certifies that the guidance concerning Error Trades complies with the requirements of the Act and the Rules and regulations promulgated thereunder. Specifically, §38.157 under Core Principle 2 (Compliance with Rules) provides that DCMs shall have the authority to adjust trade prices or cancel trades when necessary to mitigate market disrupting events caused by malfunctions in its electronic trading platform(s) or errors in orders submitted by members and market participants. Chapter V, Section 5, Transaction Cancellations and Adjustments, permits the Exchange to adjust trade prices or cancel trades when necessary to mitigate market disrupting events caused by malfunctions in its electronic trading platform or errors in orders submitted by Futures Participants. Further, the Exchange, in its sole discretion, may unilaterally either cancel a transaction or adjust the execution price of a transaction in a contract that has taken place at an unrepresentative price or when necessary to mitigate market disrupting events caused by malfunctions in its Trading System or errors in Orders submitted by Futures Participants. The guidance is made in furtherance of Core Principle 7 (Availability of Information) and will provide Futures Participants additional information regarding errors.

There were no opposing views among NFX's Board of Directors, members or market participants. NFX hereby certifies that the FAQs and guidance comply with the Commodity Exchange Act and regulations thereunder. The Exchange also certifies that a notice of pending certification with the Commission and a copy of this submission have been concurrently posted on the Exchange's website at http://www.nasdaqtrader.com/Micro.aspx?id=NFX.

Regards,

Daniel R Carrigan

Daniel R. Carrigan
President

cc: Nancy Markowitz
Mr. J. Goodwin
National Futures Association

Exhibit 1

Frequently Asked Questions
NASDAQ OMX Futures Exchange (NFX)

Q: What is NASDAQ OMX Futures Exchange (NFX) Next Generation?
A: The Next Generation (NFX) is an all-electronic venue for trading futures and options on futures structured on the INET technology.

Q: What is the user benefit of the INET platform?
A: NASDAQ OMX's use of a common platform across the multiple trading venues, including PHLX, NOM and BX Options, provides customers with a number of common interfaces, data structures and customer reports which allow firms to streamline their business across multiple exchanges with less development effort.

Q: When will the new platform be available?
A: The new platform will be live in the third quarter of 2013. A more specific date will be communicated via a Futures Trader Alert.

Q: What are the hours of operation for NFX?
A: The hours of operation may differ per product and are defined in each product's contract specifications.

Q: Where will NFX trades clear?
A: NFX trades will clear via The Options Clearing Corporation (OCC).

Q: Will NFX reveal the contra parties identity?
A: No, contra party information will remain anonymous in the trading and clearing details.

Q: Will NFX have Market Makers?
A: Yes, NFX will have Market Makers who are subject to market making obligations for the products in which they are registered.

Trading Functionality and Protections

Q: What is the priority/execution model on NFX?

A: NFX will support a Price Time priority execution algorithm and a Size Pro-Rata execution algorithm with multiple priority levels. The execution algorithm (i.e. Price Time or Size Pro-Rata) will be set per product.

Q: How will the NFX Opening work?

A: There will not be an opening or re-opening auction. Orders and quotes will not be accepted (other than previous day's GTCs) before trading begins. When a product opens, new Orders and quotes are accepted and trading commences.

Q: What is Acceptable Trade Range (ATR)?

A: The Acceptable Trade Range (ATR) is the maximum range of prices, from the ATR Reference Price, at which an order will be eligible to execute. When the ATR is reached, the Order will be subject to the ATR Timer. The ATR ranges will be set by the Exchange for each product (i.e. each Futures Contract and each Options Series Set) and will be noted in each product's contract specifications.

Q: What is Order Spread Protection?

A: Order Spread Protection validates incoming Orders against the BBO spread. If the BBO spread is greater than a configurable spread value, Orders subject to the Order Spread Protection will be rejected. All Market Orders are subject to Order Spread Protection. Order Spread Protection will apply to limit orders if a Futures Participant is configured to have their Limit Orders checked against the Order Spread Protection.

Q: Are there additional Market Order protections on NFX?

A: Yes, in addition to Order Spread Protection, all Market Orders are subject to a Market Order Timer. Participants may elect to have their Market Orders cancelled at the end of the timer. If a Futures Participant does not elect to have their Market Orders cancel at the end of the timer, Market Orders will remain eligible to trade and will be subject to ATR protections.

Q: Will NFX support Pre-Trade Risk Management?

A: Yes, NFX will support member controlled pre-trade risk management. Pre-trade risk management parameters can be changed at any time during the day. Clearing Futures Participants assign Authorized Risk Officers who will set Pre Trade Risk Parameters for Futures Participants. The Authorized Risk Officer may contact the NFX market operations team to set and change parameters.

Pre-Trade Risk Management Parameters

- Max Order/quote size
- Max Executed Exposure
- Max Open Exposure
- Max Total Executed Value
- Max Total Open Value

More information regarding these parameters can be found at http://www.nasdaqtrader.com/Micro.aspx?id=NFX.

Q: How will firms know when risk thresholds have been exceeded?
A: When a Pre-Trade Risk Parameter threshold is approached, a warning message is sent to the Futures Participant and its associated Clearing Futures Participant. Warning messages are sent at the 70%, 80% and 90% levels. Additionally, when a Pre-Trade Risk Parameter threshold is exceeded the Futures Participant/Authorized Trader will be unable to trade and a cut-off message will be sent.

Q: Will liquidity provider risk protection functionality be available?
A: Yes, NFX will offer Rapid Fire Risk Monitor Mechanism that is based on the options market (i.e. PHLX, NOM and BX Options) Rapid Fire functionality. Rapid Fire will be available for all Futures Participants based on the Firm ID (mnemonic/badge) and will be applied to both quotes and Orders.

Q: Will NFX support participant trade reporting?
A: Futures Participants will have the ability to report trades to NFX that were pre-negotiated and agreed upon away from the exchange. Trade reporting will be done via FIX; (batch files will not be accepted for trade reporting).

Examples of pre-negotiated transactions include:

Block Trades: privately negotiated and executed trades in a Futures Contact or Options Series that is listed on the Exchange but occur off of the Exchange.

Exchange for Related Positions (EFRP) trades:

- Exchange for Physical (EFP) - A privately negotiated and simultaneous exchange of an Exchange futures position for a corresponding cash position.

- Exchange for Risk (EFR) - A privately negotiated and simultaneous exchange of an Exchange futures position for a corresponding OTC swap or other OTC instrument.
- Exchange of Options for Options (EOO) - A privately negotiated and simultaneous exchange of an Exchange option position for a corresponding OTC option position or other OTC instrument with similar characteristics.

Q: Will NFX support Self-Match Prevention (AIQ)?
A: NFX will support an optional self-match prevention of Orders and quotes across all interfaces.

Connectivity

Q: How can I connect to NFX?
A: Futures Participants may request ports by filling out the http://www.nasdaqtrader.com/content/AdministrationSupport/AgreementsTrading/NFX_portrequest.pdf and submitting it to Trading Services at: jill.smith@nasdaqomx.com.

Q: Where can I find NFX Technical Specifications?
A: Please refer to the http://www.nasdaqtrader.com/Micro.aspx?id=NFXNextGen on the Trader website.

Q: How do I set up testing on NFX?
Futures Participants may set up testing by contacting the NOC at nocgroup@nasdaqomx.com.

Q: What testing opportunities are available?
A: Daily testing as well as Saturday production tests will be available. Dates and timing for testing will be announced at a later date.

Programming Interfaces

Q: What interfaces are used by NFX?
A: NFX utilizes a number of messaging protocols via TCP/IP connections similar to those used on the options markets (i.e. PHLX, NOM and BX Options):

- Specialized Quote Interface (SQF) – used for bulk quoting on NFX. The interface allows participants to submit blocks of up to 200 two-sided quotes in one block message.
- FIX – low-latency industry standard protocol used for sending orders to NFX.
- Clearing Trade Interface (CTDI) - based on the Options CTI feed, CTI provides firms with a copy of executions containing information similar to what is sent to clearing.
- FIX Drop–provides all FIX order and/or SQF Quote related messages.

Q: What order types are supported on NFX?
A: FIX Order Types Supported on NFX:

- Limit Orders
- Market Orders
- WAIT Orders
- Fill or Kill (FOK) Orders
- Minimum Quantity Order – IOC only
- All or None (AON) Orders – IOC only
- Post-Only Orders

Q: What TIFs are supported on FIX?

- IOC –Immediate –or-Cancel
- Day
- GTC – Good –Till - Cancel

Q: What are the Customer Order exposure requirements on NFX?
A: Futures Participants must expose Customer Orders for the designated time to comply with Exchange Rules at Chapter V, Section 11(e). If there is no bid/offer, the Customer Order must be exposed for 5 or 8 seconds, depending on the type of contract. If there is a bid and offer, the Customer can be matched immediately.

Q: What are WAIT Orders?
A: WAIT orders are delayed for a period of time that is equal to the Customer exposure requirement (see previous question). A Futures Participant may enter the Customer and firm Order simultaneously while marking the firm Order as WAIT. The Customer Order is placed on the book immediately and the WAIT Order is delayed. At the end of the exposure period the firm (WAIT) Order is entered into

the Trading System to execute against the Customer Order. There is no guarantee that the WAIT Order will execute against the Customer Order (e.g. the Customer Order may have been executed during the exposure period).

Q: What are Post Only Orders?
A: Post Only Orders will never execute against resting Orders on the book. Instead, Post Only Orders will be re-priced to one tick away from any Orders on the opposite side of the book. Futures Participants may elect to have their Orders rejected rather than re-priced.

Example:
NFX BBO: $1.00 x $1.05
Firm enters a buy Post Only Order $1.05
The Post Only Order is re-priced to $1.04 and displayed on the book (NFX BBO: $1.04 x $1.05).

Q: What are All-or-None (AON) orders?
A: All or None (AON) Orders are executable only if the entire quantity of the Order would execute immediately. If the Order is only partially executable (i.e. the contra quantity available for execution is less than the size of the AON Order) it will be returned to the entering party with no execution. AON Orders will be treated as FOK Orders. AON Orders received with TIF's other than IOC will be treated as IOC.

Q: Will NFX support Order Price Protection?
A: Yes. If an Order is received which is priced through the NFX Best Bid or Offer (BBO) by a defined percentage, the order will be rejected.

Order Type	**NFX BO Value (for buys) or BB Value (for sells)**	
≤ $1.00	**> $1.00**	
Buy Limit	(100% * NFX BO) + NFX BO	(50% * NFX BO) + NFX BO
Sell Limit	No Threshold	NFX BB – (50% * NFX BB)

Q: Will NFX support Complex/Spread Trading on FIX?
A: Complex/Spread Trading will not be supported on NFX at this time.

Q: What Order and Quote cancellation functions are supported on FIX?
A: FIX will support the following Customer initiated cancellation methods.

- Explicit Cancel – FIX users can cancel Orders explicitly. The Trading System will send UROUTs for all cancelled Orders to the NFX Participant.
- Purge Message – FIX users can send a message to purge all Orders and quotes on SQF and FIX in an issue or for a particular Participant ID. Exchange Market Operations Purge – NFX Market Operations staff may perform a manual purge of a firm's Orders and /or quotes if requested by the NFX Participant. A reset message is required before a new Order or quote will be accepted.
- Cancel on Disconnect (COD) – COD purges all open Orders for a given port regardless of the time of the port disconnect.
- Purge Ports – FIX ports used solely for purging.

Q: What interface will be used for quoting?
A: Quotes are only supported on SQF and have an "implied" TIF of DAY. Quotes are live in the Trading System from the time of entry until they are fully executed, cancelled, or trading ends for the day. Futures Participants may choose to provide liquidity using SQF two-sided quotes or they may use individual buy and sell orders using FIX.

Q: Will one-sided Orders be accepted on SQF?
A: Yes, one-sided Orders are accepted on SQF and will be treated as IOC.

Q: What TIFs are supported on SQF?
A: Explicit TIFs are not supported on SQF. However, all quotes will be treated with an implied TIF of DAY and all Orders submitted over SQF will be treated with an implied TIF of IOC.

Q: Are alphanumeric symbols supported on SQF?
A: No. Users entering quotes over SQF will use the system generated Product ID and Product Type that is disseminated in the symbol directory messages.

Q: What notification messages are available on SQF?

A: Various notification messages can be sent to SQF users via an SQF port enabled for notification messages. These messages include:

Regular notification
- Executions notification messages
- Purges notification messages
- Symbol directory messages
-

Pre Trade Risk Management Notifications
- Warning messages
- Cutoff Notification

Q: What Order and Quote cancellation functions are supported on SQF?
A: SQF will support the following customer initiated cancellation methods.
- 0x0 Quote Message – A 0x0 quote will purge a quote in a particular symbol.
- Purge Message - SQF users can send a message to purge all Orders and quotes on SQF and FIX in an issue or for a particular Participant ID. Futures Participants must send a Purge Reset Message before any new quotes or Orders will be accepted.
- Exchange Market Operations Purge – NFX Market Operations staff may perform a manual purge of a Futures Participant's Orders and/or quotes if requested by the NFX Participant. A reset message is required before a new Order or quote will be accepted.
- Cancel on Disconnect (COD) - all open quotes associated with a Participant ID and issue will be cancelled immediately across all ports. The COD action will be taken regardless of whether there are other SQF ports for the same firm or participant ID still connected.
- Purge Ports – SQF ports used solely for purging.

Market Data

Q: What Market Data Feeds are offered on NFX?
A: NFX will offer two proprietary, direct, low-latency market data feeds that are similar to what is offered on BX Options. Prices displayed on all market data feeds will be in decimals.

- NFX Top of Market (NFX Top) – BBO, last trade, and End of Day Summary data

- NFX Depth of Market (NFX Depth) – Depth of quotes, depth of orders, last trade, and End of Day Summary data

Q: Will a Glimpse feed be offered with the NFX Depth feed?
A: Yes, NFX offers a companion Glimpse feed for NFX Depth. NFX Glimpse acts as a current state of the book retransmission facility. NFX Glimpse is offered in SoupBinTCP protocol and uses the same data formats as the NFX Depth data feed.

Q: Can Block Trade, EFP, EFR, or EFP set the open, low, high, or last price?
A: No. These types of trades should be ignored for purposes of open, low, high, and last sale prices.

Q: What does it mean when there is a buy or sell side suspended state?
A: When ATR is triggered (see Acceptable Trade Range (ATR) question above), any Orders or quotes on the opposite side of the market from the Order that has triggered ATR will be unavailable for execution until the ATR refresh period has concluded. The buy/sell side suspended state indicates the side of the market which is unavailable for execution.

Q: What is the recommended bandwidth for the data feeds?
A: The bandwidth recommendation for the NFX Top of Market data feed is 40Mb per multicast group and for the NFX Depth of Market data feed is 120Mb per multicast group. Both feeds will only be offered in uncompressed binary format.

Q: How many multicast groups will be offered for each market data feed?
A: NFX will support three multicast groups each for NFX Top and NFX Depth, also called the "A Feed," "B Feed" and "C Feed." The "A Feed" and "B Feed" will be offered from the New York Metro Area data center and the "C Feed" will be offered from the Mid-Atlantic Area data center, all running hot-hot.

Q: Where can I find the data feed technical specifications?
A: Please refer to the http://www.nasdaqtrader.com/NFX
on the Trader website.

Q: How can a firm subscribe to these market data feeds?
A: Firms must submit the appropriate documentation and receive prior approval from NASDQ OMX. Please refer to the "Agreements and Forms" section of the Trader website. http://www.nasdaqtrader.com/micro.aspx?id=nfxmarketdata

Q: Will the Next Generation NFX re-platform require any regulatory approval?
A: Yes, the NFX re-platform is subject to certification with the Commodity Futures Trading Commission (CFTC).

Q: How does a firm become a NFX Futures Participant?
A: Firms requesting to become NFX Futures Participants must submit a completed http://www.nasdaqtrader.com/Trader.aspx?id=membership_nfx ("FPA") and Supplemental Material as listed in Section L of the FPA to membership@nasdaqomx.com.

Q: How do I receive Technical, Trader, or Regulatory Alerts pertaining to NFX?
A: An archive of alerts can be found on the NASDAQ OMX Trader website. If you are not currently receiving these alerts via email, please sign up using the https://www.nasdaqtrader.com/EASP/TraderEASP.aspx?id=NewsSignup

Q: Where can I find the NFX Fee Schedule?
A: Please refer to the Fee Schedule at http://nasdaqomxphlx.cchwallstreet.com/.

Q: Where can I find NFX Support Contacts?
A: The NFX Market Operations Support Team can be reached at:

Number: +1 215 496 1571
Email: Futures@nasdaqomx.com

The support contact information is also listed on the http://www.nasdaqtrader.com/Micro.aspx?id=NFX

Q: Where can I find additional information?
A: For additional information please visit the webpage at http://www.nasdaqtrader.com/Micro.aspx?id=NFX
or Contact NFX Market Operations: +1 215 496-1571 or via email: Futures@nasdaqomx.com.

Exhibit 2

NASDAQ OMX | NFX

Appendix A – Guidance Related to Pre-Trade Risk Parameters

This guidance is to remind Futures Participants and Authorized Traders of their responsibilities for the orders placed on the NFX Trading System and provide interpretative guidance regarding pre-trade risk controls that Futures Clearing Participants should have in place and actively use to demonstrate adequate exercise of due diligence for the placement of orders.

Trading Rules

NFX Rules provide that Futures Participants and Authorized Traders shall be responsible and accountable for the orders placed on the NFX Trading System. Specifically, Chapter V, Section 18 prohibits misuse of the Trading System and states that "[i]t shall be deemed an act detrimental to the interest and welfare of the Exchange to either willfully or negligently engage in unauthorized access to the Trading System, to assist any individual in obtaining unauthorized access to the Trading System, to trade on the Trading System without proper authorization as described in these Rules, to alter the equipment associated with the Trading System, to interfere with the operation of the Trading System, to use or configure a component of the Trading System in a manner which does not conform to Exchange's agreements and procedures to intercept or interfere with information provided on or through the Trading System, or in any way to use the Trading System in a manner contrary to the Rules of the Exchange." Further, Chapter V, Section I provides that, "[e]ach Futures Participant is responsible for all Orders submitted through its Futures Participant Exchange Account by any Persons associated with that Futures Participant. Each Futures Participant and Authorized Trader shall not knowingly enter, or cause to be entered bids or offers into the Trading System other than in good faith for the purpose of executing bona fide trades."

Pre-Trade Risk Parameters

Chapter IV, Section 5 requires that the Clearing Futures Participant's Authorized Risk Officer to initially set and thereafter adjust, as appropriate, pre-trade risk parameters to a level that is appropriate for the trading activity of a Futures Participant, Authorized Trader or Authorized Customer for which the Clearing Futures Participant is the designated Clearing Futures Participant. The pre-trade risk controls must be appropriate for the level of trading engaged in by the Futures Participant, Authorized Trader or Authorized Customer.

An Authorized Risk Officer must initially set and thereafter adjust via written communications with Market Operations, the following pre-trade risk parameters:

• Maximum Order/Quote Size

• Maximum Executed Exposure Value
• Maximum Open Exposure
• Maximum Total Executed Value
• Maximum Total Open Value

» Maximum Order/Quote Size – Maximum allowable order or quote size, based on volume, which may be sent to NFX for a given Group, Firm or Trader ID. Each bid and offer of a quote is considered independent of one another.

» Maximum Executed Value – Maximum allowable execution value calculated as the absolute value of Executed Long Value less Executed Short Value for a given Group, Firm or Trader ID.

» Maximum Open Exposure – Maximum allowable exposure calculated as the sum of the 1) absolute value of the difference of Open Long Value less Open Short Value and 2) the absolute value of the difference of Executed Long Value less Executed Short Value, i.e.

Absolute Value (Open Long Value–Open Short Value) + Absolute Value (Executed Long Value–Executed Short Value)

If a quote/order is received which would cause the Maximum Open Exposure to hit the cut-off limit, the incoming quote/order will be rejected and no cut-off will be triggered (resting orders/quotes would not be cancelled).

» Maximum Total Executed Value – Maximum executed value calculated as the sum of Executed Long Value and Executed Short Value for a given Group, Firm or Trader ID (i.e. short execution value does not offset long execution value).

» Maximum Total Open Value – Maximum open value calculated as the sum of Executed Long Value, Executed Short Value, Open Long Value, and Open Short Value for a given Group, Firm or Trader ID. If a quote/order is received which would cause the Maximum Total Open Value to hit the cut-off limit, the incoming quote/order will be rejected and no cut-off will be triggered (resting orders/quotes would not be cancelled).

Warning messages will be disseminated over FIX, Specialized Quote Feed (SQF), and Clearing Trade Interface (CTI) when activity reaches 70%, 80%, and 90% of any pre-trade risk parameter. When pre-trade risk parameters have been met or exceeded, the Exchange's Trading System will reject all new Orders and remove all open Orders for the Futures Participant, Authorized Trader or Authorized Customer until the Authorized Risk Officer adjusts the pre-trade risk Parameters by sending such request to the Exchange in an email as specified below.

Authorized Risk Officers

Each Clearing Futures Participant will be required to provide two Authorized Risk Officer contacts to the Exchange's Membership Department in a form prescribed by the Exchange. The Exchange will not authorize a Trader ID if an Authorized Risk Officer has not set pre-trade risk parameters for a specific Futures Participant, Authorized Trader or Authorized Customer.

Futures Participants are encouraged to also employ all other necessary pre-trade risk controls in their order management systems to secure the financial integrity of the markets and the clearing system, to avoid systemic risk, and to protect customer funds. Futures Participants and Authorized Traders are reminded that they remain ultimately responsible for the appropriate execution of orders on the Exchange in accordance with Commission Regulations and Exchange Rules. The Exchange makes no warranty that the pre-trade risk parameters required by the Exchange alone will place a Futures Participant or Authorized Trader in compliance with CFTC Rule 1.73. Clearing Futures Participants should consult with their compliance, regulatory, and legal departments or advisers to ensure their policies and procedures are compliant with CFTC Rule 1.73

As noted above, Authorized Risk Officers will be required to adjust any pre-trade risk parameters. Such parameters may be set at the Futures Participant level, per Authorized Trader or per Authorized Customer. If the pre-trade risk parameters have been met or exceeded, the parameters must be adjusted prior to the commencement of trading. \

Contact Information

NASDAQ OMX Futures Exchange Market Operations at NFX@nasdaqomx.com or (215) 496-1571.

Exhibit 3

NASDAQ OMX | NFX

Appendix B – Block Trade and Exchange for Related Position

The Exchange is providing this guidance related to Block Trades and Exchange for Related Positions to provide members additional information for submitting these types of trades to the Exchange in compliance with Exchange Rules related to Block Trades and Exchange for Related Positions at Chapter IV, Sections 11 and 12.

Block Trades

Generally

Block Trades are permissible, noncompetitive, privately negotiated transactions at or in excess of a minimum threshold quantity of contracts, which are executed apart and away from the public auction market. The minimum quantity threshold is designated in the contract specifications for each Contract that is eligible for Block Trades. Only Orders of a commodity trading advisor ("CTA") or foreign Person performing a role or function to a CTA may be aggregated in order to achieve the minimum transaction size, otherwise Orders may not be aggregated.

Each party to a Block Trade must be an Eligible Contract Participant as that term is defined in Section 1a(18) of the Commodity Exchange Act. A Futures Participant shall not execute any Order by means of a Block Trade for a Customer unless the Customer has specified that the Order be executed as a Block Trade. Block Trades may be executed at any time.

Prices of Block Trades

The price at which a Block Trade is executed must be fair and reasonable in light of (i) the size of the Block Trade, (ii) the prices and sizes of other transactions in the same Contract at the relevant time, (iii) the prices and sizes of transactions in other relevant markets, including without limitation the underlying cash market or related futures markets, at the relevant time, and (iv) the circumstances of the markets or the parties to the Block Trade. The price must be in accordance with the minimum tick increment for a particular Contract as specified in the contract specifications. Block Trades do not set off conditional Orders or otherwise affect Orders in the Order Book.

Block Trades between the accounts of affiliated parties are permitted provided that (i) the Block Trade is executed at a fair and reasonable price; (ii) each party has a legal and independent bona fide business purpose for engaging in the Block Trade; (iii) each party's decision to enter into the Block Trade is made by an independent decision-maker. If the above requirements are not satisfied, the Block Trade transaction may constitute an illegal wash sale prohibited by Chapter III, Section 23(g).

Reporting Requirements

Unless otherwise agreed to by the principal counterparties to the Block Trade, it is the obligation of the Futures Participant to report Block Trades. The Futures Participant must ensure that each Block Trade is reported to the Exchange within five minutes of the time of execution; except that Block Trades executed outside of Trading Hours must be reported within fifteen minutes of the commencement of Trading Hours on the next Business Day for that Contract.

Block Trades may be reported to the Exchange electronically via the Participant Trade Report message in the NASDAQ Futures FIX protocol interface.

The Block Trade report made to the Exchange must include the following information: Contract, contract month, price, quantity of the transaction, the respective Clearing Futures Participants, the time of execution, and, for options on Futures, strike price, put or call and expiration month. Failure to timely and accurately report Block Trades may subject the Futures Participant to disciplinary action.

Documentation

Futures Participants must provide Block Trade documentation to the Exchange upon request. Documentation requested by the Exchange may include evidence that the price of the Block Trade transaction was fair and reasonable based on relevant market information, including underlying markets and independence of the parties to the transaction.

Recordkeeping

Clearing Futures Participants and Futures Participants involved in the execution of Block Trades must maintain a record of the transaction in accordance with this Rule.

Publication

The Exchange shall promptly publish Block Trade information separately from the reports of transactions in the regular market. Block trades are reported independently of transaction prices in the regular market and are not included as part of the daily trading range (i.e. they do not impact the daily high/low prices).

Use of Non-Public Information

Parties involved in the solicitation or negotiation of a Block Trade may not disclose the details of those communications to any other party for any purpose other than to facilitate the execution of the Block Trade. Parties privy to nonpublic information regarding a consummated Block Trade may not disclose such information to any other party prior to the public report of the Block Trade by the Exchange. Pre-hedging or anticipatory hedging of any part of the Block Trade in the same Contract or a closely related contract based upon a solicitation to participate in a Block Trade is not permitted. A closely-related product is one that is highly correlated to, or serves as

a substitute for, or is the functional equivalent of the product being traded as part of a Block Trade.
Counterparties to a Block Trade are permitted to initiate trades to hedge or offset risk associated with the Block Trade following the consummation of the Block Trade but prior to the public report of the Block Trade by the Exchange.

Except as provided above, parties privy to nonpublic information related to a Block Trade may not trade in the same Contract or a closely-related contract for the purpose of gaining an advantage through use of such nonpublic information prior to the public report of the Block Trade by the Exchange.

Exchange For Related Positions ("EFRP")

Generally

EFRPs are permissible, noncompetitive, privately negotiated transactions executed apart and away from the public auction market which are permitted by arrangement between only two parties in accordance with Exchange Rule located at Chapter IV, Section 12. The Exchange currently permits the following types of EFRP transactions:

Exchange for Physical ("EFP") - A privately negotiated and simultaneous exchange of an Exchange futures position for a corresponding cash position.

Exchange for Risk ("EFR") - A privately negotiated and simultaneous exchange of an Exchange futures position for a corresponding OTC swap or other OTC instrument.

Exchange of Options for Options ("EOO") - A privately negotiated and simultaneous exchange of an Exchange option position for a corresponding OTC option position or other OTC instrument with similar characteristics.

Contingent EFRPs are prohibited. A contingent EFRP is the execution of one EFRP transaction which is contingent upon the execution of another EFRP transaction and the cash, swap or OTC transactions related to the two EFRPs economically offset.

Permissible EFRPs are bilaterally negotiated apart from a public auction market and subsequently novated by the Clearing Corporation, just like any other futures transaction. The cash, spot or OTC position that is traded opposite to the futures contract in the context of an EFRP must be a product that represents a legitimate economic offset. The item that is deliverable on the futures contract may always be used for the cash or OTC component of the transaction. If the commodity used to fulfill the cash or OTC component is not deliverable against the futures contract, it must be an item that is reasonably equivalent in terms of its physical and economic properties. The cash commodity or OTC component should have a reliable and demonstrable price relationship with the futures contract. It should exhibit price movement that parallels the price movement of the futures contract. A lack of consistent price relationship between the cash commodity or OTC component and the futures contract could be evidence that a party did not engage in a permissible EFRP transaction in violation of the Exchange Rules at Chapter IV, Section 12 and Section 4(a) of the Act as such transaction was not conducted subject to the rules of a contract market designated or registered with the Exchange.

An EFRP may be transacted at any time and at any price agreed upon by the two counterparties provided the Exchange has designated a Contract as eligible for EFRPs. The related position (cash, OTC swap, OTC option, or other OTC derivative) must involve the commodity underlying the Exchange Contract, or must be a derivative, by-product, or related product of such commodity that has a reasonable degree of price correlation to the commodity underlying the Exchange Contract.

Price and Quantity

An EFRP transaction may be entered into in accordance with the applicable price increments or option premium increments set forth in Contract, at such prices as are mutually agreed upon by the two parties to the transaction. The quantity covered by the related position must be approximately equivalent to the quantity covered by the Exchange Contracts.

Reporting Requirements

EFRP transactions may be reported to the Exchange at any time during Trading Hours and for 30 minutes after the close of trading in a particular Contract. The date and the time of execution of all EFRP transactions must be denoted on the record of the transaction. Futures Participants should collect and maintain the relevant documentation described above in a manner that is readily accessible to produce to the Exchange upon request.

EFRPs may be reported to the Exchange electronically via the Participant Trade Report message in the NASDAQ Futures FIX protocol interface.

Each Clearing Futures Participant and omnibus account submitting large trader positions in accordance with this Rule must submit for each reportable account the EFRP volume bought and sold in the reportable instrument, by contract month, and additionally for EOOs, by put and call strike. The information must be included in the daily large trader report to the Exchange.

Documentation

Futures Participants and Clearing Futures Participants are responsible for exercising due diligence as to the bona fide nature of EFRP transactions submitted on behalf of Customers. Futures Participants and Clearing Futures Participants must obtain or have the right to access documentation confirming the details of the futures, cash or OTC component to an EFRP transaction. Documentation customarily generated in accordance with futures or options components of an EFRP transaction may include: account statements or order tickets. Documentation customarily generated in accordance with cash market or other relevant market practices such as signed swap agreements, OTC contracts, cash confirmations, invoices, warehouse receipts and bills of sale, as well as documentation that demonstrates proof of payment and transfer of ownership of the related position transaction (e.g. canceled checks, bank statements, Fedwire confirms, Fixed Income Clearing Corporation documents, bills of lading etc.), which evidence title to or contract(s) to buy or sell the cash commodity involved in the transaction and a transference of ownership. Documentation must demonstrate that buyer of the futures contract is the seller of the physical or OTC component of the EFRP. EFRP documentation must be provided to the Exchange upon request

It shall be the responsibility of the Futures Participant and the Clearing Futures Participant to demonstrate, upon the request of Exchange staff, that the EFRP transaction is bona fide and conducted by a person eligible to transact the OTC component. For the protection of the market and investors, the Exchange believes that Futures Participants and Clearing Futures Participants should know their Customers. By way of example, a Futures Participant or Clearing Participant should understand their Customer's business and with respect to EFRP transactions, this would entail knowing the relative portion of the Customer's EFRP transactions in a Customer relative to business transacted by that Customer in the underlying commodity or relevant OTC related position in addition to information concerning Customer experience. In reviewing EFRP documentation, Exchange staff considers whether the offsetting cash commodity or OTC component was an independent transaction exposed to price competition as well as the length of time between transactions. Exchange staff may request documentation concerning negotiation of a transaction to establish the bona fide nature of the transaction.

Recordkeeping

Customer confirmations and account statements must reflect transactions which transacted as EFRP.

Ownership and Affiliated Accounts

The accounts involved in the execution of an EFRP transaction must be (i) independently controlled accounts with different beneficial ownership; or (ii) independently controlled accounts of separate legal entities with the same beneficial ownership, provided that the account controllers operate in separate business units; or (iii) independently controlled accounts within the same legal entity, provided that the account controllers operate in separate business units; or (iv) commonly controlled accounts of separate legal entities, provided that the separate legal entities have different beneficial ownership.

However, on or after the first day on which delivery notices can be tendered in a physically delivered Exchange futures contract, an EFRP transaction may not be executed for the purpose of offsetting concurrent long and short positions in the expiring Exchange futures contract when the accounts involved in such transaction are owned by the same legal entity and when the date of the Exchange futures position being offset is not the same as the date of the offsetting transaction.

Exhibit 4

NASDAQ OMX | NFX

Appendix C- Error Trade Policy

The NFX error trade policy is designed to preserve the integrity of Contracts transacted on the Exchange by striking an appropriate balance between trade certainty and erroneous price discovery. The policy provides a mechanism to promptly address transactions that are executed at obviously erroneous prices substantially inconsistent with the last trade price of the contract or alternative determination of the contract's fair value. This policy does not relieve market participants from potential financial responsibility or liability for the execution of trades that are deemed or asserted to be an "error trade" if their actions caused financial loss to other parties.

Any request by a Futures Participant or Authorized Trader to invoke the error trade policy with respect to any trade must be made to NASDAQ MarketWatch as soon as possible. Additionally, an employee of the Exchange can bring a potential error trade to NASDAQ MarketWatch's attention. NASDAQ MarketWatch may provide assistance only to a Futures Participant or Authorized Trader. In all cases, if a potential error trade is not brought to NASDAQ MarketWatch's attention within ten minutes after the relevant trade occurred, such trade will stand. The Exchange has the authority, but not the obligation, to review a trade after its execution if it determines that the trade price was egregiously out of line with fair value.

When a potential error trade is brought to NASDAQ MarketWatch's attention, NASDAQ MarketWatch will determine whether the trade price is in the "non-reviewable range" for the relevant contract, as set forth in the Rules governing such Contract. In determining whether the trade price is within the "non-reviewable range," NASDAQ MarketWatch will determine what the true market price for the relevant Contract was immediately before the potential error trade occurred. In making such determination, NASDAQ MarketWatch may consider all relevant factors, including the last trade price for such Contract, a better bid or offer price, a more recent price in a different contract month or series and the prices of related contracts trading on the Exchange or other markets.

Trade within the "non-reviewable range"

If NASDAQ MarketWatch determines that the trade price of a potential error trade was inside the "non-reviewable range" for the relevant Contract, such trade will stand and no further action will be taken. Trades executed within the non-reviewable range will not be cancelled or adjusted. Additionally, any trade where the only error is the number of contracts traded and not the price at which they traded will not be subject to cancellation.

If both parties to an error trade agree, they may transfer the position resulting from such trade between each other. Any such transfer must be made at the original trade price and for the same quantity as the original trade. The parties may also, but are not required to, provide for a cash adjustment to compensate one side of such error trade. Any such transfer must be reported to the

Exchange in the manner from time to time prescribed by the Exchange. If the parties to an error do not agree to transfer the position resulting from such trade, then the party causing such trade may file an arbitration claim against the Futures Participant representing the other side.

Trade outside the "non-reviewable range"

When determining whether to cancel or adjust a transaction the Exchange may consider one or more of the following factors: (1) the price movements in other Contract months of the same Contract; (2) the current market conditions, including levels of activity and volatility; (3) the last trade price for the Contract; (4) information regarding price movements in related markets, the release of economic data, or other relevant news immediately before or during the trading session; (5) an obvious error; (6) the proximity of the trade to the close of the market; (7) the impact of the error transaction on other transactions; and (8) any other factor which the Exchange, in its sole discretion, may deem relevant.

Cancels and adjustments by mutual agreement

If both parties agree to cancel or adjust a transaction, Market Operations shall send a message to the market participants and an alert to the quote vendor network indicating that the trade was cancelled or adjusted. Trade certainty and the timely resolution of asserted error trades are critical objectives of this policy. Therefore, if parties to a disputed transaction do not agree to the terms of resolution, Market Operations reserves the final authority to determine the disposition of the questioned transaction.

Decision and notification

The Exchange will make the final decision on whether a trade price is cancelled or adjusted. The Exchange will notify all Futures Participants as soon as practicable (through means deemed appropriate by the Exchange) of (1) trades that the Exchange is investigating pursuant to this Rule and (2) trades that the Exchange has cancelled or adjusted pursuant to this Rule. Parties to transactions are permitted to make cash adjustments to settle losses that occur as a result of an asserted error trade or an actual error trade. Should parties to a disputed transaction be unable to mutually resolve financial disputes arising from such transactions, arbitration is available as provides in Chapter VII of the Rules.

Procedures for Correcting Error Trades

If a trade is cancelled or adjusted, either by agreement of the parties thereto or by Exchange staff, NASDAQ MarketWatch will cancel such trade. The error trade price and any invalid price quotes due to an error trade that is cancelled will be removed from the Exchange's official record of time and sales. Further, in the event a trade is cancelled or adjusted, the parties to the transaction must reverse the transaction through applicable Clearing Futures Participant procedures. Market Operations will notify Regulatory staff regarding any situation where a party fails to claim or misclear trades in a timely manner. Such failure may be deemed an act detrimental to the interest or welfare of the Exchange. Under no circumstances shall the parties to an asserted error trade be permitted to reverse the error by entering into a pre-arranged offsetting transaction; *provided* that the parties may engage in pre-execution discussions with each other in accordance with procedures established by the Exchange from time to time. If the asserted error trade is determined not to be an actual error trade, the parties to the trade are permitted to mutually agree upon a cash adjustment or to arbitrate the matter. Any cash adjustment must be reported to Market Operations.

Contingency Orders Triggered by Error Trade
If an error trade cancelled, either by agreement of the parties thereto or by Exchange staff, NASDAQ MarketWatch will also (a) cancel all trades that were triggered as a result of contingency Orders being triggered by such trade and (b) cancel all bids and offers that were entered into the Trading System as a result of contingency Orders being triggered by such trade. NASDAQ MarketWatch will notify the Futures Participants responsible for the trades so cancelled and the bids or offers so cancelled so that the original Orders can be re-entered into the Trading System.

Voluntary Adjustment of Trade Price
When an error trade outside of the “non-reviewable range” for the relevant Contract is cancelled in accordance with the above procedures, the parties to such trade may agree voluntarily to keep such trade but to adjust its price, provided all of the following conditions are met:

1. The quantity of the position being transferred must be identical to the quantity of the error trade that was cancelled.

2. In the case of an error trade below the true market price for the relevant Contract, the adjusted price must be the lowest price at which such Contract traded at or about the time of the error trade without such trades being cancelled. In the case of an error trade above the true market price for the relevant Contract, the adjusted price must be the highest price at which such Contract traded at or about the time of the error trade without such trades being cancelled.

3. The parties to any adjusted trade must report such trade to the Clearing Corporation not later than by the close of business on the Business Day immediately succeeding the day on which such error trade occurred. Any such adjusted trade must also be reported to the Exchange on a form approved by the Exchange.

Cancelling Trades When Futures Participant is on Both Sides of the Trade
Notwithstanding any other provision of this policy, NASDAQ MarketWatch is authorized to cancel any trade regardless of the price range in which the trade occurs if (i) the trade resulted from the matching of a Futures Participant's bid, offer, or Order for the Futures Participant’s own account with another bid or offer of that Futures Participant or another Order for that Futures Participant’s own account and (ii) the Futures Participant brings the relevant trade to NASDAQ MarketWatch’s attention within ten minutes after the relevant trade occurred.

Cancelling or Adjusting Trades Not Correctly Processed Due to System Malfunction
NASDAQ MarketWatch is authorized to cancel or adjust any trade that is not correctly processed by the Trading System due to a system malfunction.

Submission of Error Requests

Requests may be submitted by utilizing the online submission form located at https://www.nasdaqtrader.com/EASP/MicroEASP.aspx?id=ETForm