

May 31, 2017

Submitted via CFTC Portal

Division of Market Oversight  
U.S. Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, D.C. 20581

Re: NEX SEF Limited – Regulation 40.6 Rule Certification – Amended Rulebook

Ladies and Gentlemen:

Pursuant to Section 5c(c) of the Commodity Exchange Act (the “Act”) and Section 40.6(a) of the regulations of the Commodity Futures Trading Commission (the “Commission”), NEX SEF Limited (“NEX SEF” or the “Facility”) hereby notifies the Commission that it has amended its Rulebook, specifically Rules 215, 309, 312, Chapter 8 and Confidential Chapter 9. The Rulebook has been amended as result of discussions between the Facility and Participants.

A concise explanation and analysis of the amendments to the Rulebook and their compliance with applicable provisions of the Act and the Commission’s regulations thereunder is attached hereto as Exhibit A.

A clean copy of the amended Rulebook exclusive of confidential Chapter 9 is attached hereto as Exhibit B and a copy of the Rulebook exclusive of confidential Chapter 9 marked to show changes against the version most recently submitted to the Commission is attached hereto as Exhibit C. A clean copy of confidential Chapter 9 is attached hereto as Exhibit D, and a copy of the Confidential Chapter 9 marked to show changes against the version last submitted to the Commission is attached hereto as Exhibit E. A request for confidential treatment of Exhibit D and Exhibit E is being simultaneously submitted to the Commission and a copy of that request for confidential treatment is included with this submission.

The amendments will become effective on June 15, 2017. NEX SEF certifies that the amendments comply with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder. NEX SEF has reviewed the swap execution facility core principles (“Core Principles”) as set forth in the Commodity Exchange Act and has determined that the amendments impact the Core Principles identified in Exhibit A.

NEX SEF is not aware of any substantive opposing views expressed with respect to this filing and certifies that, concurrent with this filing, a copy of this submission was posted on the NEX SEF website and may be accessed at: <http://www.nexsef.com>.

Please contact the undersigned at (212) 521-4694 with any questions regarding this matter.

Very truly yours,



Steven Bartfield, Chief Compliance Officer  
**NEX SEF LIMITED**  
2 Broadgate  
London EC2M 7UR  
United Kingdom

## **Exhibit A**

### *Explanation and Analysis*

1. NEX SEF has revised its Rules governing Prime Brokers and adopted a new Rule 215 governing Prime Broker Transactions. The revisions include requiring all Prime Brokers and Participants trading in the name of a Prime Broker to be Trading Privilege Holders. New Facility Rule 215 sets for all provisions governing Prime Broker Transactions and the obligations of Prime Brokers, in their capacity as such, and Trading Privilege Holders trading in the name of any Prime Broker pursuant to a Prime Broker Representation. Conforming changes have been made to Facility Rules 201, 202, 208 and 315(j). The Definitions have been amended to revise the definition of Prime Broker and to include new definitions of Prime Broker Agreement, Prime Broker Transaction, Prime Broker Limit and Prime Broker Representation that are used in Facility Rule 215.

The amendments are consistent with Core Principles 2 and 4.

2. Rule 309(g) has been amended to clarify that all legs of a Package Transaction will be reported to the SDR. The Definitions have also been amended to include a definition of Package Transaction.

The amendments are consistent with Core Principles 9 and 10.

3. Rule 312 has been amended to replace reference to NAL 16-25, which expired on March 31, 2017, with reference to NAL 17-17, expiring upon the effective date of applicable changes to Commission Regulation 37.6(b).

The amendments are consistent with Core Principle 2 and NAL 17-17.

4. Chapter 8 has been revised to include the Contract Specifications for the Contracts that will be listed on NEX SEF. Each of the Contracts are currently listed for trading on ICAP SEF (US) LLC ("ICAP SEF") and those Contract Specifications are set forth in ICAP SEF Rule 806 (the "NDF Contracts"). The NDF Contracts were previously certified on September 29, 2013 in ICAP SEF's initial product certification and were revised on April 11, 2016 in filing ICAP-2016-R-3. ICAP SEF was previously an affiliate of NEX SEF. On December 30, 2016, ICAP plc, the parent company of NEX SEF, sold its global voice broking business, including ICAP SEF, and rebranded as NEX Group plc. ICAP SEF continues to cooperate with NEX Group plc. with respect to the NDF Contracts pursuant to an agreement between EBS Dealing Resources Inc, a subsidiary of NEX Group plc., and ICAP SEF. Prior to the effectiveness of the amendments certified in this Regulation 40.6 Rule Certification, NEX SEF intends to file a product certification pursuant to Commission Regulation 40.2 certifying each of the NDF Contracts set forth in Chapter 8 of the Facility Rulebook. This product certification will reflect that the trading of the NDF Contracts is being transferred from ICAP SEF to NEX SEF upon the commencement of operations of NEX SEF. The only terms and conditions of the NDF Contracts that will be amended by this Regulation 40.2 filing, as reflected in Chapter 8 of the Facility Rulebook filed in this submission, are: the Trading Hours will be changed to 5:00 a.m. Sydney time to 5:00 p.m. New York time (Monday – Friday); Pre-Arranged Crosses will no longer be offered; the Today's Fixing (TOD) fixing methodology will no longer be offered; EUR, THB, RUB, NGN, KZT, UAH and CNH will no longer be offered currencies; and UYU will no longer be an offered Holiday Calendar.

The amendments are consistent with Core Principle 3 and Commission Regulations 37.4 and 37.10.

5. Rule 901 has been revised to reflect the changes to the Facility Rulebook related to Prime Broker Transactions and new Facility Rule 215.

The amendments are consistent with Core Principles 2 and 4.