

December 15, 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(a) Certification – Market Regulation Advisory Notices & 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 this it is self-certifying the issuance of the following NEX SEF Market Regulation Advisory Notices (“MRANs”): MRAN 2018-01, MRAN 2018-02, MRAN 2018-03, and MRAN 2018-04. NEX SEF is also self-certifying that it has amended its Rulebook, specifically Rule 315(b).

A concise explanation and analysis of each MRAN and the amendment 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 copy of MRAN 2018-01 is attached hereto as Exhibit B. A copy of MRAN 2018-02 is attached hereto as Exhibit C. A copy of MRAN 2018-03 is attached hereto as Exhibit D. A copy of MRAN 2018-04 is attached hereto as Exhibit E, and a copy of MRAN 2018-04 marked to show changes against MRAN 2017-002 is attached hereto as Exhibit F. A clean copy of the amended Rulebook exclusive of confidential Chapter 9 is attached hereto as Exhibit G 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 H. A request for confidential treatment of Exhibit B, Exhibit C, Exhibit D, Exhibit E and Exhibit F is being simultaneously submitted to the Commission and a copy of that request for confidential treatment is included with this submission.

Each MRAN and the Rulebook amendment will become effective on January 3, 2018. NEX SEF certifies that each MRAN and the Rulebook amendment 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 issuance of each MRAN and the Rulebook amendment impacts 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) 704-5491 with any questions regarding this matter.

Very truly yours,

A handwritten signature in blue ink, appearing to be 'EH', with a long horizontal stroke extending to the right.

Elisa Hirschmann, Chief Compliance Officer
NEX SEF LIMITED
2 Broadgate
London EC2M 7UR
United Kingdom

Exhibit A

Explanation and Analysis

MRAN 2018-01

MRAN 2018-01 adds Pre-Trade and Post-Trade Controls requirements pursuant to NEX SEF Rule 310(c). The MRAN incorporates policies necessary to permit NEX SEF to comply with the MiFID II requirements applicable to NEX SEF as a multilateral trading facility ("MTF") authorized and regulated by the U.K. Financial Conduct Authority ("FCA") in order to comply with MiFID II.

The MRAN is consistent with Core Principles 2 and 4.

MRAN 2018-02

MRAN 2018-02 adds a business clock synchronization requirement pursuant to NEX SEF Rule 206(j). The MRAN incorporates policies necessary to permit NEX SEF to comply with the MiFID II requirements applicable to NEX SEF as MTF authorized and regulated by the FCA in order to comply with MiFID II.

The MRAN is consistent with Core Principles 2 and 5.

MRAN 2018-03

MRAN 2018-03 adds certain conditions for using the Facility pursuant to NEX SEF Rule 205(b) that are intended to ensure the orderly function of markets in volatile or disorderly conditions. The MRAN incorporates policies necessary to permit NEX SEF to comply with the MiFID II requirements applicable to NEX SEF as MTF authorized and regulated by the FCA in order to comply with MiFID II.

The MRAN is consistent with Core Principle 2.

MRAN 2018-04

MRAN 2018-04 amends previously issued MRAN 2017-002 by updating the Quote Fill Ratio (QFR) Thresholds for all existing currency pairs and adding QFR Thresholds for USD/CNY and USD/INR currency pairs. The MRAN does not otherwise change the Maintenance of Orderly Markets protocol (the "Market Protocol") previously established by MRAN 2017-002, as authorized pursuant to Rule 901, that is intended to ensure Participants are transacting on the NEX SEF Order Book in accordance with the trading standards set forth in Chapter 4 of the Rulebook which, among other things, prohibit disruptive trading practices. Based on market liquidity, dynamics and Participant feedback, NEX SEF determined to add the new currency pairs and that certain of the existing QFR Thresholds were too low. This revised Market Protocol and clearly defined sanctions for violations thereof continues to enhance NEX SEF's ability to deter such trading practices as well as NEX SEF's ability to enforce trading and participation Rules.

The amendment is consistent with Core Principle 2.

Rulebook Amendment

NEX SEF has revised Rule 315(b) to increase the time a Participant has to request that the facility review a transaction's price from 5 minutes to 15 minutes. Based on NEX SEF's experience, 5 minutes was not sufficient time for a Participant to review a transaction and then request that NEX SEF review the transaction's price.

The amendments are consistent with Core Principles 2, 7 and 9.