

May 29, 2012

Via Federal Express

Mr. David A. Stawick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

Re: National Futures Association: Schedule of Dues and Assessments –
Proposed Amendments to NFA Bylaw 1301*

Dear Mr. Stawick:

Pursuant to Section 17(j) of the Commodity Exchange Act, as amended, National Futures Association (“NFA”) hereby submits to the Commodity Futures Trading Commission (“CFTC” or “Commission”) the proposed amendments to NFA Bylaw 1301 regarding schedule of dues and assessments. NFA’s Board of Directors (“Board”) approved the proposal on May 17, 2012.

NFA is invoking the “ten-day” provision of Section 17(j) of the Commodity Exchange Act (“CEA”) and will make these proposals effective ten days after receipt of this submission by the Commission unless the Commission notifies NFA that the Commission has determined to review the proposals for approval.

PROPOSED AMENDMENTS
(additions are underscored and deletions are ~~stricken through~~)

BYLAWS OF NATIONAL FUTURES ASSOCIATION

* * *

BYLAW 1301. SCHEDULE OF DUES AND ASSESSMENTS.

* * *

Subject to the provisions of Article XII, dues and assessments of Members shall be as follows:

* * *

(e) Forex Dealer Members

* * *

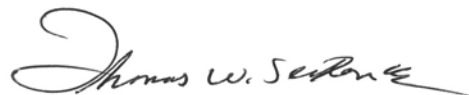
(ii) Each Forex Dealer Member shall pay an assessment of \$.002 on each order segment submitted by the Forex Dealer Member to NFA's Forex Transaction Reporting Execution Surveillance System. For purposes of this requirement, an order segment is a record of any line of data associated with an order, and includes when an order is added, modified, cancelled or filled. ~~In addition, any unfilled open orders that are carried over by the system are considered a new order segment the next day.~~

EXPLANATION OF PROPOSED AMENDMENTS

On February 1, 2012 NFA began imposing an assessment fee on all order segments submitted by Forex Dealer Members (FDMs) via NFA's Forex Transaction Reporting Execution Surveillance System (FORTRESS) in order to recover the costs NFA incurs with respect to monitoring FDM trade practices. NFA Bylaw 1301(e)(ii) currently provides that "In addition, any unfilled open orders that are carried over by the system are considered a new order segment the next day." While an unfilled open order needs to be considered a new order segment in order to be properly tagged for monitoring trade practices and generating exceptions, NFA does not believe that it should be considered an order segment pursuant to NFA Bylaw 1301(e) for purposes of imposing upon FDMs the FORTRESS assessment fee. Therefore, NFA Bylaw 1301(e) is being amended to remove this language.

As mentioned earlier, NFA is invoking the "ten-day" provision of Section 17(j) of the Commodity Exchange Act. NFA intends to make the amendments to NFA Bylaw 1301 regarding schedule of dues and assessments effective ten days after receipt of this submission by the Commission, unless the Commission notifies NFA that the Commission has determined to review the proposal for approval.

Respectfully submitted,



Thomas W. Sexton
Senior Vice President and
General Counsel

*The proposed amendments to NFA Bylaw 1301 became effective June 12, 2012.