

June 25, 2021

**VIA PORTAL**

Commodity Futures Trading Commission  
Attention: Christopher Kirkpatrick, Secretary  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, NW  
Washington, DC 20581

**Re: CFTC Regulation 40.6(a) Certification: Submission of Amendments to the Nodal Exchange Rulebook**

Dear Mr. Kirkpatrick:

Nodal Exchange, LLC (“Nodal Exchange” or “Exchange”) is notifying the Commodity Futures Trading Commission (“CFTC” or “Commission”) that it is self-certifying amendments to the Nodal Exchange Rulebook (“Rules”) pursuant to Commission Regulation 40.6(a). The Exchange is revising Rule 6.2.3 *Price Manipulation, Fictitious, Non-Competitive or Artificial Transactions*; Rule 6.2.5 *Market Disruption*; Rule 6.2.7 *Disruptive Practices*; Rule 6.2.9 *False Reports*; Rule 6.2.11 *Front Running*; Rule 6.2.13 *Acts Detrimental to the Exchange*; and Rule 6.3.2 *Pre-Arranged Trades, “Money Passing” Prohibited*. The amended Rules are attached hereto and indicate the specific text in red that is being deleted or added. The Exchange intends to implement the amended Rules on July 12, 2021.

Nodal Exchange is revising its Rulebook Section VI *Participant Code of Conduct* for market Participants engaging in electronic trading on the Exchange pursuant to the Electronic Trading Risk Principles rulemaking (Commission Regulations §§ 38.251(e), (f) and (g)). The *Participant Code of Conduct* defines and reaffirms the values, principles, and internal controls that Participants, their representatives (including Authorized Users) and Authorized Brokers, as applicable, must follow in conducting their business activities on the Exchange. The revisions to Rule 6.2 and Rule 6.3 set forth the duties and responsibilities of market Participants engaging in electronic trading on the Exchange and provide clarity to market Participants for continued compliance with CFTC rules and the DCM Core Principles.

Exchange management has assessed the amendments to the Rules, and their compliance with applicable provisions of the Act, including the Commissions Regulations and the Core Principles. Nodal Exchange has identified that the amendments may affect the following Core Principles as follows:

Core Principle 2 - Compliance with the Rules: The amendments to the Rules provide clarity and consistency with the Act for compliance with the Rules. The Exchange Rulebook is applicable to all Nodal Exchange Participants.

Core Principle 4 - Prevention of Market Disruption: All activity performed on Nodal is subject to the Nodal Exchange Rulebook Section VI, which prohibits disruptive trading behavior and manipulation, subject to monitoring and surveillance by the Exchange's Division of Market Surveillance.

Core Principle 7 - Availability of General Information: The amendments to the Rules provide clarity to Exchange Participants. The amended Rules are available to market authorities, Participants, Authorized Brokers and the public on the Exchange website.

Core Principle 12 - Protection of Markets and Market Participants: Section VI of the Nodal Exchange Rulebook protects the market and market participants from abusive, disruptive, fraudulent, noncompetitive and unfair conduct and trade practices.

Core Principle 13 - Disciplinary Procedures: Section VII of the Nodal Exchange Rulebook describes the disciplinary procedures of the Exchange that authorize the Exchange to discipline, suspend, or expel anyone on the Exchange that violates these rules.

Pursuant to Section 5c(c) of the Act and the Commission's Regulation 40.6, the Exchange certifies that amended Rules comply with the Act and the Commission's Regulations thereunder. There have not been any opposing views expressed regarding the amendments to the Rules.

Nodal Exchange certifies that this submission has been concurrently posted on the Nodal Exchange website at [www.nodalexchange.com](http://www.nodalexchange.com).

If you have any question or need additional information regarding this submission, please contact me at 703-962-9853 or [Markotic@nodalexchange.com](mailto:Markotic@nodalexchange.com).

Sincerely,

/s/ Max Markotic

Director of Compliance

Attachment:

Redline of Nodal Exchange Rulebook Section 6.2 and 6.3