

3.9.2 In addition to the requirements of Rule 3.9.1, each Participant shall employ practices to monitor and enforce compliance with its internal risk limits and shall be responsible for all Orders and Transactions effected on the Exchange by or for the account of such Participant, its Customers, or Authorized Users.

### 3.10 Authorized Users

3.10.1 ~~An authorized user is a Person who is either employed by or is an agent of an Authorizing Entity (as defined in this paragraph) in accordance with this Rule 3.10 (“Authorized User”).~~ Each Participant (including FCM Participant), ~~Customer,~~ FCM Clearing Member, and Authorized Broker that is not a natural ~~p~~Person ~~may~~~~ust~~ designate ~~at least one or more~~ of its employees or agents as an Authorized User ~~(“Authorizing Entity”).~~ An FCM Participant may designate an employee or agent of its Customer as an Authorized User for such Customer. An Authorized User may be:

- (a) an account administrator appointed pursuant to Rule 3.15 (“Account Administrator”);
- (b) granted trading privileges. Any Authorized User that is granted trading privileges must be a natural person; and/or
- (c) granted access to the Exchange for risk management, audit or other back-office purposes as specified by the Exchange from time to time.

~~3.10.13.~~3.10.2 By agreeing to become an Authorized User, an individual agrees to be bound by the duties and responsibilities of an Authorized User set out in Rule 3.11 and to be subject to and comply with Applicable Law and the Rules.

~~3.10.23.~~3.10.3 To designate an Authorized User for itself or a Customer, as applicable, ~~an Authorizing Entity Participant~~ must follow the procedures established by the Exchange. The Exchange may establish criteria that individuals must fulfill to become an Authorized User. Without limiting the generality of the foregoing, each ~~Authorizing Entity Participant~~ will ensure on an ongoing basis that (i) none of ~~its~~~~the~~ Authorized Users (or its Customer’s Authorized Users, as applicable) are subject to a disqualification pursuant to any Applicable Law (unless an appropriate exemption has been obtained with respect thereto) and (ii) each such Authorized User is technically proficient and conducts its business in a fair and equitable manner.

~~3.10.33.~~3.10.4 The Exchange will maintain a list of all designated Authorized Users. ~~for each Participant.~~

~~3.10.43.10.5~~ The Exchange may, in its sole discretion terminate or suspend the designation of an individual as an Authorized User and shall promptly notify the ~~Participant Authorizing Entity~~ and its FCM Participant and/or Clearing Member, as applicable, of such action.

~~3.10.53.10.6~~ To request the termination of the designation of an individual as an Authorized User, the Authorizing Entity, Participant must follow the procedures established by the Exchange. The Exchange may, in its sole discretion, refuse to accept a request to terminate the registration of an Authorized User or may postpone the effective date of the termination of registration if the Exchange considers it necessary for the protection of the ~~Participant Authorizing Entity~~, its Customer, as applicable, or in the Exchange's best interest. Based on the information provided to, and other information gathered by, the Exchange regarding the request to terminate the registration of an Authorized User, the Exchange will determine whether to:

- (a) accept the request to terminate such registration;
- (b) postpone the effective date of termination of the registration; and/or
- (c) impose any terms or conditions before or after the effective date of termination of the registration.

**3.11 Duties and Responsibilities of Authorized Users and Authorizing Entities**

3.11.1 By agreeing to act as an Authorized User, such Person agrees to be bound by the duties and responsibilities of an Authorized User and to be subject to, and comply with, the Rules.

3.11.2 An Authorized User must:

- (a) ensure that activity conducted under the User IDs assigned to ~~the~~ Authorized User and any of its personnel complies with Applicable Law and the Rules, and ensure that Authorized User may not share Login Credentials with other Persons;
- (b) have the authority, at the Exchange's request, to adjust or withdraw any Order submitted under such User IDs;
- (c) have and maintain ~~during~~ all necessary regulatory approvals and/or licenses to operate as an Authorized User;
- (d) cooperate promptly and fully with the Exchange in any investigation, inquiry, audit, examination or proceeding regarding compliance with the Rules or any Disciplinary Action or arbitration proceeding;

- (e) comply with any order issued by the Exchange; and
- (f) agree to such other terms and conditions as may be established by the Exchange from time to time.

3.11.3 An Authorizing Entity must:

- (a) ensure that activity conducted under the User IDs assigned to its Authorized Users (or a Customer’s Authorized Users, as applicable) complies with Applicable Law and the Rules, and ensure that such Authorized Users may not share Login Credentials with other Persons; and
- (b) ensure that information, roles, and the status of its Authorized Users (or its Customer’s Authorized Users, as applicable) on the System are accurately maintained, including but not limited to, promptly deleting Authorized Users that are no longer employees or agents of an Authorizing Entity.

**3.12 FCM Clearing Members Accessing the Exchange**

3.12.1 An FCM Clearing Member, that is not also choosing to intermediate Orders of customers to the Exchange as an FCM Participant, may trade an account on behalf of a Participant hereunder solely for the purpose of liquidating Nodal Contracts and any resulting positions previously submitted to the Clearing House for the account of such FCM Clearing Member on behalf of a Participant that has failed to perform its obligations to the Exchange or such FCM Clearing Member (to the extent applicable).

**3.13 Independent Software Vendors**

3.13.1 A Person seeking to act as an ISV must satisfy the Exchange’s technological integrity requirements, execute such agreement(s) required by the Exchange, and not adversely affect the Exchange’s ability to comply with the CEA and CFTC Regulations.

**3.14 Required Notices**

3.14.1 Each Participant and ISV shall immediately notify the Exchange upon becoming aware of any of the following events:

- (a) any material changes to the information provided to the Exchange by the Participant or ISV;
- (b) any damage to, or failure or material inadequacy of, the systems, facilities or equipment of the Participant or ISV used to effect Transactions on the Exchange;

- (c) any refusal of admission to, or withdrawal by the Participant or ISV of any application for membership in, any Self-Regulatory Organization;
- (d) any denial or withdrawal of an application for registration or license by or from any governmental agency, and any revocation, suspension or conditioning of a registration or license granted by any Governmental Authority;
- (e) the commencement of any judicial or administrative proceeding against the Participant, a Customer, or ISV by a Governmental Authority or the imposition of any fine, cease and desist order, denial of trading privileges, censure or other sanction or remedy (whether through an adverse determination, voluntary settlement or otherwise) imposed by any Governmental Authority;
- (f) the indictment or conviction of, or any confession of guilt or plea of guilty or nolo contendere by, the Participant, a Customer, or ISV or any of its officers for any felony or misdemeanor involving, arising from, or related to, the purchase or sale of any commodity, security, futures contract, option or other financial instrument, or involving or arising from fraud or moral turpitude; and
- (g) the Insolvency of the Participant or ISV or any of its Affiliates.

3.14.2 Each Participant or ISV that is not a natural person shall notify the Exchange at least ten business days prior to any merger, acquisition, consolidation, combination, sale or other material change of ownership.

3.14.3 Nothing in this Rule 3.14 is intended to substitute for or limit any other reporting obligations that a Participant or ISV may have to the Exchange or any regulatory agency or Self-Regulatory Organization.

### 3.15 Account Administrators

~~3.15.1~~ Each Authorizing Entity that is not a Customer~~Participant~~ shall appoint and maintain at least one of its employees or agents as an~~Level 1~~ Account Administrator, who shall be responsible for monitoring ~~the Participant's~~ access to the Exchange for such Authorizing Entity's Authorized User(s).

~~3.15.1~~~~3.15.2~~ Each FCM Participant shall appoint and maintain at least one Level 1 of its employees as an Account Administrator for each Customer account, who shall be responsible for monitoring ~~each Customer's~~ access to the Exchange for such Customer's Authorized User(s). ~~An FCM Participant may not allow a Customer to be or become a Level 1 Account Administrator.~~

~~3.15.2 Each Participant may appoint one or more Level 2 Account Administrators, who shall be entitled to access the Exchange for risk management, audit or other back office purposes as specified by the Exchange from time to time. Level 2 Account Administrators shall not have trading privileges on the Exchange. An FCM Participant may not allow a Customer to be or become a Level 2 Account Administrator.~~

~~3.15.3 A Participant shall promptly notify the Exchange of a change in the identity of any of its Account Administrators.~~

### **3.16 Access Requirements and Terms**

3.16.1 All Participants are eligible for Direct Access to the System upon execution of a Participant Agreement and such other agreements required by the Exchange.

3.16.2 An FCM Clearing Member may authorize any Person who has satisfied Rule 3.16.1 to have Direct Access to the System. A Person is eligible for Direct Access to the System upon execution of a Participant Agreement and such other agreements required by the Exchange.

3.16.3 An FCM Participant may permit Customers to connect to the System by Order Routing. A Customer that connects to the System by Order Routing does not itself have Direct Access.

3.16.4 Clearing Members and Participants may connect to the System by using an ISV which has been approved by the Exchange, pursuant to Rule 3.13, or by developing and utilizing their own application program interface (“**Application Program Interface**” or “**API**”) front end, which has been approved by the Exchange, and upon execution of such agreement(s) required by the Exchange.

3.16.5 The Exchange may modify or suspend a Participant’s access or a Customer’s access if the Exchange reasonably believes that such Participant’s positions or the positions of its Customer(s), when considered in light of other positions maintained by such Participant and any other factors that the Exchange reasonably deems relevant (including, as applicable, financial information provided by such Participant and the margin required for all such positions), could jeopardize the financial safety of other Participants or Customers.

### **3.17 Dues and Fees**

3.17.1 Exchange dues and fees are posted at [www.nodalexchange.com](http://www.nodalexchange.com) and updated from time to time.

### **3.18 Inspections by the Exchange**