

December 20, 2024

VIA PORTAL

Commodity Futures Trading Commission
Attention: Christopher Kirkpatrick, Secretary
Three Lafayette Centre
1155 21st 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 amending Rule 3.10 *Authorized Users* to clarify that an Authorized User (as defined by the Rules) may grant access to any front end offered directly by Nodal Exchange and/or its affiliates. The Exchange is also amending the Nodal Exchange Participant Agreement and the Nodal Exchange Broker Agreement. The Participant Agreement is amended to clarify that a Participant’s access to Nodal’s System and services includes access to any front-end service offered directly by Nodal Exchange and/or its affiliates, and includes an additional clarification edit. Similarly, the Broker Agreement is amended to clarify that an Authorized Broker’s access to Nodal’s System and services includes access to any front-end service offered directly by Nodal Exchange and/or its affiliates. The amended Rules and agreements are attached hereto and indicate the specific text in red that is being added or modified. The Exchange intends to implement the amended Rules and agreements on January 7, 2025.

Rule 3.10 *Authorized Users*, the Nodal Exchange Participant Agreement, and the Nodal Exchange Broker Agreement are amended in anticipation of Nodal Exchange offering a Nodal-branded front-end service to its market participants. To interface with the Exchange System via the front-end service, Authorized Users will be required to accept an end user license agreement.

Exchange management has assessed the amendments 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 Rulebook and Agreement are applicable to all Persons accessing Nodal Exchange.

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 5 – Position Limitations or Accountability: The amendments to the Rules provide clarity to market participants in accordance with CFTC Regulation 150.4(a).

Core Principle 7 – Availability of General Information: The amendments to the Rules provide clarity to market participants. The amended Rules are available to market authorities, Participants, FCM Participants, Clearing Members, Customers, 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.

Core Principle 14 – Dispute Resolution: Section VIII of the Nodal Exchange Rulebook establishes Rules regarding alternative dispute resolution for market participants and market intermediaries.

Core Principle 18 – Recordkeeping: Nodal Exchange maintains records of all activities relating to the business of the Exchange in a form and manner acceptable to the Commission and for a period of at least five years.

Core Principle 19 – Antitrust: The amendments to the Rules do not result in any unreasonable restraint of trade or impose any material anticompetitive burden on trading on Nodal Exchange.

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.

If you have any question or need additional information regarding this submission, please contact me at 703-962-9853 or Markotic@nodalexchange.com or at compliance@nodalexchange.com

Sincerely,
/s/ Max Markotic
Managing Director

Attachment:

Nodal Exchange Rule 3.10 – REDLINE
Nodal Exchange Participant Agreement – REDLINE
Nodal Exchange Broker Agreement - REDLINE