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May 8, 2017

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). In preparation for offering options on the futures contracts offered by the Exchange, the Exchange is amending Rule 1 *Definitions*, Rule 4.2.1 *Nodal Contracts/Expiries*, and Rule 4.10 *Expiry Settlement*, which are attached hereto and indicate the specific text in red that is being amended. The Exchange intends to implement the amended Rules in 10 business days on May 22, 2017.

The Rules are being revised to explain the Exchange’s procedures regarding options that physically settle into futures contracts. To do so, Rule 1 *Definitions* is amended to add terminology specific to options on futures contracts. In Rule 4.2 *Nodal Contracts Offered* where the Exchange explains the types of products offered on the Exchange, Rule 4.2.1 *Nodal Contracts/Expiries* is amended to add Rule 4.2.1(e) identifying that the Exchange is offering physically settled options on futures contracts. Rule 4.10 *Expiry Settlement* is revised to add two new Rules: Rule 4.10.3 *Options Daily Settlement* to explain how options will be priced on a daily basis (intra-day and end of day), and Rule 4.10.4 *Options Exercise (Physical Settlement)* to explain how the options can be exercised. Unrelated to the Exchange’s procedures regarding option products, Rule 4.10.1(a) revises the time at which the intra-day settlement prices are determined to more accurately reflect the operations of the Exchange.

Exchange management has assessed the amendments to the Rules, and their compliance with applicable provisions of the Commodity Exchange Act (“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 accurate and current information to ensure compliance with the Rules. The amendments provide information regarding option products consistent with the type of information provided in the Rules regarding all Exchange products.

Add Core Principle 7 – Availability of General Information: The amendments to the Rules provide information to Exchange Participants regarding option products. The amended Rules are available to market authorities, Participants and the public on the Exchange website.

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 703-962-9835 or Herrera@nodalexchange.com.

Sincerely,

/s/ Anita Herrera

General Counsel and Chief Regulatory Officer

Attachment:

Redline of Nodal Exchange Rule 1
Redline of Nodal Exchange Rule 4.2.1
Redline of Nodal Exchange Rule 4.10