

November 2, 2018

**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 Form DCM <REDACTED>  
- EFFECTIVE NOVEMBER 16, 2018**

Dear Mr. Kirkpatrick:

Nodal Exchange, LLC (“Nodal Exchange” or “Exchange”) is notifying the Commodity Futures Trading Commission (“CFTC” or “Commission”) that it is submitting Form DCM <REDACTED>. Confidential Form DCM <REDACTED> is attached hereto and supplements Nodal Exchange’s DCM Application describing Nodal T7, Nodal Exchange’s new trading facility and related program of risk analysis and oversight. The Exchange intends to implement Form DCM <REDACTED> in 10 business days on November 16, 2018.

Exchange management has assessed <REDACTED>, and its 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: <REDACTED> provides clarity and consistency with the Act for compliance with the Rules.

Core Principle 4 - Prevention of Market Disruption: All activity performed on Nodal T7 will be 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 Administration and Surveillance.

Core Principle 9 - Execution of Transactions: Nodal T7 provides the market with the ability to execute the Exchange’s contracts from the interaction of multiple bids and multiple offers within a predetermined, nondiscretionary automated trade matching and execution algorithm.

Core Principle 10 - Trade Information: Nodal T7 will maintain all information with respect to each order and each consummated trade, as well as all other information relating to the trade environment that determines the matching and clearing of trades. As such, any order submitted to Nodal T7 can be tracked from the time it is entered into the system until the time that it is matched, canceled or otherwise removed.

Core Principle 11 - Financial Integrity of Transactions: The Exchange has entered into a clearing arrangement with Nodal Clear, a derivatives clearing organization subject to Part 39 of the Commission Regulations. Contracts executed on the Nodal T7 will be subject to the Exchange Rulebook provisions for submission to Nodal Clear for clearing as described in Section V.

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. Trading on Nodal T7 is subject to these rules that apply to all transactions in the Exchange's contracts.

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

Nodal Exchange certifies that this submission (redacted version) 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

Senior Compliance Manager

Attachment:

Form DCM <REDACTED>