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August 2, 2018

VIA CFTC PORTAL

Commodity Futures Trading Commission Attention: Chris Kirkpatrick, Secretary Three Lafayette Centre 1155 21st Street, NW Washington, DC 20581

Re: CFTC Regulation 40.6(a) Certification: Amendment to Nodal Clear Rule 1.1

Dear Mr. Kirkpatrick:

Pursuant to Commodity Futures Trading Commission ("Commission" or "CFTC") Regulation 40.6(a), Nodal Clear, LLC ("Nodal Clear") hereby notifies the Commission that it is self-certifying an amendment to existing Nodal Clear Rule 1.1 (the "Rule Amendment"). Such Rule Amendment shall become effective on August 16, 2018.

The Rule Amendment specifically excludes the appointment of a receiver for purposes or resolution from the definition of "Insolvency" and "Insolvent". Such revision is necessary in order to clarify that a Nodal Clear Clearing Member ("Clearing Member") will not be deemed insolvent (and possibly declared in default and suspended) solely because a receiver has been appointed for purposes of resolution. Nodal Clear management has assessed the Rule Amendment and its compliance with applicable provisions of the Commodity Exchange Act ("CEA"), including the Commission's Regulations and DCO Core Principles. Nodal Clear has identified that the Rule Amendment may have some bearing on the following Core Principles:

<u>Core Principle G - Default Rules and Procedures</u>: The Rule Amendment is intended to make clear that a Clearing Member will not be deemed insolvent (and possibly declared in default and suspended) solely because a receiver has been appointed for purposes of resolution of the Clearing Member. This further ensures that a Clearing Member will continue to have access to Nodal Clear (assuming the Clearing Member continues to meet its obligations to Nodal Clear) after the appointment of a receiver for purposes of resolution.

<u>Core Principle L - Public Information</u>: As required by Core Principle L, Nodal Clear is publicly posting this selfcertification letter on its website to ensure that market participants receive advance notice of the updated Nodal Clear Rules. On the effective date of the Rule Amendment, the updated Nodal Clear Rules will be posted on the Nodal Clear website.

Pursuant to Section 5c(c)(1) of the CEA and the Commission's Regulation 40.6(a), Nodal Clear certifies that the Rule Amendment complies with the CEA and the Commission's Regulations thereunder. Nodal Clear is not aware of any opposing views expressed regarding this amendment. Nodal Clear certifies that this submission has been concurrently posted on the Nodal Clear website at www.nodalclear.com.

If you have any questions or need additional information regarding this submission, please contact me at 703-962-9864 or <u>alvarez@nodalexchange.com</u>.

Sincerely,

/s/Cody Alvarez

Cody Alvarez Chief Compliance Officer Corporate Counsel