

December 1, 2014

**Via Federal Express**

Mr. Christopher J. Kirkpatrick  
Secretary  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, DC 20581

Re: National Futures Association: Swaps Related Activities – Proposed  
Amendment to NFA Compliance Rule 2-4 Regarding Just and Equitable  
Principles of Trade\*

Dear Mr. Kirkpatrick:

Pursuant to Section 17(j) of the Commodity Exchange Act, as amended, National Futures Association (“NFA”) hereby submits to the Commodity Futures Trading Commission (“CFTC” or “Commission”) the proposed amendment to NFA Compliance Rule 2-4 regarding swaps related activities. NFA’s Board of Directors (“Board”) approved the proposal on November 20, 2014, and NFA respectfully requests Commission review and approval of the proposal.

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**PROPOSED AMENDMENT  
(additions are underscored)**

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**COMPLIANCE RULES**

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**PART 2 – RULES GOVERNING THE BUSINESS CONDUCT OF MEMBERS  
REGISTERED WITH THE COMMISSION**

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**RULE 2-4. JUST AND EQUITABLE PRINCIPLES OF TRADE.**

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Members and Associates shall observe high standards of commercial honor and just and equitable principles of trade in the conduct of their commodity futures business and swaps business.

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**EXPLANATION OF PROPOSED AMENDMENT**

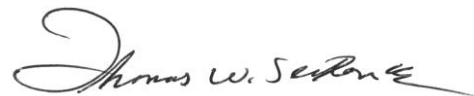
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NFA Compliance Rule 2-4 sets forth the basic ethical standards requirement that Members and Associates observe high standards of commercial honor and just and equitable principles of trade in the conduct of their commodity futures business. Currently, this rule is limited to a Member's commodity futures business. Since a Member engaging in swaps activities should also be subject to this ethical standards requirement, the proposed amendment adds swaps business to this rule.

The inclusion of swaps business within NFA Compliance Rule 2-4 will formally impose an NFA ethical standards requirement upon Swap Dealers (SDs) and Major Swap Participants (MSPs). The proposed amendment to NFA Compliance Rule 2-4 will also apply to other Members (i.e., FCMs, IBs, CPOs and CTAs) engaging in swaps activities and will impose a formal NFA ethical standard upon these Members in the conduct of their swaps business.

NFA respectfully requests that the Commission review and approve the proposed amendment to NFA Compliance Rule 2-4.

Respectfully submitted,



Thomas W. Sexton  
Senior Vice President and  
General Counsel

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\*The proposed amendments to NFA Compliance Rule 2-4 became effective January 5, 2015.