

December 3, 2021

**VIA COMMISSION PORTAL**

Christopher J. Kirkpatrick  
Secretary, Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, D.C. 20581

**Re: Commission Regulation 40.6(a) – Rule Certification  
LedgerX LLC (d/b/a FTX US Derivatives) Submission No. 21-25**

Dear Mr. Kirkpatrick:

LedgerX LLC d/b/a FTX US Derivatives (“**LedgerX**” or “**FTX US Derivatives**”) hereby notifies the Commodity Futures Trading Commission (the “**Commission**”), pursuant to Section 5c(c) of the Commodity Exchange Act (the “**CEA**”) and Commission Regulation 40.6(a), that it is certifying the attached amendments to the LedgerX Operations Manual. The attached amendments will become effective on December 18, 2021.

The following is a concise explanation and analysis of the changes and amendments, and their compliance with applicable provisions of the CEA, including the Core Principles and the Commission’s Regulations. Broadly speaking, LedgerX has revised its operations manual to (1) re-assign certain responsibilities relating to risk management from the Chief Compliance Officer to the Chief Risk Officer, (2) re-assign certain responsibilities relating to cash and collateral management from the Chief Compliance Officer to the Chief Financial Officer, (3) reflect the process for handling ACH transfers for participants on the Kalshi Exchange, and (4) update the operational processes for handling deposits and withdrawals of cash and cryptocurrency.

The changes to re-assign certain responsibilities from the Chief Compliance Officer to the Chief Risk Officer or Chief Financial Officer are consistent with **DCO Core Principle B**, in that they ensure the derivatives clearing organization will have adequate financial, operational, and managerial resources to meet its financial obligations, **DCO Core Principle D**, in that they enable the derivatives clearing organization to manage risks, and **DCO Core Principle P**, in that they establish rules to minimize conflicts of interest in the decision making process of the derivatives clearing organization. These changes are also consistent with **DCO Core Principle I**, **DCM Core Principle 20**, and **SEF Core Principle 14** in that they reduce operational risk through the development of appropriate controls and procedures.

The changes that reflect the process for (a) handling ACH transfers for participants on the Kalshi Exchange and (b) handling deposits and withdrawals of cash and cryptocurrency, are consistent with **DCO Core Principle B**, in that they ensure the derivatives clearing organization will have adequate financial resources to meet its financial obligations to participants notwithstanding a default by a participant, **DCO Core Principle D**, in that they enable the derivatives clearing organization to manage risks, and **DCO Core Principle E**, in that they enable the derivatives clearing organization to complete money settlements on a

timely basis and maintain an accurate record of the flow of funds. These changes are also consistent with **DCO Core Principle I**, **DCM Core Principle 20**, and **SEF Core Principle 14** in that they reduce operational risk through the development of appropriate controls and procedures.

A list of the changes and amendments to the Operations Manual is set forth in Appendix A. The changes and amendments to the Operations Manual are reflected in a redlined copy designated as Appendix B. The final version of the revised Operations Manual is attached at Appendix C.

FTX US Derivatives certifies that the changes and amendments comply with the CEA and Commission Regulations thereunder. FTX US Derivatives additionally certifies that it has concurrently posted a copy of this submission letter and the attachments hereto on the FTX US Derivatives website at <https://derivs.ftx.us/>. FTX US Derivatives is not aware of any or substantive opposing views to the changes and amendments.

Please contact the undersigned at [rahul@ftx.us](mailto:rahul@ftx.us) if you have any questions or you would otherwise like to discuss this further.

Sincerely,



Rahul Sharma  
Deputy General Counsel, FTX US Derivatives