

UNITED STATES OF AMERICA
Before the
COMMODITY FUTURES TRADING COMMISSION

**In the Matter of the Application of
LedgerX, LLC
For Registration as a Derivatives Clearing Organization**

ORDER OF REGISTRATION

LedgerX, LLC (“LedgerX”) has submitted to the Commodity Futures Trading Commission (the “Commission”), pursuant to Section 5b of the Commodity Exchange Act (the “Act”), 7 U.S.C. § 7a-1, an application for registration as a derivatives clearing organization (“DCO”).

The Commission has reviewed the application and finds that LedgerX has demonstrated compliance with the requirements of the Act and applicable Commission regulations thereunder.

In light of the foregoing, **IT IS ORDERED**, pursuant to Section 5b of the Act, 7 U.S.C. § 7a-1, that LedgerX is granted registration as a DCO, subject to the terms and conditions specified herein:

(1) **Cleared Products**. LedgerX is permitted to clear, in its capacity as a DCO, fully collateralized digital currency swaps, subject to the requirements of Commission Regulation 39.5(a). A contract cleared by LedgerX will be considered fully collateralized if LedgerX holds, at all times, funds sufficient to cover the maximum possible loss a counterparty could incur upon liquidation or expiration of the contract, in the form of the required payment.

(2) **Treatment of Funds**. Funds held in the Cleared Swap Proprietary Accounts shall be considered member property, as that term is defined in the Bankruptcy Code. LedgerX shall at all times maintain funds of its clearing members separate and distinct from its own funds.

(3) Digital Currency Audit. LedgerX shall engage an independent certified public accountant to audit LedgerX's digital currency balances and issue an opinion on the accounting treatment of digital currency held by LedgerX as of three months after LedgerX begins clearing operations, and on an annual basis thereafter.

(4) Compliance with the Act and Commission Regulations. LedgerX shall comply, and shall demonstrate compliance as requested by the Commission, with applicable provisions of the Act, including the core principles set forth in Section 5b of the Act ("Core Principles"), and Commission regulations, as may be amended or adopted from time to time. LedgerX shall fulfill each of the representations it has made to the Commission relating to compliance with the Core Principles and Commission regulations.

(5) Self-Regulatory Function. LedgerX shall ensure the performance of all self-regulatory functions required of it as a registered DCO under the Act and Commission regulations, including, without limitation: monitoring and enforcing clearing member compliance with LedgerX admission and continuing eligibility standards; and enforcing clearing member compliance with the terms of all other LedgerX rules, regulations, and procedures.

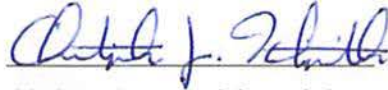
(6) New Regulations. Should the Commission promulgate or amend a regulation addressing or otherwise affecting any aspect of this Order, then such regulation will apply and supersede the applicable term(s) in this Order.

(7) Reservation of Rights. This Order is based upon the representations made and supporting material provided to the Commission by LedgerX. In the event of any changes to or omissions in the material facts or circumstances pursuant to which this Order is issued, or for any reason in its own discretion, the Commission may condition, modify, suspend, terminate, or

otherwise restrict the terms of this Order, as appropriate and as permitted by law, on its own motion.

Issued in Washington, D.C. on this 24th day of July, 2017.

By the Commission,

A handwritten signature in blue ink, appearing to read "Christopher J. Kirkpatrick", written over a horizontal line.

Christopher J. Kirkpatrick
Secretary of the Commission