

November 30, 2020

**VIA COMMISSION PORTALS**

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 Submission No. 20-13**

Dear Mr. Kirkpatrick:

LedgerX LLC (“**LedgerX**”) 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 its Operations Manual. The attached amendments will become effective on December 15, 2020.

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, is attached hereto as Appendix A. Broadly speaking, LedgerX has revised its Operations Manual as follows:

1. **DCO Core Principle I and DCM Core Principle 20:** To reduce operational risk, we have further developed LedgerX controls and procedures in the following areas:
  - a. The memorializing of various aspects of manual version history;
  - b. Access to key financial applications;
  - c. Ticketing technology management issues;
  - d. Providing live data from the exchange;
  - e. Vulnerability scanning;
  - f. Maintaining and reviewing SOC reports of critical service providers to ensure the adequacy of internal controls, both at those service providers and at LedgerX;
  - g. Referencing specific Finance department staff;
  - h. The process for memorializing, distributing, and reviewing the daily reconciliation;
  - i. The internal audit of its risk management methodology;
  - j. Controls and other security measures in connection with physical collateral withdrawals and transfers;
  - k. Certain annual reporting procedures; and
  - l. Certain procedures for consulting the Board of Directors.
2. **DCO Core Principle B and DCM Core Principle 21:** We have updated procedures regarding our operation of financial controls in connection with

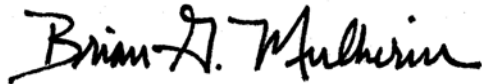
- accessing key financial applications, and the process for memorializing, distributing, and reviewing the daily reconciliation.
3. **DCO Core Principle K and DCM Core Principle 18:** We have updated our recordkeeping procedures.
  4. **DCO Core Principle C and DCM Core Principle 2:** We have updated procedures pertaining to our “know your customer” due diligence.
  5. **DCO Core Principle E and DCM Core Principle 11:** We have updated our procedures for clearance and settlement to ensure the financial integrity of transactions.
  6. **DCO Core Principle F and DCM Core Principle 11:** We have updated our procedures for the maintenance and withdrawal of customer assets to ensure their safety.
  7. **DCM Core Principle 2:** We have clarified our process for consulting with the Board of Directors.

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.

LedgerX certifies that the changes and amendments comply with the CEA and Commission Regulations thereunder. LedgerX additionally certifies that it has concurrently posted a copy of this submission letter, and a redacted copy of the attachments hereto, on LedgerX’s website at <https://ledgerx.com/>. LedgerX is not aware of any or substantive opposing views to the changes and amendments.

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

Sincerely,



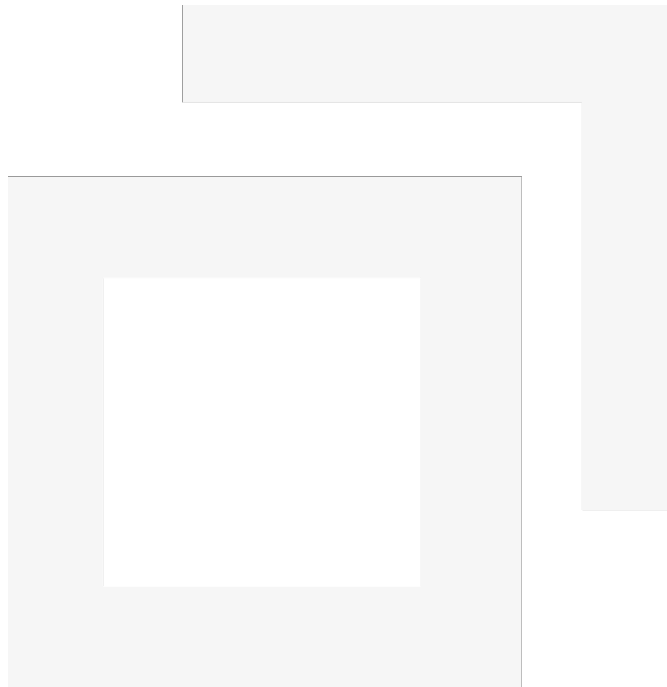
Brian G. Mulherin  
General Counsel, LedgerX LLC

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FOIA CONFIDENTIAL TREATMENT REQUESTED BY LEDGERX LLC

Appendix A

**REDACTED**



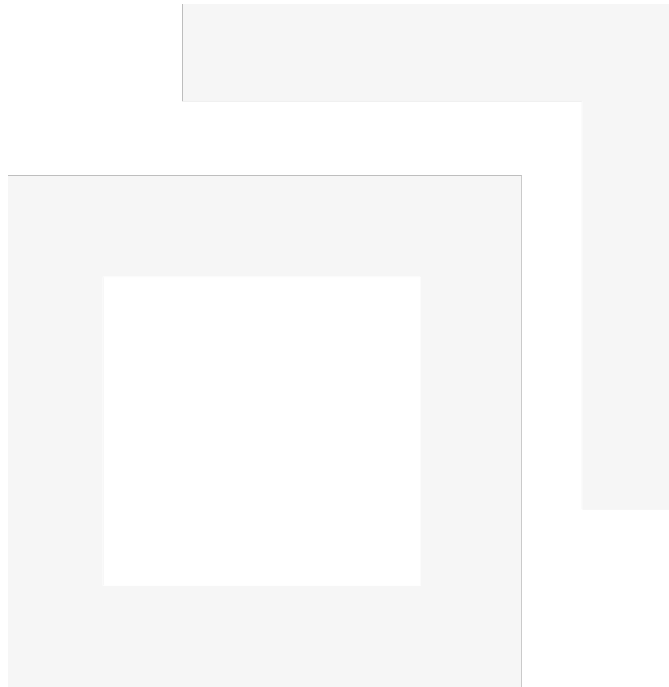
FOIA CONFIDENTIAL TREATMENT REQUESTED BY LEDGERX LLC

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FOIA CONFIDENTIAL TREATMENT REQUESTED BY LEDGERX LLC

Appendix B

**REDACTED**



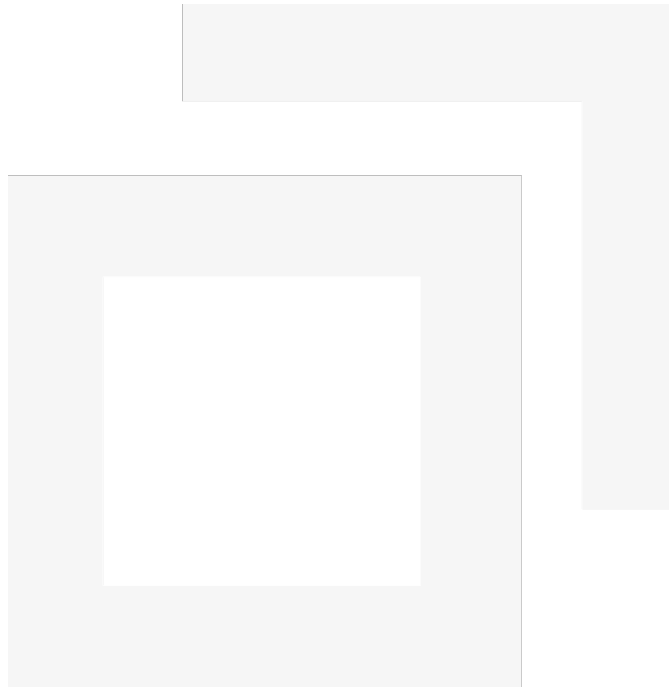
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FOIA CONFIDENTIAL TREATMENT REQUESTED BY LEDGERX LLC

Appendix C

**REDACTED**



FOIA CONFIDENTIAL TREATMENT REQUESTED BY LEDGERX LLC