Exhibit A-3 – Narrative Summary of Proposed Clearing Activities

Attach as Exhibit A-3, a narrative summary of Applicant's proposed clearing activities including (i) the anticipated start date of clearing products (or, if Applicant is already clearing products, the anticipated start date of activities for which Applicant is seeking an amendment to its registration), and (ii) a description of the scope of Applicant's proposed clearing activities (e.g., clearing for a designated contract market; clearing for a swap execution facility; clearing bilaterally executed products).

Response:

Initially, Applicant, as a Derivatives Clearing Organization ("DCO"), will clear tZERO DCM, LLC (the "Exchange"), an affiliate of the Clearinghouse. In its capacity as a DCO, Applicant will only clear transactions executed on the Exchange.

The anticipated start date of clearing products upon the later of the approval of both the Exchange as a DCM and the Applicant as a DCO. Notwithstanding current plans that Applicant will clear only for the Exchange, Applicant requests that its Registration Order not be conditioned on clearing solely for the Exchange. Exchange trading and Applicant clearing activities will begin shortly after receiving CFTC approval of the applications.

Applicant will exclusively clear the contracts listed by the Exchange, which will include financial derivatives, event contracts, and cryptocurrencies. Applicant will offer clearing and settlement services directly to market participants as well as to customers of FCMs that become FCM clearing members and are members of the NFA. Participants will be required to demonstrate their operational capabilities and satisfy other eligibility criteria before being granted access to Applicant as set forth in the Rulebook. Applicant has incorporated the functions necessary to perform clearing operations, including transferring cash or other collateral to and from Participants, in its internal policies and procedures that accompany this Form DCO. As described more fully in Exhibit A-4 and in the Rulebook (Exhibit A-2), all products to be cleared through Applicant are required to be pre-funded and fully collateralized, negating the need to calculate variation margin levels or maintain a default fund, making it easier to offer clearing services directly to participants.