

Exhibit A-3
Narrative Summary of Clearing Activities
Quanta Clear, Inc. (the “Applicant” or “Quanta DCO”)

Exhibit A-3

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:

Quanta DCO, as a derivatives clearing organization (“DCO”), plans to clear transactions in certain derivatives contracts that will be listed for trading on its affiliate, Quanta Exchange, Inc. (“Quanta Exchange”), which is a designated contract market (“DCM”).

Quanta Exchange and Quanta DCO plan to operate on a direct-access and intermediated model and will require Participants to fully collateralize their trades at execution. Positions must be fully collateralized at Quanta DCO. Consistent with that model, Quanta Exchange will list contracts for which the maximum loss of a position may be calculated, and the Applicant will only clear transactions in contracts on a fully collateralized basis. The Applicant may clear transactions in contracts listed for trading on other DCMs on such basis, and requests that its registration order not be solely conditioned on clearing transactions occurring on the Quanta Exchange.

The Applicant anticipates that it will start clearing transactions in contracts executed on Quanta Exchange and other DCMs, as appropriate, once the Applicant has received approval as a DCO.