

SIX CLEARING LLC RULEBOOK

[●], 2026

BY ACCESSING OR USING THE SIX CLEARING SYSTEM, EACH CLEARING MEMBER AND ITS AUTHORIZED USERS, WITHOUT ANY FURTHER ACTION, UNDERTAKING, OR AGREEMENT: (I) AGREE TO BE BOUND BY, AND TO COMPLY WITH, THE RULES OF SIX CLEARING LLC, ANY APPLICABLE CONTRACT RULES OF THE RELEVANT EXCHANGE, AND APPLICABLE LAW, IN EACH CASE TO THE EXTENT APPLICABLE TO SUCH CLEARING MEMBER OR AUTHORIZED USERS; AND (II) AGREE TO SUBMIT TO THE JURISDICTION OF SIX CLEARING LLC WITH RESPECT TO ANY AND ALL MATTERS ARISING FROM, RELATED TO, OR IN CONNECTION WITH CLEARING, CUSTODY, FULL COLLATERALIZATION, SETTLEMENT, AND DEFAULT MANAGEMENT UNDER THESE RULES.

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CHAPTER I: DEFINITIONS

1.1 Defined Terms

Unless otherwise specifically provided in the Rules or the context otherwise requires, the terms defined in this Rule 1.1 shall for all purposes of the Rules have the meanings specified herein.

“Account” means a Member Property Account, as context requires, used in conjunction with the trading or delivery of commodity products, and as described in Rule 3.3.

“Affiliate” means, with respect to another Person, a Person who, directly or indirectly, Controls, is Controlled by, or is under common Control with, such other Person.

“Appeals Panel” means a panel comprised of 3 individuals from the Board, with one individual acting as chairman, which will consider appeals in accordance with Chapter 6.

“Applicable Law” means, with respect to any Person, any statute, law, regulation, Rule or ordinance of any governmental or self-regulatory authority applicable to such Person, including without limitation the CEA, CFTC Regulations.

“Approved Custodian” means a third-party custodian or wallet infrastructure provider approved by Six Clearing to provide custody technology or services in connection with Eligible Collateral.

“Authorized User” means any natural person authorized by a Clearing Member to access the Clearing System and submit instructions or transactions on behalf of such Clearing Member, subject to these Rules.

“Blockchain Confirmation” means the inclusion of a blockchain transaction in a block and such additional confirmations (if any) as the Clearinghouse determines are sufficient for finality for crediting or debiting purposes.

“Board of Directors” or **“Board”** means the Clearinghouse Board.

“Business Day” means any day other than a Saturday, Sunday or any other day on which banking institutions in New York are authorized or required by law, regulation or executive order to be closed.

“CEA” means the Commodity Exchange Act as in effect from time to time.

“CFTC” means the Commodity Futures Trading Commission, and includes any successor agency or authority.

“CFTC Regulation” means any rule, regulation, order or directive and any interpretation thereof or guidance thereon issued from time to time by the CFTC.

“Chief Compliance Officer” means the individual appointed by the Board of Directors from time to time to serve as chief compliance officer of the Clearinghouse. For the avoidance of doubt, the Chief Compliance Officer shall serve as, and the responsibilities of the Chief Compliance Officer shall include the responsibilities of, a Chief Compliance Officer under Part 39 of the CFTC Regulations.

“Chief Executive Officer” means the individual appointed by the Board of Directors from time to time to serve as chief executive officer of the Clearinghouse.

“Chief Financial Officer” means the individual appointed by the Board of Directors from time to time to serve as chief financial officer of the Clearinghouse.

“Chief Risk Officer” means the individual appointed by the Board from time to time to serve as chief risk officer of the Clearinghouse.

“Clearinghouse” or **“Six Clearing”** means Six Clearing LLC, a Delaware limited liability company.

“Clearinghouse Personnel” means Officers and employees of the Clearinghouse, and its contractors, consultants, secondees or leased employees, temporary employees, interns, and technology service providers.

“Clearing Member” means an Entity or Individual Clearing Member who has executed a Clearing Member Agreement, and to whom the Clearinghouse has granted the right to clear contracts on the Clearinghouse.

“Clearing Privileges” means the ability of the Clearing Member to clear transactions through the Clearinghouse.

“Clearing Services” means the provision by the Clearinghouse to a registered designated contract market or swaps execution facility of fully collateralized clearing, settlement and ancillary services in a non-discriminatory manner, subject to the rules of the registered designated contract market or swaps execution facility.

“Clearing System” means the systems, applications, and interfaces maintained by the Clearinghouse, and by any Approved Custodian with respect to custody functions, to (i) accept, reject, and clear Contracts, (ii) maintain the canonical off-chain ledger of Clearing Member positions and collateral attribution, with on-chain custody of Eligible Collateral effected through Custody Vault PDAs on the Solana blockchain, (iii) administer risk controls, and (iv) effect custody, deposits, withdrawals, and settlement of Eligible Collateral, together with any related connectivity or facilities supporting the foregoing.

“Closed Contract Position” shall mean (i) any combination of long and short Open Contract Positions that have been offset against each other or (ii) any Open Contract Position that has been offset by the tendering or receipt (as applicable) of a notice of payment.

“Compliance Department” means the Officers and employees of the Clearinghouse who are responsible for maintaining the compliance integrity of the Clearinghouse.

“Contracts” means any contracts or transactions that the Clearinghouse provides Clearing Services subject to these Rules.

“Contract Rules” means the rules of a Contract as published in the rules of and posted by an Exchange.

“Control” means the power to exercise a controlling influence over the management or policies of a Person. Any Person who owns beneficially, directly or indirectly, more than 20% of the voting power in the election of directors of a corporation (or the election or appointment of the governing body of an Entity that is not a corporation), or more than 25% of the voting power in the election of directors of any other corporation (or other governing body) which directly or through one or more Affiliates owns beneficially more than 25% of the voting power in the election of directors of such corporation (or other governing body), shall be presumed to control such corporation or other entity absent a determination that it does not

exercise a controlling influence. The terms “controlling” or “controlled” shall have meanings correlative to the foregoing.

“**Custody Vault**” means one or more omnibus blockchain addresses, smart contract vaults, or other custody arrangements controlled by the Clearinghouse (directly or via an Approved Custodian) used to receive, hold, and disburse eligible collateral.

“**DCM**” means a board of trade designated by the CFTC as a contract market under Section 5 of the CEA and in accordance with the provisions of Part 38 of CFTC Regulations which has contracted with the Clearinghouse to provide Clearing Services.

“**Director**” means a member of the Board.

“**Disciplinary Panel**” shall have the meaning ascribed to it in Rule 6.6.

“**Eligible Collateral**” means USDC and any other collateral designated by the Clearinghouse as eligible for deposit, collateralization, settlement, fees, and default management, in each case subject to any haircuts, limits, or conditions established by the Clearinghouse.

“**Emergency**” is defined in Rule 2.6(c).

“**Entity**” means on a specified date any Person other than a natural person (e.g., a corporation, partnership, sole proprietorship or trust).

“**Entity Clearing Member**” means any association, partnership, limited liability company, joint venture, trust or corporation that has been granted, and continues to have Clearing Privileges, or otherwise remains subject to the jurisdiction of the Clearinghouse under these Rules.

“**Exchange**” means the Clearinghouse’s DCM affiliate, Six Markets LLC.

“**Expiration Time**” means, in the case of a Fully-Collateralized Contract, the date established by an Exchange as the expiration, or termination, of such Fully-Collateralized Contract.

“**Fully-Collateralized Contracts**” means Contracts with respect to which each party’s maximum potential obligation to the Clearinghouse is fully collateralized at the time the Contract is accepted for clearing, such that no additional variation margin is required as a condition of maintaining the position, and settlement obligations (if any) are satisfied through application of such collateral in accordance with these Rules.

“**Individual Clearing Member**” means any natural person that has been granted, and continues to have Clearing Privileges, or otherwise remains subject to the jurisdiction of the Clearinghouse under these Rules.

“**Member Notice**” means a communication sent by or on behalf of the Clearinghouse to all Clearing Members in accordance with Rule 2.12.

“**Member Property Account**” means an Account established by a Clearing Member with the Clearinghouse in which the Clearing Member maintains trades, positions, and collateral solely on its own behalf.

“Network Disruption” means any outage, halt, congestion, reorganization, fork, or other condition affecting a blockchain network or related infrastructure that materially impairs the Clearinghouse’s ability to observe, verify, or effect on-chain transfers of Eligible Collateral.

“Novation” means the process by which a party to a transaction transfers all of its rights, liabilities, duties and obligations under the transaction to a new legal party other than the counterparty to the transaction. The transferee accepts all of the transferor’s rights, liabilities, duties and obligations under the transaction. A Novation is valid as long as the transferor and the remaining party to the transaction are given notice, and the transferor, transferee and remaining party to the transaction consent to the transfer.

“Officer” shall have the meaning ascribed to it in Rule 2.5.

“Omnibus Collateral Model” means the custody model under which collateral may be held in one or more omnibus Custody Vaults, with segregation and attribution to Accounts effected through the Clearinghouse’s books and records and sub-accounting.

“Operating Agreement” means the Limited Liability Company Agreement of Six Clearing LLC, as amended from time to time.

“Open Contract Positions” shall mean any Contract submitted by a Clearing Member to the Clearinghouse, and accepted by the Clearinghouse, for clearing that has not been designated as a Closed Contract Position, including (i) any long or short position in such Contract without a matching position that such first position can be offset against, (ii) any long or short position in such Contract with a matching position that such first position can be offset against but that is held open by such Clearing Member under an approved hedge program and (iii) any long or short position in such Contract with a matching position that such first position can be offset against but that is held open under the applicable Contract Rules which defer offset until Contract expiration or another specified date.

“Required Collateral” means the amount and type of assets required to be on deposit with the Clearinghouse pursuant to the applicable Contract Rules, in order to establish a position in the relevant Contract.

“Payout Condition” means that the condition to the obligation of a Seller to pay the Settlement Amount under a Fully-Collateralized Contract has occurred on the Expiration Time.

“Person” means any natural person, association, partnership, limited liability company, joint venture, trust or corporation.

“Program-Derived Address” or **“PDA”** means a Solana blockchain address derived deterministically from a Solana program ID and seed parameters, which is controlled by program logic rather than a private key. PDAs are used by Six Clearing for custody of Eligible Collateral via smart contract enforcement.

“Proprietary Data and Personal Information” means information identifying a natural person or other data proprietary to any Person that discloses such Person’s trade secrets, market positions, and/or other business transactions.

“Purchaser” means the Clearing Member that is the purchaser under a Contract. The Purchaser is the holder of a long position in such Contract.

“Responsible Agent” shall have the meaning ascribed to it in Rule 3.9.

“RPC Provider” means a blockchain infrastructure service provider that operates Solana validator nodes and provides Remote Procedure Call (RPC) API access to the Solana blockchain for querying account balances, submitting transactions, and monitoring blockchain state. Six Clearing maintains redundant RPC Provider relationships to ensure operational continuity.

“Rulebook” means the Clearinghouse Rulebook.

“Rules” means the Clearinghouse rules, as outlined in this Rulebook and as may be amended from time to time.

“Seller” means the Clearing Member that is the seller under a Contract. The Seller is the holder of a short position in such Contract.

“Settlement Amount” means, in the case of a Fully-Collateralized Contract, the fixed amount required to be paid by the Seller to the Purchaser on the Settlement Date if the Payout Condition is satisfied.

“Settlement Date” means the date established under the terms of a Contract as the date on which settlement of amounts owed with respect to such Contract must be paid.

“Solana” or **“Solana Mainnet”** means the Solana blockchain network operating in production mode (mainnet-beta) as maintained by the Solana validator network and coordinated by Solana Labs and the Solana Foundation.

“SPL Token Standard” means the Solana Program Library token standard, the technical specification for fungible and non-fungible tokens on the Solana blockchain. USDC on Solana conforms to the SPL token standard.

“Trading Day” means any day on which an Exchange is open and available for the trading of Contracts and the Clearinghouse is open and available for the clearing of Contracts.

“Transaction Data” means Orders, bids, offers and related information concerning Contracts executed subject to the Rules, together with all information and other content contained in, displayed on, generated by or derived from the Platform

“USDC” means USD Coin, a U.S. dollar-denominated stablecoin issued by Circle Internet Financial, LLC, or its successors or assigns, operating on the Solana blockchain as an SPL token, or on such other blockchain networks as may be approved by the Clearinghouse from time to time, and accepted by the Clearinghouse for deposits, settlement, fees, and default management, unless otherwise specified by the Clearinghouse.

“User ID” shall have the meaning ascribed to it in Rule 3.10.

“Wallet Address” means a public blockchain address capable of receiving and transmitting Eligible Collateral on a supported blockchain network.

“Whitelisted Address” means a Wallet Address approved by the Clearinghouse for withdrawals for a particular Account, subject to the Clearinghouse’s address verification, security, and change-control procedures.

1.2 Rules of Interpretation

For all purposes of these Rules, except as otherwise expressly provided herein or unless the context otherwise requires:

- (a) the terms defined in these Rules include the plural as well as the singular and vice versa;
- (b) words importing gender include all genders;
- (c) any reference to a Chapter or Rule refers to a Chapter or Rule of these Rules;
- (d) any reference to these Rules refers to these Rules, including all Appendices hereto, and the words herein, hereof, thereto, hereto and hereunder and words of similar import refer to these Rules and their appendices as a whole and not to any particular Chapter, Rule or any other subdivision;
- (e) references to days, months and years refer to calendar days, months and years, respectively;
- (f) all references herein to “including” shall be deemed to be followed by the words “without limitation.”;
- (g) all references to “Clearing Members” includes each Responsible Agent and Authorized User or the Clearing Member;
- (h) any duties, liabilities, limitations, obligations, responsibilities, and rights of a Clearing Member, and of the Clearinghouse with regard to each Clearing Member, shall be interpreted to be a duty, liability, limitation, obligation, responsibility, and right of the Responsible Agents and Authorized Users of the Clearing Member, and of the Clearinghouse with regard to each Responsible Agent and Authorized User of the Clearing Member;
- (i) any term used herein that is defined in the CEA or CFTC Regulations shall have the meaning assigned to it therein; and
- (j) all references herein to a time of day refer to local time in The City of New York.

1.3 Effect of Titles

The titles of these Rules have been inserted for convenience of reference only and shall not affect the meaning of these Rules.

1.4 Amendment of Rules

New Rules may be adopted, and existing Rules may be amended or repealed, by the Board of Directors. All such new Rules, amendments or repeals shall become effective on such date (after any required filing with, or approval thereof by, the CFTC) as may be determined by the Clearinghouse.

1.5 Contract Rules

Notwithstanding any provision of these Rules to the contrary, the Contract Rules with respect to a particular Contract shall govern the applicability of these Rules to trading in such Contract and, in the event of any conflict between these Rules and the Contract Rules, the Contract Rules shall govern with respect to trading in the relevant Contract.

CHAPTER II: GOVERNANCE

2.1 Ownership

The Clearinghouse is a Delaware limited liability company. The management and operation of the Clearinghouse is governed by the Operating Agreement and the Rules. Clearing Member status does not confer any equity interest or voting right in the Clearinghouse.

2.2 Authority of the Board

- (a) The Board has the authority to take actions on behalf of the Clearinghouse.
- (b) The Board has the power and authority to manage and direct the business and activities of Clearinghouse including but not limited to:
 - i. the power to establish the standards for Clearing Member eligibility and access to the secure portions of Clearinghouse's website,
 - ii. the power to amend, adopt, or repeal these Rules, and
 - iii. the power to oversee the business conduct of Clearing Members and impose penalties for violation of these Rules.
- (c) The business and affairs of the Clearinghouse shall be managed by the Board in accordance with Applicable Law and the Board shall have all power and authority provided to a Board of Directors under Applicable Law. Notwithstanding the foregoing but subject to Applicable Law, the Board may, from time to time, delegate any or all aspects of the management of the day-to-day business and affairs of the Clearinghouse to the Officers of the Clearinghouse.
- (d) The minimum number of directors on the Board shall be five. The number of directors may be increased or decreased from time to time by a vote of the applicable Board, provided that there are at all times at least five Directors.
- (e) The Board has the power and authority to call for review, and to affirm, modify, suspend or overrule, any and all decisions and actions of the committees of the Board and officers of the Clearinghouse appointed pursuant to Rules 2.3 and 2.4.

2.3 Committees

- (a) The Board shall not initially have any standing committees.
- (b) The Board may create committees or panels, for such purposes as may be necessary or advisable, as determined by the Board from time to time. Members of each such committee may be members of that Board of Directors, Clearing Members, Authorized Users or such other individuals as may be qualified to serve on such committee. Any such committee or panel may serve indefinitely or for specified, limited periods of time, as determined by the Board of Directors.

2.4 Officers

- (a) The Board shall appoint individuals to fill at least each officer position required as "key personnel" under 17 C.F.R. § 39.2, including a Chief Executive Officer, President, Chief Compliance Officer, Chief Risk Officer, Chief Financial Officer, Chief Operating Officer, Chief Technology Officer, and Chief Information Security Officer, and may appoint such other officers from time to time as determined by the Board of Directors (each individually an "Officer"). These Officers are appointed and may be dismissed (with or without cause) by majority vote of the Board of Directors. An individual may hold multiple Clearinghouse Officer positions simultaneously, as determined by the applicable Board of Directors. Any officer of the Clearinghouse may also be a director, officer, or employee of an Affiliate of the Clearinghouse.
- (b) An Officer of the Clearinghouse may be (but shall not be required to be) a Director of the Clearinghouse. In the absence of the chairperson, the Chief Executive Officer will perform the chairman's duties. In the event of a disagreement between the Chief Executive Officer and the Board of Directors or the chairperson as to a Clearinghouse matter, the Board of Directors shall control. Subject to the direction of the Board of Directors, the Chief Executive Officer will manage the overall business of the Clearinghouse.
- (c) The Clearinghouse shall at all times have a designated Chief Compliance Officer. Without limiting the foregoing:
 - i. The Board will designate the Chief Compliance Officer, who will report directly to the Board. The Board will establish the Chief Compliance Officer's compensation, if any.
 - ii. The individual designated to serve as Chief Compliance Officer must have the background and skills appropriate for fulfilling the responsibilities of the position. No individual who would be disqualified from registration under applicable law may serve as a Chief Compliance Officer.
 - iii. The Chief Compliance Officer shall meet with the Board at least annually.

2.5 Eligibility

- (a) No Person may serve as an Officer or Director of the Clearinghouse, or serve on any disciplinary panel or arbitration panel of the Clearinghouse or as the Chief Compliance Officer if such Person:
 - i. was found within the past three years by a final decision of a self-regulatory organization, an administrative law judge, a court of competent jurisdiction or the CFTC to have committed a violation of Applicable Law;
 - ii. entered into a settlement agreement within the past three years in which any of the findings or, in the absence of such findings, any of the acts charged included a violation of Applicable Law;
 - iii. is currently suspended from trading on any contract market, is suspended or expelled from membership from any self-regulatory organization, is serving any sentence of probation or owes any portion of a fine imposed pursuant to either:
 - a. a finding by a final decision of a self-regulatory organization, an administrative law judge, a court of competent jurisdiction or the CFTC that such person committed a disciplinary offense; or

- b. a settlement agreement in which any of the findings or, in the absence of such findings, any of the acts charged included a violation of Applicable Law;
- iv. is currently subject to an agreement with the CFTC or any self-regulatory organization not to apply for registration with the CFTC or membership in any self-regulatory organization;
- v. is currently subject to or has had imposed on him or her within the past three years a CFTC registration revocation or suspension in any capacity for any reason, or has been convicted within the past three years of any of the felonies listed in section 8a(2)(D)(ii) through (iv) of the CEA;
- vi. is currently subject to a denial, suspension or disqualification from serving on the disciplinary committee, arbitration panel or governing board of any self-regulatory organization as that term is defined in section 3(a)(26) of the Securities Exchange Act of 1934; or
- vii. is subject to a statutory disqualification under sections 8a(2) and 8a(3) of the CEA.

For purposes of this Rule 2.5(a), the terms “disciplinary offense,” “final decision” and “settlement agreement” have the meanings given to those terms in CFTC Regulation 1.63(a).

- (b) Any Director, Officer, member of a committee established by the Board and any individual nominated to serve in any such role shall immediately notify the Chief Executive Officer and Chief Compliance Officer if such individual is subject to one or more of the criteria in Rule 2.5(a). Prior to nomination to the Board, each individual shall certify that he or she is not disqualified pursuant to Rule 2.5(a). Upon appointment, each Director, Officer, and member of a committee shall provide to the Clearinghouse, where applicable, changes in registration information within 30 days and certification of compliance accordingly. The Clearinghouse shall verify information supporting Board compliance with eligibility criteria.
- (c) To serve as a Director, an individual must possess the ability to contribute to the effective oversight and management of the Clearinghouse, taking into account the needs of the Clearinghouse and such factors as the individual’s experience, perspective, skills and knowledge of the industry in which the Clearinghouse operates.
- (d) If the Clearinghouse determines that an individual subject to this Rule 2.5 no longer meets the criteria set forth in Rule 2.5(a), the Clearinghouse shall inform the CFTC of such determination. The Clearinghouse shall provide to the CFTC, upon request, an individual’s certification of compliance with the criteria set forth in Rule 2.5(a).

2.6 Emergency Rules

- (a) In the event of an Emergency, as described in paragraph (c) of this Rule 2.6, the Chief Executive Officer or any individual designated by the Chief Executive Officer may place into immediate effect a temporary emergency rule, which may remain in effect for up to thirty (30) calendar days, to undertake actions necessary or appropriate to respond to the Emergency, provided that, as soon as reasonably practicable within such thirty (30) calendar day period, the Board of Directors considers and approves such action and, if it disapproves such action, the temporary emergency rule shall be terminated. Should the Emergency persist for longer than thirty (30) calendar days, such temporary emergency rules may be extended for additional thirty (30) calendar day periods, so long as there is: (i) an affirmative vote of two-thirds of the members of the Board of Directors

at a meeting at which a quorum is present; or (ii) a written authorization and acknowledgement signed by at least two Officers of the Clearinghouse, provided that, as soon as reasonably practicable within such thirty (30) calendar day period, the Board of Directors considers and approves such action and, if it disapproves such action, the temporary emergency rule shall be terminated. In any event, the rationale for invoking such emergency authority should be documented by the Board of Directors as soon as reasonably practicable.

- (b) Any temporary emergency rule adopted under this Rule may authorize the Clearinghouse to act as the Board of Directors or Officers deem necessary or appropriate to meet the Emergency, and those actions may adversely affect the ability to clear transactions through the Clearinghouse. Therefore, the possibility of an Emergency, and of the Clearinghouse taking emergency action, is one of the risks that Clearing Members should consider when deciding whether to clear transactions on the Clearinghouse.
- (c) An “Emergency” may include any of the following circumstances, subject to the determination of the Board of Directors:
 - i. any circumstance that may materially affect the performance of Contracts cleared through the Clearinghouse, including any failure or disruption of custody, settlement, or payment mechanisms (including Network Disruption, inability to achieve Blockchain Confirmation thresholds, stablecoin issuer actions such as freezing/blacklisting, or failure or insolvency of any Approved Custodian), or bankruptcy or insolvency of any Clearing Member;
 - ii. any action taken by the United States, any foreign government, any state or local governmental body, any other contract market or board of trade, or any other exchange, market, facility, or trade association (foreign or domestic) that may have a direct and material impact on clearing through the Clearinghouse;
 - iii. any circumstances that may have a severe, adverse impact upon the functions or operation of the Clearinghouse including, for example, natural disasters such as fire or flood, terrorist acts such as bomb threats, physical plant breakdowns such as plumbing, heating, or air conditioning problems, system breakdowns such as power, telephony, cable, trading systems, or computer systems failures, blockchain network failures or interruptions to communications, the network, or the Internet;
 - iv. the imposition of any injunction or other restraint by any government agency, court, or arbitrator that may affect the ability of a Clearing Member to perform on Contracts;
 - v. any circumstance in which it appears that a Clearing Member or any other person is in such operational condition, or is conducting business in such a manner, that such person cannot be permitted to continue in business without jeopardizing the safety of Clearing Member or the Clearinghouse itself; and
 - vi. any other unusual, unforeseeable, and adverse circumstance which, in the opinion of the governing board, requires immediate action and threatens or may threaten such things as the fair and orderly Clearing of, or the close-out or delivery pursuant to Contracts cleared through the Clearinghouse.
- (d) If deemed necessary to combat perceived market threats caused by an Emergency, a Clearinghouse official authorized to do so may suspend clearing through the Clearinghouse during the duration of

the emergency or take any other action that the official thinks is necessary or appropriate. The official will order an end to the action taken in response to the emergency as soon as the official determines that the emergency has sufficiently abated to permit the Clearinghouse to function properly.

- (e) The Clearinghouse will make every effort practicable to notify the Director of the Division of Clearing and Risk of the CFTC, the Director's delegates, and/or other persons designated by the CFTC's Regulations that the Clearinghouse intends to implement, modify, or terminate a temporary emergency rule pursuant to Rule 2.6(a) or an action in response to an emergency pursuant to Rule 2.6(d) prior to the implementation, modification, or termination of the rule or action. If it is not possible to notify the CFTC prior to the implementation, modification, or termination of the rule or action, the Clearinghouse will notify the CFTC of the implementation, modification, or termination of the rule or action at the earliest possible time, and in no event more than 24 hours after implementation, modification, or termination.

2.7 Restrictions on Certain Persons Who Possess Material, Non-Public Information

- (a) No Clearinghouse Personnel and no member of any committee established by the Board of Directors of the Clearinghouse shall use or disclose any material, non-public information obtained in connection with the performance of his or her official duties, for any purpose other than the performance of his or her official duties.
- (b) No Clearinghouse Personnel and no member of any committee established by the Board shall disclose to any other Person, including to any Affiliate that is a Clearing Member of the Clearinghouse, material, non-public information, however obtained (including, without limitation, material non-public information obtained by an employee or agent of the Clearinghouse in connection with such employee or agent's employment or agency, as the case may be), if such Person could reasonably expect that such information might assist another Person in trading any Contract or related contract or financial instrument.
- (c) No Clearinghouse Personnel shall trade in any Contract cleared by the Clearinghouse either for their own account or the account of any other Person.
- (d) No Clearinghouse Personnel, no Clearinghouse Affiliates, and no member of any committee established by the Board shall trade in any Contract or related contract or financial instrument on the basis of material non-public information of the Clearinghouse. For the avoidance of doubt, any Person who, by virtue of their role with, or as an Affiliate of, the Clearinghouse, acquires material non-public information of the Clearinghouse is prohibited from trading on the basis of such material non-public information, or disclosing such material non-public information except as consistent with their official duties.
- (e) For purposes of this Rule 2.7, the terms "material information," "non-public information" and "commodity interest" shall have the meanings ascribed to them in CFTC Regulation 1.59.

2.8 Conflicts of Interest

The Clearinghouse prohibits members of the Board of Directors or any disciplinary panel from taking part in any deliberations or voting on any matter in which members of the Board of Directors or panel members have an interest or have a relationship with a named party in interest.

- (a) Named Party in Interest Conflict

- i. No member of the Board, committee, or Disciplinary Panel shall participate in such body's deliberations or voting in any matter involving a named party in interest where such member:
 - 1. is the named party in interest in the matter;
 - 2. is an employer, employee or fellow employee of a named party in interest;
 - 3. is associated with a named party in interest through a "broker association" as defined in CFTC Regulation 156.1;
 - 4. has any other significant, ongoing business relationship with a named party in interest, excluding relationships limited to Contracts; or
 - 5. has a family relationship (i.e., the member's spouse, parents, children, and siblings, in each case, whether by blood, marriage, or adoption, or any person residing in the home of the member or that of his or her immediate family) with a named party in interest.
- ii. Prior to consideration of any matter involving a named party in interest, each member of the deliberating body shall disclose to the Chief Compliance Officer whether such member has one of the relationships listed above with a named party in interest.
- iii. The Chief Compliance Officer shall determine whether any member of the relevant deliberating body is subject to a conflicts restriction under this Rule 2.8(a). Such determination shall be based upon a review of the following information:
 - 1. information provided by such member pursuant to Rule 2.8(a)(i) above; and
 - 2. any other source of information that is held by and reasonably available to the Clearinghouse.
- iv. In the event of a conflict involving the Chief Compliance Officer as a member of the deliberating body, the other members of the deliberating body shall determine whether any member of the relevant deliberating body is subject to a conflicts restriction under this Rule 2.8(a).

(b) Financial Interest in a Significant Action Conflict

- i. No member of the Board, committee or Disciplinary Panel shall participate in the body's deliberations or voting on any significant action if such member knowingly has a direct and substantial financial interest in the result of the vote based upon either the Clearinghouse or non-Clearinghouse positions that could reasonably be expected to be affected by the action.
- ii. Prior to consideration of any significant action, each member of the deliberating body who does not choose to abstain from deliberations and voting shall disclose to the Chief Compliance Officer any information that may be relevant to a determination of whether such member has a direct and substantial financial interest in the result of the vote.

- iii. The Chief Compliance Officer shall determine whether any member of the relevant deliberating body who does not choose to abstain from deliberations and voting is subject to a conflicts restriction under this Rule 2.8(b) based on a review of the totality of the circumstances.
 - iv. Any member who would otherwise be required to abstain from deliberations and voting pursuant to this Rule 2.8(b) above may participate in deliberations, but not in voting, if the deliberating body, after considering the factors specified below, determines that such participation would be consistent with the public interest (e.g. if the member has significant expertise and background that provides useful context); provided, however, that before reaching any such determination, the deliberating body will fully consider the information specified in Rule 2.8(b)(ii) above which is the basis for such member's direct and substantial financial interest in the significant action that is being contemplated. In making its determination, the deliberating body shall consider:
 - 1. whether such member's participation could unduly influence the outcome of the deliberations;
 - 2. whether such member's participation in the deliberations is necessary to achieve a quorum; and
 - 3. whether such member has unique or special expertise, knowledge or experience in the matter being considered.
 - v. In the event of a conflict involving the Chief Compliance Officer as a member of the deliberating body, the other members of the deliberating body shall determine whether any member of the relevant deliberating body is subject to a conflicts restriction under this Rule 2.8(b).
- (c) The minutes of any meeting to which the conflicts determination procedures set forth in this Rule 2.8 apply shall reflect the following information:
- i. the names of all members who participated in such meeting;
 - ii. the name of any member who voluntarily recused himself or herself or was required to abstain from deliberations or voting on a matter and the reason for the recusal or abstention, if stated;
 - iii. the information that was reviewed for each member of the relevant deliberating body; and
 - iv. any determination made in accordance with Rule 2.8(a) or Rule 2.8(b) above.
- (d) Directors shall annually submit a disclosure statement identifying any real, potential, or perceived conflicts of interest, including those involving any Affiliate during the immediately preceding year.

2.9 Indemnification of Members of the Board of Directors, Officers, and Others

The Clearinghouse will indemnify to the full extent authorized by law any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative in nature, by reason of the fact that such person is

or was Clearinghouse Personnel against expenses, including attorneys' fees, judgments, fines, and amounts paid in connection with such action, suit, or proceeding. Such indemnification shall not be deemed exclusive of any other rights to which a person may be entitled under any agreement or as a matter of law or otherwise. The Clearinghouse may purchase and maintain insurance on behalf of any person who is or was Clearinghouse Personnel against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Clearinghouse would have the power to indemnify such person against such liability under the provisions of this Rule 2.9. However, no person shall be indemnified from liability for fraud, bad faith, willful misconduct, or gross negligence. Further, no person shall be indemnified against a civil penalty imposed by the CFTC under Section 6b of the CEA.

2.10 Regulatory Cooperation

- (a) The Clearinghouse may from time to time enter into such agreements with domestic or foreign self-regulatory organizations, associations, boards of trade and their respective regulators providing for the exchange of information and other forms of mutual assistance for financial surveillance, routine audits, market surveillance, investigative, enforcement and other regulatory purposes as the Clearinghouse may consider necessary or appropriate or as the CFTC may require.
- (b) The Chief Executive Officer or their delegate is authorized to provide information to an exchange or clearing organization that is a party to an information sharing agreement with the Clearinghouse, in accordance with the terms and conditions of such agreement.
- (c) All information received by the Clearinghouse with respect to any information sharing agreement, shall be held in confidence by the Clearinghouse and shall not be provided to any of its nonregulatory departments or divisions or any other person (including to any affiliate of the Clearinghouse), except as follows:
 - i. to the governmental authority(ies) responsible for regulating financial instruments in the home jurisdiction of the requesting information sharing agreement member,
 - ii. pursuant to an order of a court or other lawful process, or
 - iii. as it may be necessary for conducting any investigation or disciplinary proceeding.

2.11 Blockchain Network Disruption Procedures

(a) Solana Network Outage or Degradation

In the event the Solana blockchain network experiences an outage, consensus failure, or material degradation that prevents the Clearinghouse from processing deposits, withdrawals, or verifying custody balances, the Clearinghouse may, in its sole discretion, invoke emergency procedures, which may include one or more of the following:

- suspension of deposit crediting and withdrawal processing until such time as network stability has been restored;
- suspension of new position acceptance, in coordination with the relevant DCM;
- postponement of settlement cycles until on-chain operations have resumed; and
- prompt notification to all Clearing Members upon the Clearinghouse's determination to invoke such procedures, via the Clearing System and the Clearinghouse's emergency contact procedures.

(b) Resumption Criteria

The Clearinghouse shall resume normal operations only after all of the following conditions have been satisfied:

- the Solana blockchain network has demonstrated stable operation for a period of not less than fifteen (15) minutes, as evidenced by validator participation at or above eighty percent (80%) and normal block production;
- the Clearinghouse has verified custody balances through no fewer than two (2) independent RPC Providers;
- full reconciliation has been completed between on-chain Program-Derived Address balances and the Clearinghouse's internal ledger; and
- the Chief Risk Officer has approved the resumption of operations.

(c) RPC Provider Failures

The Clearinghouse shall maintain relationships with multiple RPC Providers to ensure operational redundancy. In the event of an RPC Provider failure, the Clearinghouse's systems shall automatically transition to a backup RPC Provider. Clearing Members shall not experience service disruption as a result of the failure of a single RPC Provider.

(d) Regulatory Notification

The Clearinghouse shall promptly report to the CFTC any material blockchain network disruption affecting clearing or settlement upon the Clearinghouse's determination that such a disruption has occurred, pursuant to CFTC Regulation 39.18(g).

2.12 Public Information

The Clearinghouse shall make public on a daily basis the information required to be disclosed under CFTC Regulation 39.21(c)(5), including information on settlement prices, volume, open interest, and opening and closing ranges for actively traded Contracts.

CHAPTER III: CLEARING MEMBERS

3.1 Clearing Member Eligibility

- (a) To be eligible to clear transactions through the Clearinghouse, Clearing Members must: (i) satisfy all requirements generally applicable to Clearing Members under these Rules; (ii) have the technical capability to access and operate the Clearing System, including the ability to create and maintain a compatible digital wallet, deposit and withdraw USDC, and receive electronic notices from the Clearinghouse, and have sufficient technical and operational capabilities to fulfill any other obligations applicable to Clearing Members as may from time to time be required by the Clearinghouse; and (iii) satisfy such other requirements or criteria as may from time to time be adopted by the Clearinghouse.
- (b) An applicant to be an Entity Clearing Member must satisfy the following criteria, and must represent to the Clearinghouse that:
 - i. It is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is organized and has all licenses necessary to carry on its business as now being conducted;
 - ii. It has the legal authority and is duly authorized and empowered to become an Entity Clearing Member and to effect transactions in Contracts on an Exchange, or to effect transactions in any other relevant contracts, agreements or transactions, cleared through the Clearinghouse;
 - iii. It is not subject to a statutory disqualification under sections 8a(2) or 8a(3) of the CEA;
 - iv. It is not subject to any economic or trade sanctions programs administered by OFAC or other relevant U.S. authority, and is not listed on OFAC's List of Specially-Designated Nationals and Blocked Persons, or if applicant is an entity, does not include any such Person among its beneficial owners;
 - v. It has a mechanism that is acceptable for transferring funds to and receiving funds from the Entity Clearing Member's Account;
 - vi. It has appointed one or more Authorized User(s) pursuant to Rule 3.4; and
 - vii. It satisfies such other requirements or criteria as may from time to time be adopted by the Clearinghouse.
- (c) An applicant to be an Individual Clearing Member must satisfy the following criteria and represent that it:
 - i. Is a natural person with legal capacity to enter into binding contracts;
 - ii. Is not subject to a statutory disqualification under sections 8a(2) or 8a(3) of the CEA;
 - iii. Is not subject to any economic or trade sanctions programs administered by OFAC or other relevant U.S. authority, and is not listed on OFAC's List of Specially-

- Designated Nationals and Blocked Persons, or if applicant is an entity, does not include any such Person among its beneficial owners;
- iv. Has a mechanism that is acceptable for transferring funds to and receiving funds from the Individual Clearing Member's Account; and
 - v. Has certified the following:
 - a. The applicant is old enough to enter into a legally enforceable contract and has reached the required age as stated on the Membership Application and Agreement;
 - b. The applicant has read, understands and agrees to comply with the Clearinghouse Rulebook, Terms of Use, Privacy Policy, and Membership Application and Agreement;
 - c. The applicant certifies the accuracy of application materials and agrees to comply with the Rulebook and applicable law; and
 - d. Satisfies such other requirements or criteria as may from time to time be adopted by the Clearinghouse.
- (d) Notwithstanding anything to the contrary in this Rule 3.1, in considering any applicant for membership to the Clearinghouse, the Clearinghouse may request additional information, or employ such other means that it deems desirable or appropriate, to ascertain relevant facts bearing on the applicant's qualifications; and
- (e) The Clearinghouse in its sole discretion may deny (or may condition) the grant of Clearing Privileges if an applicant or Clearing Member is unable satisfactorily to demonstrate a capacity to adhere to all applicable Rules and CFTC Regulations, or for such other causes as the Clearinghouse may determine from time to time.
- (f) The Clearinghouse in its sole discretion may condition or revoke an applicant or Clearing Member's Clearing Privileges if any of the circumstances exist or such Clearing Member:
- i. fails to meet any of the qualification requirements;
 - ii. fails to meet any condition placed by the Clearinghouse;
 - iii. is obligated to submit a notice to the Clearinghouse under Rule 3.8;
 - iv. has their trading privileges revoked on any Exchange; or
 - v. violates any agreement with the Clearinghouse, any Rule or any provision of Applicable Law.
- (g) Affiliates of the Clearinghouse are permitted to become Clearing Members on the same terms and conditions as other Clearing Members, and to clear through the Clearinghouse, pursuant to an action of the Board of Directors, subject to the following conditions, which shall be applicable and enforced at the time of approval and on an ongoing basis thereafter:

- i. Such Affiliate has access to the Clearinghouse on terms and conditions that are not preferential relative to other Clearing Members, including compliance with all Rules in this Rulebook;
- ii. The Clearinghouse has established controls and procedures so that such Affiliate has no access to any Clearinghouse material non-public information including but not limited to information regarding order flow, trading, settlement, and compliance;
- iii. The Clearinghouse has established and maintains physical operations that are separate from those of such Affiliate;
- iv. Such Affiliate has not received capital from the Clearinghouse;
- v. The Clearinghouse has ensured such Affiliate does not have access to the Clearinghouse operations, including servers, databases, accounts, or source code, except to the extent that other Clearing Members have such access and, in that event, only on the same terms and conditions applicable to other Clearing Members;
- vi. Such Affiliate has represented that it does not access or utilize systems or features in clearing through the Clearinghouse that are not available to other Clearing Members; and
- vii. Such Affiliate has represented that it will maintain market integrity on the Clearinghouse, and will act in a fair and responsible manner in all of its activities on the Clearinghouse, including, when applicable, the disclosure to the Clearinghouse of any actual or potential conflicts of interest in its operations, algorithms, or systems.
- viii. The Clearinghouse shall, prior to an Affiliate clearing transactions through the Clearinghouse, or if the information about the trading and clearing activities of the Affiliate changes materially prior to the commencement of such trading, put in place necessary controls to ensure that the provisions of this Rule are complied with, and shall disclose to Clearing Members the restrictions on Affiliates' trading activities by including a notice on the Clearinghouse website that discloses the Affiliates' purpose in clearing transactions through the Clearinghouse and provides a summary of the procedures in place to manage and disclose actual or potential conflicts of interest and effects on trading to ensure market integrity and fairness are preserved.

3.2 Applications

- (a) Each application to become a Clearing Member shall be in such form as may from time to time be prescribed by the Clearinghouse. Each applicant to become a Clearing Member shall promptly update the application materials if any of the information provided therein becomes inaccurate or incomplete. The Clearinghouse shall act upon, and approve or disapprove, any such application without unreasonable delay.
- (b) Each applicant to become a Clearing Member shall:

- i. submit to the Clearinghouse executed forms of the Clearing Member Agreement and all application documents; and
 - ii. agree in written or electronic form to abide by these Rules and Applicable Law.
- (c) Upon the Clearinghouse's approval of an applicant's Clearing Member application and upon the Clearinghouse's confirmation that the initial fee payable by the applicant has been paid to the Clearinghouse, if any, the applicant shall become a Clearing Member and obtain Clearing Privileges.
- (d) If the Clearinghouse denies an applicant's Clearing Member application, the applicant may appeal the decision by filing with the Compliance Department a petition for review of such application denial or trading limitation. The petition should describe in detail the reasons why the application should be granted. The petition must be filed within thirty (30) Business Days from the date upon which notice of the denial of the applicant's Clearing Member application was provided by the Clearinghouse. The decision of the Compliance Department will be final. An applicant whose Clearing Member application has been denied by the Compliance Department will not be eligible for reapplication during the six months immediately following such denial.

3.3 Clearing Member Accounts

- (a) Clearing Members
 - i. The Clearinghouse will establish an account on its books and records in the name and on behalf of Clearing Members. The Clearing Member will be responsible for all clearing activity, transactions and other activity in or through its Account and for all amounts due with respect to any such clearing activity, transactions or other activity, including but not limited to required amounts of collateral and premiums. Each Clearing Member and its Authorized Users shall have the right to access Six Clearing.
 - ii. The Clearinghouse has the authority to establish more than one Account per Clearing Member, if the Clearinghouse deems it to be appropriate.
 - iii. All funds deposited by a Clearing Member with the Clearinghouse on behalf of the Clearing Member's own account shall be held in a Member Property Account. Such funds from Clearing Members shall be segregated by the Clearinghouse and treated as belonging to Clearing Members.

3.4 Authorized Users

- (a) Each Entity Clearing Member shall be required to appoint one or more individuals to act as its Authorized User or Authorized Users, as applicable. Individual Clearing Members may act as their own Authorized User or may appoint a third party as his or her Authorized User, pursuant to a power of attorney or other instrument, in a form prescribed or approved by the Clearinghouse, providing such third party with authority to supervise clearing activities with respect to the Clearing Member's Account. The third party to which an individual Clearing Member grants authority may be a related person of the Clearing Member, or any unaffiliated party.
- (b) Each Authorized User with authority to supervise clearing activities with respect to the Clearing Member's Account (i) must be a natural person and (ii) must satisfy any other requirements as may be prescribed by the Clearinghouse from time to time.

- (c) Without limiting the foregoing, each Authorized User must consent, in a form satisfactory to the Clearinghouse, to abide by the Rules and Applicable Law prior to accessing the Clearing System, and each Entity Clearing Member will ensure on an ongoing basis that (i) none of its Authorized Users is subject to a disqualification pursuant to any Applicable Law (unless an appropriate exemption has been obtained with respect thereto), (ii) each of its Authorized Users will be technically proficient, (iii) each of its Authorized Users will conduct its business in a fair and equitable manner, and (iv) each of its Authorized Users will conduct its business in accordance with the Rules.
- (d) The Clearinghouse may withdraw or suspend the registration of any Authorized User if the Clearinghouse determines that:
 - i. an Authorized User has failed, or has caused the Entity Clearing Member to fail, to comply with the Rules of the Clearinghouse;
 - ii. an Authorized User is not properly performing the responsibilities of an authorized representative of an Entity Clearing Member;
 - iii. an Authorized User has failed to comply with the conditions set forth in paragraph (c) of this Rule;
 - iv. an Authorized User's trading privileges on any Exchange have been revoked; or
 - v. it is in the best interests of maintaining a fair and orderly market to do so.
- (e) If the Entity Clearing Member withdraws or the Clearinghouse suspends the registration of any Authorized User, the Entity Clearing Member must ensure that such Authorized User does not submit any transactions for clearing into the Clearing System.
- (f) The registration of an Authorized User will be withdrawn upon the written request of either the Authorized User or the Entity Clearing Member for which an Authorized User is registered. Such written request shall be submitted in a manner prescribed by the Clearinghouse. Until such written request is received and processed by the Clearinghouse, or an Authorized User's registration is suspended or withdrawn pursuant to paragraph (d) of this Rule, an Entity Clearing Member will be responsible for all activity of such Authorized User(s) related to the Clearinghouse.

3.5 Amounts Payable by Clearing Members

- (a) The Clearinghouse shall have the authority to establish the amounts of any fees to be paid by Clearing Members, and the timing of payment of such fees, and such fees shall be paid when due. In addition, the Clearinghouse shall have the authority to impose minimum withdrawal amounts, fees for inactivity or other fees as it deems appropriate, and may post an updated fee schedule on its website from time to time. Clearing Members are deemed to have notice of any changes made to such fee schedule that are posted on the Clearinghouse website.
- (b) Unless the Clearinghouse, at its discretion, elects not to do so in any particular instance, the Clearinghouse will withdraw the relevant fees directly from each Clearing Member's Account in USDC (or other Eligible Collateral, if applicable). The Clearing Member agrees to pay, and authorizes the Clearinghouse to withdraw from its Account: (i) any fees or charges associated with any transactions cleared on behalf of the Clearing Member on the Clearinghouse at such rate as is posted on the Clearinghouse's website; (ii) any costs or expenses incurred by the Clearinghouse in

connection with the Clearing Member's clearing activity, including, without limitation, blockchain network fees, Approved Custodian fees, chargebacks (if any), costs of compliance reviews, and costs incurred in connection with default management or collections; (iii) any other charges agreed upon between the Clearing Member and the Clearinghouse; and (iv) any other fines or penalties that may be imposed by the Clearinghouse from time to time.

- (c) If a Clearing Member fails to pay when due any Clearinghouse fees or other amounts due by such Clearing Member, and such payment obligation remains unsatisfied for thirty (30) Business Days after its due date, the Clearinghouse, as it deems necessary or appropriate, may suspend, revoke, limit, condition, restrict or qualify Clearing Privileges of such Clearing Member and its Authorized Users. Moreover, the Clearinghouse may submit any amounts owed by a Clearing Member in excess of thirty (30) Business Days to a third-party collection agency. The Clearinghouse reserves the right to pursue any and all allowable legal action, whether criminal or civil, against the Clearing Member to recover losses incurred as the result of fraud or misconduct, including attorneys' fees and other legal expenses, and any other remedies permitted by law.

3.6 General Obligations for Clearing Members

- (a) By accessing, or entering any transaction for clearing into the Clearing System, and without any need for any further action, undertaking or agreement, a Clearing Member and its Authorized Users agree (i) to be bound by, and comply with, the Rules and Applicable Law, and (ii) to submit to the jurisdiction of the Clearinghouse with respect to any and all matters arising from, related to, or in connection with, the status, actions or omissions of such Clearing Member and its Authorized Users. Any Clearing Member and its Authorized Users whose Clearing Privileges are revoked or terminated shall remain bound by the Rules and Applicable Law and subject to the jurisdiction of the Clearinghouse with respect to any and all matters arising from, related to, or in connection with, the status, actions or omissions of such Clearing Member and its Authorized Users prior to such revocation or termination.
- (b) All Clearing Member communications with the Clearinghouse, including keystrokes entered by the Clearing Member on the Clearinghouse, API requests, emails and telephone calls, may be recorded without further notice, and such recordings may be provided to regulatory authorities (subject to and in compliance with Applicable Laws) and used as evidence in the event of any dispute. Such recordings will be and remain the sole property of the Clearinghouse and will, in the absence of manifest error, be accepted by the Clearing Member as evidence of the communications so recorded. The period of retention of such recordings shall be as required by Applicable Law or any such longer period as may be determined by the Clearinghouse in its sole discretion. Further, such recordings may be used for the Clearinghouse's own purposes (including, without limitation, for purposes of monitoring levels of activities in categories of transactions) and not for the Clearing Member's benefit.
- (c) Each Clearing Member must also cooperate promptly and fully with the Clearinghouse, its agents, and/or the CFTC in any investigation, call for information, inquiry, audit, examination, or proceeding. Such cooperation shall include providing the Clearinghouse with access to information on the activities of such Clearing Member in any referenced or related market that provides the underlying prices for any Clearinghouse Contract or that is otherwise related to the pricing or trading of any Contract.
- (d) Each Clearing Member consents to allow the Clearinghouse to provide all information the Clearinghouse has in its possession or control regarding the Clearing Member, including the Clearing Member's trading activity, to the CFTC or any other regulatory agency, law enforcement

authority, or judicial tribunal, including (as may be required by information sharing agreements or other contractual, regulatory, or legal provisions) foreign regulatory or self-regulatory bodies, law enforcement authorities, or judicial tribunals.

- (e) The Rulebook, all amendments thereto and notices and policies thereunder, as well as the specifications for the Contracts from time to time cleared on the Clearinghouse, will be publicly available on the Clearinghouse website. Each Clearing Member and each Clearing Member's Authorized User(s) will be automatically bound by any notices, interpretations, guidance, Rule changes or other material posted by the Clearinghouse on its website, without any further action by the Clearing Member or Authorized User(s). Each Clearing Member and Authorized User is required to review the "Notices" section of the Clearinghouse website to make themselves aware of material changes to these Rules or other notices that may affect their rights and obligations as a Clearing Member of the Clearinghouse. In accordance with this Rule 3.6, the Clearinghouse shall publish a notice with respect to each addition to, modification of, or clarification of, the Rules, any action to implement any Rules, or any notices, interpretations or guidance, in a form and manner that is reasonably designed to enable each Clearing Member to become aware of and familiar with, and to implement any necessary preparatory measures to be taken by it with respect to, such material, prior to the effective date thereof; provided that any failure of the Clearinghouse to so publish a notice shall not affect the effectiveness of the material in question. For purposes of publication in accordance with the first sentence of this Rule 3.6, it shall be sufficient (without limiting the discretion of the Clearinghouse as to any other reasonable means of communication) if a notice is published on the Clearinghouse's website.
- (f) Each Clearing Member must provide the Clearinghouse with the current electronic mail address for each of its Authorized Users and immediately (and in any event within 24 hours) update each such address whenever it changes. All communications between the Clearinghouse and the Clearing Member (and its Authorized Users) will be transmitted by email, posted on the Clearinghouse website, and/or made available through the Clearing System.
- (g) Clearing Members are not required to engage in clearing activity or maintain a minimum balance in their Accounts after initial funding. Notwithstanding the foregoing, the Clearinghouse has the authority to impose minimum withdrawal amounts or fees for inactivity, which will, if imposed, be posted on the Clearinghouse website from time to time.

3.7 Recordkeeping

- (a) Each Clearing Member must maintain audit trail information as required by the CEA and CFTC Regulations, including, but not limited to, CFTC Regulations 1.31 and 1.35 if applicable, and must be able to produce this data in a standard format upon request from the Clearinghouse.
- (b) The books and records required to be kept under paragraph (a) above shall be readily available for inspection, at any time, on a routine or non-routine basis and promptly provided to the Clearinghouse, the CFTC, the Securities and Exchange Commission or the U.S. Department of Justice, upon request, in each case in the form and manner required under these Rules, and/or the CEA and CFTC Regulations.

3.8 Notices Required of Clearing Members

- (a) Each Clearing Member must immediately notify the Clearinghouse in writing upon becoming aware:

- i. that the Clearing Member, any of the Clearing Member's officers, employees, agents or any of the Clearing Member's Authorized Users has had access or trading privileges or clearing privileges suspended, or Clearing Member status is denied, in any commodity, futures, securities, or swaps exchange, or any other trading platform or any other self-regulatory organization;
 - ii. that the Clearing Member, any of the Clearing Member's officers, employees, agents or any of the Clearing Member's Authorized Users has been convicted of, pled guilty or no contest to, or entered a plea agreement to, any felony in any domestic, foreign or military court;
 - iii. that the Clearing Member, any of the Clearing Member's officers, employees, agents or any of the Clearing Member's Authorized Users has been convicted of, pled guilty or no contest to, or entered a plea agreement to a misdemeanor in any domestic, foreign or military court which involves:
 - 1. embezzlement, theft, extortion, fraud, fraudulent conversion, forgery, tax evasion, counterfeiting, false pretenses, bribery, gambling, racketeering, or misappropriation of funds, securities or properties; or
 - 2. any transaction in or advice concerning swaps, futures, options on futures, leveraged transactions or securities;
 - iv. that the Clearing Member, any of the Clearing Member's officers, employees, agents or any of the Clearing Member's Authorized Users has been subject to, or associated with a firm that was subject to regulatory proceedings before any governmental or regulatory agency;
 - v. that the Clearing Member, any of the Clearing Member's officers, employees, agents or any of the Clearing Member's Authorized Users is currently a party to any investigation or proceeding, the resolution of which could result in an event described in Rule 3.8(a)(i)-(iv);
 - vi. of any other material change in any information contained in the Clearing Member's application to become a Clearing Member on the Clearinghouse;
 - vii. of becoming the subject of a bankruptcy petition, receivership proceeding, or the equivalent, or being unable to meet any financial obligation as it becomes due; or
 - viii. of information that concerns any financial or business developments that may materially affect the Clearing Members' ability to continue to comply with participation requirements.
- (b) Upon the receipt of such notice, the Clearinghouse may take any action it determines to be appropriate, in its sole discretion with respect to such Clearing Member, including but not limited to the revocation of such Clearing Member's Clearing Privileges.
- (c) Upon the receipt of a notice of the type set forth in this Rule, the Clearinghouse shall review the continuing eligibility of the Clearing Member for clearing eligibility and take any or all of the actions as permitted by these Rules.

3.9 Responsible Agents

- (a) Each Clearing Member that is an Entity shall at all times have at least one employee or agent (each, a “Responsible Agent”) designated as its administrator with respect to the clearing of Contracts by the Authorized Users of such Clearing Member. Each Clearing Member that is a natural person shall serve as its own Responsible Agent. The Clearinghouse may prescribe such qualification standards for Responsible Agents as it may from time to time determine necessary or advisable. Among other things, each Responsible Agent shall have full control over access to the Clearing System, including (without limitation) the ability to designate and revoke Authorized Users, manage authentication credentials, and control elevated actions such as submission of withdrawal requests and establishment or modification of Whitelisted Addresses, in each case subject to the Clearinghouse’s controls applicable to such actions by the Clearing Member (including its Authorized Users) represented by such Responsible Agent. The Responsible Agent(s) of any Clearing Member shall also be solely responsible for any and all communications between the Clearinghouse and such Clearing Member, and any and all notices or other communications sent to such Responsible Agent(s) by the Clearinghouse shall be binding on such Clearing Member. Each Clearing Member shall notify the Clearinghouse promptly of any change regarding any of its Responsible Agents.
- (b) Each Clearing Member shall (i) be solely responsible for controlling and monitoring the use of all User IDs and authentication credentials (including passwords, multi-factor authentication methods, API keys, and/or cryptographic keys, as applicable) used to access the Clearing System (issued to its Authorized Users and Responsible Agent(s) by the Clearinghouse), (ii) provide such User IDs and passwords only to its Authorized Users and Responsible Agent(s), and (iii) shall notify the Clearinghouse promptly upon becoming aware of any unauthorized disclosure or use of the User IDs or passwords or access to the Clearinghouse or of any other reason for deactivating User IDs or passwords. Each Clearing Member, on behalf of itself and its Authorized Users, shall be bound by any instructions and actions authenticated through the Clearing System using the Clearing Member’s or its Authorized Users’ User IDs and authentication credentials, whether or not actually authorized by the Clearing Member, except to the extent the Clearinghouse has received and implemented notice that such credentials are compromised or deactivated in accordance with these Rules.
- (c) Notwithstanding anything to the contrary in Rule 3.9(b), each Authorized User shall have his or her own unique User IDs and required authentication credentials that may be used only by such Authorized User and solely for the purpose of submitting transactions for clearing in respect of the Account for which the Authorized User has Clearing Privileges.

3.10 Clearing Members and Authorized User Access

- (a) During the Clearing Member application process, an applicant will be required to register a user identification (“User ID”) and one or more authentication credentials (which may include a password, multi-factor authentication, API keys, and/or cryptographic keys) as prescribed by the Clearinghouse.
- (b) The Clearing Member will be required to use its User ID and required authentication credentials to log onto and access the Clearing System. Each time the Clearing Member submits its unique User ID and password to the Clearinghouse in order to log onto the Clearing System, the Clearing Member affirms that it understands, and agrees to be bound by, these Rules and other policies and procedures of the Clearinghouse, as amended.

- (c) Each Authorized User shall maintain a unique User ID and required authentication credentials, distinct from the User ID and password of the Clearing Member but identified as related to the Clearing Member with which the Authorized User is associated. The Clearing Member will only provide the User IDs to its officers, employees or agents who are designated as, and authorized as, Authorized Users. The Clearinghouse reserves the right to revoke or modify a User ID at any time without prior notice.
- (d) The Clearing Member will be responsible for protecting its User IDs and authentication credentials (including passwords, API keys, and cryptographic keys of its Authorized User(s), from improper disclosure. In addition, a Clearing Member may not knowingly or negligently permit any Person not authorized by the Clearinghouse and by the Clearing Member to use the User ID and password to access the secure portion of the Clearinghouse website, including the Clearing System. The Clearing Member is required to immediately notify the Clearinghouse if it knows, or has reason to believe, that its User ID or the User ID and/or password of any Authorized User have been disclosed to any Person not authorized by the Clearinghouse and the Clearing Member to use such User ID and/or password.
- (e) The Clearing Member authorizes the Clearinghouse to rely upon any instruction received through use of its User IDs without further inquiry, and the Clearinghouse shall not be liable to the Clearing Member for any actions taken based on instructions received through such User IDs, even if such instructions were not authorized by the Clearing Member. The Clearing Member will be liable for any and all costs, expenses, losses or other amounts that may result from actions taken, including transactions cleared through the Clearinghouse, by any person, authorized or not, using its User ID and password or the ID and/or password of any Authorized User. The Clearinghouse will not be responsible in any way for unauthorized transactions in a Clearing Member's Account.
- (f) The Clearing Member is responsible for contracting with an internet service provider through which it will access the Clearinghouse website and for having a backup service provider if reasonably necessary. The Clearing Member is also responsible for maintaining an internet connection speed adequate for its needs. The Clearinghouse will not be responsible in any way for any transactions submitted for clearing that were delayed because of failure of the Clearing Member's internet service provider or slowness of its internet connection speed. No communication from a Clearing Member will be deemed to have been received by the Clearinghouse until that communication is logged by the Clearinghouse server.

CHAPTER IV: CLEARING

4.1 Submission and Acceptance of Trades for Clearing

- (a) Clearing Members are required to maintain sufficient Eligible Collateral (USDC) on deposit with the Clearinghouse, and otherwise remain in good standing, such that transactions submitted for clearing may be accepted by the Clearinghouse in accordance with these Rules and the Clearinghouse's risk, compliance, and operational controls.
- (b) Upon submission of Contracts for clearing, the Clearinghouse will automatically review the Clearing Member's Account to determine whether the Clearing Member can fully collateralize the transaction and satisfy any fees, premiums (if applicable), settlement obligations, and other amounts due. The Clearinghouse may reject or partially accept a submitted transaction if the Clearing Member's Account does not have sufficient Eligible Collateral or otherwise fails the Clearinghouse's risk, compliance, or operational checks. A transaction is final for clearing purposes only upon acceptance by the Clearinghouse.
- (c) For trades executed competitively on or subject to the rules of an Exchange:
 - i. The Clearinghouse will coordinate with each Exchange to establish automated systems that will accept or reject for clearing all Contracts that are listed for clearing by the Clearinghouse.
 - ii. The Clearinghouse will accept for clearing all Contracts that satisfy all of the following conditions:
 - 1. The Contract is traded on an Exchange;
 - 2. The Contract was certified by an Exchange under Part 40 of the CFTC's Regulations, and the CFTC has not exercised its right to block under CFTC Regulation 40.11; and
 - 3. The Contract satisfies the criteria of the Clearinghouse, including, but not limited to, applicable risk filters, which shall be non-discriminatory across Exchanges. The Clearinghouse will also coordinate with all Exchanges to integrate and be able to apply such criteria in a fully automated system, and if that is impracticable, the Clearinghouse will apply the criteria as quickly as would be technologically practicable if fully automated systems were used.
- (d) Contracts with the same terms and conditions submitted to the Clearinghouse for clearing are economically equivalent within the Clearinghouse and may be offset with each other within the Clearinghouse.
- (e) Upon acceptance of a Contract by the Clearinghouse for clearing:
 - i. The original transaction is extinguished;
 - ii. The original Contract is replaced by an equal and opposite Contract between the Clearinghouse and each Clearing Member;

- iii. All terms of a cleared Contract must conform to the applicable Contract Rules; and
 - iv. The Clearinghouse is irrevocably authorized to debit and credit Accounts in USDC, impose holds, and initiate on-chain transfers of USDC from Custody Vaults to Whitelisted Addresses (where applicable), in each case to effect fees, premiums (if applicable), settlement amounts, default management actions, and other obligations under the applicable Contract Rules and this Rulebook.
- (f) All credits and debits to Accounts in connection with clearing and settlement are final on the books and records of the Clearinghouse when posted in accordance with these Rules. USDC transferred to the Clearinghouse's Custody Vaults is subject to the Clearinghouse's custody and control arrangements (including through any Approved Custodian and/or smart contract vaults) and may be subject to network conditions and token/issuer actions. The Clearinghouse may treat an on-chain transfer as final only after the applicable Blockchain Confirmation thresholds and any compliance controls are satisfied.
- (g) If a Contract is rejected for clearing, it shall not be cleared and shall not create any obligation at the Clearinghouse. The treatment of the rejected transaction at the Exchange (including cancellation, correction, or other handling) shall be governed by the applicable Contract Rules and Exchange rules.
- (h) All positions will be carried on a gross basis by the Clearinghouse until such time as the Clearinghouse, in its sole discretion, determines to provide offset at the earlier of an end-of-day netting process or at position settlement.

4.2 Procedures for Deposits and Withdrawals from Accounts

(a) Procedures for Deposits

- i. A Clearing Member must submit a deposit notification to the Clearinghouse before the Clearing Member may deposit funds with the Clearinghouse. A Clearing Member must have sufficient funds at its designated financial institution before such Clearing Member submits a deposit notification to the Clearinghouse. Only USDC will be accepted in satisfaction of Clearing Members' obligations in connection with Contracts cleared through the Clearinghouse.
- ii. Deposits must be made by transferring USDC to a Custody Vault address designated by Six Clearing for the depositing Account. Six Clearing will credit the depositing Account only after required confirmation and screening checks are satisfied.
- iii. Clearing Members are responsible for all transfers of funds to their Accounts and any reversal of such transfer constitutes a violation of these Rules unless remediated in a manner acceptable to the Clearinghouse in its sole discretion.

(b) Withdrawals from Accounts

- i. Clearing Members may only withdraw amounts in excess of any Required Collateral held by the Clearinghouse.
- ii. Only a Clearing Member or its Authorized User(s) may submit a withdrawal request to the Clearinghouse through the Clearing System before the Clearinghouse initiates a

transfer of USDC. Upon acceptance of a withdrawal request, the Clearinghouse may place the requested amount on hold and/or reduce the Clearing Member's withdrawable balance by the amount of the withdrawal request, and will reflect a final debit to the Account upon initiation (or completion) of the on-chain transfer, in each case subject to the Clearinghouse's risk, compliance, and operational controls.

- iii. Clearing Members are responsible for providing accurate Whitelisted Addresses to permit the Clearinghouse to effect withdrawals of USDC. Withdrawal requests to a Wallet Address other than a Whitelisted Address for the applicable Account are prohibited, except as expressly permitted by the Clearinghouse in its sole discretion. The Clearinghouse is not responsible for losses resulting from an incorrect, incompatible, or unauthorized Wallet Address provided or approved by a Clearing Member. The Clearinghouse will, after accepting a withdrawal request, use commercially reasonable efforts to initiate an on-chain transfer of USDC from the applicable Custody Vault to the Clearing Member's designated Whitelisted Address promptly; provided that processing times may be affected by blockchain conditions, network congestion, and the Clearinghouse's compliance, risk, and operational controls.
- iv. If a Clearing Member fails to adhere to the withdrawal procedures set forth herein, as applicable, the Clearinghouse will take reasonable measures to effect the withdrawal; however, if the Clearinghouse is unable to effect the withdrawal, the Clearing Member's collateral may become the sole property of the Clearinghouse, to the extent permitted by Applicable Law and pursuant to the procedures and disclosures posted on the Clearinghouse website. The Clearinghouse may apply the collateral against the Clearing Member's obligations.
- v. Notwithstanding the foregoing, Withdrawals are Clearing Member-initiated and will be processed to a destination address permitted under Six Clearing's controls. Six Clearing may delay or deny withdrawals in connection with risk management, fraud/AML flags, operational outages, regulatory orders, or default management.

4.3 Settlement of Contracts

The Clearinghouse shall maintain, in the Clearing System, a record of each Clearing Member's USDC collateral balance(s), holds (if any), and Contracts and positions.

On the Settlement Date, the Clearinghouse will (i) calculate the Settlement Amount(s), (ii) post the resulting credits and debits to each Clearing Member's Account in USDC in accordance with the Contract Rules and these Rules, and (iii) make available a notice or report of such Settlement Amount(s). Settlement under each Contract shall be effected solely in accordance with the applicable Contract Rules and these Rules. Clearing Members may enter into separate bilateral arrangements between themselves; provided that (i) such arrangements shall not alter, novate, or discharge any obligation owed to the Clearinghouse, (ii) the Clearinghouse is not a party to, and has no responsibility for, such arrangements, and (iii) all obligations to the Clearinghouse remain binding and enforceable in accordance with these Rules.

4.4 Investment and Use of Clearing Member Account Assets

- (a) Subject to applicable law and CFTC requirements, Eligible Collateral held by the Clearinghouse may be maintained in one or more omnibus Custody Vaults, with segregation effected through the Clearinghouse's books and records and sub-accounting. The Clearinghouse will not lend,

rehypothecate, pledge, stake, or otherwise use Eligible Collateral for its own account unless expressly disclosed and permitted by these Rules (or by written notice) and applicable law. The Clearinghouse may impose holds, reserves, or restrictions on withdrawal or use of Eligible Collateral for risk management, settlement, fees, compliance, or default management.

(b) Prohibition on Staking, Yield Generation, and DeFi Protocols

The Clearinghouse will not, with respect to any Eligible Collateral held in connection with Clearing Member Accounts:

- i. stake or delegate USDC to any blockchain validator or staking pool;
- ii. deposit USDC into any decentralized finance (DeFi) protocol, liquidity pool, lending platform, or yield-generating smart contract;
- iii. convert USDC to any other digital asset or stablecoin without the prior consent of the applicable Clearing Member, except as follows:
 - (a) redemption of USDC for U.S. dollars via Circle Internet Financial, LLC in connection with default management, operational liquidity, or regulatory compliance; or
 - (b) network migration in connection with the expansion of the Clearinghouse to additional blockchain networks, provided that the Clearinghouse provides prior written notice to Clearing Members; or
- iv. use USDC for any purpose other than satisfying obligations under the applicable Contract Rules and these Rules.

All USDC deposited by Clearing Members will remain in the applicable Custody Vaults (PDAs) on the Solana blockchain (or other approved networks), segregated via the Clearinghouse's internal sub-ledger, and available for immediate withdrawal subject to collateral and settlement requirements.

4.5 Transfers of Positions

(a) The Clearinghouse in its sole discretion may permit the transfer of positions between Accounts:

- i. to correct errors in an existing Contract, provided that the original trade documentation confirms the error;
- ii. to transfer an existing Contract through operation of law from death or bankruptcy;
- iii. as a result of a merger, asset purchase, consolidation, or similar non-recurring transaction for a Person that is an organization;
- iv. for Accounts of Clearing Members that are under the same common beneficial ownership; or
- v. any other circumstances in which the Clearinghouse determines in its sole discretion that such a transfer is necessary or appropriate for any other reason.

Any positions transferred pursuant to this Rule 4.5 will be at the original price and date that appears on the books of the Clearinghouse.

4.6 Large Trader Reporting

To the extent required by Applicable Law, the Clearinghouse will obtain and review required large trader reports and portfolio risk information to monitor risk concentration and may take appropriate actions to address risks posed by any large trader's positions cleared at the Clearinghouse.

CHAPTER V: CLEARING MEMBER CONDUCT

5.1 Prohibited Activities

- (a) No Clearing Member shall engage in conduct in violation of Applicable Law or the Rules. Notwithstanding anything to the contrary in these Rules, no provision of these Rules will supersede any applicable prohibitions on fraud and manipulation, whether such prohibitions are prescribed by law, regulation or the Rules. All such prohibitions on fraud and manipulation, including, but not limited to, the antifraud provisions of the CEA and the antifraud rules promulgated by the CFTC thereunder, will remain in full force and effect with respect to, and will be fully applicable to, the clearing of all Contracts. The Clearinghouse retains the right to take any appropriate disciplinary actions against Clearing Members as permitted by the Rules, as applicable.
- (b) It shall be an offense to violate any Rule regulating the conduct or business of a Clearing Member, or any agreement made with the Clearinghouse, or to engage in fraud, dishonorable or dishonest conduct, or in conduct which is inconsistent with just and equitable principles of trade.
- (c) No Clearing Member or Authorized User shall attempt to circumvent or defeat any security, authentication, Whitelisted Address controls, withdrawal holds, or other risk or compliance controls of the Clearinghouse.
- (d) No Clearing Member or Authorized User shall submit, or attempt to submit, any deposit, withdrawal, or other instruction using credentials, API keys, or cryptographic keys that the Clearing Member knows or reasonably should know are compromised, unauthorized, or not permitted for such action.
- (e) No Clearing Member shall deposit or attempt to deposit Eligible Collateral that is subject to sanctions restrictions, freezing, blacklisting, or other legal or regulatory restrictions, or that otherwise triggers the Clearinghouse's compliance controls, and no Clearing Member shall take action intended to conceal the source of funds or evade compliance checks.
- (f) No Clearing Member or Authorized User shall interfere with, disrupt, or attempt to manipulate any Custody Vault, Approved Custodian process, blockchain interface, or other component used for custody, clearing, or settlement.
- (g) No Person shall make any misstatement of a material fact to an Exchange or the Clearinghouse (including the Board of Directors, any committee thereof or any panel of any such committee, or any Officer) or to the CFTC (including any members of its staff), including on an application to become a Clearing Member of the Clearinghouse.
- (h) No Clearing Member or Authorized User may use its Clearing Privileges or the Clearinghouse in any way which could be expected to bring disrepute upon such Clearing Member or the Clearinghouse.
- (i) No Clearing Member shall engage in any act that is detrimental to the Clearinghouse. It shall be deemed an act detrimental to the Clearinghouse to permit unauthorized use of the Clearinghouse, to assist any Person in obtaining unauthorized access to the Clearinghouse, to interfere with the operation of the Clearinghouse, to intercept or interfere with information provided thereby, or in any way to use the Clearinghouse in a manner contrary to these Rules.

- (j) Each Entity Clearing Member shall be responsible for establishing, maintaining and administering reasonable supervisory procedures to ensure that its Authorized Users comply with Applicable Law and the Rules, and shall be responsible for supervising its Authorized Users and may be held accountable for the actions of such Authorized Users.

CHAPTER VI: RULE ENFORCEMENT

6.1 Market Surveillance

The Clearing System will record and store for a period of not less than 5 years in a searchable, read-only database a record of all data entered into the Clearing System. Such records shall be maintained in a readily available manner during the first two years. Six Clearing will use this data to investigate any time it has reason to believe that inappropriate activity of any sort is taking place.

6.2 General

- (a) All Clearing Members and Authorized Users shall be subject to the Clearinghouse's jurisdiction. All Clearing Members and Authorized Users are subject to this Chapter 6 if they are alleged to have violated, to have aided and abetted a violation, to be violating, or to be about to violate, any Rule or any provision of Applicable Law for which the Clearinghouse possesses disciplinary jurisdiction.
- (b) The Clearinghouse will conduct inquiries, investigations, disciplinary proceedings and appeals from disciplinary proceedings, summary impositions of fines, summary suspensions or other summary actions in accordance with this Chapter 6.
- (c) No member of the staff of the Clearinghouse will interfere with or attempt to influence the process or resolution of any inquiry, investigation, disciplinary proceeding, appeal from a disciplinary proceeding, summary imposition of fines, summary suspension or other summary action. No Director will interfere with or attempt to influence the process or resolution of any inquiry, investigation, disciplinary proceeding, appeal from a disciplinary proceeding, summary imposition of fines, summary suspension or other summary action with respect to which the Director is not a member of the relevant Appeals Panel.
- (d) Any Clearing Member may be represented by counsel during any inquiry, investigation, disciplinary proceeding, appeal from a disciplinary proceeding, summary imposition of fines, summary suspension or other summary actions pursuant to this Chapter 6.
- (e) Pursuant to this Chapter 6, the Clearinghouse may hold:
 - i. a Clearing Member liable for, and impose sanctions against such Clearing Member, for such Clearing Member's own acts and omissions that constitute a violation;
 - ii. a Clearing Member liable for, and impose sanctions against such Clearing Member, for the acts and omissions of each Authorized User authorized by, and each other agent or representative of, such Clearing Member that constitute a violation as if such violation were that of the Clearing Member;
 - iii. an Authorized User liable for, and impose sanctions against him or her, for such Authorized User's own acts and omissions that constitute a violation; and
 - iv. an Authorized User liable for, and impose sanctions against him or her, for the acts and omissions of each agent or representative of such Authorized User that constitute a violation as if such violation were that of the Authorized User.

6.3 Inquiries and Investigations

- (a) The Compliance Department will investigate any matter within the Clearinghouse's disciplinary jurisdiction that is brought to such department's attention, including but not limited to, possible violations of the Rules or manipulation or misconduct related to deposits, withdrawals, Whitelisted Address controls, custody of Eligible Collateral, or attempts to circumvent risk or compliance controls of a Contract that is cleared through the Clearinghouse. All such investigations must be completed within 12 months of the date when the Compliance Department commenced its investigation unless there are mitigating factors that may reasonably justify an investigation taking longer than 12 months, including the complexity of the investigation, the number of Clearing Members or individuals involved as potential wrongdoers, the number of potential violations to be investigated, and the volume of documents and data to be examined and analyzed by the Compliance Department. The Compliance Department will determine the nature and scope of its inquiries and investigations within its sole discretion and will function independently of any commercial interests of the Clearinghouse.
- (b) The Compliance Department has the authority to:
 - i. initiate and conduct inquiries and investigations;
 - ii. prepare investigative reports and make recommendations concerning initiating disciplinary proceedings;
 - iii. prosecute alleged violations within the Clearinghouse's disciplinary jurisdiction; and
 - iv. represent the Clearinghouse on appeal from any disciplinary proceeding, summary imposition of fines, summary suspension or other summary action.
- (c) Each Clearing Member:
 - i. is obligated to appear and testify and respond in writing to interrogatories within the time period required by the Compliance Department in connection with: (i) any Rule; (ii) any inquiry or investigation; or (iii) any preparation by and presentation during a disciplinary proceeding or appeal from a decision in a disciplinary proceeding, summary imposition of fines, summary suspension or other summary action by the Clearinghouse;
 - ii. is obligated to produce books, records, papers, documents or other tangible evidence in its, his or her possession, custody or control within the time period required by the Compliance Department in connection with: (i) any Rule; (ii) any inquiry or investigation; or (iii) any preparation by and presentation during a disciplinary proceeding or appeal from a decision in any disciplinary proceeding, summary imposition of fines, summary suspension or other summary action by the Clearinghouse; and
 - iii. may not impede or delay any inquiry, investigation, disciplinary proceeding, appeal from a disciplinary proceeding, summary imposition of fines, summary suspension or other summary action.
- (d) The Compliance Department will maintain a log of all investigations and their disposition. The Compliance Department will prepare a written report of each investigation, regardless of whether

the evidence gathered during any inquiry or investigation forms a reasonable basis to believe that a violation within the Clearinghouse's jurisdiction has occurred or is about to occur or whether the evidence gathered results in closing the matter without further action or through summary action. Any written report of investigation will include the reasons for initiating the investigation (including a summary of the complaint, if any), all relevant facts and evidence gathered, and the recommendation of the Compliance Department. For each potential respondent, the Compliance Department will recommend either (i) closing the investigation without further action, (ii) summary action, (iii) resolving the investigation through an informal disposition, including the issuance of a warning letter, or (iv) initiating disciplinary proceedings. An informal disposition (including the issuance of a warning letter) will not constitute a finding of a violation or a sanction.

- (e) The Chief Compliance Officer will review promptly each completed investigation report to determine whether a reasonable basis exists to believe that a violation within the Clearinghouse's jurisdiction has occurred or is about to occur. Such determination will be made by the Chief Compliance Officer within ten (10) Business Days of receipt of the applicable investigation report. If the Chief Compliance Officer determines that additional investigation or evidence is needed to decide whether a reasonable basis exists to believe that a violation within the Clearinghouse's jurisdiction has occurred or is about to occur, the Chief Compliance Officer will direct the Compliance Department to conduct further investigation.
- (f) After receiving completion of an investigation, the Chief Compliance Officer will determine for each potential respondent whether to authorize:
 - i. the commencement of disciplinary proceedings because a reasonable basis exists to believe that a violation within the Clearinghouse's jurisdiction has occurred or is about to occur;
 - ii. the informal disposition of the investigation (by issuing a warning letter or otherwise) if the Chief Compliance Officer determines that a violation of the Rules may have occurred but that formal disciplinary proceedings are unwarranted; or
 - iii. the closing of the investigation without any action, and without the issuance of a warning letter, because disciplinary proceedings are not warranted and no reasonable basis exists to believe that a violation within the Clearinghouse's jurisdiction has occurred or is about to occur.

6.4 Notice of Charges and Opportunity to Respond

- (a) If the Chief Compliance Officer authorizes disciplinary proceedings pursuant to Rule 6.3, the Compliance Department will prepare in accordance with this Rule 6.4 and serve in accordance with this Rule 6.4, a notice of charges within twenty (20) Business Days thereafter.
- (b) A notice of charges will:
 - i. state the acts, practices or conduct that the respondent is alleged to have engaged in;
 - ii. state the Rule or provision of Applicable Law alleged to have been violated or about to be violated;
 - iii. state the proposed sanctions;

- iv. advise the respondent of its right to submit a written statement explaining why a disciplinary proceeding should not be instituted or one or more of the potential charges should not be brought, which statement must be submitted within twenty (20) Business Days after service of the notice of charges;
 - v. advise the respondent of its right to a hearing and its right to have counsel present;
 - vi. state the period of time within which the respondent can request a hearing on the notice of charges, in lieu of submitting a written statement pursuant to Rule 6.4(b)(iv), which will not be less than twenty (20) Business Days after service of the notice of charges;
 - vii. advise the respondent that any failure to request a hearing within the period stated, except for good cause, will be deemed to constitute a waiver of the right to a hearing; and
 - viii. advise the respondent that any allegation in the notice of charges that is not expressly denied will be deemed to be admitted.
- (c) If the respondent submits a written statement pursuant to Rule 6.4(b)(iv), the Chief Compliance Officer shall, within ten (10) Business Days after receipt of the written statement, advise the respondent:
- i. of the Chief Compliance Officer's decision to drop any or all of the potential charges;
 - ii. that the disciplinary proceedings will proceed with respect to all remaining charges in accordance with the notice of charges delivered to the respondent; and/or, as appropriate;
 - iii. that the respondent shall have twenty (20) Business Days to submit an answer to the notice of charges, as described in this Rule 6.4.
- (d) If the respondent determines to answer a notice of charges, the respondent must file answers within twenty (20) Business Days after being served with such notice, or within such other time period determined appropriate by the Chief Compliance Officer. To answer a notice of charges, the respondent must in writing:
- i. specify the allegations that the respondent denies or admits;
 - ii. specify the allegations that the respondent does not have sufficient information to either deny or admit;
 - iii. specify any specific facts that contradict the notice of charges; and
 - iv. specify any affirmative defenses to the notice of charges.
- (e) Any failure by the respondent to serve an answer to a notice of charges in a timely manner will be deemed to be an admission to the allegations in such notice. Any failure by the respondent to answer one or more allegations in a notice of charges will be deemed to be an admission of that allegation or those allegations. Any allegation in a notice of charges that the respondent fails to expressly deny will be deemed to be admitted. A general denial by the respondent, without more, will not satisfy the requirements of paragraph (b) above.

- (f) Any notice of charges or other documents contemplated to be served pursuant to this Chapter 6 may be served (and service shall be deemed complete) upon the respondent either personally or by
 - (i) leaving the same at his or her place of business or by deposit in the United States mail, postage prepaid, via registered or certified mail addressed to the respondent at the address as it appears on the books and records of the Clearinghouse, (ii) sending the same via electronic mail to the e-mail address of the respondent as it appears on the books and records of the Clearinghouse, and/or (iii) making the same available to the respondent through the Clearing System, in each case as reflected on the books and records of the Clearinghouse.

6.5 Settlements

- (a) A respondent or potential respondent may at any time propose in writing an offer of settlement to anticipated or instituted disciplinary proceedings. Any offer of settlement should contain proposed findings and sanctions and be signed by the respondent or potential respondent and submitted to the Compliance Department. A respondent or potential respondent may offer to settle disciplinary proceedings without admitting or denying the findings contained in the order of the disciplinary proceedings but must accept the jurisdiction of the Clearinghouse over it and over the subject matter of the proceedings and consent to the entry of the findings and sanctions imposed.
- (b) If a respondent or potential respondent submits an offer of settlement in accordance with paragraph (a) above, the Compliance Department will forward the offer to the Chief Compliance Officer with a recommendation on whether to accept or reject the offer. If the Chief Compliance Officer conditionally accepts an offer of settlement, the settlement will become final upon the expiration of twenty (20) Business Days after an order of the disciplinary proceedings consistent with the terms of the offer of settlement is served on the respondent.
- (c) If an offer of settlement is accepted and the related order of disciplinary proceedings becomes final, the respondent's submission of the offer will be deemed to constitute a waiver of the right to notice, opportunity for a hearing and review and appeal under these Rules.
- (d) If the offer of settlement of a respondent or potential respondent is not accepted, fails to become final or is withdrawn by the respondent or potential respondent, the matter will proceed as if the offer had not been made and the offer and all documents relating to it will not become part of the record. Neither a respondent nor potential respondent nor the Compliance Department may use an unaccepted offer of settlement as an admission or in any other manner at a hearing of, or appeal from, disciplinary proceedings.

6.6 Disciplinary Panel

- (a) A disciplinary panel consisting of three individuals selected by the Board (the "Disciplinary Panel"), will conduct hearings in connection with any disciplinary proceedings, to make findings and impose sanctions pursuant to this Chapter 6. For the avoidance of doubt, members of the Compliance Department shall not be eligible to serve on a Disciplinary Panel.
- (b) Within ten (10) Business Days of being notified of the appointment of the Disciplinary Panel, a respondent may seek to disqualify any individual named to the Disciplinary Panel for any reasonable grounds, by serving written notice on the Chief Compliance Officer. By not timely filing a request for disqualification, the respondent will be deemed to have waived any objection to the composition of a Disciplinary Panel. The Chief Compliance Officer will decide the merits of any request for disqualification within his or her reasonable discretion. Any such decision will be final and not subject to appeal.

- (c) All disciplinary proceedings (except for summary impositions of fines pursuant to Rule 6.13) will be conducted at a hearing before the Disciplinary Panel. A hearing will be conducted privately and confidentially unless the Disciplinary Panel decides that the hearing, or any part of it, should be held in public after giving each respondent the opportunity to present its, his or her views on holding a public hearing. Notwithstanding the confidentiality of hearings, the Disciplinary Panel may appoint an expert to attend any hearing and assist in deliberations if such expert agrees to be subject to an appropriate confidentiality agreement.
- (d) After reasonable notice to each respondent, the Disciplinary Panel will promptly (but in no event later than thirty (30) Business Days following such notice) convene a hearing to conduct the disciplinary proceedings with respect to such respondent. Parties to a disciplinary proceeding include each respondent and the Compliance Department.
- (e) The chairman of the Disciplinary Panel may continue, adjourn or otherwise conduct the hearing, as he or she may deem appropriate. The chairman of the Disciplinary Panel will determine all procedural and evidentiary matters, including the admissibility and relevance of any evidence proffered. In determining procedural and evidentiary matters, the chairman of the Disciplinary Panel will not be bound by any evidentiary or procedural rules or law. Once admitted during the hearing, the Disciplinary Panel may consider, and attach the weight it believes appropriate to, evidence or other materials. The Clearinghouse will provide guidance to the chairman of the Disciplinary Panel on the conduct of the hearing.
- (f) Except for procedural and evidentiary matters decided by the chairman of the Disciplinary Panel pursuant to paragraph (e) above, unless each respondent otherwise consents, the entire Disciplinary Panel must be present during the entire hearing and any related deliberations.

6.7 Respondent Review of Evidence

- (a) Prior to the commencement of a hearing, each respondent will be given the opportunity to review all books, records, documents, papers, transcripts of testimony and other tangible evidence in the possession or under the control of the Clearinghouse that the Compliance Department will use to support the allegations and proposed sanctions in the notice of charges or which the chairman of the Disciplinary Panel deems relevant to the disciplinary proceedings. Notwithstanding the foregoing, no respondent will have the right to review, and the Clearinghouse will have no obligation to disclose, any information protected by attorney-client privilege or any other privileges recognized by Applicable Law.
- (b) If any books, records, documents, papers, transcripts of testimony, or other tangible evidence contain information that could adversely affect the competitive position of the Person providing the information or if such information might compromise other investigations being conducted by the Compliance Department, the Compliance Department may redact, edit or code such information before furnishing it to the respondent.
- (c) Notwithstanding anything in paragraph (b) above to the contrary, the Compliance Department:
 - i. will not redact, edit or code competitive or investigative information contained in documents in a manner that would impair the respondent's ability to defend against the allegations or proposed sanctions in the notices of charges, and

- ii. will provide the respondent with access to the information and portions of the documents that the Compliance Department intends to rely on to support the allegations or proposed sanctions in the notice of charges.
- (d) For purposes of this Rule 6.7, information that could adversely affect competitive positions include positions in Contracts currently held, trading strategies employed in establishing or liquidating positions, the identity of any Clearing Member and the personal finances of the Person providing the information.

6.8 Hearings

- (a) At a hearing conducted in connection with any disciplinary proceedings, the Compliance Department will present its case supporting the allegations and proposed sanctions in the notice of charges to the Disciplinary Panel. If a respondent has timely filed an answer to the notice of charges in accordance with Rule 6.4, the respondent is entitled to attend and participate in the hearing.
- (b) At a hearing conducted in connection with any disciplinary proceedings, the Disciplinary Panel or the Compliance Department and each respondent may:
 - i. present evidence and facts determined relevant and admissible by the chairman of the Disciplinary Panel;
 - ii. call and examine witnesses; and
 - iii. cross-examine witnesses called by other parties.
- (c) If the respondent fails to file an answer, has filed a general denial, or if any or all of the allegations in the notice of charges are not expressly denied in the respondent's answer, the chairman of the Disciplinary Panel may limit evidence concerning any allegations not expressly denied in determining the sanctions to impose. If a respondent fails to file an answer but appears at the hearing, the respondent may not participate in the hearing (by calling or cross-examining witnesses, testifying in defense, presenting evidence concerning the notice of charges, or otherwise) unless the Disciplinary Panel determines that the respondent had a compelling reason for failing to timely file an answer. If the Disciplinary Panel determines that the respondent had a compelling reason for failing to timely file an answer, the Disciplinary Panel will adjourn the hearing and direct the respondent to promptly file a written answer in accordance with Rule 6.4.
- (d) Any Person entitled, or required or called upon, to attend a hearing before a Disciplinary Panel pursuant to paragraph (b)(ii) above will be given reasonable notice, confirmed in writing, specifying the date, time and place of the hearing, and the caption of the disciplinary proceedings. The Clearinghouse will require all Clearing Members and Authorized Users that are called as witnesses to appear at the hearing and produce evidence. The Clearinghouse will make reasonable efforts to secure the presence of all other Persons called as witnesses whose testimony would be relevant.
- (e) If during any disciplinary proceedings the Disciplinary Panel determines that a reasonable basis exists to believe that the respondent violated or is about to violate a Rule or a provision of Applicable Law other than the violations alleged in the notice of charges, the Disciplinary Panel may consider those apparent violations after providing the respondent with an opportunity to answer the additional allegations in accordance with Rule 6.4. In connection with considering

apparent violations pursuant to this paragraph (e), the Disciplinary Panel may request that the Compliance Department provide the Disciplinary Panel with any additional information.

- (f) The Disciplinary Panel may summarily impose sanctions on any Clearing Member or Authorized User that impede or delay the progress of a hearing.
- (g) The Clearinghouse will arrange for any hearing conducted in connection with disciplinary proceedings to be recorded verbatim, or substantially verbatim, in a manner capable of accurate transcription. If the respondent requests a copy of all or portions of the recording of a hearing, the chairman of the Disciplinary Panel may within his or her sole discretion order the respondent to pay the costs for transcribing the recording of the hearing.
- (h) No interlocutory appeals of rulings of any Disciplinary Panel or chairman of the Disciplinary Panel are permitted.

6.9 Decision of Disciplinary Panel

- (a) As promptly as reasonable following a hearing, the Disciplinary Panel will issue an order rendering its decision based on the weight of the evidence contained in the record of the disciplinary proceedings. A decision by a majority of the Disciplinary Panel will constitute the decision of the Disciplinary Panel.
- (b) The Clearinghouse will serve a copy of the order of the disciplinary proceedings on the respondent and the Compliance Department. The order will include:
 - i. the notice of charges or summary of the allegations;
 - ii. the answer, if any, or a summary of the answer;
 - iii. a brief summary of the evidence introduced at the hearing;
 - iv. findings of fact and conclusions concerning each allegation, including each specific Rule and provision of Applicable Law that the respondent is found to have violated;
 - v. the imposition of sanctions, if any, and the effective date of each sanction; and
 - vi. notice of the respondent's right to appeal pursuant to Rule 6.12.
- (c) Unless a timely notice of appeal is filed pursuant to Rule 6.12, the order of the disciplinary proceedings will become final upon the expiration of twenty (20) Business Days after the order is served on the respondent and a copy thereof is provided to the Compliance Department.

6.10 Sanctions

- (a) After notice and opportunity for hearing in accordance with these Rules, the Clearinghouse will impose sanctions if a Clearing Member is found to have violated or to have attempted to violate a Rule or provision of Applicable Law for which the Clearinghouse possesses disciplinary jurisdiction. The Clearinghouse may impose one or more of the following sanctions or remedies: (i) censure; (ii) limitation on Clearing Privileges, association with a Clearing Member or other activities, functions or operations; (iii) suspension of Clearing Privileges or association with a Clearing Member; (iv) fine (subject to paragraph (b) below); (v) restitution or disgorgement; (vi)

termination of Clearing Privileges; or (vii) any other sanction or remedy deemed to be appropriate. All sanctions, including those imposed pursuant to an accepted settlement offer, shall take into account respondent's disciplinary history and remediation efforts.

- (b) The Clearinghouse may impose a fine of up to USD \$500,000 for each violation. If a fine or other amount is not paid within thirty (30) Business Days of the date that it becomes payable, then interest will accrue on the sum from the date that it became payable at the quoted prime rate plus three percent. The Clearinghouse has sole discretion to select the quotations on which to base the prime rate. Each Clearing Member will be responsible for paying any fine or other amount imposed on, but not paid by, any Authorized User authorized by, or other agent or representative of, such Clearing Member.
- (c) No more than one warning letter may be issued to the same Person found to have committed the same rule violation within a rolling twelve-month period.

6.11 Costs

- (a) Regardless of the outcome of any disciplinary proceeding, the Disciplinary Panel may order a respondent to pay some or all of the costs associated with the disciplinary proceedings that the Disciplinary Panel believes were unnecessarily caused by the respondent. Costs may include costs associated with the inquiry or investigation, the prosecution by the Compliance Department, legal and professional assistance, the hearing and administrative and other expenses incurred by the Disciplinary Panel.
- (b) The Disciplinary Panel may only award costs against the Clearinghouse if it concludes that the Clearinghouse has behaved in a manifestly unreasonable manner in the commencement or conduct of the disciplinary proceedings in question. The Disciplinary Panel must limit any award of costs against the Clearinghouse to an amount that it concludes is reasonable and appropriate, but does not exceed the respondent's costs for external legal or other external professional assistance.
- (c) The Disciplinary Panel may determine the amounts and allocation of costs in any manner it may deem appropriate. The Clearinghouse or the respondent will pay any costs ordered to be paid by it by the Disciplinary Panel within thirty (30) Business Days of the later of either written notice of (i) the amount imposed by the Disciplinary Panel or (ii) the determination of an appeal by the Appeals Panel against the Disciplinary Panel's determination. Any costs owed by a Clearing Member may, in the Clearinghouse's discretion, be debited from the Clearing Member's Account in USDC, subject to any restrictions applicable to default prevention.

6.12 Appeals

- (a) Each respondent found by the Disciplinary Panel to have violated a Rule of or a provision of Applicable Law or who is subject to any summary fine imposed pursuant to Rule 6.13 or any summary sanction imposed pursuant to Rule 6.14 may appeal the decision within twenty (20) Business Days of receiving the order of the disciplinary proceedings or the notice of summary action, as the case may be, by filing a notice of appeal with the Chief Compliance Officer. While an appeal is pending, the effect of the order of disciplinary proceedings or the summary action (including any sanctions, remedies or costs imposed thereby) shall be suspended; provided, however, any summary sanction entered under Rule 6.14 shall continue in effect during the appeal.

- (b) The notice of appeal must state in writing the grounds for appeal, including the findings of fact, conclusions or sanctions to which the respondent objects. An appellant may appeal the order of disciplinary proceedings or any summary decision on the grounds that:
- i. the decision was arbitrary, capricious, an abuse of discretion, or not in accordance with the Rules;
 - ii. the decision exceeded the authority or jurisdiction of the Disciplinary Panel, the Chief Compliance Officer or the Clearinghouse;
 - iii. the decision failed to observe required procedures;
 - iv. the decision was unsupported by the facts or evidence; or
 - v. the imposed sanctions, remedies or costs are inappropriate or unsupported by the record.
- (c) The Chief Compliance Officer will forward copies of any notice of appeals received by it to all parties to the disciplinary proceeding or summary action, as the case may be, except the appellant. On or before the twentieth (20th) Business Day after filing a notice of appeal, the appellant must file with the Chief Compliance Officer and serve on the Compliance Department a brief supporting the notice of appeal and documents supporting the brief. On or before the twentieth (20th) Business Day after the date on which the appellant serves their supporting brief, the appellee must file and serve its brief in opposition. On or before the tenth (10th) Business Day after the date on which the appellee serves its brief in opposition, the appellant must file and serve a brief in reply.
- (d) In connection with any appeal, the Compliance Department will furnish to the Chief Compliance Officer and to the respondent/appellant a transcript of the hearing, any exhibits introduced at the hearing, the notice of appeal and briefs filed to support and oppose the appeal.
- (e) Within thirty (30) Business Days after the last submission filed pursuant to paragraph (c) above, the Chief Compliance Officer will appoint the Appeals Panel to consider and determine the appeal. The Appeals Panel shall consist of 3 individuals appointed by the Chief Compliance Officer. Members of the Compliance Department of the Clearinghouse shall not be eligible to serve on the Appeals Panel. Members of a Disciplinary Panel may not serve on an Appeals Panel for the same matter.
- (f) The Appeals Panel may hold a hearing to allow parties to present oral arguments. Any hearing will be conducted privately and confidentially unless the Appeals Panel decides that the hearing, or any part of it, should be held in public after giving each appellant the opportunity to present their views on holding a public hearing. Notwithstanding the confidentiality of hearings, the Appeals Panel may appoint individuals to attend any hearing and assist in the deliberations if such individuals agree to be subject to appropriate confidentiality agreements. In determining procedural and evidentiary matters, the Appeals Panel will not be bound by judicial rules of evidence or procedure, but will conduct the proceedings in a fair and orderly manner.
- (g) The Appeals Panel will only consider on appeal the record before the Disciplinary Panel or, in the case of a summary action, the record considered by the Chief Compliance Officer or the Chief Compliance Officer's designee, the notice of appeal, the briefs filed in support and opposition of the appeal, and any oral arguments of the parties. The Appeals Panel may only consider new

evidence when the Appeals Panel is satisfied that good cause exists on why the evidence was not introduced during the disciplinary proceeding or when imposing the summary action.

- (h) After completing its review, the Appeals Panel may affirm or, only if it finds that the decision of the Disciplinary Panel or the Chief Compliance Officer that is under review, as the case may be, meets one of the criteria listed in Rule 6.12(i) below, modify or reverse any order of the disciplinary proceedings or summary action under appeal, in whole or in part, including increasing, decreasing or eliminating any sanction or remedy imposed, imposing any other sanction or remedy authorized by the Rules, or remanding the matter to the same or a different Disciplinary Panel for further disciplinary proceedings or for reconsideration by the Chief Compliance Officer. The Appeals Panel may order a new hearing for good cause or if the Appeals Panel determines in its sole discretion that the appellant was not given a full and fair opportunity to make an argument in its favor and present supporting evidence.
- (i) As described in Rule 6.12(h) above, the Appeals Panel may modify or reverse any order of the disciplinary proceedings or summary action under appeal only if it finds that the decision was:
 - i. Arbitrary, capricious, or an abuse of the discretion of the Disciplinary Panel, the Chief Compliance Officer, or the Chief Compliance Officer's designee, as the case may be;
 - ii. In excess of the authority or jurisdiction of the Disciplinary Panel or the Chief Compliance Officer, as the case may be; or
 - iii. Based on a clearly erroneous application or interpretation of the Rules.

As promptly as reasonably possible following its review, the Appeals Panel will issue a written decision on appeal rendering its decision based on the weight of the evidence before the Appeals Panel.

- (j) The decision of the Appeals Panel will include a statement of findings of fact and conclusions for each finding, sanction, remedy and cost reviewed on appeal, including each specific Rule and provision of Applicable Law that the respondent is found to have violated, if any, and the imposition of sanctions, remedies and costs, if any, and the effective date of each sanction, remedy or cost.
- (k) The Appeals Panel written order on appeal (including findings of fact and conclusions and the imposition of sanctions, remedies and costs, and the effective date of any sanction, remedy cost) will be the final action of the Clearinghouse and will not be subject to appeal within the Clearinghouse.
- (l) Within ten (10) Business Days of being notified of the appointment of the Appeals Panel, a respondent may seek to disqualify any individual named to the Appeals Panel for the reasons identified in this Rule 6.12 or for any other reasonable grounds, by serving written notice on the Chief Compliance Officer. By not timely filing a request for disqualification, the respondent will be deemed to have waived any objection to the composition of an Appeals Panel. The Chief Compliance Officer will decide the merits of any request for disqualification within his or her sole discretion. Any such decision will be final and not subject to appeal.

6.13 Summary Imposition of Fines

- (a) The Chief Compliance Officer may summarily impose a fine against a Clearing Member for failing:
 - i. to make timely payments of required collateral, fees, cost, charges or fines to the Clearinghouse;

- ii. to make timely and accurate submissions to the Clearinghouse of notices, reports or other information required by the Rules; and
 - iii. to keep any books and records required by the Rules.
- (b) The Compliance Department, acting on behalf of the Chief Compliance Officer, will give notice of any fine imposed pursuant to this Rule 6.13 to each Clearing Member subject thereto. The notice will specify (i) the violations of the Rules for which the fine is being imposed, (ii) the date of the violation for which the fine is being imposed and (iii) the amount of the fine. Within twenty (20) Business Days of serving the notice of fine, the Clearing Member, as the case may be, must either pay the fine or file notice of an appeal pursuant to Rule 6.12. Unless timely notice of appeal is filed pursuant to Rule 6.12, the fine will become final upon the expiration of twenty (20) Business Days after the notice of fine is served on the Clearing Member, as the case may be.
- (c) The Clearinghouse, in its sole discretion, may debit the amount of any fine imposed pursuant to Rule 6.13(b) directly from the Clearing Member's Account in USDC; provided that the Clearinghouse may not make such a deduction if the result would be to cause an event of default with respect to any Open Contract Positions then held in the Account of such Clearing Member.
- (d) The Clearinghouse will set the amount of any fines imposed pursuant to this Rule 6.13, with the maximum fine for each violation not to exceed \$5,000. Summary imposition of fines pursuant to this Rule 6.13 will not preclude the Clearinghouse from bringing any other action against the Clearing Member, as the case may be.

6.14 Summary Suspensions and Other Summary Actions

- (a) Notwithstanding anything in the Rules to the contrary, the Chief Compliance Officer or the Chief Compliance Officer's designee, upon a good faith determination that there are substantial reasons to believe that such immediate action is necessary to protect the public or the best interests of the Clearinghouse, may order that any party be denied access to the Clearinghouse, or summarily limit, condition, restrict or qualify the Clearing Privileges of a Clearing Member, and may take other summary action against any Clearing Member in accordance with the Rules; provided, however, that the Chief Compliance Officer or the Chief Compliance Officer's designee in issuing an order denying access, may permit such party to submit Contracts for clearing solely for the purpose of closing out the Open Contract Positions of such Clearing Member while the applicable suspension, limitation, condition, restriction or qualification of access is in effect.
- (b) Promptly after an order is issued pursuant to paragraph (a), the party shall be informed of the action taken, the reasons for the action, the effective date and the duration of the action. The party shall also be informed of his or her right to appeal the action under Rule 6.12. Whenever practicable, the Compliance Department, acting on behalf of the Chief Compliance Officer, shall provide such notice prior to taking the action.
- (c) Unless timely notice of appeal is filed pursuant to Rule 6.12, the summary action will become final upon the expiration of twenty (20) Business Days after the notice of action is served on the respondent.
- (d) At the request of the Clearinghouse, a respondent against whom a summary action is brought pursuant to this Rule 6.14 must provide books and records over which the respondent has access or control and must furnish information to, or appear or testify before, the Clearinghouse in connection with the enforcement of any Rule.

- (e) A respondent whose Clearing Privileges are suspended, limited, conditioned, restricted or qualified pursuant to this Rule 6.14 may apply for reinstatement by filing with the Compliance Department a written request stating the applicant's reasons for seeking reinstatement. The Clearinghouse will not consider a respondent's request for reinstatement if the respondent (i) persists in the conduct which was the subject of the order denying access; (ii) owes any fines, fees, charges or costs to the Clearinghouse, (iii) continues to fail to appear at disciplinary proceedings without good cause or (iv) continues to impede the progress of disciplinary proceedings.
- (f) Within a reasonable period after the filing of a request for reinstatement, the Appeals Panel will conduct a hearing to consider the request. At the hearing for reinstatement, the respondent will present its, his or her case supporting the reinstatement and the Compliance Department, acting on behalf of the Chief Compliance Officer may, in its discretion, present its case opposing or supporting the reinstatement and each may present relevant and admissible evidence and facts and call, examine and cross-examine witnesses. At the hearing for reinstatement, the Clearinghouse may require any Clearing Member to appear as witnesses and produce evidence if the Appeals Panel determines that the evidence is relevant.
- (g) As promptly as reasonably possible after a reinstatement hearing, the Appeals Panel will issue an order reinstating, denying the reinstatement, or placing conditions on the reinstatement of the Clearing Privileges, or association with a Clearing Member, of the respondent. The order will include a brief summary of the evidence introduced at the reinstatement hearing; and, if applicable, findings of fact and conclusions not contained in the Appeals Panel's initial order issued pursuant to Rule 6.14(a) above. The Appeals Panel's order may not be appealed.
- (h) Any decision to deny access pursuant to paragraph (a) shall not remain in effect for more than sixty (60) Business Days unless the Chief Compliance Officer or the Chief Compliance Officer's designee, upon further consideration of the circumstances giving rise to the order denying access, issues a separate order denying access for an additional period of time, not to exceed sixty (60) Business Days. The party must be notified thereof prior to issuance of the second order, unless prior notice is impracticable. Such notice must meet the standards provided in paragraph (b). At any time, a party subject to an action under this Rule 6.14, may petition the Chief Compliance Officer or the Chief Compliance Officer's designee to reconsider an access denial pursuant to this Rule based upon materially changed circumstances.
- (i) When the Clearing Privileges of a Clearing Member are, or the association of an Authorized User with a Clearing Member is, suspended for a period of 12 months or less, none of its rights and/or Clearing Privileges (including the right to hold oneself out to the public as a Clearing Member, submit Contracts for clearing, and receive Clearing Member rates for fees, costs, and charges and deposit collateral at Clearing Member levels) will apply during the period of the suspension, except for the right of the Clearing Member in question to assert claims against others as provided in the Rules. Any such suspension will not relieve the Clearing Member in question of its, his or her obligations under the Rules to perform any Contracts entered into before the suspension, or for any Clearinghouse imposed fees, costs, or charges incurred during the suspension. The Clearinghouse may discipline a suspended Clearing Member under this Chapter 6 for any violation of a Rule or provision of Applicable Law committed by the Clearing Member before, during or after the suspension.
- (j) When the Clearing Privileges of a Clearing Member are, or the association of an Authorized User with a Clearing Member is, terminated, all of its rights and Privileges will terminate, except for the right of the Clearing Member in question to assert claims against others, as provided in the Rules. A terminated Clearing Member may only seek to reinstate its Clearing Privileges by applying for

Clearing Privileges pursuant to Rule 3.2. The Clearinghouse will not consider the application of a terminated Clearing Member if such Clearing Member, as the case may be, continues to fail to appear at disciplinary proceedings without good cause or continues to impede the progress of disciplinary proceedings.

- (k) A suspended or terminated Clearing Member remains subject to the Rules and the jurisdiction of the Clearinghouse for acts and omissions prior to the suspension or termination, and must cooperate in any inquiry, investigation, disciplinary proceeding, appeal of disciplinary proceedings, summary suspension or other summary action as if the suspended or terminated Clearing Member or an Authorized User still had Clearing Privileges or was still associated with a Clearing Member, as the case may be.

6.15 Publication of Disciplinary Action

- (a) The Clearinghouse shall provide notice to the CFTC no later than two (2) Business Days after any disciplinary action becomes final.
- (b) The Clearinghouse will make public notice of the disciplinary action by posting on its website, in accordance with CFTC Regulation 9.13, the information required by CFTC Regulation 9.11. The disciplinary action will be considered final on the date the notice of the disciplinary action is published on the Clearinghouse website.

CHAPTER VII: DISPUTE RESOLUTION

7.1 General

- (a) Any dispute, controversy, or claim arising out of, relating to, or in connection with (i) any transaction executed on an Exchange (including the DCM) and/or submitted to or cleared through the Clearing System, or (ii) a Clearing Member's or Authorized User's participation in, access to, or use of the Clearing System (each, a "Dispute"), shall be resolved and settled by binding arbitration. The seat of arbitration shall be New York. Hearings may be conducted in person in New York, or remotely, as determined by the arbitrator(s).
- (b) Notwithstanding the foregoing, this Rule 7.1 shall not apply to: (A) disciplinary matters, summary actions, or other proceedings brought by the Clearinghouse pursuant to Chapter 6; (B) actions by the Clearinghouse to enforce these Rules, protect the Clearinghouse or the Clearing System, manage or mitigate a default or threatened default, preserve the integrity of clearing, custody, settlement, or risk controls, or to collect any fees, fines, costs, charges, or other amounts owed to the Clearinghouse; (C) requests for temporary, preliminary, or emergency injunctive or other equitable relief in aid of arbitration (including relief to preserve the status quo, maintain the effectiveness of Whitelisted Address controls, impose or maintain holds, or prevent dissipation of Eligible Collateral), which may be sought in any court of competent jurisdiction; or (D) any matter within the jurisdiction of the CFTC, or any other governmental authority, or the Clearinghouse's cooperation with or provision of information to any such authority.
- (c) Arbitration shall be conducted before either (1) a single arbitrator, if the parties agree on a single arbitrator within ten (10) Business Days after a written demand for arbitration is served, or (2) a panel of three arbitrators if the parties do not timely agree on a single arbitrator. In a three-arbitrator arbitration, each party shall appoint one arbitrator within ten (10) Business Days after the expiration of the period to agree on a single arbitrator, and the two party-appointed arbitrators shall select the third arbitrator (who shall chair the panel) within ten (10) Business Days thereafter. If a party fails to appoint an arbitrator within the time required, or if the two arbitrators fail to select the third arbitrator within the time required, the arbitrator(s) shall be appointed by the Clearinghouse's Chief Compliance Officer from a list of candidates maintained by the Clearinghouse that satisfy the qualifications set forth below; provided that the Chief Compliance Officer shall not select any candidate who is not independent of the parties or who has a conflict of interest.
- (d) Any arbitrator appointed under this Rule 7.1 must (i) be independent of the parties and the Clearinghouse and (ii) have reasonable prior experience with the operation and regulation of exchanges and clearinghouses, including familiarity with the Commodity Exchange Act, the rules and regulations of the CFTC, and exchange and clearinghouse rulebooks. The arbitrator(s) shall determine the procedures for the arbitration and, to the extent practicable, shall be guided by the procedural concepts set forth in Chapter 6 (including with respect to notice, exchange of documents, and an opportunity to be heard); provided that the arbitrator(s) may modify such procedures as the arbitrator(s) determine appropriate to ensure a fair, efficient, and orderly process. The arbitrator(s) may order such discovery as the arbitrator(s) deem appropriate, including the production of documents and limited depositions, taking into account proportionality, confidentiality, and the need to protect sensitive information, including risk controls, security measures, and information that could adversely affect the competitive position of any Person or compromise ongoing investigations or regulatory matters.
- (e) The arbitrator(s) shall have the authority to award any remedy or relief that a court of competent jurisdiction could award, including monetary damages and equitable or injunctive relief, subject to

the limitations and exclusions of liability set forth in these Rules. The arbitrator(s) shall issue a written reasoned award. Judgment on any award may be entered and enforced in any court of competent jurisdiction. The fees and expenses of arbitration (including arbitrator fees and reasonable attorneys' fees) shall be allocated as determined by the arbitrator(s). This Rule 7.1 shall not be construed as creating a cause of action or conferring any rights on any Person other than as expressly provided in these Rules.

- (f) Any failure on the part of any Clearing Member to arbitrate a case subject to arbitration, or the commencement by any such Person of a suit in any court prior to arbitrating a case subject to arbitration, violates the Rules and subjects such Clearing Member to disciplinary proceedings pursuant to Chapter 6, unless the parties mutually agree not to submit their dispute to arbitration.
- (g) The Clearinghouse may summarily suspend, pursuant to Chapter 6, a Clearing Member that fails to satisfy an arbitration award rendered in any arbitration pursuant to this Chapter 7.

CHAPTER VIII: MISCELLANEOUS

8.1 Property Rights

- (a) Each Clearing Member hereby acknowledges and agrees that the Clearinghouse owns and shall retain all right, title and interest in and to the Clearinghouse, all components thereof, including, without limitation, all related applications, all application programming interfaces, user interface designs, software and source code and any and all intellectual property rights therein, including, without limitation, all registered or unregistered, as applicable, copyright, trademark, service mark, trade secret, trade name, data or database rights, design rights, moral rights, inventions, whether or not capable of protection by patent or registration, rights in commercial information or technical information, including know-how, research and development data and manufacturing methods, patent, and other intellectual property and ownership rights, including applications for the grant of any of the same, in or to the Clearinghouse and all other related proprietary rights of the Clearinghouse and/or any of its Affiliates (together, with any and all enhancements, corrections, bug fixes, updates and other modifications to any of the foregoing and any and all data or information of any kind, other than Proprietary Data and Personal Information, transmitted by means of any of the foregoing, including, without limitation, market data, the “Proprietary Information”). Each Clearing Member further acknowledges and agrees that the Proprietary Information is the exclusive, valuable and confidential property of the Clearinghouse. Each Clearing Member acknowledges and agrees that it shall not reverse engineer, copy, bug fix, correct, update, transfer, reproduce, republish, broadcast, create derivative works based on or otherwise modify, in any manner, all or any part of the systems of the Clearinghouse or the Proprietary Information. Each Clearing Member further agrees to keep the Proprietary Information confidential and not to transfer, rent, lease, copy, loan, sell or distribute, directly or indirectly, all or any portion of the systems of the Clearinghouse or any Proprietary Information.
- (b) Subject to the provisions of this Rule 8.1, each Clearing Member hereby acknowledges and agrees that the Clearinghouse is the owner of all rights, title and interest in and to all intellectual property and other proprietary rights (including all copyright, patent, trademark or trade secret rights) in market data, and all derivative works based thereon, and further agree not to distribute, create derivative works based on, or otherwise use or commercially exploit market data and any such derivative works, provided that Clearing Members may use market data for their own internal business purposes. Without limiting the generality of the foregoing, Clearing Members may not distribute, sell or retransmit market data to any third party.
- (c) Notwithstanding any other provision of this Rule 8.1, each Clearing Member retains such rights as it may possess under Applicable Law with respect to market data solely in the form such market data was submitted to the Clearinghouse by such Clearing Member.
- (d) Other than to the extent required by Applicable Law or any Regulatory Agency, Transaction data shall not be disclosed publicly other than on an aggregated or anonymous basis, or in a manner that does not directly or indirectly identify any Clearing Member who has submitted such data.
- (e) The Clearinghouse shall not condition access to the Clearinghouse upon a Clearing Member’s consent to the use of Proprietary Data and Personal Information for business or marketing purposes. Proprietary Data and Personal Information may not be used by the Clearinghouse for business and marketing purposes unless the Clearing Member has clearly consented to the use of Proprietary Data and Personal Information in such manner. The Clearinghouse, where necessary, for regulatory purposes, may share Proprietary Data and Personal Information with one or more Designated Contract Markets or Derivatives Clearing Organizations. Nothing in this Rule shall preclude the Clearinghouse from disclosing Proprietary Data and Personal Information:

- i. As required by Applicable Law or legal process;
- ii. As the Clearinghouse may deem necessary or appropriate in connection with any litigation affecting the Clearinghouse;
- iii. To any Clearinghouse Personnel authorized to receive such information within the scope of his or her duties;
- iv. To a third party performing regulatory or operational services for the Clearinghouse, provided that such party has executed a confidentiality and non-disclosure agreement in a form approved by the Clearinghouse;
- v. To a duly authorized representative of the CFTC lawfully requesting Proprietary Data and Personal Information;
- vi. In a manner in which a Clearing Member consents to such disclosure;
- vii. Pursuant to the terms of an information-sharing agreement; or
- viii. As permitted by CFTC Regulations.

8.2 Signatures

Rather than rely on an original signature, the Clearinghouse may elect to rely on a signature that is transmitted, recorded or stored by any electronic, optical, or similar means (including but not limited to telecopy, imaging, photocopying, electronic mail, electronic data interchange, telegram, or telex) as if it were (and the signature shall be considered and have the same effect as) a valid and binding original.

8.3 Amendments to the Rules

These Rules may be amended or repealed, or new Rules may be adopted. An amendment to a Rule, repeal of a Rule or adoption of a new Rule shall be effective on a date set forth by the Clearinghouse, and set forth in a Member Notice and on the website.

8.4 Limitation of Liability

- (a) EXCEPT AS OTHERWISE PROVIDED IN THESE RULES, AND EXCEPT IN INSTANCES WHERE THERE HAS BEEN A FINDING OF WILLFUL MISCONDUCT OR GROSS NEGLIGENCE, IN WHICH CASE THE PARTY FOUND TO HAVE ENGAGED IN SUCH CONDUCT CANNOT AVAIL ITSELF OF THE PROTECTIONS IN THIS RULE 8.4, NEITHER THE CLEARINGHOUSE (INCLUDING ITS AFFILIATES AND ANY CONTRACTORS AND SUB-CONTRACTORS PROVIDING SERVICES TO THE CLEARINGHOUSE) NOR ANY CLEARINGHOUSE PERSONNEL SHALL BE LIABLE TO ANY OTHER PERSON, INCLUDING ANY CLEARING MEMBER OR PERSON ASSOCIATED WITH A CLEARING MEMBER, FOR ANY LOSSES, DAMAGES, COSTS OR EXPENSES (INCLUDING LOSS OF PROFITS, LOSS OF USE, DIRECT, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES), ARISING FROM (I) ANY FAILURE OR MALFUNCTION OF THE CLEARING SYSTEM OR ANY EXCHANGE SERVICES OR CLEARINGHOUSE SERVICES OR FACILITIES USED TO SUPPORT THE CLEARING SYSTEM, OR (II) ANY FAULT IN DELIVERY, DELAY, OMISSION, SUSPENSION, INACCURACY OR TERMINATION, OR ANY OTHER CAUSE, IN CONNECTION WITH THE FURNISHING, PERFORMANCE, MAINTENANCE, USE OF OR INABILITY TO USE ALL OR ANY PART OF THE CLEARING SYSTEM OR ANY EXCHANGE SERVICES OR CLEARINGHOUSE SERVICES OR FACILITIES USED TO SUPPORT THE CLEARING SYSTEM; INCLUDING, WITHOUT LIMITATION, ANY NETWORK DISRUPTION, ANY FAILURE OR UNAVAILABILITY OF ANY BLOCKCHAIN NETWORK OR SMART CONTRACT USED IN CONNECTION WITH

USDC OR OTHER ELIGIBLE COLLATERAL, ANY ACTION OR INACTION BY A STABLECOIN ISSUER (INCLUDING ANY FREEZE, BLACKLIST, UPGRADE, OR OTHER RESTRICTION AFFECTING TRANSFERABILITY), ANY REORGANIZATION OR OTHER EVENT AFFECTING BLOCKCHAIN FINALITY, ANY FAILURE OR UNAVAILABILITY OF ANY APPROVED CUSTODIAN OR CUSTODY VAULT ARRANGEMENT, OR ANY DELAY OR FAILURE IN ACHIEVING BLOCKCHAIN CONFIRMATION THRESHOLDS AS DETERMINED BY THE CLEARINGHOUSE. THE FOREGOING SHALL APPLY REGARDLESS OF WHETHER A CLAIM ARISES IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE.

- (b) FURTHERMORE, THERE SHALL BE NO LIABILITY BASED UPON, OR IN CONNECTION WITH, ANY QUOTE OR OTHER INFORMATION IF NO CORRELATIVE PURCHASE OR SALE OF A CONTRACT IS MADE. IF A CORRELATIVE PURCHASE OR SALE OF A CONTRACT IS MADE, ANY LIABILITY (TO THE EXTENT NOT OTHERWISE EXCLUDED UNDER THIS RULE 8.4) SHALL BE SUBJECT TO, AND LIMITED BY, THE REMAINING LIMITATIONS SET FORTH IN THIS RULE 8.4.
- (c) THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS PROVIDED BY THE CLEARINGHOUSE (INCLUDING ITS AFFILIATES AND ANY CONTRACTORS AND SUBCONTRACTORS PROVIDING SERVICES TO THE CLEARINGHOUSE), RELATING TO THE CLEARING SYSTEM OR ANY EXCHANGE SERVICES OR CLEARINGHOUSE SERVICES OR FACILITIES USED TO SUPPORT THE CLEARING SYSTEM, INCLUDING WARRANTIES OF MERCHANTABILITY AND WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE OR USE. THE SERVICES OF THE CLEARINGHOUSE ARE BEING PROVIDED ON AN “AS IS” BASIS AT THE SOLE RISK OF THE CLEARING MEMBER AND ANY PERSON ASSOCIATED WITH THE CLEARING MEMBER. NEITHER THE CLEARINGHOUSE (INCLUDING ITS AFFILIATES AND ANY CONTRACTORS AND SUBCONTRACTORS PROVIDING SERVICES TO THE CLEARINGHOUSE) NOR ANY CLEARINGHOUSE PERSONNEL MAKE ANY WARRANTY WITH RESPECT TO, AND NO SUCH PARTY SHALL HAVE ANY LIABILITY TO ANY CLEARING MEMBER OR ANY PERSON ASSOCIATED WITH A CLEARING MEMBER FOR, THE ACCURACY, TIMELINESS, COMPLETENESS, RELIABILITY, PERFORMANCE OR CONTINUED AVAILABILITY OF THE CLEARING SYSTEM OR THE CLEARINGHOUSE, DELAYS, OMISSIONS OR INTERRUPTIONS IN CLEARINGHOUSE SERVICES OR THE CREDITWORTHINESS OF ANY OTHER CLEARING MEMBER OR ANY PERSON ASSOCIATED WITH A CLEARING MEMBER. THE CLEARINGHOUSE SHALL HAVE NO DUTY OR OBLIGATION TO VERIFY ANY INFORMATION DISPLAYED ON THE CLEARING SYSTEM OR OTHERWISE. WITHOUT LIMITING THE FOREGOING, THE CLEARINGHOUSE SHALL HAVE NO LIABILITY FOR ANY LOSS OF ELIGIBLE COLLATERAL RESULTING FROM (I) A WITHDRAWAL TO AN INCORRECT, INCOMPATIBLE, OR UNAUTHORIZED WALLET ADDRESS OR WHITELISTED ADDRESS PROVIDED OR APPROVED BY A CLEARING MEMBER OR ITS AUTHORIZED USER(S), OR (II) ANY FAILURE BY A CLEARING MEMBER OR ITS AUTHORIZED USER(S) TO MAINTAIN THE SECURITY OF CREDENTIALS, API KEYS, OR CRYPTOGRAPHIC KEYS USED TO ACCESS THE CLEARING SYSTEM OR SUBMIT INSTRUCTIONS.
- (d) EACH CLEARING MEMBER AND EACH PERSON ASSOCIATED WITH A CLEARING MEMBER ACKNOWLEDGES AND AGREES THAT THE CLEARINGHOUSE (INCLUDING ITS AFFILIATES AND ANY CONTRACTORS AND SUBCONTRACTORS PROVIDING SERVICES TO THE CLEARINGHOUSE) DOES NOT AND SHALL NOT SERVE AS THE PRIMARY BASIS FOR ANY DECISIONS MADE BY SUCH CLEARING MEMBER OR PERSON ASSOCIATED WITH A CLEARING MEMBER, AS THE CASE MAY BE, AND IS

NOT AN ADVISOR OR FIDUCIARY OF SUCH CLEARING MEMBER OR PERSON ASSOCIATED WITH A CLEARING MEMBER, AS THE CASE MAY BE.

- (e) EXCEPT AS OTHERWISE PROVIDED IN THESE RULES, ANY LIABILITY OF THE CLEARINGHOUSE (OTHER THAN LIABILITY THAT IS EXCLUDED PURSUANT TO THE PRECEDING PARAGRAPHS OF THIS RULE 8.4) WILL BE LIMITED TO DIRECT, OUT-OF-POCKET LOSSES DIRECTLY CAUSED BY THE ACTS OR OMISSIONS OF THE CLEARINGHOUSE OR CLEARINGHOUSE PERSONNEL; PROVIDED THAT THE TOTAL COMBINED AGGREGATE LIABILITY OF THE CLEARINGHOUSE AND CLEARINGHOUSE PERSONNEL TO ANY ONE CLEARING MEMBER SHALL NOT EXCEED US\$2,500 FOR ALL LOSSES FROM ALL CAUSES SUFFERED ON A SINGLE CALENDAR DAY; US\$5,000 FOR ALL LOSSES SUFFERED FROM ALL CAUSES IN A SINGLE CALENDAR MONTH; AND US\$50,000 FOR ALL LOSSES SUFFERED FROM ALL CAUSES IN A SINGLE CALENDAR YEAR.
- (f) NOTHING IN THIS RULE 8.4 LIMITS THE CLEARINGHOUSE'S AUTHORITY OR OBLIGATION TO CORRECT ERRONEOUS POSTINGS TO ACCOUNTS OR TO REVERSE OR REMEDIATE OPERATIONAL ERRORS ON ITS BOOKS AND RECORDS, INCLUDING WHERE SUCH ERRORS RESULT IN AN IMPROPER DEBIT OR CREDIT OF ELIGIBLE COLLATERAL, EXCEPT TO THE EXTENT PROHIBITED BY LAW OR REQUIRED IN CONNECTION WITH DEFAULT MANAGEMENT OR COMPLIANCE ACTIONS.
- (g) ANY CLEARING MEMBER OR PERSON ASSOCIATED WITH A CLEARING MEMBER WHO FAILS TO PREVAIL IN A LAWSUIT OR OTHER LEGAL PROCEEDING INSTITUTED BY SUCH PERSON AGAINST THE CLEARINGHOUSE OR CLEARINGHOUSE PERSONNEL, AND RELATED TO THE BUSINESS OF THE CLEARINGHOUSE, WILL PAY TO THE CLEARINGHOUSE ALL REASONABLE EXPENSES, INCLUDING ATTORNEYS' FEES, INCURRED BY THE CLEARINGHOUSE IN THE DEFENSE OF SUCH PROCEEDING TO THE EXTENT THAT SUCH EXPENSES EXCEED FIFTY THOUSAND U.S. DOLLARS (US\$50,000.00). THIS PROVISION WILL NOT APPLY TO DISCIPLINARY ACTIONS BY THE CLEARINGHOUSE, ADMINISTRATIVE APPEALS OF THE CLEARINGHOUSE ACTIONS OR IN ANY SPECIFIC INSTANCE WHERE THE BOARD OF DIRECTORS HAS GRANTED A WAIVER OF THIS PROVISION.
- (h) NOTWITHSTANDING ANY OF THE FOREGOING PROVISIONS, THIS RULE 8.4 SHALL IN NO WAY LIMIT THE LIABILITY OF ANY PERSON ARISING FROM ANY VIOLATION OF SUCH PERSON OF THE CEA OR CFTC REGULATIONS THEREUNDER.

8.5 Confidentiality

All information received by the Clearinghouse concerning positions cleared by the Clearinghouse or any other clearing organization for a Clearing Member, margin payments between the Clearinghouse or any other clearing organization or Clearing Member, and any other information provided by a Clearing Member to the Clearinghouse including, without limitation, financial statements filed with the Clearinghouse by a Clearing Member, shall be held in confidence by the Clearinghouse and shall not be made known to any other Person except as follows:

- (a) with the consent of the Clearing Member;
- (b) to a Regulatory Agency or the regulatory authority of any foreign jurisdiction, if the Clearinghouse is requested or legally required to do so by such Regulatory Agency;
- (c) pursuant to legal process;
- (d) to an exchange (including, without limitation, any contract market, swap execution facility or other trading facility) to which such Clearing Member belongs, provided that information relating to

positions, margin payments and deliveries that is furnished to an exchange shall relate solely to contracts traded on that exchange;

- (e) to a Self-Regulatory Organization to which such Clearing Member belongs;
- (f) to any Person providing services to the Clearinghouse, subject to appropriate confidentiality requirements;
- (g) to the Board, any committee thereof, the Clearinghouse's Officers, employees, attorneys, and auditors, and to agents and independent contractors that have been engaged by the Clearinghouse who require such information in connection with the discharge of their duties to the Clearinghouse; and
- (h) as otherwise provided under the Rules.