

**ERIS CLEARING, LLC
DESCRIPTION OF PROPOSED CLEARING ACTIVITIES**

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

Eris Clearing, LLC ("Eris Clearing") is applying for registration as a derivatives clearing organization ("DCO") to provide clearing services for virtual currency futures contracts traded on, or executed pursuant to the rules of, Eris Exchange, LLC ("Eris Exchange"), a designated contract market. Eris Clearing has entered into a Services Agreement with Eris Exchange for the provision of clearing services, and Eris Clearing intends to commence the clearing activities described herein after Eris Clearing has been registered as a DCO.

Pursuant to the Services Agreement, Eris Clearing will clear virtual currency futures contracts on a fully collateralized basis only. Additionally, Eris Exchange will provide a spot exchange for physically delivered virtual currency and settlement will occur through Eris Clearing. In the future, Eris Clearing additionally will clear options (virtual currency, FX and other asset classes) contracts on a fully collateralized basis.

Eris Clearing will offer clearing and settlement services directly to market participants (initial phase), and through intermediary futures commission merchants ("FCM") at a later phase. As described more fully in Exhibit A-4 and in the Rulebook (Exhibit A-2), all products cleared through Eris Clearing are required to be pre-funded and fully collateralized, negating the need for Eris Clearing to calculate variation margin levels or maintain a default fund, and making it easier for Eris Clearing to offer clearing services directly to customers.