

June 23, 2021

VIA COMMISSION PORTAL

Christopher J. Kirkpatrick
Secretary, Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

**Re: CFTC Regulation 40.6 Certification – Liquidity Provider Program
LedgerX LLC Submission No. 21-16**

Dear Mr. Kirkpatrick:

LedgerX LLC (“LedgerX”) hereby notifies the Commodity Futures Trading Commission (the “Commission”), pursuant to Commission Regulation 40.6, that it is certifying its Bitcoin (“BTC”) and Ether (“ETH”) swaps and options liquidity provider program (the “Program”) for trading on LedgerX’s designated contract market (“DCM”) and swap execution facility (“SEF”). The Program will incentivize liquidity and volume in the LedgerX’s swaps and options contracts. The terms and conditions of the Program are set forth in Appendix A, which has redacted certain information pursuant to CFTC Regulations 40.8 and 145.9, and Appendix B, which has been filed pursuant to CFTC Regulations 40.8 and 145.9. The Program will become effective on or after July 8, 2021.

Compliance with Core Principles

LedgerX has reviewed the core principles (“Core Principles”) set forth in the Commodity Exchange Act and has identified that the Program may most directly implicate the following Core Principles:

*DCM Core Principle 2 -- Compliance with Rules; SEF Core Principle 2 – Compliance with Rules;
DCM Core Principle 4 -- Prevention of Market Disruption; SEF Core Principle 4 – Prevention of
Market Disruption*

All trading on LedgerX, including any trading and related activity by participants under the Program, is subject to the LedgerX rules (the “Rulebook”) including Chapter 8 (Business Conduct and Trading Practices), which prohibits fraud, non-competitive trading, market manipulation and abusive and disruptive trade practices. Terms not defined in this submission have the meanings set forth in the Rulebook. Additionally, as with all trading on LedgerX, trading in the Program’s products will be subject to monitoring and surveillance by the Compliance Department, which has the authority to investigate and enforce LedgerX rules, as described in Chapter 9 (Discipline and Enforcement).

DCM Core Principle 9 -- Execution of Transactions

The Program's products are listed for trading on the LedgerX's trading system, which provides for efficient, competitive, and open execution of transactions.

DCM Core Principle 12 -- Protection of Markets and Market Participants

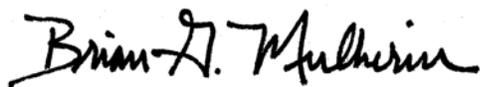
Chapters 3 (Participants), 4 (Liquidity Providers) and 8 (Business Conduct and Trading Practices) of the Rulebook require all market participants, including those participating in the Program, to observe high standards of integrity, market conduct, commercial honor, fair dealing, and just and equitable principles of trade and prohibits, among other things, fraud, non-competitive trading, market manipulation, and abusive and disruptive trade practices. As with all contracts traded on LedgerX, trading in the Program's products will be subject to monitoring and surveillance by the Compliance Department.

Certification

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

Please contact the undersigned at gc@ledgerx.com if you have any questions or you would otherwise like to discuss this further.

Sincerely,



Brian G. Mulherin
General Counsel, LedgerX

APPENDIX A

Bitcoin and Ether Swaps and Options Liquidity Provider Program

Program Purpose

The purpose of the Program is to support the development of the products listed below by increasing liquidity in LedgerX's central limit order book and, therefore, benefit all participants in the market.

Product Scope

The following Company Contracts made available for trading on LedgerX are the "Program Company Contracts."

1. USD/ETH Deci Options
2. Weekly USD/BTC Mini Options
3. Monthly USD/BTC Mini Options
4. Day-Ahead USD/BTC Mini Swaps
5. Day-Ahead USD/ETH Deci Swaps

Eligible Participants

LedgerX may designate at least one (1) Participant in the Program for each Program Company Contract.

In order to be considered, Participants must enter into the applicable Liquidity Provider Agreement and agree to make two-sided markets in specified Program Company Contracts, have a demonstrable ability to quote two-sided markets during all trading hours, and be ready to begin making two-sided markets on each day the Program Company Contracts trade. In addition, Liquidity Providers must agree to the obligations set forth in Chapter 4 of the LedgerX Rulebook, including Rule 4.4 (Obligations).

In determining whether to accept a Participant, LedgerX staff will take into account a variety of factors as provided in Rule 4.2, which may include among other things, the financial resources available to the Participant; the Participant's trading activity in relevant swaps, futures, options on futures or related cash or spot markets; and the Participant's business reputation and experience in market making in options and other derivative products.

In addition, LedgerX will also take into account, the technological and operational capability to connect to LedgerX, the robustness of the quoting obligation to which the Participant will commit, the likelihood the Participant will be able maintain such obligations, and the Participant's commitment to completing necessary connectivity and testing and being ready to provide liquidity prior to participation in the Program. LedgerX may add or subtract from the aforementioned criteria as it deems necessary.

Program Term

The term of the Program shall be six (6) months from the date this filing is effective, unless extended by LedgerX (the "Term").

Obligations

[Redacted]

Incentives

[Redacted]

Monitoring and Termination of Status

Pursuant to Rule 4.2.D., LedgerX shall periodically conduct an evaluation of all Liquidity Providers to determine whether they have fulfilled performance standards relating to, among other things, quality of the markets; trading activity; competitive market making; observance of ethical standards; business reputation; and administrative and financial soundness. If the Liquidity Provider fails to meet minimum performance standards set forth in the Agreement and this Appendix A, LedgerX may, among other actions, suspend, terminate or restrict the Liquidity Provider's appointment. LedgerX retains the right to terminate the program at any time at its sole discretion.

Miscellaneous

Notices

For the purposes of Agreement between the Liquidity Provider and the LedgerX, all notices, communication and contacts related shall be directed to:

Liquidity Provider:

Name of Contact Person:

Address:

Phone Number:

Email:

LedgerX

Name of Contact Person:

Address:

Phone Number:

Email:

APPENDIX B

REDACTED

