

**CX Clearinghouse, L.P.**

**Amendment to CXC Rule I-6 and CXC Governance Arrangement Requirements**

**CXC Submission #2025-11**

**June 20, 2025**

1. CX Clearinghouse, L.P. (“CXC” or the “Clearinghouse”) hereby certifies to the Commodity Futures Trading Commission (“CFTC” or “Commission”) the attached amendment to CXC Rule I-6 of the CXC Rulebook and a conforming amendment to the CXC Governance Arrangement Requirements Policies and Procedures (“CXC Governance Arrangements Requirements”) in accordance with CFTC Regulation 40.6(a).
2. The proposed effective date of this Rule amendment is July 7, 2025.
3. Attached, please find a certification that: (1) this rule amendment complies with the Commodity Exchange Act and the Commission’s regulations thereunder; and (2) concurrent with this submission, the Clearinghouse posted on its website at the following link: <https://cxmarkets.com/rules-and-regulations/notice-to-participants/>: (i) a notice of pending certification of the rule submissions with the Commission; and (ii) a copy of this submission.
4. A concise explanation and analysis of the operation, purpose, and effect of the amended rule appears below.
5. There were no opposing views expressed regarding the amended Rule.

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**OPERATION, PURPOSE AND EFFECT OF THE PROPOSED AMENDMENT TO CXC  
RULE I-6 AND CXC GOVERNANCE ARRANGEMENT REQUIREMENTS, INCLUDING  
CORE PRINCIPLES**

Pursuant to Commission Rule 40.6(a)(7)(v), the following is a concise explanation and analysis of the operation, purpose, and effect of the amended Rule I-6, The Board of Directors, and the conforming amendment to the CXC Governance Arrangement Requirements (referred to collectively as “the Rule Amendments”).

CXC Rule I-6, The Board of Directors, describes general requirements applicable to the Board of Directors with respect to management of the business and affairs of the Clearinghouse (CXC Rule X-2(a)), the number of directors and percentage of the Board of Directors that shall be Public Directors (CXC Rule X-2(b)), and the appointment of members of Board of Directors (CXC Rule X-2(c)). CXC Rule X-2(b) provides that the number of directors on the Board of Directors shall be seven, at least three of whom shall be Public Directors (or such other percentage of the Board of Directors as may be required by the CFTC Regulations, as amended from time to time, provided that the number of Public Directors shall at all times equal no less than 35% of the entire Board of Directors).

The Clearinghouse seeks to clarify the ability of the General Partner of the Clearinghouse to appoint additional directors to the Board of Directors of the Clearinghouse (“the Board of Directors”) in the future, in accordance with CXC Rule I-6(c) and in compliance with applicable Core Principles for derivative clearing organizations under Section 5(b) of the Commodity Exchange Act (“the Act”). CXC is amending Rule I-6(b) to remove the numerical requirement applicable to the number of directors that may comprise the entire Board of Directors. After the effective date of this Rule amendment, the General Partner of the Clearinghouse may appoint additional members to the Board of Directors in accordance with Rule I-6(c), provided that the number of Public Directors shall remain at all times equal no less than 35% of the entire Board of Directors. The text of the amendment to CXC Rule I-6 is included in Attachment A. Additions are underlined and presented in blue text. Deletions are struck through and presented in red text.

Additionally, the CXC Governance Arrangement Requirements, which were developed in accordance with Requirements of CFTC Regulation 39.24(b), are being amended to conform with amended CXC Rule I-6. The text of the amendment to CXC Governance Arrangement Requirements is included in Attachment B. Deletions are struck through and presented in red text.

CXC has reviewed the core principles for derivatives clearing organizations set forth in Section 5(b) of the Act and in the Commission’s Part 39 Regulations thereunder (“Core Principles”), as well as the CXC Rules. Based on its review, CXC has identified the following Core Principles as relevant to its assessment of the Rule amendments:

- ***Core Principle L, Public Information.*** CXC is making information about the Rule Amendments available to the Commission, its regulatory services provider, all Participants, and the public, through publication of a regulatory notice and amended Rules on the Clearinghouse website.
- ***Core Principle O, Governance and fitness standards:*** The Rule Amendments do not affect the Clearinghouse’s ability to enforce appropriate fitness standards for directors on the Board of Directors as required under CX Rule I-8, Board Eligibility. CX Rule I-8 establishes the fitness standards and eligibility requirements for Persons involved in the governance of the Clearinghouse, including members of the Board of Directors.
- ***Core Principle P, Conflicts of interest.*** The Rule Amendments do not affect the CXC’s ability to minimize conflicts of interest in the decision-making process of the Clearinghouse. In accordance with CFTC Regulation 39.25, the Clearinghouse will continue to ensure at least 35% of the Board of Directors will be Public Directors. Further, the Board of Directors shall operate in accordance with the conflict of interest procedures contained within CXC Rule I-9, Conflicts of Interest, which applies to members of the Board of Directors.
- ***Core Principle Q, Composition of governing boards.*** The Rule Amendments do not change the fundamental design of Clearinghouse’s Board of Directors which requires at least 35% of directors comprising the Board of Directors to be Public Directors. CXC Rule I-6 was designed to ensure that the composition of the governing board or board-level

committee of the Clearinghouse includes individuals who are not executives, officers, or employees of the derivatives clearing organization or an affiliate thereof, in accordance with CFTC Regulation 39.26.

**ATTACHMENT A**  
**Amendment to CXC Rule I-6**

**CHAPTER I**

**DEFINITIONS**

[....]

**I-6 Board of Directors**

(a) The business and affairs of the Clearinghouse shall be managed by the Board of Directors in accordance with the CX Clearinghouse, L.P. Operating Agreement and Applicable Law.

(b) ~~The number of directors on the Board of Directors shall be seven, a~~ At least three ~~directors on the Board of Directors of whom~~ shall be Public Directors (or such other percentage of the Board of Directors as may be required by the CFTC Regulations, as amended from time to time, provided that the number of Public Directors shall be equal to no less than 35% of the entire Board of Directors). Any vote made by the Board of Directors that results in a tie will require that the Board of Directors reconvene to reconsider the matter until such tie is broken.

(c) The appointment of the members of the Board of Directors will be made by the General Partner. The sole member of the General Partner shall make such appointments on behalf of the General Partner.

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## **ATTACHMENT B**

### **Amendment to CXC Governance Arrangement Requirements**

#### **CX Clearinghouse, L.P.**

#### **Governance Arrangement Requirements**

##### **Policies and Procedures in Accordance with Requirements of CFTC Regulation 39.24(b)**

##### Preamble:

CX Clearinghouse's ("CXC") governance arrangements prioritize safety and efficiency and are intended to support the public interest considerations of clearing members and other relevant stakeholders. The Board of Directors ascertains that CXC's design, rules, strategy, and major decisions reflect the legitimate interests of clearing members and relevant stakeholders. Major decisions of the Board of Directors will be disclosed to clearing members, the CFTC, stakeholders, and the public, as appropriate.

##### Governance arrangements

1. The present and all other governance arrangements will be kept confidential and will be disclosed, as appropriate, to the Commodity Futures Trading Commission ("the Commission" or "CFTC"), other relevant authorities, clearing members, and made public in accordance with other regulatory requirements as set out in the CFTC's regulations.
2. The Board of Directors meets regularly in person or remotely via Teams, Zoom, or other cloud-based video conferencing applications. Meetings are scheduled by the Chairman.
3. Operation, constitution, and authority of the Board of Directors are governed by CXC Rule I-6. Rule I-6(b) provides that of the ~~seven~~ directors on the Board of Directors three (no less than 35%) shall be Public Directors.
4. Pursuant to CXC Rule I-3, the Board of Directors adopts, amends, and repeals Rules.
5. The Board of Directors is charged with managing the business and affairs of CXC.
6. There are no sitting committees established by the CXC Rules; the power of the Board of Directors to establish committees of the Board is implied in the Rules. See, for example, Rule I-8(a).
7. Rule I-1 provides for a President and Vice-President to be appointed by the Board of Directors.
8. Qualifications to be a member of the Board of Directors are set forth in CXC Rule I-8. The definition of Public Directors is also contained in CXC Rule I-8.

9. CXC Rule I-1 defines Emergency and CXC Rule VII-4 provides for the President to take certain respondent actions with the concurrence of the majority of the Board of Directors.
10. In the event of a physical Emergency, as defined in CXC Rule VII-4, the following persons may be authorized to take the actions envisioned by the rule: the President, the chair of the Board of Directors, the most senior available Vice President.

CERTIFICATIONS PURSUANT TO SECTION 5c OF THE COMMODITY EXCHANGE  
ACT, 7 U.S.C. §7A-2 AND COMMODITY FUTURES TRADING COMMISSION RULE 40.6,  
17 C.F.R. §40.6

I hereby certify that:

- (1) the amended Rules below comply with the Commodity Exchange Act, and the Commodity Futures Trading Commission's regulations thereunder; and
- (2) concurrent with this submission, CX Clearinghouse, L.P. posted on its website, <https://cxmarkets.com/rules-and-regulations/notice-to-participants/> (a) a notice of pending certification of the above Rules with the Commission; and (b) a copy of this submission.

*Rhianna Ross*

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By: Rhianna Ross  
Title: Chief Compliance Officer  
Date: June 20, 2025