

July 28, 2025
BY ELECTRONIC FILING
Mr. Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

**Re: BTNL 2025-25 - Self-Certification Pursuant to CFTC Regulation 40.6 –
Bitnomial Exchange, LLC and Bitnomial Clearinghouse, LLC Rules 101 and
820 Update**

Dear Mr. Kirkpatrick:

Bitnomial Exchange, LLC and Bitnomial Clearinghouse, LLC (collectively, “Bitnomial”) hereby submit for self-certification to the Commodity Futures Trading Commission (the “Commission” or “CFTC”), under Commission regulation 40.6(a), the following plans to modify Rule 820 to allow Bitnomial to accept additional types of collateral as margin. Bitnomial also updated definitions in Rule 101. The changes will become effective on August 11, 2025.

- 1) Exhibit 1 contains redline changes to Bitnomial’s Rules;
- 2) Exhibit 2 contains Bitnomial’s FOIA request letter; and
- 3) Exhibit 3 contains Bitnomial’s related policies and procedures (confidential treatment requested).

Core Principle Compliance

Bitnomial will continue to comply with all DCM and DCO Core Principles. Bitnomial has reviewed the Core Principles as set forth under Section 5 of the Commodity Exchange Act, as amended (the “Act”), and determined that the rule change may have some bearing on the following Core Principles:

Core Principle B- Financial Resources: Bitnomial will continue to maintain adequate financial resources to discharge its responsibilities. The changes, along with risk management measures, will ensure that the collateral covering margin payments allow Bitnomial to comply with this Core Principle.

Core Principle C- Participant and Product Eligibility: Bitnomial will continue to use its existing processes to determine whether products are suitable for clearing and are acceptable to cover margin payments.

Core Principle D- Risk Management: The changes continue to ensure Bitnomial’s ability to manage the risks associated with discharging the responsibilities of a DCO, including limiting

exposure to potential losses from defaults, and maintaining margin requirements sufficient to cover potential exposures in normal market conditions.

Core Principle E- Settlement Procedures: Bitnomial will continue to complete two margin settlements each business day where it pays and collects initial margin.

Core Principle F- Treatment of Funds: This core principle ensures DCOs properly manage and protect funds held on behalf of Clearing Members and their customers. Bitnomial's rule updates and associated procedures continue to require the Clearinghouse to manage and protect all margin payments.

Core Principle L- Public Information: Bitnomial is publicly posting this self-certification letter on its website to ensure that market participants receive advance notice of the updated rules. Collateral that is eligible to cover margin payments will be listed on its website.

Certification

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), Bitnomial certifies that these rule changes comply with the Act and regulations thereunder. Bitnomial is not aware of any opposing views to these changes.

Bitnomial certifies that a copy of this submission has been concurrently posted on Bitnomial's website at <https://bitnomial.com/exchange/regulation/>.

If you have any questions or require further information, please contact the undersigned at james.walsh@bitnomial.com.

Sincerely, /s/

James A. Walsh
Chief Regulatory Officer
Bitnomial Exchange, LLC
Chief Compliance Officer
Bitnomial Clearinghouse, LLC

Exhibit 1

**Bitnomial Exchange, LLC &
Bitnomial Clearinghouse, LLC**

Rulebook Changes

Rule 101: Definitions

- **Collateral:** means such property as may be delivered by a Clearing Member to the Clearinghouse as collateral for the obligations of such Clearing Member to the Clearinghouse (including but not limited to Initial Margin and Variation Margin), and all proceeds of the foregoing and all proceeds of any of the foregoing, held in or for the accounts of a Clearing Member in connection with the financial obligations of such Clearing Member, however created, arising or evidenced, whether direct or indirect, absolute or contingent, existing, due or to become due. [A list of Collateral accepted by the Clearinghouse is available on the Website.](#)
- **Variation Margin:** means on the Business Day a Contract has been accepted for clearing by the Clearinghouse, the difference between the price at which such Contract was bought or sold and the Settlement Price for such Contract; [obligations to pay, as applicable, any settlement variation payment and other Contract-related payments due including options premiums and upfront fees](#); and thereafter, the difference, as applicable, between: the Settlement Price on a given Business Day and the preceding Settlement Price for such Contract, or the price at which such Contract was closed on the books of the Clearinghouse and the preceding Settlement Price for such Contract.

Rule 820: Margins and Liquidations

3. The Clearinghouse shall accept ~~US Dollars~~[Collateral](#) as Margin in a manner acceptable to the Clearinghouse and Approved Financial ~~Institutions, such as wire transfer~~[Institutions](#).

Exhibit 2

July 28, 2025

VIA ELECTRONIC SUBMISSION

Assistant Secretary of the Commission
for FOI, Privacy and Sunshine Acts Compliance
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, D.C. 20581

Re: FOIA Confidential Treatment Request - Bitnomial Exchange, LLC and Bitnomial Clearinghouse, LLC

Dear Sir/Madam:

On behalf of Bitnomial Exchange, LLC and Bitnomial Clearinghouse, LLC (collectively, the “Company”), we have submitted documents, dated July 28, 2025 (the “Confidential Submission”), to the Commodity Futures Trading Commission (“Commission”) related to the Company’s Rulebook. The Company considers these documents to be proprietary and confidential.

We hereby petition the Commission, pursuant to Commission Regulations 145.5 and 145.9, to accept and retain in confidence the aforementioned documents until further notice as against any requestor who files with the Commission a request to inspect such documents pursuant to the Freedom of Information Act.

Confidential treatment is requested, among other things, on the grounds that the Confidential Submission contains data and information which would separately disclose business transactions and trade secrets that may not be disclosed to third parties, as provided in Section 8(a) of the Commodity Exchange Act and Commission Regulation 145.5(c)(1). Confidential treatment also is requested on the grounds that the Confidential Submission is exempt from disclosure under paragraph (b)(4) of the Freedom of Information Act (“FOIA”) and Commission Regulations 145.5(d) and 145.9(d)(1)(ii), because it contains commercial and financial information that is confidential and would be of material assistance to competitors. Further, confidential treatment is requested on the grounds that the Confidential Submission includes personal information of the Company and other persons, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

We understand that if the Commission receives a FOIA request for the Confidential Submission, we will be notified of such request in accordance with the Commission’s regulations and be asked to submit, within ten business days, a detailed written justification for confidential treatment of the Confidential Submission. In such event, we request that Commission staff

telephone or email the undersigned rather than rely solely upon U.S. mail for such notice.

If the Commission or its staff transmits any of the Confidential Submission to another federal agency, we request that you forward a copy of this letter to any such agency with the Confidential Submission and further request that you advise any such agency of the request that the material be accorded confidential treatment.

The requests set forth in the preceding paragraphs also apply to any memoranda, notes, transcripts or other writings of any sort whatsoever that are made by, or at the request of, any employee of the Commission (or any other federal agency) and which (1) incorporate, include or relate to any aspect of the Confidential Submission; or (2) refer to any conference, meeting, or telephone conversation regarding the Company relating to the Confidential Submission. Please direct any questions regarding this request for confidential treatment, as well as any notices pursuant to Commission Regulation 145.9(e), to the attention of the undersigned at james.walsh@bitnomial.com.

Very truly yours,

/s/

James Walsh
Chief Regulatory Officer
Bitnomial Exchange, LLC
Chief Compliance Officer
Bitnomial Clearinghouse, LLC
(312) 883-5851