



May 15, 2026

Via CFTC Portal Submissions

Mr. Christopher Kirkpatrick
Secretary of the Commission
Office of the Secretariat
Commodity Futures Trading Commission
3 Lafayette Centre
1155 21st Street, N.W.
Washington D.C. 20581

RE: Acceptance of Event Contracts Cleared Swaps for Clearing – Submission Pursuant to Commission Regulation 39.5(b)

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (the “Act” or “CEA”), and §39.5(b) of the regulations promulgated by the Commodity Futures Trading Commission (the “Commission”) under the Act, Rothera Exchange (the “Exchange” or “Rothera”) hereby submits this filing regarding the clearing of Event Contracts.

This submission describes Rothera’s clearing of Event Contracts and addresses each of the factors set forth in Regulation 39.5(b), including eligibility to clear, liquidity and pricing data, operational capacity, risk management, legal certainty and systemic risk considerations.

39.5(b)(3)(i): Eligibility to Clear

Pursuant to Regulation 39.5(b)(3)(i), Rothera states that it is eligible to clear swaps, including Event Contracts, which are the only class of swaps accepted for clearing by Rothera in its capacity as a DCO. Event Contracts are derivatives contracts that are tradeable financial instruments that settle based on the occurrence or non-occurrence of a specified future event and are fully-collateralized at all times. Should the Commission determine that such swaps are required to be cleared, Rothera will be able to maintain compliance with the DCO core principles set forth in Section 5b(c)(2) of the Act and the regulations promulgated thereunder, noting that all executed trades in Event Contracts are required to be cleared by the Rothera DCO.



39.5(b)(3)(ii)(A) Statement on Outstanding Derivatives Notional Exposure, Trading Liquidity and Pricing Data

There is no outstanding notional exposure or trading liquidity in Event Contract, which are fully-collateralized and available for trading exclusively on the Rothera DCM. DCM-based trading activity will be the sole source of pricing for the instruments.

39.5(b)(3)(ii)(B) Rule Framework, Capacity, Operational Expertise and Resources, and Credit Support Infrastructure

Event Contracts are cleared pursuant to Rothera's Rulebook and related policies and procedures. The Rulebook is available at <https://www.rothera.io/reg-notices>. Rothera has the operational capacity and expertise necessary to clear Event Contracts on terms consistent with their material terms and conditions. Rothera's clearing model is fully-collateralized, ensuring that all open positions are supported by sufficient collateral to cover the maximum potential exposure.

39.5(b)(3)(ii)(C) Statement on Mitigation of Systemic Risk

Rothera does not expect the clearing of Event Contracts to have any impact on systemic risk. The market for Event Contracts is limited relative to the broader swaps markets, and exposures are capped by contract structure and collateral requirements. Rothera's available financial and operational resources are sufficient to support the clearing of Event Contracts without creating material interconnections or contagion risk.

39.5(b)(3)(ii)(D) Statement on Competition and Appropriate Fees and Charges

Rothera does not believe that clearing Event Contracts will have any negative impact, or impose any burden, on competition. Fees and charges are standardized and applied uniformly. Event Contracts do not impose separate clearing fees; any applicable settlement or transaction fees are assessed consistently across contracts in accordance with Rothera rules and fee schedules.

39.5(b)(3)(ii)(E) Statement on Legal Certainty and Insolvency

Customer positions, funds, and property related to Event Contracts are held in customer segregation in accordance with Part 22 of the Commission's regulations, providing legal certainty with respect to the protection and treatment of customer property in the event of a clearing member or DCO insolvency. The fully-collateralized model further supports orderly settlement and resolution of positions.



39.5(b)(3)(iii) Product Specification

Product specifications and standardized terms and conditions for each Event Contract are publicly available and include the underlying event, settlement methodology, trading restrictions (if any), and contract lifecycle procedures. Event Contracts are electronically confirmable through Rothera's clearing systems and participant connectivity.

39.5(b)(3)(iv) Participant Eligibility Standards

A Participant clearing Event Contracts must adhere to the eligibility requirements as stated in the Rothera Rulebook. Any Event Contract-specific eligibility restrictions are disclosed in the applicable contract terms and conditions.

39.5(b)(3)(v) Pricing Sources

While the Event Contracts will clear as swaps, they are DCM-listed binary options that will be traded on the centralized Exchange. Pricing for each instrument will be derived from trading activity in the centralized DCM market. The final settlement value will depend on moneyness of the option, which for the Event Contracts will be based on specified event indicators, and will utilize objectively determined values.

39.5(b)(3)(vi) Risk Management Procedure

Event Contracts are fully collateralized and are not traded on margin. Rothera measures and monitors exposures through its collateral framework and settlement procedures consistent with Part 39. Because maximum exposure is capped by contract design and collateralization, Rothera's risk management focuses on collateral sufficiency, settlement integrity, and default management procedures.

39.5(b)(3)(vii) Rules, Manuals, Policies or Procedures

The product terms and conditions for Event Contracts are displayed on the Rothera website and incorporated by reference into Chapter 11 of the Rothera Rulebook.

39.5(b)(3)(viii) Notice of Submission

Notice of this submission has been concurrently posted on Rothera's website at <https://www.rothera.io/reg-notices>.

Should you have any questions regarding the above, please do not hesitate to contact me by telephone at (773) 703-6365 or by email at kevin@rothera.io.

Sincerely,



/s/

Kevin Dan
Chief Compliance and Regulatory Officer
Rothera Exchange and Clearing LLC