

QC Clearing LLC, d/b/a Polymarket Clearing
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Via CFTC Portal

September 9, 2025

Mr. Christopher Kirkpatrick
Commodity Futures Trading Commission
1155 21st Street NW Three Lafayette Centre
Washington, DC 20581

Re: Polymarket Clearing 40.6(a) Rule Submission QCC.2025.7

I. Introduction

QC Clearing LLC, d/b/a Polymarket Clearing (“Polymarket Clearing” or the “DCO”), a derivatives clearing organization (“DCO”) registered with the Commodity Futures Trading Commission (“Commission” or “CFTC”), hereby submits this notice pursuant to Commission Regulation 40.6(a). This filing informs the Commission of proposed revisions to the Polymarket US Market Oversight Manual.

The revised Market Oversight Manual (“Manual”) is attached as Exhibit A, and will become effective on September 23, 2025. Terms used in this notice with initial capital letters but not defined herein retain the definitions assigned to them in the Polymarket Clearing Rulebook.

Pursuant to Commission Regulation 145.9, Polymarket Clearing is requesting confidential treatment for Exhibit A, as the Market Oversight Manual contains sensitive information related to internal processes, trade secrets, and commercial information which is not public.

II. Concise Explanation and Analysis of the Revisions, and their Compliance with Applicable Provisions of the Commodity Exchange Act (CEA), including the Core Principles and the Commission’s Regulations

The proposed revisions include non-substantive modifications, such as accommodating the d/b/a change to Polymarket Clearing and updating chapter numbering, alongside substantive changes to enhance the DCO's operational and compliance frameworks.

To expand its services, the Manual is now generalized to provide clearing services to other Designated Contract Markets (DCMs). This change clarifies that new trading venues and their products are subject to Polymarket Clearing's policies and procedures.

The revisions also strengthen several oversight functions. Updated Participant Onboarding procedures clarify CIP processes, consistent with DCO Core Principle C (Participant and Product Eligibility). New Index Monitoring procedures establish a framework to review the integrity of indices underlying cleared Contracts, aligning with DCO Core Principle D (Risk Management). The Manual also refines procedures for publishing market data to ensure fair, equitable, and timely public access, consistent with DCO Core Principle L (Public Information).

A significant part of this update involves the introduction of several new chapters to formalize key policies:

- Chapter 16 establishes procedures for managing Affiliate Participant compliance with Polymarket US Rule 3.1(H), reinforcing the DCO's rule enforcement capabilities under DCO Core Principle H (Rule enforcement);
- Chapter 21 introduces the Clearinghouse Policy and Controls for ACH Transactions, providing a detailed framework for managing payment-related risks, consistent with DCO Core Principle F (Treatment of Funds);
- Chapter 22 details the criteria for selecting and monitoring settlement banks, a measure designed to mitigate counterparty credit risk and ensure settlement finality, in accordance with DCO Core Principles D (Risk Management);
- Chapter 23 outlines the Clearinghouse Deposit and Withdrawal Policy and Controls, ensuring robust internal procedures to protect customer funds and operational integrity, further supporting DCO Core Principle F (Treatment of Funds); and
- Chapter 24 establishes the ACH Advance procedures under Clearinghouse Rule 5.1(b), providing a clear framework for managing such transactions, consistent with DCO Core Principle F (Treatment of Funds), DCO Core Principle G (Default Rules), and DCO Core Principles D (Risk Management).

III. Certification

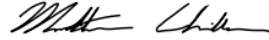
Polymarket Clearing hereby certifies to the CFTC, pursuant to the procedures set forth in Commission Regulation 40.6, that the attached submission complies with the CEA, as amended, and the regulations promulgated thereunder. Further, Polymarket Clearing is not aware of any substantive opposing views expressed regarding the Manual.

Polymarket Clearing hereby requests confidential treatment for Exhibit A pursuant to a concurrently filed request for confidential treatment. In accordance with CFTC Regulation 40.8, a redacted version of Exhibit A is included with this submission, while the complete, unredacted version has been submitted to the Commission separately under confidential cover.

Polymarket Clearing additionally certifies that, simultaneously with this filing, a copy of this submission was published on Polymarket Clearing's website, and is accessible at:
www.qcex.com

Please contact me using the information below if you have any questions regarding this notice.

Sincerely,

A handwritten signature in black ink, appearing to read "Matt Childers".

Matthew Childers

Chief Compliance Officer

Phone: (754) 300-9823

Email: matt.childers@qcex.com

Exhibit A
(Redacted)