

coinbase DERIVATIVES

March 14, 2025

VIA CFTC Electronic Portal

Mr. Christopher J. Kirkpatrick
Secretary of the Commission
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

**Re: CFTC Regulation 40.6(a) Certification: Non-Crypto Market Maker Program
Coinbase Derivatives, LLC Submission #2025-09**

Dear Mr. Kirkpatrick:

Pursuant to Commodity Futures Trading Commission (“CFTC” or “Commission”) Regulation 40.6(a), Coinbase Derivatives, LLC (the “Exchange”) hereby submits for self-certification its Non-Crypto Market Maker Program (the “Program”). The terms and conditions of the Program are set forth in Exhibit A, attached hereto, and will become effective on April 1, 2025.

Compliance with Core Principles

The Exchange has reviewed the designated contract market (“DCM”) core principles (“Core Principles”) set forth in the Commodity Exchange Act and the CFTC rules thereunder and has identified the following Core Principles that may be directly implicated by Program:

Core Principle 2 – Compliance with Rules and Core Principle 4 – Prevention of Market Disruption

All trading on the Exchange, including any trading and related activity by Participants under the Program, is subject to the Exchange Rulebook (the “Rulebook”) including Chapter 5, which prohibits fraud, non-competitive trading, market manipulation and abusive and disruptive trade practices. Capitalized terms not otherwise defined herein are defined in the Rulebook. Additionally, as with all trading on the Exchange, trading in the Program’s products will be subject to monitoring and surveillance by the Market Regulation Department, which has the authority to investigate and enforce Exchange rules, as described in Chapter 7.

Core Principle 9 – Execution of Transactions

The Program’s products are listed for trading on the Exchange’s trading system, which provides for efficient, competitive, and open execution of transactions pursuant to the Exchange Rulebook.

Core Principle 12 – Protection of Markets and Market Participants

Chapters 4 and 5 of the Rulebook require all 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 the Exchange, trading in the Program's products will be subject to monitoring and surveillance by the Market Regulation Department and compliance with the Program will be monitored and enforced by the Exchange.

Core Principle 18 – Recordkeeping

Records related to the Program will be maintained by the Exchange in compliance with its recordkeeping policies and the requirements of the Commodity Exchange Act and CFTC Rules.

Certification

The Exchange is not aware of any substantive opposing views to the Program. The Exchange certifies that the Program complies with the Commodity Exchange Act and the rules and regulations promulgated thereunder.

The Exchange certifies that this submission has been concurrently posted on the Exchange's website at: <https://www.coinbase.com/derivatives/filings>.

If you have any questions or require further information, please contact the undersigned at jane.downey@coinbase.com.

Sincerely,

/s/ Jane Downey
Chief Regulatory Officer

Attachment: Appendix

APPENDIX A

Non-Crypto Market Maker Program

Program Purpose

The purpose of the Non-Crypto Market Maker Program (the “Program”) is to support the development of the Exchange’s products by increasing liquidity in the Exchange’s central limit order book and, therefore, benefit all Participants in the market.

Product Scope

nano Crude Oil Futures (NOL), Gold Futures (GOL), Silver (SLR), and Natural Gas (NGS)

Eligible Participants

The Program is open to any Participant who completes and submits the application and agrees to make two-sided markets according to the Program’s quoting requirements. All Participants who submit the application are subject to review and approval by the Exchange’s onboarding team.

Participants that submit an application and begin quoting on or before the fifteenth calendar day of a given month to be deemed a “Program Participant” in the Program effective that same month. If an application is submitted and quoting begins after the fifteenth calendar day, the Program Participant will be added to the Program effective the first business day for the following month.

Program Term

The Program becomes effective on April 1, 2025 and ends on September 30, 2025.

Obligations

[REDACTED]

Monitoring and Termination of Status

The Exchange will monitor each Program Participant’s trading activity and performance and retains the right to revoke Program Participant’s status if it determines that a Program Participant failed to meet the obligations of the Program.