

September 3, 2026

Via CFTC Portal Submissions
Secretary of the Commission
Office of the Secretariat
U.S. Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: ProphetX LLC – Certification Pursuant to CFTC Regulation 40.2(d) — FIBA Basketball Moneyline Event Contracts

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act (the “Act” or “CEA”) and Commission Regulation 40.2(d), ProphetX LLC (“ProphetX” or the “Exchange”), a designated contract market (“DCM”), hereby certifies a class of binary event contracts referencing the outcome of a basketball game between two teams competing in a competition sanctioned by FIBA (the International Basketball Federation), comprising games in FIBA World Cups, FIBA continental championships, and FIBA World Cup and Olympic qualifying windows (each, an “Event”) (the “Contracts”). The Contracts are represented in the form of **“Will <Competitor> win <Event>?”** The Contracts within the certified class differ from one another in two respects only: the Competitor and the Event. Every Contract within the class relies on an identical settlement source and an identical formula, procedure, and methodology for determining the outcome and the resulting payment obligations. The Contracts will be listed no earlier than one business day following the Commission’s receipt of this submission, and no later than December 31, 2026.

The Contracts reference the following contract (the “Referenced Contract”), previously self-certified by the Exchange pursuant to 17 C.F.R. § 40.2(a):

- Official Product Name: **“Will Germany (Women’s) win their Group Stage Game versus Japan (Women’s) at the 2026 FIBA Women’s Basketball World Cup on September 5th, 2026?”**;
- Official Receipt Date: September 3, 2026

This submission includes the following:

- A concise explanation and analysis of the Contracts;
- The Exchange’s certification of compliance with the Act and Commission regulations;
- Appendix A – Contract Terms and Conditions; and
- Appendix B – Trading Prohibitions.

Pursuant to Commission Regulation 40.2, ProphetX certifies that the Contracts comply with the Act and the Commission’s regulations thereunder and that this submission has been concurrently posted on the Exchange’s website.

/s/ Gabe Wong
Gabe Wong
Chief Regulatory Officer
ProphetX LLC

Concise Description of the Contracts and Analysis of Compliance with the Commodity Exchange Act, Core Principles, and Commission Regulations

I. Introduction

The Contracts are binary event contracts relating to the outcome of a basketball game between two teams competing in a competition sanctioned by FIBA (the International Basketball Federation), comprising games in FIBA World Cups, FIBA continental championships, and FIBA World Cup and Olympic qualifying windows (each, an “Event”).¹ Each Contract settles in cash with a notional value of \$1.00. A Contract resolves “Yes” if: the designated competitor (<Competitor>) is recorded as the winner of the applicable Event. The full contract terms and conditions are set out in Appendix A.

Pursuant to Section 5c(c)(1) of the Act and Commission Regulation 40.2(d), ProphetX certifies that the listing of the Contracts complies with the Act and the Commission’s regulations thereunder. A Core Principle compliance analysis is included in Confidential Appendix C to the Referenced Contract certification. A demonstration of compliance with Appendix C to Part 38 of the Commission’s regulations, including the occurrence integrity assessment, settlement methodology verification, conclusion statement, and supporting documentation, is included in Confidential Appendix D thereto.

II. General Contract Terms

Each Contract has a \$1.00 notional value and a \$0.01 minimum price fluctuation. Contracts may only be listed at prices between \$0.01 and \$0.99. The payout structure is binary: the “Yes” side of an in-the-money Contract receives \$1.00 at settlement; the “No” side receives nothing. All Contracts are fully collateralized: no Market Participant may hold a position that creates an exposure in excess of funds on deposit in its Exchange account, consistent with Exchange Rules 5.1(b), 5.1(f), and 7.3 of the Rulebook. Trading is available outside of announced maintenance windows. Fees are assessed in accordance with Rule 3.6 of the Rulebook.

Settlement is determined from the official result of the referenced event as published by the Settlement Reference Source. Markets are settled after the close of trading once that result is available, with “Yes” position holders and “No” position holders paid in accordance with the applicable Payout Criterion.

¹ The Contracts have not been endorsed by FIBA (the International Basketball Federation), any league, conference, team, member institution, or affiliated organization. The use of the name “FIBA (the International Basketball Federation)” is solely for the purpose of identifying the underlying events.

APPENDIX A – CONTRACT TERMS AND CONDITIONS**1. FIBA Basketball Moneyline Event Contracts**

Official Name	"Will <Competitor> Win <Event>?"
Underlying	<Competitor> refers to one of the two teams competing in a specified FIBA-sanctioned competition. <Event> identifies the specific event by date, the two competing teams, and relevant distinguishing information, and refers to a given sporting event, or a specified period within a sporting event. The specified period must be at minimum one (1) quarter in duration.
Settlement Reference Source	The Settlement Reference Source consists of authoritative, publicly available sources that publish official event results. The primary source for the applicable event is the official website of FIBA (https://www.fiba.basketball/), including its live scoring and box-score reporting for the applicable competition. Secondary sources include The Associated Press ("AP") (https://apnews.com/) and ESPN (https://www.espn.com/). If the primary source has not published an official result within a reasonable time following the official determination of the referenced outcome, the Exchange may consult one or more secondary sources. If no Settlement Reference Source has published an official result and a settlement disruption exists, the Exchange may exercise its authority under Exchange Rule 5.2. All Settlement Reference Sources are publicly available, widely disseminated, and independent of the Exchange and its Market Participants. The Exchange may update the designated Settlement Reference Sources by posting notice on its website or trading platform. Any instructions regarding access to a Settlement Reference Source are non-binding and provided solely for convenience.

Settlement Criteria

Resolves to "Yes" if the applicable settlement criteria set forth below has been satisfied and no applicable contingency has been triggered according to the applicable settlement criteria listed below:

Unless otherwise specified in the applicable Contract Specifications, all Basketball event contracts listed on ProphetX shall be settled in accordance with the rules set forth in this Chapter. Defined terms used herein have the meanings ascribed to them in the ProphetX Rulebook. References to 'orders' include resting and filled orders as applicable; references to 'settlement' refer to final contract disposition following outcome determination.

A. Overtime. All contracts shall be settled on the result including overtime, unless otherwise stated in the applicable Contract Specifications (e.g., first half or first quarter contracts).

B. Governing Authority. All contracts are offered in accordance with ProphetX's Rulebook and Terms and Conditions. Unless specifically stated or implied in the applicable Contract Specifications, settlement of contracts shall be based on the official classifications, definitions, and tiebreaking rules established by the FIBA through fiba.basketball, or the official website of the applicable competition.

C. Scheduling. Dates and start times displayed on the Exchange are provided for informational purposes only and are not guaranteed. Official schedules are as published by the applicable governing body.

D. Tied Results. If, after the completion of overtime, the result remains tied, all orders on the outright event moneyline contract shall be void and collateral shall be returned to the applicable accounts.

1. **Period-Specific Contracts.** For contracts based on specific quarters or halves, the entire designated period of play must be completed unless the contract outcome has been unequivocally determined prior to that point. Second half contracts include overtime if played.

E. Moneyline Contracts. A Moneyline contract is an event contract in which the outcome is determined by which team wins the referenced event. If the referenced team wins the event, the contract resolves to Yes for that team. Example: a Contract on Basketball Team A to win resolves as Yes if Basketball Team A wins the indicated event.

F. Spread Contracts. A Spread contract is an event contract in which the outcome is determined by whether the chosen team's margin of victory or defeat satisfies the listed Strike once the Spread is applied. In circumstances where the result, after application of the

	Spread, exactly equals the Strike, all contracts shall be void and collateral shall be returned to the applicable accounts. Example: a contract on Basketball Team A at -3.0 shall be void if Basketball Team A wins by exactly three (3) points (e.g., 80–77, 100–97). G. Total Points Contracts. A Total Points contract is an event contract in which the outcome is determined by whether the combined final score of the referenced event is over the listed Strike. Contracts shall resolve to Yes if the total exceeds the Strike, to No if the total falls below the Strike, and void if the total exactly equals the Strike. Overtime counts for all full-event total, team total, and Proposition points contracts. Example: a Contract on Over 100 Points shall resolve to Yes if 101 or more points are scored, to No if 99 or fewer points are scored, and void if exactly 100 points are scored.
Minimum Tick	\$0.01 per Contract.
Notional Value	\$1.00 per Contract.
Settlement Value	\$1.00 per in-the-money Contract.
Position Accountability Level	25,000 Contracts per Market Participant per strike.
Last Trading Date/Time	Trading closes when <Event> is officially concluded and its result is reflected by the Settlement Reference Source. No new position may be opened after this time.
Expiration Date and Time	The date and time at which the outcome of the Contract becomes determinable based on information published by the Settlement Reference Source with respect to <Event>. If it is postponed, suspended, or rescheduled, the Expiration Date and Time will be adjusted accordingly.
Settlement Date	No later than one business day following the Expiration Date, unless the Market Outcome is under review pursuant to applicable Exchange Rules.

Common Provisions: Contracts are issued on a recurring basis corresponding to FIBA (the International Basketball Federation) scheduling. The Exchange may list multiple iterations of

each sub-class for the same event. All Contracts are fully collateralized, cash-settled, and constitute Swaps under the CEA. Settlement determinations are final and irrevocable once effected, subject to Rule 5.2 of the Rulebook. The final Settlement Value and supporting settlement information for each Contract will be publicly posted on the Exchange's website following settlement.

APPENDIX B – TRADING PROHIBITIONS

In addition to the general prohibition on trading while in possession of material non-public information set forth in Exchange Rule 4.12, the following persons are prohibited from trading any FIBA Basketball Moneyline Event Contracts:

- Current players, managers, coaches, officials, scouts, trainers, and other locker room or on-court personnel of any FIBA team;
- Current employees, officers, directors, team delegation staff, and contractors of FIBA, any FIBA Regional Office or Zone, any FIBA member national federation, any club participating in a FIBA-sanctioned competition, or any other governing body or affiliated organization with authority over FIBA events;
- National federation and club officials, and other persons holding a material financial or governance interest in any FIBA member national federation, club, or national team program;
- Any person in possession of material non-public information relating to the outcome of a specific Event, including information regarding lineup decisions, player availability, injury status, disciplinary actions, or other non-public competitive matters, until such information has been publicly disseminated; and
- Immediate family members and household members of any person described above, including spouses, domestic partners, parents, children, and siblings.

The Exchange may impose additional trading restrictions or prohibitions where necessary to protect market integrity and deter the misuse of material non-public information.