

October 15, 2026

SUBMITTED VIA CFTC PORTAL

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 – Amendment to New Market Participant Bonus Program

Dear Sir or Madam,

ProphetX LLC (“ProphetX” or the “Exchange”) hereby certifies that, pursuant to ProphetX Rule 3.6(f), Section 5c(c) of the Commodity Exchange Act (“CEA”), and Commodity Futures Trading Commission (“CFTC”) Regulation 40.6(a), it is amending the New Market Participant Bonus Program (the “Program”), certified to the Commission on June 12, 2026 and most recently amended by certification dated August 27, 2026. The amended terms are set forth in Appendix A and will become effective on October 29, 2026, which is no earlier than ten (10) business days following the date of this certification.

Summary of Amendments

1. *Qualifying Trade Requirement and Incentive Funds.* The Qualifying Trade Requirement is reduced from \$50.00 to \$40.00, and the aggregate Incentive Funds from \$75.00 to \$40.00. The Incentive Funds will be credited in three installments of \$10.00 on Day 1, \$10.00 on Day 8, and \$20.00 on Day 15, with the second and third subject to the Utilization Condition.
2. *Removal of price limitation.* Trades executed at a price above \$0.80 (and any other price) will count toward the Qualifying Trade Requirement and the Utilization Condition. Only trades that open a position continue to count.
3. *Prospective application.* The amended terms apply only to Participants whose Qualification Date occurs on or after the effective date. Earlier Participants remain subject to the terms in effect on their Qualification Date.

All other terms of the Program remain unchanged.

Purpose and Effect

The revised structure lowers the commitment required of a new Participant while preserving the Program’s purpose of broadening participation and deepening liquidity. Setting the aggregate credit equal to the \$40.00 Qualifying Trade Requirement keeps the incentive proportionate to the Program’s objective. The largest installment is credited last, and only after the first two have been deployed, so the incentive is weighted toward Participants who continue to trade on the Exchange.

The Exchange has also concluded that the Program should be neutral as to price. Removing it means the Program applies identically to every outcome and price, so that Participants’ trading, and the prices that result, reflect their own assessment of each outcome rather than the terms of the Program.

Every position is taken at the prevailing market price and carries a risk of loss or may realize gains. Participants must commit \$40.00 of their own funds. Incentive Funds must be traded before they can be withdrawn, and each Participant may receive them only once. The reduced credit also limits the value of any strategy aimed at the credit rather than at bona fide trading.

Compliance with Core Principles

Having considered CFTC Staff Letter No. 26-23, ProphetX has concluded that the amended Program is not inconsistent with the CEA and the CFTC's regulations. Its analysis of Core Principles 2, 3, 4, 7, 9, 12, 18, and 21 in its prior certifications remains applicable and is incorporated by reference, as supplemented below.

Core Principle 21 – Financial Resources. The 50,000-participant cap is unchanged. Maximum aggregate exposure therefore falls below the previously certified \$3,750,000 by \$35.00 for each Participant who qualifies on or after the effective date. Based on its rolling one-year operating cost calculation, ProphetX has concluded that the amended Program remains economically sustainable within its projected financial resources.

Core Principle 2 – Compliance with Rules. The amended criteria remain objective, are published in advance, and apply uniformly to all Participants who qualify on or after the effective date, consistent with Rule 3.6(d) and § 38.151. Removing the price limitation ends differential treatment based on the outcome traded.

Core Principles 3, 4, 9, and 12 – Market Integrity. No installment depends on trading outcomes, positions held, or settlement prices, and the Program does not guarantee any Participant against loss. Because only opening trades count, neither requirement can be satisfied through offsetting or non-bona fide transactions. Rule 4.12 and the Exchange's surveillance program continue to apply to Program Participants. The Exchange will also monitor Program Participants for activity directed at obtaining Incentive Funds rather than bona fide trading, including concentrated trading in contracts priced near \$1.00 and coordinated or offsetting activity among related accounts.

Core Principle 18 – Recordkeeping. Program records, including the terms applicable to each Participant, will be maintained in accordance with Rule 2.10 and Regulation 1.31.

ProphetX has received no substantive opposing views. ProphetX certifies that the amended Program complies with the CEA and the CFTC's regulations, and that a copy of this submission has been posted concurrently at <https://www.prophetx.co/lobby/t-c/filings>. Appendix B shows all changes from the terms previously certified on August 27, 2026.

Please do not hesitate to contact me with any questions.

Sincerely,

/s/ Gabe Wong

Gabe Wong
Chief Regulatory Officer
ProphetX LLC
gabe.wong@prophetexchange.com

Enclosures: Appendix A – Amended Program terms (clean); Appendix B – Amended Program terms (marked to show changes)

APPENDIX A**DESCRIPTION OF NEW MARKET PARTICIPANT BONUS PROGRAM**

(As amended effective October 29, 2026)

Purpose

The New Market Participant Bonus Program (the “Program”) is intended to broaden participation in the contracts offered by ProphetX (the “Exchange”) and to deepen the liquidity available in each of its markets. Greater liquidity benefits all Market Participants (each, a “Participant”) by tightening bid/ask spreads and increasing the size available at each price level.

Scope

The Program is available to all new Participants who meet the eligibility requirements while the Program is in effect. The Program is not limited to a particular subset of the Exchange’s contracts. All Participants in the Program are subject to the Exchange’s Rulebook.

Eligibility

A Participant is eligible to participate in the Program if they:

- Sign up as a first-time Participant who has not previously registered with the Exchange or affiliate of the Exchange;
- Are approved by the Exchange to open a trading account; and
- Execute one or more trades using at least \$40.00 in the aggregate of funds from the Participant’s account within 30 calendar days of account approval (the “Qualifying Trade Requirement”).

The Qualifying Trade Requirement may be satisfied through a single trade or through multiple trades in the aggregate. Only trades that open a position are counted toward the Qualifying Trade Requirement, and the amount attributed to each such trade is the amount of funds used to collateralize the position opened. The date on which a Participant satisfies the Qualifying Trade Requirement is the Participant’s “Qualification Date.” If the funds used to satisfy the \$40.00 Qualifying Trade Requirement are returned by the Exchange’s payment processor or settlement bank for any reason, the Participant will be disqualified from the Program, any unpaid installments of the Incentive Funds (as defined below) will be forfeited, and a Participant who has received Incentive Funds based on such trading will be required to return the Incentive Funds.

To remain eligible for the Program, a Participant must not be the subject of an open compliance investigation or review and must not have a suspended or restricted account on each date on which an installment of the Incentive Funds is credited or used. If a Participant does not satisfy these requirements on any installment credit date, the installment scheduled for that date and all subsequent installments will be forfeited back to the Exchange.

Continued eligibility for the Program is also conditioned on the accuracy and completeness of the information provided during the Participant’s account opening process. If the Exchange determines that a Participant was not eligible for the Program based on information submitted in connection with the application, the Participant may have their eligibility revoked, be disqualified from the Program, forfeit any unpaid installments, and be required to return any Incentive Funds previously received.

Incentive Funds

Upon satisfying all eligibility requirements, the Exchange will credit an aggregate of \$40.00 (the “Incentive Funds”) to the Participant’s Exchange account in three (3) installments. For purposes of the Program, the Participant’s Qualification Date is “Day 0.” The installments will be credited as follows:

- the first installment of \$10.00 on Day 1;
- the second installment of \$10.00 on Day 8, provided that the Participant has satisfied the Utilization Condition with respect to the first installment; and
- the third installment of \$20.00 on Day 15, provided that the Participant has satisfied the Utilization Condition with respect to each of the first and second installments.

Incentive Funds may be used as funds on new trades and may be withdrawn only upon position settlement. Upon opening positions, Incentive Funds will be utilized before other funds to collateralize the new positions. Each installment of Incentive Funds must be used for trading within 45 calendar days of the date on which that installment is credited. After 45 calendar days, unused Incentive Funds from that installment will be automatically forfeited back to the Exchange. Each Participant is eligible to receive Incentive Funds under the Program only once.

A Participant satisfies the “Utilization Condition” with respect to an installment when the full amount of that installment has been used to collateralize one or more positions opened by the Participant. Because Incentive Funds are utilized before other funds to collateralize new positions, an installment is used in the ordinary course as a Participant opens positions. Utilization is measured cumulatively from the date on which the installment is credited and is not reversed by the subsequent settlement of a position. If a Participant has not satisfied the Utilization Condition applicable to an installment as of that installment’s credit date, the installment scheduled for that date and all subsequent installments will be forfeited back to the Exchange. The Utilization Condition governs only whether a scheduled installment is credited and does not restrict a Participant’s ability to trade at any price or in any contract.

If a Participant closes their Exchange account, or the Participant’s account is terminated by the Exchange, before an installment credit date, the installment scheduled for that date and all subsequent installments will be forfeited back to the Exchange.

Program Term

The Program applies to all markets and all Market Participants on the Exchange. The amended terms of the Program will be effective on October 29, 2026, which is no earlier than ten (10) business days following their certification to the CFTC.

The Program will terminate on the earlier of:

- December 31, 2026; and
- the date on which 50,000 Participants have satisfied the Qualifying Trade Requirement under the Program,

unless extended or earlier terminated by the Exchange. The Program may be extended on the same or modified terms, subject to any required CFTC filings, certifications, or approvals.

Installments of Incentive Funds payable to a Participant whose Qualification Date occurred on or before the Program’s termination date will be credited in accordance with the schedule and conditions set forth above notwithstanding the termination of the Program, and the 45-calendar-day usage period applicable to each such installment will run from the date that installment is credited, notwithstanding the termination of the Program.

Transition

The amended terms of the Program apply only to Participants whose Qualification Date occurs on or after October 29, 2026. A Participant whose Qualification Date occurred before that date is subject to the Program terms in effect on the Participant’s Qualification Date, and receives Incentive Funds in accordance with those terms — including any installment credited on or after October 29, 2026 — and is not eligible for additional or supplemental Incentive Funds under the amended terms. Each Participant remains eligible to receive Incentive Funds under the Program only once.

Program Administration

The Program is subject to the Exchange's Rulebook and all applicable provisions of the Commodity Exchange Act and CFTC regulations promulgated thereunder. Participation in the Program is subject to the Exchange's authority and obligations under its Rulebook and applicable law. The Exchange may modify, suspend, terminate, withdraw, or otherwise amend the Program from time to time, subject to any required CFTC filings, certifications, or approvals.

APPENDIX B**DESCRIPTION OF NEW MARKET PARTICIPANT BONUS PROGRAM**

(Marked to show changes from the terms certified August 27, 2026)

Additions are underlined; deletions are ~~struck through~~.

Purpose

The New Market Participant Bonus Program (the “Program”) is intended to broaden participation in the contracts offered by ProphetX (the “Exchange”) and to deepen the liquidity available in each of its markets. Greater liquidity benefits all Market Participants (each, a “Participant”) by tightening bid/ask spreads and increasing the size available at each price level.

Scope

The Program is available to all new Participants who meet the eligibility requirements while the Program is in effect. The Program is not limited to a particular subset of the Exchange’s contracts. All Participants in the Program are subject to the Exchange’s Rulebook.

Eligibility

A Participant is eligible to participate in the Program if they:

- Sign up as a first-time Participant who has not previously registered with the Exchange or affiliate of the Exchange;
- Are approved by the Exchange to open a trading account; and
- Execute one or more trades using at least ~~\$50.00~~\$40.00 in the aggregate of funds from the Participant’s account within 30 calendar days of account approval (the “Qualifying Trade Requirement”).

The Qualifying Trade Requirement may be satisfied through a single trade or through multiple trades in the aggregate. Only trades that open a position are counted toward the Qualifying Trade Requirement, and the amount attributed to each such trade is the amount of funds used to collateralize the position opened. ~~Trades executed at a price above \$0.80 do not count toward the Qualifying Trade Requirement. Where an order is filled at more than one price level, each fill is evaluated separately. This condition governs only whether a trade counts toward the Qualifying Trade Requirement and does not restrict a Participant’s ability to trade at any price.~~ The date on which a Participant satisfies the Qualifying Trade Requirement is the Participant’s “Qualification Date.” If the funds used to satisfy the ~~\$50.00~~\$40.00 Qualifying Trade Requirement are returned by the Exchange’s payment processor or settlement bank for any reason, the Participant will be disqualified from the Program, any unpaid installments of the Incentive Funds (as defined below) will be forfeited, and a Participant who has received Incentive Funds based on such trading will be required to return the Incentive Funds.

To remain eligible for the Program, a Participant must not be the subject of an open compliance investigation or review and must not have a suspended or restricted account on each date on which an installment of the Incentive Funds is credited or used. If a Participant does not satisfy these requirements on any installment credit date, the installment scheduled for that date and all subsequent installments will be forfeited back to the Exchange.

Continued eligibility for the Program is also conditioned on the accuracy and completeness of the information provided during the Participant’s account opening process. If the Exchange determines that a Participant was not eligible for the Program based on information submitted in connection with the application, the Participant may have their eligibility revoked, be disqualified from the Program, forfeit any unpaid installments, and be required to return any Incentive Funds previously received.

Incentive Funds

Upon satisfying all eligibility requirements, the Exchange will credit an aggregate of ~~\$75.00~~\$40.00 (the "Incentive Funds") to the Participant's Exchange account in three (3) ~~equal installments of \$25.00 each~~installments. For purposes of the Program, the Participant's Qualification Date is "Day 0." The installments will be credited as follows:

- the first installment of ~~\$25.00~~\$10.00 on Day 1;
- the second installment of ~~\$25.00~~\$10.00 on Day ~~78~~, provided that the Participant has satisfied the Utilization Condition with respect to the first installment; and
- the third installment of ~~\$25.00~~\$20.00 on Day ~~1415~~, provided that the Participant has satisfied the Utilization Condition with respect to each of the first and second installments.

Incentive Funds may be used as funds on new trades and may be withdrawn only upon position settlement. Upon opening positions, Incentive Funds will be utilized before other funds to collateralize the new positions. Each installment of Incentive Funds must be used for trading within 45 calendar days of the date on which that installment is credited. After 45 calendar days, unused Incentive Funds from that installment will be automatically forfeited back to the Exchange. Each Participant is eligible to receive Incentive Funds under the Program only once.

A Participant satisfies the "Utilization Condition" with respect to an installment when the full amount of that installment has been used to collateralize one or more positions opened by the Participant. ~~Trades executed at a price above \$0.80 do not count toward the Utilization Condition, and where an order is filled at more than one price level, each fill is evaluated separately.~~ Because Incentive Funds are utilized before other funds to collateralize new positions, an installment is used in the ordinary course as a Participant opens positions. Utilization is measured cumulatively from the date on which the installment is credited and is not reversed by the subsequent settlement of a position. If a Participant has not satisfied the Utilization Condition applicable to an installment as of that installment's credit date, the installment scheduled for that date and all subsequent installments will be forfeited back to the Exchange. The Utilization Condition governs only whether a scheduled installment is credited and does not restrict a Participant's ability to trade at any price or in any contract.

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Program Term

The Program applies to all markets and all Market Participants on the Exchange. The amended terms of the Program will be effective on ~~September 11, 2026~~October 29, 2026, which is no earlier than ten (10) business days following their certification to the CFTC.

The Program will terminate on the earlier of:

- December 31, 2026; and
- the date on which 50,000 Participants have satisfied the Qualifying Trade Requirement under the Program,

unless extended or earlier terminated by the Exchange. The Program may be extended on the same or modified terms, subject to any required CFTC filings, certifications, or approvals.

Installments of Incentive Funds payable to a Participant whose Qualification Date occurred on or before the Program's termination date will be credited in accordance with the schedule and conditions set forth above notwithstanding the termination of the Program, and the 45-calendar-day usage period applicable to each such installment will run from the date that installment is credited, notwithstanding the termination of the Program.

Transition

The amended terms of the Program apply only to Participants whose Qualification Date occurs on or after ~~September 11, 2026~~October 29, 2026. A Participant whose Qualification Date occurred before that date is subject to the Program terms in effect on the Participant's Qualification Date, and receives Incentive Funds in accordance with those terms — including any installment credited on or after ~~September 11, 2026~~October 29, 2026 — and is not eligible for additional or supplemental Incentive Funds under the amended terms. Each Participant remains eligible to receive Incentive Funds under the Program only once.

Program Administration

The Program is subject to the Exchange's Rulebook and all applicable provisions of the Commodity Exchange Act and CFTC regulations promulgated thereunder. Participation in the Program is subject to the Exchange's authority and obligations under its Rulebook and applicable law. The Exchange may modify, suspend, terminate, withdraw, or otherwise amend the Program from time to time, subject to any required CFTC filings, certifications, or approvals.