PROPHETX

August 27, 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"), which the Exchange certified to the Commission on June 12, 2026 and most recently amended by certification dated August 12, 2026, effective August 26, 2026. The amended Program terms are set forth in Appendix A. The amendments will become effective on September 11, 2026, which is no earlier than ten (10) business days following the date of this certification.

**Summary of Amendments**

The Exchange is amending the Program in two respects:

1. *Utilization Condition.* The second and third installments of the Incentive Funds are conditioned on the Participant having deployed the Incentive Funds already credited. The second installment, scheduled for Day 7, will be credited only if the first installment has been used in full to collateralize one or more positions opened by the Participant; the third installment, scheduled for Day 14, only if each of the first and second installments has been so used. Trades executed at a price above $0.80 do not count toward the condition, consistent with their treatment under the Qualifying Trade Requirement. If the condition is not satisfied as of an installment's credit date, that installment and all subsequent installments are forfeited. The first installment is not conditioned on utilization.
2. *Prospective application.* The amended terms apply only to Participants whose Qualification Date occurs on or after the effective date. A Participant whose Qualification Date occurred before that date remains subject to the terms in effect on that Participant's Qualification Date, including as to any installment credited on or after the effective date, and is not eligible for additional or supplemental Incentive Funds.

All other terms of the Program remain unchanged.

The Exchange also notes a correction. Appendix A to the Exchange's August 12, 2026 certification stated, under "Program Term" and "Transition," that those amendments would take effect on August 25, 2026. Those references were typographical; the effective date, as stated in the caption to that Appendix A and in the Exchange's cover letter of the same date, and as implemented by the Exchange, is August 26, 2026. Appendix A hereto states the effective date of the present amendments and supersedes those references.

**Purpose and Effect**

The Incentive Funds advance the Program's purpose — broader participation and deeper liquidity — only to the extent they are deployed in the Exchange's markets. Under the terms certified on August 12, 2026, the second and third installments are credited on a fixed schedule without regard to whether the funds already credited have been used for trading. The amendment conditions each successive installment on the deployment of those that preceded it, so that the Exchange incurs the cost of an installment only where the credit already extended has in fact produced trading activity.

The condition is satisfied in the ordinary course. Because Incentive Funds are utilized before other funds to collateralize new positions, a Participant who opens a position during the installment period satisfies it without taking any additional step. It requires no minimum number of trades, no particular contract, no minimum holding period, and no capital beyond the Incentive Funds the Exchange has already credited, and it does not depend on the outcome or profitability of any position. The $0.80 price limitation applies for the reason given in the Exchange's August 12, 2026 certification: a position opened deep in the money returns substantially all of the Participant's capital irrespective of outcome and contributes little to price discovery or meaningful liquidity.

The amendments do not change the participant cap of 50,000 or the aggregate per-Participant credit of $75.00, and therefore do not increase the Program's maximum aggregate financial exposure of $3,750,000. By adding a further condition to the second and third installments, they are expected to reduce actual exposure further below that ceiling.

**Compliance with Core Principles**

ProphetX has concluded that the Program, as amended, is not inconsistent with the CEA and the CFTC's regulations thereunder. The core principles most directly pertaining to the Program are those identified in the Exchange's June 12, 2026 and August 12, 2026 certifications: Core Principles 2, 3, 4, 7, 9, 12, 18, and 21. Rule 3.6(f) authorizes the Exchange to establish incentive programs and contemplates their modification over time. The Exchange's analysis in those certifications remains applicable and is incorporated herein by reference; the amendments bear on it in the respects set out below and do not otherwise affect the Exchange's trade practice and market surveillance obligations, the susceptibility of its contracts to manipulation, or its execution of transactions.

**Core Principle 21 – Financial Resources.** The participant cap and the aggregate per-Participant credit are unchanged, so maximum aggregate exposure remains $3,750,000, measured by satisfaction of the Qualifying Trade Requirement. The Utilization Condition operates only as a further condition on the second and third installments and can only reduce actual exposure. ProphetX has considered the amended Program's anticipated cost in its rolling one-year operating cost calculation and concluded that the Program remains economically sustainable within its projected financial resources.

**Core Principle 2 – Compliance with Rules.** Rule 3.6(d) requires that fee and incentive structures be applied in a fair, transparent, and non-discriminatory manner. The Utilization Condition is objective, published in Appendix A prior to the effective date, and applied uniformly to every Participant whose Qualification Date occurs on or after that date. It attaches to a Participant's own conduct rather than to any characteristic of the Participant, and satisfying it lies wholly within the Participant's control. It does not restrict any Participant's ability to trade at any price or in any contract; it determines only whether a scheduled installment is credited. The distinction between Participants who qualified before and after the effective date is temporal rather than personal, as the Exchange explained in its August 12, 2026 certification. The amended criteria remain objective and uniformly applied, consistent with the access requirements of § 38.151.

**Core Principles 3 and 12 – Contracts Not Readily Susceptible to Manipulation; Protection of Markets and Market Participants.** No installment is contingent on trading outcomes, trading volume, positions held, or the settlement price of any contract, and a Participant who satisfies the condition receives the scheduled installment irrespective of profitability. The Exchange has considered whether conditioning an installment on deployment creates an incentive to transact for the purpose of earning the credit; it does not require a Participant to commit any capital of the Participant's own, since the funds to be deployed are the Incentive Funds the Exchange has already credited, which may be used only for trading on the Exchange and withdrawn only upon position settlement. Because only trades that open a position are counted, and each is credited at the amount used to collateralize the position opened, the condition cannot be satisfied through offsetting or non-bona fide transactions, and the $0.80 exclusion directs activity toward contracts in which price discovery is meaningful. Rule 4.12 continues to prohibit fraudulent, non-competitive, unfair, and abusive practices, including spoofing and wash sales; the Exchange's surveillance program applies to Program participants on the same basis as all other Market Participants; and the conditions that a Participant not be the subject of an open compliance investigation or review and not hold a suspended or restricted account continue to be tested on each installment credit date.

**Core Principle 18 – Recordkeeping.** In addition to the records maintained under the prior certifications, the Exchange will maintain complete and accurate records of each determination whether the Utilization Condition has been satisfied as of an installment credit date, including the trades relied upon, and of each forfeiture resulting from its non-satisfaction, in accordance with Rule 2.10 and Commission Regulation 1.31. Records will be retained for a minimum of five (5) years, the first two in a readily accessible location, and will be available for inspection by the Commission upon request.

Notification of this filing has been posted to ProphetX's website, and the amended terms will be publicly available on the Exchange's website prior to the effective date. ProphetX has not received any substantive opposing views with respect to the amendments from any Market Participant or other interested party.

ProphetX accordingly certifies that the Program, as amended, complies with the requirements of the CEA and the CFTC's regulations promulgated thereunder, and further certifies that, concurrent with this filing, a copy of this submission has been posted on the ProphetX website and may be accessed at: https://www.prophetx.co/lobby/t-c/filings.

Appendix A contains the amended terms in clean form. Appendix B contains the amended terms marked to show all changes from the terms certified on August 12, 2026.

If you have any questions or comments or require further information, please do not hesitate to contact me.

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)

PROPHETX

**APPENDIX A**

**DESCRIPTION OF NEW MARKET PARTICIPANT BONUS PROGRAM**

*(As amended effective September 11, 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 $50.00 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 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 (the "Incentive Funds") to the Participant's Exchange account in three (3) equal installments of $25.00 each. 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 on Day 1;
- the second installment of $25.00 on Day 7, provided that the Participant has satisfied the Utilization Condition with respect to the first installment; and
- the third installment of $25.00 on Day 14, 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.

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 September 11, 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. 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 — 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 12, 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 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 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 (the "Incentive Funds") to the Participant's Exchange account in three (3) equal installments of $25.00 each. 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 on Day 1;
- the second installment of $25.00 on Day 7~~; and~~**, provided that the Participant has satisfied the Utilization Condition with respect to the first installment; and**
- the third installment of $25.00 on Day 14**, 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.**

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 ~~August 25, 2026~~**September 11, 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 ~~August 25, 2026~~**September 11, 2026**. A Participant whose Qualification Date occurred before that date is subject to the Program terms in effect on ~~the date of that trade, received~~**the Participant's Qualification Date, and receives** Incentive Funds in accordance with those terms **— including any installment credited on or after September 11, 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.