October 7, 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): League of Legends World Championship Match Winner 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 in the form "Will <Competitor> win <Match> at the <Year> League of Legends World Championship?" (the "Contracts"). The Contracts will be listed no earlier than one business day following the Commission's receipt of this submission and may be listed for each subsequent edition of the League of Legends World Championship within the class.

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 Cloud9 win its Play-In Stage Round 1 match at the 2026 League of Legends World Championship on October 15, 2026?";
Official Receipt Date: October 7, 2026.

Consistent with CFTC Staff Letter No. 26-22 (July 24, 2026), each Contract uses a settlement source, formula, procedure and methodology identical to the Referenced Contract, and the class is limited to editions of the League of Legends World Championship organized by Riot Games, beginning with the 2026 edition.

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. Description of the Contracts and Class Eligibility

The Contracts are binary event contracts in the form “Will <Competitor> win <Match> at the <Year> League of Legends World Championship?”.[1] Each Contract settles in cash with a notional value of $1.00 and resolves “Yes” if, and only if, the Settlement Reference Source records <Competitor> as the winner of <Match>; otherwise it resolves “No”, unless a provision in Appendix A provides that it is void (push). Appendix A sets out the full terms and the permitted values of each parameter.

Each Contract satisfies 17 C.F.R. § 40.2(d)(1)(i)–(iv): (i) it is based on an excluded commodity described in Section 1a(19)(iv) of the Act, namely an occurrence or extent of an occurrence at an edition of the League of Legends World Championship; (ii)–(iii) it uses the same Settlement Reference Sources, settlement criteria, procedures and payout methodology as every other Contract in the class and as the Referenced Contract, with only the edition year, the named competitor and match varying; and (iv) it is denominated and settled in U.S. dollars. If a future edition requires a different settlement source or methodology, the Exchange will submit a filing under Part 40 of the Commission’s regulations to amend this certification accordingly before listing any affected Contract. The Exchange acknowledges that, under § 40.2(d)(2), the Commission may require it to withdraw this certification and submit any Contract individually.

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. Because each Contract shares the Referenced Contract’s settlement sources, methodology, trading prohibitions, surveillance and risk controls, the Core Principle compliance analysis and Appendix C to Part 38 demonstration submitted with the Referenced Contract as Confidential Appendices C and D, under FOIA confidential treatment pursuant to 17 C.F.R. § 145.9, apply equally to each Contract and are incorporated by reference.

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 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, ordinarily the same day, with “Yes” position holders and “No” position holders paid in accordance with the applicable Payout Criterion. The Exchange may list multiple Contracts in this class for the same match or game, each with its own stated parameters. Team Liquid, which operates the secondary Settlement Reference Source (Liquipedia), fields teams that may qualify for the World Championship, including Team Liquid Alienware in the 2026 edition; the Exchange therefore uses Liquipedia only when the primary source is unavailable, verifies any

result taken from it against the official broadcast record, and treats the primary source as controlling in any conflict.

[1] The Contracts have not been endorsed by Riot Games, any league, tournament, team, or affiliated organization. The use of the names “Riot Games” and “League of Legends” is solely for the purpose of identifying the underlying events.

APPENDIX A – CONTRACT TERMS AND CONDITIONS

1. "Will <Competitor> win <Match> at the <Year> League of Legends World Championship?"

Official Name	**"Will <Competitor> win <Match> at the <Year> League of Legends World Championship?"**
Underlying	whether <Competitor> wins <Match> at the <Year> League of Legends World Championship, as officially recorded by Riot Games. <Year> is the year of the referenced edition of the League of Legends World Championship organized by Riot Games. <Competitor> is any team listed by Riot Games as qualified for the referenced edition. <Match> is any best-of-one, best-of-three or best-of-five match of any stage of the referenced edition, identified by stage, round and scheduled date, and by its two teams or, before Riot Games' draw for that round, by a participating team's bracket position.
Settlement Reference Source	The primary Settlement Reference Source is Riot Games, which organizes and operates each edition of the League of Legends World Championship through LoL Esports, as published at lolesports.com (https://lolesports.com). The secondary Settlement Reference Source is the World Championships page of the Liquipedia League of Legends wiki (https://liquipedia.net/leagueoflegends/World_Championships), including its page for the referenced edition. The Exchange will consult the secondary source only if the primary source has not published the official result within a reasonable time after the referenced outcome is officially determined. If the sources conflict, the primary source governs. If neither source has published the official result and a Settlement Disruption exists, the Exchange may exercise its authority under Exchange Rule 5.2. Any change to the Settlement Reference Sources will be submitted to the Commission under Part 40 of the Commission's regulations before it takes effect.
Settlement Criteria	Resolves to "Yes" if, and only if, the Settlement Reference Source records <Competitor> as the winner of the referenced match under the settlement provisions below; resolves to "No" in all other cases, except where a provision below provides that the Contract is void (push). Unless otherwise specified in the applicable Contract Specifications, all esports event contracts listed on ProphetX shall be settled in

accordance with the provisions below. 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. Where a provision below provides that a Contract is void, the Contract is treated as a push: all orders on it are void and collateral is returned to the applicable accounts.

A. Units of play. A “match” or “series” is a contest between two teams consisting of one or more games under the format set by the governing body (for example, best-of-one, best-of-three or best-of-five). A “game” is a single completed competitive instance within a match, as that term is used in League of Legends. League of Legends games are not subdivided into rounds or halves for settlement purposes, and a game concludes when the governing body records a winner of that game.

B. Governing Authority. All Contracts are offered in accordance with ProphetX’s Rulebook and Terms and Conditions. Unless specifically stated in the applicable Contract Specifications, settlement shall be based on the official result, classifications and definitions established by Riot Games under the official rules of the referenced edition of the League of Legends World Championship, as published by the Settlement Reference Source.

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. Postponed and Cancelled Events. If a match does not begin within forty-eight (48) hours of its originally scheduled start time, or is cancelled before any official result relevant to the Contract is published, all orders on the affected Contracts shall be void (push) and collateral shall be returned to the applicable accounts. A match that begins within that window settles on its official result.

E. Forfeits, Walkovers and Disqualifications. If a match or game is forfeited, awarded by walkover, or a team is disqualified before any play has occurred in the period referenced by the Contract, all orders on the affected Contracts shall be void (push) and collateral shall be returned to the applicable accounts, whether or not the governing body credits either team with a win. If a forfeit or disqualification occurs after play in that period has begun, the Contract settles on the

	result as officially awarded and recorded by the governing body. A disqualification announced after the governing body has officially declared the result of the referenced period is taken into account only if the governing body alters the official result before settlement. F. Remakes, Restarts and Replays. If the governing body orders a full or partial replay of a game or series (for example, a League of Legends remake or chronobreak, or a replay ordered after a server failure or verified cheating), only the officially completed and counted result governs, and a restarted or replayed instance is counted once. G. Format Changes. If the governing body changes the format of a match after a Contract is listed (for example, a best-of-five converted to a best-of-three), the altered format governs Contracts on the winner of the match or of a game. For Contracts on the number of games played or on a game spread, the Contract shall be void (push) and collateral shall be returned to the applicable accounts unless the outcome had already been unequivocally determined under the original format. H. Team Identity. A team is identified by the lineup the governing body recognizes as that entry. Roster substitutions do not change the team's identity. If a team's roster transfers to, or competes under, a different organization, name or brand and Riot Games recognizes the lineup as the same team or its natural successor, the Contract follows that team; if the governing body treats it as a distinct entry, the Contract does not transfer. I. Absence of Official Results. In the absence of a result required for the settlement of a specific Contract from the official sources listed, the secondary Settlement Reference Source may be used to support settlement. In the event ProphetX cannot reasonably determine the outcome of a Contract, all orders on the affected Contracts shall be void (push) and collateral shall be returned to the applicable accounts.
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.
Last Trading Date/Time	Trading closes when the referenced match 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 the referenced match. 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.

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 Contract in this class:

- Current players, substitutes, coaches, analysts, managers, and other team personnel of any professional esports team competing in the referenced game title;
- Referees, tournament administrators, match officials, observers, broadcast and production personnel with access to the live game feed, and anti-cheat or integrity staff of any tournament or league in the referenced game title;
- Current employees, officers, directors, and contractors of the game publisher, the tournament organizer or league operator, or any other governing body with authority over the referenced competition, including persons who collect, verify or publish official match data or statistics, and the staff and administrators of any Settlement Reference Source;
- Owners, shareholders, board members, and other persons holding a material financial or governance interest in any professional esports team competing in the referenced game title;
- Any person in possession of material non-public information relating to the outcome of a specific Event, including information regarding lineups, roster changes, substitutions, player availability, health, disciplinary or integrity investigations, game patches or rule changes, technical issues, 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.