

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(a): “Will Novig’s event contract notional traded volume exceed \$2 billion in November 2026?” Event Contract

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act (the “Act” or “CEA”) and Commission Regulation 40.2(a), ProphetX LLC (“ProphetX” or the “Exchange”), a designated contract market (“DCM”), hereby notifies the Commission that it intends to list the “Will Novig’s event contract notional traded volume exceed \$2 billion in November 2026?” Event Contract (the “Contract”). The Contract will be listed no earlier than one business day following the Commission’s receipt of this submission, and no later than November 30, 2026.

The Exchange submits this Contract as a single, specific event contract identifying one named venue, one metric, one numeric threshold, one calendar month, and one identified settlement source and computational methodology, rather than as a template covering multiple permutations. The Exchange intends to rely on this certification as the referenced contract, identified by its Official Product Name and Official Receipt Date, for a subsequent event contract series certification to be filed pursuant to 17 C.F.R. § 40.2(d). That series would cover Contracts referencing the same venue, metric, and settlement source as this Contract, and applying an identical formula, procedure, and methodology for determining the Reference Volume and the resulting payment obligations, differing only as to the numeric threshold and the calendar month comprising the Reference Period.

The Contract references transactions executed on Novig, and on no other venue. The Exchange draws attention to the naming of that venue: the designated contract market is Ludlow Exchange, LLC, and its regulatory filings, rulebook and contract certifications are published under that name, while its customer-facing platform is branded Novig. The terms in Appendix A define the venue by reference to the registrant and identify the settlement files by the trade date they bear.

The Exchange does not intend to rely on this certification as the referenced contract for any Contract referencing the trading volume of a venue other than Novig, or for any Contract referencing the combined trading volume of Novig and any other venue. Trading volume of another venue is made available by a different entity, from a different source and location, and may be reported on a different basis, in a different unit, and at a different contract notional value; such a Contract would accordingly not share an identical pricing source, formula, procedure, and methodology with this Contract. Should the Exchange determine to list Contracts referencing the

trading volume of any further venue, it will submit a separate certification for that venue pursuant to § 40.2(a).

This submission includes the following:

- A concise explanation and analysis of the Contract;
- The Exchange's certification of compliance with the Act and Commission regulations;
- Appendix A – Contract Terms and Conditions;
- Appendix B – Trading Prohibitions; and
- Confidential Appendices C and D, submitted under FOIA confidential treatment pursuant to 17 C.F.R. § 145, containing the Core Principle compliance analysis and the full Appendix C to Part 38 demonstration.

Pursuant to Commission Regulation 40.2, ProphetX certifies that the Contract complies with the Act and the Commission's regulations thereunder and that this submission, excluding portions subject to confidential treatment, has been concurrently posted on the Exchange's website.

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

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

I. Introduction

The Contract is a binary event contract that resolves by reference to the aggregate notional value of event contract transactions executed on Ludlow Exchange, LLC, which does business as Novig (“Novig”), a designated contract market, during the calendar month of November 2026. The Contract references a single venue, a single metric, a single numeric threshold, and a single calendar month, and does not admit of any additional parameters, iterations, or permutations.

The Contract resolves “Yes” if the Reference Volume, as defined in Appendix A, exceeds \$2,000,000,000. Settlement is determined from the trading volume information Novig makes available in respect of transactions executed on its market, which the Exchange aggregates using a fixed formula stated in the certified terms and conditions. The Exchange is not a party to, and exercises no discretion over, the transactions that produce the Reference Volume.

Ludlow Exchange, LLC was designated as a contract market on June 16, 2026 and began listing event contracts for real-money trading on August 4, 2026, so the venue has a published operating history of roughly two months as at the date of this submission. Novig is not itself a derivatives clearing organization; contracts traded on it are cleared and settled through the derivatives clearing organization it designates, at which member funds are held. The Exchange notes these matters because the venue is newly established, because the exchange and clearing functions sit in separate registrants, and because activity under the Novig brand before August 4, 2026 was conducted under a different and non-exchange product model and forms no part of the Reference Volume.

The Contract is a swap within the meaning of Section 1a(47) of the Act, referencing an excluded commodity described in Section 1a(19)(iv) of the Act — the extent of the occurrence of an event beyond the control of the contracting parties and associated with a financial, economic, or commercial consequence. The Contract does not involve terrorism, assassination, war, or any other activity that the Commission has determined to be contrary to the public interest under Section 5c(c)(5)(C) of the Act.

Pursuant to Section 5c(c)(1) of the Act and Commission Regulation 40.2(a), ProphetX certifies that the listing of the Contract complies with the Act and the Commission’s regulations thereunder. A Core Principle compliance analysis is included in Confidential Appendix C. A demonstration of compliance with Appendix C to Part 38 of the Commission’s regulations, including the data source and computational analysis required for non-price-based contracts under Appendix C, the settlement methodology verification, the conclusion statement, and supporting documentation, is included in Confidential Appendix D.

II. General Contract Terms

The 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 Rule 4.13 of the Rulebook. Trading is available outside of announced maintenance windows. Fees are assessed in accordance with Rule 3.6 of the Rulebook. The full contract terms and conditions are set out in Appendix A.

Markets are settled after the close of trading once the Reference Volume has been determined, with “Yes” and “No” position holders paid in accordance with the applicable Payout Criterion. As with all Contracts listed by the Exchange, the final Settlement Value and supporting settlement information, including the computed Reference Volume, will be publicly posted on the Exchange’s website following settlement.

Neither Novig nor any of its affiliates has endorsed the Contract, and none is a party to it. The use of the names “Novig” and “Ludlow Exchange” is solely for the purpose of identifying the underlying occurrence.

APPENDIX A – CONTRACT TERMS AND CONDITIONS

1. “Will Novig’s event contract notional traded volume exceed \$2 billion in November 2026?”

Official Name	“Will Novig’s event contract notional traded volume exceed \$2 billion in November 2026?”
Underlying	The Underlying for the Contract is whether the Reference Volume exceeds \$2,000,000,000. “Novig” means Ludlow Exchange, LLC, a designated contract market registered with the Commodity Futures Trading Commission, which does business as Novig. The Exchange notes that regulatory filings, the rulebook and contract certifications of that venue are published under the Ludlow Exchange name while its customer-facing platform is branded Novig; both names refer to the same registrant. “Clearing Organization” means the derivatives clearing organization designated by Novig from time to time, through which contracts traded on Novig are cleared and settled and at which member funds are held. Novig is not itself a derivatives clearing organization. “Reference Period” means the period beginning 12:00:00 a.m. Eastern Time on November 1, 2026 and ending 11:59:59 p.m. Eastern Time on November 30, 2026. “Reference Volume” means the aggregate notional value of event contract transactions executed on Novig during the Reference Period, expressed in U.S. dollars and computed by the Exchange as the sum of the daily volume reported for every market in the Settlement Reference Source for each trade date within the Reference Period. The Settlement Reference Source reports volume as a notional dollar amount rather than as a count of whole contracts, each contract having a face value of \$1.00 and quantities being capable of fractional expression, so that the dollars at stake across the two sides of a trade equal the contracts traded; the Exchange accordingly applies no multiplier to the reported figure. Where the Settlement Reference Source instead reports a count of contracts, the Exchange multiplies that count by \$1.00, or by such different notional value as the Settlement Reference Source identifies for the contract traded. Volume is attributed to the Reference Period on the basis of the trade date reported in the Settlement Reference Source, a trading day running from midnight to midnight, Eastern Time. Within that scope, no adjustment, exclusion, weighting, sampling, or estimation is applied. Venue scope. The Reference Volume comprises transactions executed on Novig only. It does not include transactions executed on any other venue, and it does not include activity on any predecessor product operated under the Novig brand before Ludlow Exchange, LLC began listing event contracts as a designated contract market. The internet location at which the Settlement Reference Source is published also carries cumulative, period-to-date and range-selected summary figures, charted series, and a downloadable summary table derived from the daily files. Those summary presentations are not the Settlement Reference Source; where the Exchange uses a figure from that

location it uses the per-day files identified under “Settlement Reference Source” below, which are the records from which the summaries are themselves derived.

The Reference Volume comprises transactions in event contracts only. Novig lists binary option contracts and variable payout contracts, each of which is an event contract for this purpose. Where the Settlement Reference Source reports transactions in any instrument separately from transactions in event contracts, the Exchange adopts that separation as reported. The Exchange makes no independent determination as to how any instrument traded on Novig should be classified, and does not include in the Reference Volume any volume that the Settlement Reference Source does not report as event contract volume.

Counting convention; one row per side. The market data file reports, for each market, a single daily volume figure on the basis that each trade is counted once. The trade data file reports each trade twice, as one record for the taker side and one record for the maker side. Where the Exchange determines the figure from the trade data file, it sums the quantity reported for the records on one side only, and does not sum the quantity reported across all records; summing across all records would state the Reference Volume at twice its correct value. Equivalently, the Exchange may sum the cost reported across all records on both sides, which is equal to the quantity reported for the records on one side. The Exchange has verified, against a published trading day, that the quantity for the taker side, the quantity for the maker side, the cost summed across both sides, and the aggregate daily volume in the market data file are each equal, and that the quantity summed across all records is exactly twice that amount. The Exchange applies no category selection under either method.

Multi-leg contracts. Novig lists contracts combining two or more outcomes. Each such contract is reported in the Settlement Reference Source as a single market with its own identifier and its own notional, and is counted once at that notional. The Exchange applies no per-leg multiplication and makes no adjustment on account of the number of legs. Such contracts have accounted for a substantial share of the venue’s reported volume, so this provision is material to the computation rather than incidental to it.

The two determination methods are expected to agree, the aggregate daily volume and the one-sided trade quantity having been observed to reconcile exactly for a published trading day. They may nonetheless differ, because the basis on which daily market data is published under Commission Regulation 16.01(a) excludes transfer trades and office trades that may appear in the trade data. A difference between the methods does not affect settlement unless it is material, meaning that applying the alternative method would change the Market Outcome.

The Reference Volume is the figure derived from the Settlement Reference Source as published. It is not an independent estimate of Novig’s total trading activity, and the Exchange makes no determination as to whether the Settlement Reference Source reports every transaction executed on Novig.

The Exchange will not list any Contract referencing a different venue, the combined volume of more than one venue, a different metric, threshold, reference period, or computational methodology without submitting a further product certification to the Commission.

Settlement Reference Source	The Settlement Reference Source is the trading volume information that Novig makes available in respect of transactions executed on its market, and that information only (the “Novig Market Data”). The Exchange determines the Reference Volume from that information using the following means of access, in order of priority: Primary — the daily market data file that Novig publishes for each trading day at https://data.novig.com/, being the file named markets.csv for that trade date, which reports every market on Novig with its open interest, daily volume and daily prices, or through any successor or replacement publication made available for the same information. As of the date of this submission that publication is open to the public and requires neither authentication nor payment, and is published for every trading day. Secondary — the daily trade data file that Novig publishes for each trading day at the same location, being the file named trades.csv for that trade date, which lists every trade with one record per side, or through any successor or replacement publication made available for the same records. The quantity reported in that file is summed for the records on one side only, as provided under “Underlying” above. Tertiary — a figure published or announced publicly by Novig or by Ludlow Exchange, LLC, but only where that figure is expressly stated as the notional value of contracts traded on Novig, counted once per trade, for the Reference Period or for each day comprising it. A figure stated on a cumulative, annualized, rounded, partial, or per-side basis may not be used, nor may a figure covering a period other than the Reference Period or the days comprising it, nor a figure that covers or may cover activity on any venue other than Novig. The Exchange will record, for each trading day of the Reference Period, which file it retrieved and the trade date that file bears, so that the input to the computation is evidenced on a per-day basis. The primary means of access is supported by Novig’s obligations as a reporting market under Part 16 of the Commission’s regulations. Commission Regulation 16.01(a) requires each reporting market to record, for each business day and for each contract category, the total volume of trading, excluding transfer trades or office trades, and Regulation 16.01(e)(1) requires that this information be made readily available to the news media and the general public, without charge, in a format that readily enables the consideration of such data, no later than the business day following the day to which the information pertains. For swaps having a set contract size, Regulation 16.01(a)(2)(iv)(A) provides that trading volume is reported in terms of the number of contracts traded. Novig’s obligations as a designated contract market also include DCM Core Principle 8, Section 5(d)(8) of the Act, 7 U.S.C. § 7(d)(8), and Commission Regulation 38.450. The Exchange relies on the trading volume component of that publication. The secondary means of access is the trade-level record published for Novig on that website. Condition 3 of CFTC Staff Letter No. 26-14 (May 13, 2026), the consolidated no-action position applicable to fully collateralized event contracts, requires each beneficiary designated contract market to publish on its website the trade timestamp, contract, quantity, and price for all covered contract transactions promptly after execution; Ludlow Exchange, LLC is a named
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	beneficiary in the Appendix to that letter. The Exchange does not represent that the reports it consults are the publication by which that condition is satisfied, and relies on no particular publication interval: the Determination Cutoff falls on the second business day following the end of the Reference Period. The Exchange notes that a staff no-action position is not binding on the Commission and may be conditioned, modified, suspended, terminated, or restricted at the Divisions' discretion, and that the letter states it will expire upon the compliance date of any final Commission action on the matter; the Exchange accordingly relies on the secondary means of access as a corroborating and substitute source rather than as a source of equivalent durability to the primary means. The no-action position does not reach Part 16 of the Commission's regulations, and condition 5 of that letter expressly preserves all reporting and recordkeeping requirements applicable to each beneficiary other than those from which relief was granted, including the applicable requirements of Parts 38 and 39. If the primary means of access does not provide data covering one or more trading days within the Reference Period by the Determination Cutoff, the Exchange will use the secondary means for those days, and then the tertiary means, in that order, and will disclose the substitution when it publishes the Reference Volume. If the Reference Volume cannot be determined by any of the means specified above by the Determination Cutoff and a settlement disruption exists, the Exchange may exercise its authority under Exchange Rule 5.2. The Novig Market Data is published or made available by a designated contract market subject to the daily trading-information and reporting obligations described above and is independent of the Exchange and its Market Participants. Any instructions regarding access to the Novig Market Data are non-binding and provided solely for convenience.
Settlement Criteria	Resolves to "Yes" if the Reference Volume exceeds \$2,000,000,000. Resolves to "No" if the Reference Volume is equal to or less than \$2,000,000,000. Because the threshold is stated to the dollar and the Reference Volume is computed to the dollar, there is no tie outcome. A. Determination Cutoff. The Exchange will compute the Reference Volume as of 5:00 p.m. Eastern Time on the second business day following the end of the Reference Period (the "Determination Cutoff"), using the data published by the Settlement Reference Source as of that time. Commission Regulation 16.01(e)(1) requires volume for the final trading day of the Reference Period to be published no later than the business day following that day, so the interval allows a full business day beyond that deadline for publication and for any correction or restatement of volume for a day within the Reference Period. Any such correction or restatement published before the Determination Cutoff is reflected in the data from which the Reference Volume is computed. B. Corrections and Restatements. The Reference Volume is computed once, from the data published as of the Determination Cutoff. A correction or restatement of reported volume published after the Determination Cutoff, including any correction of an error or omission of the kind contemplated by Commission Regulation 16.06, does not affect the Reference Volume, the Market Outcome, or settlement, and no Contract will be resettled on account of it.

	C. Change in Publication. If Novig ceases to publish the Novig Market Data, materially changes the content or methodology of that publication, restricts access to it during or after the Reference Period, ceases to report volume on a basis from which a count of contracts traded can be determined, ceases to report transactions in event contracts separately from transactions in other instruments, or ceases to publish reports identified as covering Novig alone, the Exchange will determine the Reference Volume using the next available means of access that reports event contract volume for Novig alone. If the Reference Volume cannot be determined from any Settlement Reference Source and the Market Outcome has not been unequivocally determined, all orders on the Contract shall be void and collateral shall be returned to the applicable accounts. For the avoidance of doubt, the Exchange will not substitute an aggregate figure covering more than one venue in any circumstance. D. No Discretion. The Exchange applies the computation set forth under “Underlying” without adjustment. The Exchange does not survey, poll, estimate, or otherwise generate the underlying data, and does not exclude reported volume on the basis of counterparty, contract category, or trading protocol. E. Absence of Data. In the absence of data required for settlement from the Settlement Reference Sources listed, ProphetX may consult another publication of the same data for Novig alone. In the event ProphetX cannot reasonably determine the outcome of the Contract, all orders on that Contract shall be void 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 per strike.
Price Limits	None. Contracts may be listed and traded only at prices between \$0.01 and \$0.99.
Last Trading Date/Time	11:59:59 p.m. Eastern Time on November 30, 2026, being the end of the Reference Period. No new position may be opened after this time.
Expiration Date and Time	The Determination Cutoff, being 5:00 p.m. Eastern Time on the second business day following the end of the Reference Period, at which time the outcome of the Contract becomes determinable from the Settlement Reference Source.
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: The Contract is fully collateralized, cash-settled, and constitutes a Swap under the CEA. Trading closes before the outcome of the Contract is determinable from the Settlement Reference Source. 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 the Contract, including the computed Reference Volume, 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 the Contract:

- Current directors, officers, employees, contractors, and agents of Ludlow Exchange, LLC d/b/a Novig, of the Clearing Organization through which contracts traded on Novig are cleared, and of any of their parents, subsidiaries, and affiliates, including any person with access to Novig's trading, clearing, market data, or reporting systems;
- Any person in possession of material non-public information relating to Novig's aggregate traded volume for any part of the Reference Period, to the content, timing, methodology, or availability of the Novig Market Data, or to any correction or restatement of that data, until such information has been publicly disseminated;
- Any person in possession of material non-public information, by reason of a market-making, liquidity provision, routing, or order-flow arrangement with Novig or with any of its affiliates, concerning the volume of orders directed to or expected to be directed to Novig during the Reference Period, or concerning any decision to direct order flow to or away from Novig;
- Any person who executes, or acts in concert with others to execute, transactions on Novig for the purpose of causing the Reference Volume to exceed or fail to exceed the stated threshold, or for the purpose of affecting the price or settlement of the Contract; 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.