

## CFTC Event Contract Proposal Outlines the Way Ahead for Prediction Markets

### Key Takeaways

- **No automatic ban.** Nothing in the Proposal bans a category of event contract outright.
- **A discretionary, contract-by-contract public-interest review.** Dodd-Frank gives the CFTC discretion to block five kinds of event contract (those based on activity that is unlawful under state or federal law, terrorism, assassination, war, or gaming), but only after it decides, contract by contract, that listing one would be contrary to the public interest. Being in a category is not, by itself, disqualifying.
- **A narrower trigger.** The law reaches a contract only if it “involves” one of the five categories, and for years no one could agree on what “involves” meant. The Proposal’s position is that a contract counts only if the event that decides who wins is itself one of the categories. A contract on who wins a game is gaming but a contract on next month’s inflation number is not.
- **A list of factors, not an “economic purpose” test.** Until 2000, the CFTC required every contract to show an “economic purpose” (a commercial hedging or price-basing function), and some assumed that requirement still applied here. The Proposal instead has the CFTC weigh several factors for an event contract in one of the five categories, chiefly whether the contract produces useful, reliable information and whether the market can run it with integrity. A hedging or pricing use now counts in an event contract’s favor rather than being required.
- **A sports-focused definition of “gaming.”** The new definition of gaming is built around sports and similar competitions, including poker and other games of skill or chance. Contracts that settle on aggregate outcomes, like a final score, are far more likely to be approved than contracts on one person’s actions, like player-injury or “prop” bets. It is a broad definition, but it leaves out elections, contests of honor, and award contests.
- **A broad definition of “war.”** “War” covers any belligerent military action, not just declared wars. A contract on whether a leader will be “out of office” by a certain date has to exclude any unlawful removal from the events that pay out, so it cannot work as a backdoor assassination contract.
- **A defined timeline, and trading continues.** Once the CFTC opens a review, it runs on a roughly 90-day clock through set steps. The CFTC can ask the market to pause a contract during review but, since the prediction market does not have to agree, contracts can generally keep trading. If no order issues before the 90-day review period closes, the contract stays listed.
- **Contracts the rule does not reach.** The Proposal lists categories that fall outside the CFTC’s five-category review altogether, including contracts on economic and financial indicators, exchange rates, elections and other political outcomes, and honor and award contests.
- **Effective in 60 days, with no grandfathering.** If the rule is finalized, it takes effect 60 days later, and existing contracts are not grandfathered. If your platform holds a listed event contract that might fall into one of the five categories, the time to assess your exposure is now, because it could be reviewed and delisted once the rule takes effect.

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- **Comments due July 27, 2026.** The Proposal was published on June 12, 2026 and comments are due July 27, 2026. If you want to weigh in, begin preparing comments now.

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### The Proposal

On June 12, 2026, the CFTC published a proposed rule (the “Proposal”) that would change when it can block “event contracts,” the yes/no contracts that prediction markets like Kalshi and Polymarket are built on. The Proposal would replace the CFTC’s current Rule 40.11, which bans five kinds of event contract flatly, without the public-interest analysis the Commodity Exchange Act appears to require.<sup>1</sup> The CFTC is accepting comments until July 27, 2026.<sup>2</sup>

### Prediction markets and event contracts

Event contracts are derivatives with a simple yes/no payoff that settle on whether some specified event happens.<sup>3</sup> Any platform that offers them to the public has to register with the CFTC as an exchange (a “designated contract market”), which subjects prediction markets to the CFTC’s authority in the first place.<sup>4</sup>

### Dodd-Frank and Rule 40.11

Congress gave the CFTC exclusive authority over futures and swaps traded on registered U.S. exchanges (its “exclusive jurisdiction”). In 2010, the Dodd-Frank Act added a narrow exception: the CFTC can refuse to let a market list a contract if the contract “involves” one of five categories (activity that is unlawful under state or federal law, terrorism, assassination, war, or gaming) and it decides that listing the contract would be contrary to the public interest.<sup>5</sup> The CFTC can also add other “similar” categories by rule.<sup>6</sup>

The CFTC put that authority into effect in 2011, with Rule 40.11. The rule banned contracts in the aforementioned five categories, but did not define them nor specifically require the public-interest analysis the statute calls for.<sup>7</sup> As a result, nearly every effort to apply the rule has generated dispute.<sup>8</sup> In February 2026, the CFTC pulled a 2024

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<sup>1</sup> See Proposal, 91 Fed. Reg. at 35,806, 35,817, 35,822; proposed 17 C.F.R. pt. 40, app. F.

<sup>2</sup> Prediction Markets; Public Interest Determinations, 91 Fed. Reg. 35,806 (proposed June 12, 2026). As a notice of proposed rulemaking under Section 553 of the Administrative Procedure Act (the “APA”), the Proposal will take legal effect only if the CFTC, after considering public comments due July 27, 2026, publishes a final rule (proposed to be effective 60 days after publication); the APA does not require the CFTC to finalize the Proposal, and it may revise, repeal, or withdraw it. See *id.* at 35,843; 5 U.S.C. § 553(b)–(c).

<sup>3</sup> See 7 U.S.C. § 7a-2(c)(5)(C)(i); 17 C.F.R. § 40.11(a).

<sup>4</sup> See 7 U.S.C. § 7a-2(c)(5)(C)(i); Proposal, 91 Fed. Reg. at 35,808. If not offered to the public and, instead, limited to “eligible contract participants,” event contracts could also be offered by a swap execution facility.

<sup>5</sup> 7 U.S.C. § 2(a)(1)(A); Dodd-Frank Wall Street Reform and Consumer Protection Act § 745(b), Pub. L. No. 111-203, 124 Stat. 1376, 1735 (2010); see *also* Proposal, 91 Fed. Reg. at 35,810.

<sup>6</sup> See 17 C.F.R. § 40.11(a)(1).

<sup>7</sup> 17 C.F.R. § 40.11(a)(1); Provisions Common to Registered Entities, 76 Fed. Reg. 44,776 (July 27, 2011) (adopting § 40.11).

<sup>8</sup> The Proposal notes that the CFTC has disapproved political event contracts in the 2012 Nadex order, prompted the 2021 withdrawal of ErisX’s National Football League contracts, and disapproved Kalshi’s congressional-control contracts in 2023, only to have a federal district court vacate that order in 2024, holding that the contracts did not “involve” gaming or unlawful activity. See Proposal, 91 Fed. Reg. at 35,815-17 (citing Order Prohibiting the Listing or Trading of Political Event Contracts (CFTC Apr. 2, 2012) (the “Nadex Order”); ErisX, CFTC Regulation 40.2(a) Certification (Dec. 14, 2020); *In re Certification by KalshiEX LLC of Derivatives Contracts with Respect to Political Control of the U.S. Senate & U.S. House of Representatives* (CFTC Sept. 22, 2023) (the “Kalshi Order”); *KalshiEX LLC v. Commodity Futures Trading Comm’n*, 2024 WL 4164694, at \*13 (D.D.C. Sept. 12, 2024); Event Contracts; Withdrawal of Proposed Regulatory Action, 91 Fed. Reg. 5,386 (Feb. 6, 2026)).

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proposal attempting to specify which contracts the rule covers, and on March 16, 2026, it issued an advance notice of proposed rulemaking that drew roughly 3,500 comments and informed the current Proposal.<sup>9</sup>

### **Rule 40.11 in the courts**

Rule 40.11 has emerged as a central point of contention in the courts as prediction markets pushed into elections and then sports. The case that triggered this rulemaking was when a federal court in Washington, D.C. threw out the CFTC's attempt to block Kalshi's event contracts on which party would control Congress. The court held that those contracts did not "involve" unlawful activity or gaming because they did not "bear any relation to any game—played for stakes or otherwise," and it read "involve" to mean "the event being offered and traded," not the act of trading.<sup>10</sup>

The same question now drives a wave of sports cases. Many states say sports event contracts are really gambling and should answer to state law. The CFTC and the prediction markets say these are federally regulated contracts within the CFTC's exclusive jurisdiction, which would override state gambling law. Courts have split, with some siding with the CFTC over strong dissents,<sup>11</sup> and the issue is now on appeal, including consolidated proceedings in the Ninth Circuit.<sup>12</sup> Ultimately, how the CFTC ends up defining "gaming" and "involve" will matter well beyond its own review process.

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## **What the CFTC Has Proposed**

### **From a flat ban to a case-by-case test**

The Proposal does not ban contracts on politics, sports, or other sensitive subjects. Falling into one of the five categories triggers a discretionary CFTC review, nothing more, and the CFTC decides each contract case by case.<sup>13</sup> Its reach is also limited: the CFTC can review a contract once a market has listed it, but it cannot block one that has not yet been offered.<sup>14</sup> In practice, the CFTC's analysis proceeds sequentially: it asks whether the instrument is an event contract; if so, whether the event that settles it falls within one of the five categories; and, only if it does, whether listing the contract would be contrary to the public interest.<sup>15</sup> The Proposal spells out definitions, factors, and concrete examples for each category, which the current rule never did.<sup>16</sup> It declines to bring back the old economic purpose test, though a contract's hedging and pricing value still weighs heavily in favor of a finding that the contract is

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<sup>9</sup> Event Contracts, 89 Fed. Reg. 48,968 (proposed June 10, 2024); Event Contracts; Withdrawal of Proposed Regulatory Action, 91 Fed. Reg. 5,386 (Feb. 6, 2026); Prediction Markets; Advance Notice of Proposed Rulemaking, 91 Fed. Reg. 12,516 (Mar. 16, 2026).

<sup>10</sup> *KalshiEX*, 2024 WL 4164694, at \*13.

<sup>11</sup> See generally, e.g., *KalshiEX, LLC v. Flaherty*, 172 F.4th 220 (3d Cir. 2026).

<sup>12</sup> See, e.g., Brief for the CFTC as Amicus Curiae Supporting Appellant at 14-15, *North American Derivatives Exchange, Inc. (d/b/a Crypto.com) v. State of Nevada*, No. 25-7187 (9th Cir. Feb. 17, 2026), [https://www.cftc.gov/media/13261/amicusbrief\\_02172026/download](https://www.cftc.gov/media/13261/amicusbrief_02172026/download).

<sup>13</sup> Proposal, 91 Fed. Reg. at 35,811. Although the CFTC does not propose to adopt it, the CFTC invites comment on a reading under which a public interest determination could be made before listing as to a type of contract involving an Enumerated Activity, as well as on whether it should use its CEA section 4(c) exemptive authority to exempt defined classes of contracts from individualized review. *Id.* at 35,839-40.

<sup>14</sup> *Id.* at 35,817–18, 35,829.

<sup>15</sup> *Id.* at 35,810-11.

<sup>16</sup> *Id.* at 35,862-71.

not contrary to public interest.<sup>17</sup> And it keeps the CFTC’s power to add other “similar” categories through future notice-and-comment rulemaking, a catch-all that could pull in new kinds of contracts as the market evolves.<sup>18</sup>

### **What it means to “involve” an enumerated category**

Dodd-Frank lets the CFTC act only when a contract “involves” one of the five categories, and that single word has driven years of litigation, because the statute left it undefined.<sup>19</sup> The Proposal provides that needed clarity. A contract involves a category only if the event that decides who wins is itself one of the categories. A contract on the outcome of a football game involves gaming, because a game settles it. A contract on next month’s inflation figure does not, because an economic statistic settles it. The act of trading, and the fact that money is at stake, no longer count.<sup>20</sup> This is the most consequential change in the Proposal. It rejects the broader theory that trading on an outcome is itself a form of gambling, and it moves a large set of contracts outside of the enumerated categories entirely.

The Proposal reinforces this point with a list of contracts that fall outside the rule altogether.<sup>21</sup> These include contracts on economic and financial indicators (inflation, growth, jobless claims, interest rates, broad stock indexes), on currencies and exchange rates, on the results of elections and other political outcomes such as legislative votes and appointments, and on honor and award contests.<sup>22</sup> Those contracts still have to meet the ordinary requirements for listing any event contract, but the five-category analysis simply does not apply to them.<sup>23</sup>

### **Sports and gaming: aggregate outcomes versus individual action contracts**

The Proposal defines gaming broadly. It covers any activity that people take part in for recreation or to entertain others, that runs on rules, and that produces a measurable result turning on the participants’ luck, skill, or athletic ability.<sup>24</sup> That sweeps in professional and amateur sports, e-sports, and games of both chance and skill, from poker to card games, turning on the nature of the underlying activity rather than on whether anyone is betting.<sup>25</sup>

The Proposal also separates games from contests. A contest is decided by judges or voters rather than by how the participants themselves perform, so elections, financial events, and awards such as the Nobel Prize and the Academy Awards are contests, not gaming, and fall outside the rule.<sup>26</sup> And the fact that people gamble on something does not, by itself, make it gaming.<sup>27</sup>

Notably, within the gaming category the Proposal establishes a dividing line between aggregate outcomes and individual actions. Contracts that settle on aggregate results, such as the final score, the winner, or season-long

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<sup>17</sup> See Commodity Futures Modernization Act of 2000, Pub. L. No. 106-554, sec. 110, 114 Stat. 2763A-384 (2000) (repealing former CEA § 5(7) and the economic purpose test); Proposal, 91 Fed. Reg. at 35,812. The CFTC reasoned that the combined public interest/economic purpose test, despite its longevity, had proved controversial and difficult to apply. Proposal, 91 Fed. Reg. at 35,812. Further, the CFTC finds it was of limited practical relevance because no futures contract had ever been prohibited for failing it; Congress, aware of that history, chose not to write the test into the Special Rule. *Id.* at 35,811–13, 35,829.

<sup>18</sup> Proposed 17 C.F.R. § 40.11(a)(2)(vi); 7 U.S.C. § 7a-2(c)(5)(C)(i)(VI); Proposal, 91 Fed. Reg. at 35,838.

<sup>19</sup> Proposed 17 C.F.R. § 40.11(a)(3); Proposal, 91 Fed. Reg. at 35,821.

<sup>20</sup> See Proposal, 91 Fed. Reg. at 35,821; Nadex Order at 2–3; Kalshi Order at 7–8.

<sup>21</sup> Proposed 17 C.F.R. pt. 40, app. F, (e); Proposal, 91 Fed. Reg. at 35,827.

<sup>22</sup> *Id.*

<sup>23</sup> Proposed 17 C.F.R. pt. 40, app. F, (e); Proposal, 91 Fed. Reg. at 35,827.

<sup>24</sup> Proposal, 91 Fed. Reg. at 35,825.

<sup>25</sup> Proposal, 91 Fed. Reg. at 35,826.

<sup>26</sup> *Id.*

<sup>27</sup> *Id.*

statistics, are far more likely to clear, because they reflect the play of many participants, settle on objective league-verified data, and carry real information for sponsors, broadcasters, and others.<sup>28</sup> Contracts that settle on one person's action or on pure chance are much more likely to be found contrary to the public interest.<sup>29</sup> To illustrate, player-injury contracts give the market nothing it can legitimately price, since the only real knowledge sits with team medical staff, and they create an incentive to cause or leak harm. The same is true of contracts on a single play, pitch, foul, or referee call, which shrink the outcome to a handful of decisions by identifiable people and are therefore easy to manipulate.<sup>30</sup> Similarly, contracts that turn on a roulette spin or a random number serve none of the law's purposes at all.<sup>31</sup> Lastly, contracts on youth sports raise added concerns about thin data and the protection of minors. In each case the same principle controls: a contract is favored when it settles on objective, broadly based, independently verifiable outcomes, and disfavored when it turns on a single actor's conduct or on pure chance.

### **Crime, terrorism, war, and “out of office” contracts**

For contracts that touch unlawful activity, the question is whether the contract points at a specific illegal act or at a broad statistic.<sup>32</sup> A contract on a specific crime gives the market almost no legitimate basis for pricing, because the only people with real insight into whether a crime will occur are those planning or hiding the act, and it can reward or help conceal the crime by letting them profit quietly through trading rather than reporting it.<sup>33</sup> In contrast, a contract on broad, population-level data, such as overall crime rates, can carry genuine information and hedging value without rewarding anyone's illicit conduct.<sup>34</sup> It also matters whether the underlying activity is a violation of federal or state law. A contract tied to conduct that federal law makes illegal is almost certain to be rejected. A contract tied to conduct that is illegal only under state law is likely to be rejected too, but here the CFTC weighs how widely the states ban the specific activity and how much harm that activity causes.<sup>35</sup>

Contracts that touch terrorism, assassination, or war are the least likely to survive, and the Proposal reads “war” broadly to reach any belligerent military action, not just declared wars.<sup>36</sup> These contracts offer almost no legitimate information, because the only people who would know whether a military action will occur are barred from trading or sworn to report rather than profit, and they risk diverting authorities or rewarding violence.<sup>37</sup> This is also why a contract on whether a named leader will be “out of office” by a date has to spell out that only lawful outcomes count, such as an election loss, resignation, or removal.<sup>38</sup> Left open-ended, the same contract could be read to pay out on an assassination, which would place it squarely within an enumerated category and make it highly likely to be found contrary to the public interest.<sup>39</sup>

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<sup>28</sup> *Id.* at 35,835.

<sup>29</sup> *Id.* at 35,834-37.

<sup>30</sup> The CFTC identifies physical-altercation contracts among the sports designs likely contrary to the public interest, but it carves out combat sports such as mixed martial arts and boxing, where physical contact is a sanctioned element of the underlying activity. Proposal, 91 Fed. Reg. at 35,837 n. 259.

<sup>31</sup> *Id.*

<sup>32</sup> Proposed 17 C.F.R. § 40.11(a)(6)(i); Proposal, 91 Fed. Reg. at 35,833-34.

<sup>33</sup> Proposal, 91 Fed. Reg. at 35,833.

<sup>34</sup> *Id.*

<sup>35</sup> Proposed 17 C.F.R. § 40.11(a)(6)(i)(B); Proposal, 91 Fed. Reg. at 35,833-34, 35,868-69.

<sup>36</sup> Proposed 17 C.F.R. § 40.11(a)(4)(ii), (a)(6)(ii); Proposal, 91 Fed. Reg. at 35,834, 35,868-69.

<sup>37</sup> Proposal, 91 Fed. Reg. at 35,834.

<sup>38</sup> *Id.* at 35,824.

<sup>39</sup> *Id.*

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## How review works, and the timing that matters

The Proposal also gives prediction markets something they have not had: a defined path and a clock. If the CFTC has a concern, it must say so in writing within ten days of listing.<sup>40</sup> From there a structured back-and-forth follows, with staff stating concerns, the market responding and proposing changes, and staff making a recommendation, all inside roughly 90 days.<sup>41</sup> If the CFTC does not issue an order before that period expires, the review is over and the contract keeps trading.<sup>42</sup> There is also a hard outer limit of about 100 days from listing. Relatedly, the CFTC can ask a market to pause a contract while it is under review, but the market does not have to agree, so contracts generally keep trading the whole time.<sup>43</sup> The process also creates a written record, which benefits prediction market participants by making outcomes more predictable and holds the CFTC to a reasoned decision.

Beyond the review process itself, the timing is significant in two respects. If finalized, the rule would take effect 60 days after publication, with no grandfathering, so that a contract listed today would not be insulated merely because it predates the rule.<sup>44</sup> In the meantime, the comment period remains open until July 27, 2026, giving market participants a window to shape the final rule before it takes effect.<sup>45</sup> Given that timeline, the main near-term task is analyzing each listing against the new factors and documenting why a contract belongs onshore, which falls hardest on contracts that may fall into one of the five categories or a “similar” one the CFTC names later.<sup>46</sup>

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## Implications for Market Participants

### Traders and investors

The good news for market participants is that most positions are unaffected. Contracts on elections, economic data, and aggregate sports outcomes (the winner, the final margin, or season totals) fall on the permitted side of the line. The positions most exposed are granular sports contracts, such as player props, injury contracts, and single-play or officiating outcomes, along with any contract that turns on pure chance. Because the rule is not grandfathered, a contract held today could be withdrawn once it is finalized, so holders should assess how much of a given book consists of contracts the CFTC is likely to find contrary to the public interest. A review of this kind would not halt trading immediately, however, because contracts generally remain listed while the CFTC examines them. Comments on where the lines should fall may be submitted through July 27, 2026.

### Prediction Market Operators

Operators have the most extensive compliance task. The starting point is to map current and planned products against the new definitions, because nothing is grandfathered. Settlement should be built around the outcomes the CFTC favors, namely objective, aggregate, and independently verified results such as final scores, official tallies, and published statistics. Conversely, designs that turn on a single participant’s action or on chance should be avoided.

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<sup>40</sup> *Id.* at 35,840.

<sup>41</sup> Proposed 17 C.F.R. § 40.11(c)(1), (d)(1)–(4); Proposal, 91 Fed. Reg. at 35,819 n. 163, 35,841–42.

<sup>42</sup> Proposed 17 C.F.R. § 40.11(e)(1)(ii); Proposal, 91 Fed. Reg. at 35,842, 35,861.

<sup>43</sup> Proposed 17 C.F.R. § 40.11(c)(4), (c)(5), (e); Proposal, 91 Fed. Reg. at 35,838–40, 35,842–43, 35,861–62. The CFTC would delegate ministerial and record-development functions to the Director of the Division of Market Oversight via proposed § 40.7(a)(6), reserving to the CFTC the decisions to initiate review, submit a recommendation, and issue a determination. Proposed 17 C.F.R. § 40.11(f); Proposal, 91 Fed. Reg. at 35,842.

<sup>44</sup> Proposal, 91 Fed. Reg. at 35,843 (amendments effective 60 days after publication of a final rule; no grandfathering). The CFTC also states that if any provision of the Proposal is held invalid or unenforceable, facially or as applied, that provision is severable. *Id.*

<sup>45</sup> *Id.* at 35,806 (comments due July 27, 2026).

<sup>46</sup> 7 U.S.C. § 19(a); Proposal, 91 Fed. Reg. at 35,845–54.

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For sports products, operators should secure reliable data sources and coordinate with the relevant league or governing body, as that coordination itself weighs in a contract's favor. For any product outside the clearly permitted examples, the prudent course is to seek CFTC approval before listing rather than to rely on self-certification, bearing in mind that the "similar activity" catch-all could later allow the CFTC to reach a design that is permitted today. Operators should also monitor the pending litigation, because whether sports contracts may be offered at all may depend on whether the courts accept the CFTC's position that these are federally regulated products within its exclusive jurisdiction rather than state-law gambling. The comment period offers an opportunity to shape the factors that will ultimately govern.

### **Intermediaries (introducing brokers and futures commission merchants)**

An intermediary's exposure runs through its customers. The immediate steps are to identify which products in customers' books fall within the disfavored category and to prepare for possible wind-downs. The unresolved dispute between the CFTC and the states over sports contracts is also relevant here: until the courts determine whether these are federally regulated futures that displace state gambling law, state-by-state uncertainty over where sports products may be offered should be expected. The "similar activity" catch-all warrants attention as well, because a product that is listable today may later become subject to CFTC review under the rule.

### **Casinos and sportsbooks**

If the CFTC treats aggregate sports event contracts as federally regulated futures, prediction markets retain a national channel for sports betting that does not require state gaming licenses, a direct competitive threat and a principal reason that so many states are litigating the question. The Proposal constrains that threat, however. The products most likely to be approved are aggregate outcomes, whereas the granular, in-play, and prop contracts that generate much of sportsbook revenue are precisely those the CFTC signals it will disfavor. Ultimately, the state-versus-federal question is critical because its resolution will determine whether prediction markets may operate in a given state. For an operator weighing entry into the event-contract business, the Proposal also serves as a guide to what may be listed.

### **Media displaying prediction market feeds**

For a business that displays or republishes odds and results from a market such as Kalshi or Polymarket, the narrowed reading of "involve" is favorable. Because the CFTC now examines only the event that settles a contract, and not the act of trading or related conduct, the publication of odds and outcomes sits still further from the conduct the rule targets. The principal risks lie elsewhere, such as state gambling-promotion and advertising rules, particularly for sports, along with the commercial risk that a featured contract is delisted and the value of the feed changes as a result. For sports feeds in particular, the same federal-versus-state dispute bears watching, because a ruling that these contracts constitute unlawful gambling in a given state could extend to those who promote or transmit them there. Partner agreements should be drafted with enough flexibility that a delisting or reclassification does not strand the product.

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## **Conclusion**

The Proposal is the most comprehensive attempt the CFTC has ever made to convert a vague, decade-old prohibition into an administrable framework for prediction markets. It does not slam the door on politics, sports, or other sensitive subjects. Contracts that settle on objective, aggregate, and lawful outcomes have a relatively clear path to approval, whereas those resolved by an individual participant's conduct, by chance, or by violence remain disfavored. That said, two important qualifications apply. First, the Proposal is not yet law and is likely to change before any final rule. Second, even after a final rule the courts will continue to shape the boundary between federal derivatives regulation and state gambling law, particularly as to sports. For now, the task for everyone in or around

these markets is practical, i.e., figure out where your products and positions fall, build settlement around the outcomes the CFTC favors, and decide whether to weigh in before comments close on July 27, 2026.

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If you have any questions about the issues addressed in this alert, or if you would like a copy of any of the materials referenced in it, please do not hesitate to contact Gary Kalbaugh (Partner) at 212-701-3505 or [gkalbaugh@cahill.com](mailto:gkalbaugh@cahill.com) or Paul Joseph (P.J.) Austin (Associate) at 212-701-3214 or [paustin@cahill.com](mailto:paustin@cahill.com).