April 30, 2026

Christopher Kirkpatrick
Secretary of the Commission
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street NW
Washington, DC 20581

Re: Advance Notice of Proposed Rulemaking on Prediction Markets, RIN 3038-AF65, 91 Fed. Reg. 12,516 (Mar. 16, 2026)

Dear Secretary Kirkpatrick:

Eventus Systems Inc ("Eventus"), and Tölt Strategies LLC ("Tölt") (collectively, "we") would like to thank the Commodity Futures Trading Commission (the "Commission" or "CFTC") and its Staff for undertaking this comprehensive Request for Comment process[1] on behalf of the American public. We are pleased to submit these comments, based on our collective experience working alongside derivatives market innovators and U.S. regulators to support transparent and responsible growth of new and innovative markets.

Eventus is a leading global provider of state-of-the-art, at-scale trade surveillance software across all lines of defense. Tölt offers strategic and regulatory consulting services to innovative companies seeking to navigate complex regulatory landscapes and innovate responsibly across traditional and frontier trading markets.

We write to recommend the CFTC adopt a taxonomy and product specifications for event contracts listed on prediction markets, consistent with the taxonomies and specifications developed for other products regulated by the CFTC. Doing so will support market growth and integrity and enhance the CFTC's ability to regulate prediction markets.

By way of background, while implementing the Dodd–Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank") in the wake of the 2008 Financial Crisis, the CFTC embraced the opportunity to establish post-trade transparency across opaque over-the counter ("OTC") commodity derivative markets. Specifically, the post-Dodd-Frank emergence of transparent and workable data taxonomy standards facilitated the clearing of OTC derivatives while providing post-trade transparency. These standardizations and specifications allowed for more effective oversight of the CFTC's regulated markets and enhanced financial stability assessments. Importantly, taxonomy standards also supported market expansion. For example, interest rate swaps scaled once the International Swaps and Derivatives Association ("ISDA") documentation standardized vanilla fixed-for-floating swaps, enabling adoption across counterparties. Trading volumes for credit default swaps likewise scaled once ISDA and Markit Reference Entity Data ("RED") codes established a common taxonomy.

Event contracts, a relatively new product regulated by the CFTC, have not yet been taxonomized. Event contract listings have grown explosively in the last few years, and Designated Contract Market ("DCM") registration applications have more than doubled in the past year.[1] We recommend that the Commission consider adoption of a standardized taxonomy as an extension to the existing Unique Product Identifier ("UPI")

[1] Prediction Markets, 91 Fed. Reg. 12,516, 12,517 (Mar. 16, 2026) (RIN 3038-AF65) (to be codified at 17 C.F.R. ch. I).

schema administered by the Derivatives Service Bureau. We propose describing this extension as encompassing event-based outcomes ("EBOs") over event contracts or binary options, to include any contract structure for event contracts (*i.e.*, swap or future) and to abstract across regulatory jurisdiction (*i.e.*, CFTC or Securities Exchange Commission ("SEC")) based upon the underlier. The EBO taxonomy would permit DCMs to classify event contracts at product registration using standardized fields such as asset class category, resolution source, and settlement latency. Embedding classification at the point of contract design and self-certification, rather than as a retroactive reporting label, would give the Commission a scalable triage mechanism for Part 40 review, solidify the streamlined reporting framework emerging in DCM No-Action Letters,[2] and encode a basis for consistent cross-platform and cross-product surveillance and supervision computation at listing. A proposed EBO attribute mapping is set forth in Appendix A.

II. Core Principles and Commission Regulations

Q1: Guidance on DCM Core Principles

What factors should the Commission consider in determining whether to provide guidance or amend its regulations regarding how the DCM Core Principles apply to prediction markets?

For prediction markets and the contracts they certify to scale responsibly, the Commission needs to maintain meaningful oversight. Of the approximately 1,600 event contracts listed by DCMs during 2025,[3] only a fraction could have undergone CFTC product review for compliance with the applicable Core Principles. A standardized taxonomy assigned at the time of self-certification would support efficient and effective Core Principles product review by Commission Staff. A taxonomy would also support the Commission in gathering data and information for policymaking and responding to inquiries from Congress, the Financial Stability Oversight Council, and others.

Q2(d): Market Surveillance Practices

Are there market surveillance practices on which the Commission should focus?

A taxonomy is a tool that DCMs may employ in their surveillance programs, supporting their ability to identify problematic patterns of practice across universal contract categories. Likewise, a taxonomy can facilitate the Commission's cross-market surveillance function. The EBO framework can capture particularities of distinct product lines, risks, resolution source types, liquidity profiles, and participant compositions by contract category, all factors that may be incorporated in surveillance programs.

Q5(a): Standardized Reporting and Public Identifiers

Should reporting be standardized for event contracts? Are existing public identifiers appropriate?

---

[2] See, e.g., CFTC Letter No. 25-36 (Sept. 30, 2025); see also CFTC Staff No-Action Letters to Polymarket Clearing, PredictIt, Gemini, and LedgerX/MIAX (Dec. 11, 2025), available at https://www.cftc.gov/IndustryOversight/IndustryFilings/TradingOrganizations.

[3] Prediction Markets, 91 Fed. Reg. 12,516, 12,517 (Mar. 16, 2026) (RIN 3038-AF65) (to be codified at 17 C.F.R. ch. I).

Existing taxonomies, such as Committee on Uniform Securities Identification Procedures ("CUSIP") numbers, International Securities Identification Numbers ("ISINs"), and Legal Entity Identifiers ("LEIs"), were created to provide standardized, unambiguous identification of financial instruments and market participants across venues, jurisdictions, and reporting regimes. These frameworks enable aggregation of exposures, effective risk monitoring, and consistent data reporting, all of which are critical for market surveillance and regulatory oversight.

Prediction markets and event contracts present an even greater need for standardized taxonomy because they are not tied to a traditional issuer, security structure, or defined asset class. Instead, they are based on discrete, often bespoke outcomes that can vary widely in wording and scope across platforms. This variability increases the risk of inconsistent reporting, fragmented data, and reduced transparency. Without a standardized taxonomy, regulators may be unable to aggregate positions across economically similar contracts, identify correlated risks, or conduct effective cross-market surveillance.

III. Conclusion

The CFTC has a proud history of fostering rapid market innovation while balancing and mitigating risks to the public. Prediction markets present new opportunities and challenges. We urge the Commission to consider adopting or building a standardized EBO taxonomy as an extension to the UPI project utilized for its swaps markets, to partner with industry to embed classification as a mandatory contract design input to Part 40 self-certification, and to use the resulting tier structure as the basis for scalable oversight as novel markets continue to proliferate and evolve. We welcome the opportunity to discuss these comments further with Commission Staff.

Sincerely

/S/

Dorothy D. DeWitt, Founder and CEO, Tölt Strategies

/S/

Joseph Schifano, Global Head of Regulatory Affairs, Eventus

EVENTUS TOLT Strategies

APPENDIX A

Proposed UPI Attribute Mapping for Event-Based Outcome (EBO) Contracts for Consideration

UPI Attribute	EBO Mapping	Proposed Values
Asset Class (new)	Product category	EBO (Event-Based Binary Outcome)
Base Product	Product structure	EC (EC-Futures), BO-F (Binary Opt - Futures), BO-E (Binary Opt - Equity), PERPS
Sub-Product	Underlying reference	RWE (Real-World Event), SPO (Sporting), ECO (Economic), FUT (Futures), EQI (Equity), DAS (Digital Asset), GEO (Geopolitical), CUL (Cultural)
Underlying ID	Specific event/instrument	"2028 US Presidential Election", "E-miniS&P 500 March Futures"
Settlement Type	How it settles	Cash, Blockchain
Expiry Type	When it resolves	EOD, EOW, EOM, EVT (event-determined), QTR, ANN