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

Re: Data Reporting Requirements for Certain Event Contracts, RIN 3038-AF73, 91 Fed. Reg. 40,102 (July 1, 2026)

Dear Mr. Kirkpatrick,

1. Introduction

I submit this comment in a personal capacity. I have worked in regulated betting for approximately thirty years, including as Global Head of Trading at Betway Group across more than forty licensed jurisdictions and as Non-Executive Chair of the International Betting Integrity Association across three elected terms from 2019 to 2025, and I currently practise as an independent integrity advisor. I have commented separately on the Commission's related proposal, Prediction Markets; Public Interest Determinations, RIN 3038-AF65, 91 Fed. Reg. 35,806 (June 12, 2026), and filed a joint comment on the Advance Notice of Proposed Rulemaking under that RIN on April 30, 2026. My views are offered as operational analysis from betting-market surveillance practice, not as legal opinion, and this comment proposes no role for any specific organisation.

This comment is short and makes one point: the data framework proposed here is an important evidential input into the surveillance and integrity assessments contemplated in RIN 3038-AF65, and the final rule would benefit from explaining that relationship.

2. Reporting granularity supports surveillance capability

Proposed §16.03 would establish the alternative reporting and recordkeeping framework for Covered Event Contracts. It would apply §§16.00, 16.01 and 16.02 to designated contract markets listing those contracts and establish associated large-trader reporting requirements through proposed §16.03(b)(1), §16.03(c), §17.00(j), and §17.01(f). Those provisions address responsibilities of clearing members, futures commission merchants, and foreign brokers. Proposed §16.03(g) would require designated contract markets to obtain specified trader-identifying information.

In surveillance terms those components do different work. Market-level data, including volume, open interest and price information, supports the construction of baselines against which anomalous behaviour can be assessed. Daily trade and supporting data permit reconstruction of trading activity after an alert. Neither is sufficient for every integrity investigation. Market and trade data can identify anomalous activity, but assessing whether activity is associated with a trader, related accounts, or a person subject to a trading restriction ordinarily requires reliable trader and account information, supplemented where necessary by account-linkage and external integrity information. The components of the proposal that carry that weight are the large-trader reporting and trader-identification framework in Parts 15 and 17, including Forms 102 and 40; the special-call authority under Part 18; and the DCM information requirement in proposed §16.03(g).

Proposed §16.03(g) deserves particular support. Requiring the listing market to obtain specified identifying data from traders in those contracts, including name, contact details, occupation and employer, together with the names of guarantors and persons holding a financial interest of 10 percent or more, and to retain that data for the life of the contract and for five years thereafter, provides a market-level identification foundation comparable in purpose to account-level customer-identification controls used in regulated betting. In betting-integrity practice, occupation and employer can support risk classification and the identification of potential trading restrictions, particularly when combined with authoritative sport-side data, identity matching, account-linkage controls, customer attestations, and escalation procedures. The preamble states that trader-identifying information is necessary to detect insider trading and prevent wash trading, and, because multiple designated contract markets often list economically similar contracts, "necessary to conduct cross-market surveillance" (91 Fed. Reg. at 40,112-13). That reasoning parallels the cross-venue visibility considerations I raised in my comment on RIN 3038-AF65, and the provision therefore supports not only the Commission's reporting objectives here but also the assessment of surveillance and trading prohibitions contemplated under proposed §40.11(a)(6)(iii)(A)(6) in that rulemaking.

3. Direct and intermediated access

The Commission requests comment on whether proposed §17.00(j) and §17.01(f) would create operational challenges where direct and intermediated participation coexist. The proposal itself notes the significant retail participation in trading of event contracts and the relatively low contract size of such contracts. Where event-contract venues feature substantial direct participation alongside intermediated access, the reporting framework should preserve comparable trader-level visibility across both routes, so that the route of access does not determine whether the Commission can identify the trader or related accounts associated with suspicious activity. Comparable customer-identification and account-monitoring functions are routinely operated at scale for high-volume customer participation in regulated betting. In response to request for comment (11), the identifying fields proposed under §16.03(g) are standard onboarding data in regulated betting markets, and the principal incremental burdens are likely to lie in retention arrangements and in maintaining data quality over time rather than in initial collection. The Commission should nevertheless assess the implementation costs, systems changes, data-quality risks, and the treatment of direct and intermediated access under its CEA section 15(a) cost-benefit analysis.

4. Response to request for comment (12)

The Commission asks what additional trader-identifying information, if any, designated contract markets should collect to support surveillance programs. Two elements merit consideration, both standard in regulated betting onboarding and both subject to the Commission's cost-benefit analysis. The first is date of birth. Occupation and employer are self-declared and can be stale or generic; date of birth is stable, and in betting-integrity practice it is frequently the field that permits reliable matching of an account against sport-side lists of persons subject to trading restrictions, particularly where names are common. The second is periodic refresh or attestation of the self-declared occupation and employer fields, so that the data on which restriction screening relies does not degrade over the life of long-dated contracts. Beyond those two elements, restraint is appropriate: surveillance value comes from a small number of reliable, matchable fields rather than from breadth of collection.

5. The relationship between the two rulemakings should be stated

In my comment on RIN 3038-AF65 I asked the Commission to explain how the reporting framework proposed here is expected to inform the assessment of appropriate surveillance under proposed §40.11(a)(6)(iii)(A)(6) and Appendix F. I make the mirrored request in this record. This comment does not request a new reporting obligation. It asks the Commission to explain, in the preamble to a final rule or in guidance, how data reported under the Parts 15 through 18 framework would inform those supervisory assessments for sports-related Covered Event Contracts, including its expectations as to trader-level identification across routes of access and the timeliness with which reported data can support alert investigation during and around sporting events. The value lies in connecting the data the Commission will hold to the assessments the Commission has proposed to make, so that registered entities design their reporting operations and integrity arrangements with a stated supervisory use in view.

6. Conclusion

The proposal provides a sound basis for replacing the serial staff no-action process with a codified reporting and recordkeeping framework for Covered Event Contracts. It would codify aspects of the existing no-action approach while adding reporting elements relevant to the Commission's surveillance responsibilities, including the trader-identification requirement in proposed §16.03(g), which is particularly relevant to account-level integrity investigation. I support the adoption of proposed §16.03(g), §17.00(j) and §17.01(f), subject to the Commission's assessment of implementation costs, data quality, and treatment of direct and intermediated participation, and I am available to Commission staff for further operational detail.

Respectfully submitted,

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