	LUDLOW EXCHANGE, LLC DESIGNATED CONTRACT MARKET	**Ticker** ESPWIN

ESPORTS WINNER

Self-Certification of the Esports Winner Contract Pursuant to CFTC Regulation 40.2(a)

Includes:

1. Cover Letter (with Certifications) (Public)
2. Public Appendix A: Terms and Conditions of the Contract (Public)
3. Confidential Appendix B: Analysis of Compliance with Core Principles

SUBMITTED VIA CFTC PORTAL

Secretary of the Commission
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: Self-Certification of the Esports Winner Contract Pursuant to Section 5c(c) of the Commodity Exchange Act and CFTC Regulation 40.2(a)

Dear Sir or Madam:

Pursuant to Section 5c(c) of the Commodity Exchange Act (the "Act"), 7 U.S.C. § 7a-2(c), and Commission Regulation 40.2(a), 17 C.F.R. § 40.2(a), Ludlow Exchange, LLC ("Ludlow" or the "Exchange"), a registered designated contract market doing business as Novig, hereby notifies the Commission of its election to self-certify the Esports Winner Contract (the "Contract") for listing on the Exchange.

A concise description and analysis of the contract follows:

The Contract. This contract is an event contract on the winner of a specific professional esports match identified by the Exchange. When entering the contract, a participant predicts whether a named team will be recorded by the tournament organizer as the winner of the full series or, where the listing so specifies, of a single numbered map or game within it. If the named team wins, the contract pays its fixed settlement value of one dollar; if it does not, the contract settles at zero. If the series ends in a draw and no Draw outcome is listed, the contract pays one-half of the settlement value to each side. Each listing corresponds to a single scheduled match, a named team, and a time period. Contracts may settle to Void under the circumstances described in the rules.

Contract Mechanics. The Contract operates with a $1.00 Settlement Value, a $0.001 Minimum Tick, and a $25,000-per-strike-per-Member Position Accountability Level.

Core Principles Compliance. The Contract is not readily susceptible to manipulation: the Underlying is determined by objective and publicly verifiable criteria recorded by the tournament organizer of the listed event, and the underlying events are broadcast publicly and recorded by the organizer's official data distributor. A detailed analysis of the Contract's compliance with the Core Principles is provided in Confidential Appendix B.

Certifications. Pursuant to Section 5c of the Commodity Exchange Act and Commission Regulation 40.2(a), the Exchange hereby certifies that:

> **(i)** the Contract complies with the Act and the Commission's regulations thereunder; and
>
> **(ii)** concurrently with the filing of this submission, the Exchange has posted on its public website at *https://www.ludlowexchange.com/filings* a notice of pending product certification and a copy of this submission (excluding any materials for which confidential treatment has been requested).

Confidential Treatment. Confidential treatment is requested for Confidential Appendix B pursuant to 17 C.F.R. §§ 40.8 and 145.9 and FOIA Exemption 4, 5 U.S.C. § 552(b)(4), as set forth more fully in the accompanying FOIA Confidential Treatment Request.

Enclosures. Enclosed with this letter are: (i) Public Appendix A: Terms and Conditions of the Contract; (ii) Confidential Appendix B: Analysis of Compliance with Core Principles; and (iii) FOIA Confidential Treatment Request.

Sincerely,

Calvin Smith
Head of Markets
Ludlow Exchange, LLC

PUBLIC APPENDIX A: TERMS AND CONDITIONS OF THE CONTRACT

Esports Winner

PRODUCT NAME	Esports Winner
RULEBOOK CODE	ESP-001
CONTRACT TYPE	Event Contract
ISSUANCE	Recurring (per scheduled match)
UNDERLYING CATEGORY	Sports: Esports

CONTRACT SPECIFICATIONS

For the Contract certified by this submission, the variables used in these terms and conditions take the following values:

Variable	**Value**
<game title>	Counter-Strike 2
<organizer>	ESL FACEIT Group
<esports event>	[Event name], Playoffs
<match>	Team Vitality vs. Natus Vincere, Grand Final
<team 1>	Team Vitality
<team 2>	Natus Vincere
<entity>	Team Vitality
<format>	Best of 5
<time period>	Series
<date>	[Date]

GENERAL TERMS

Scope: These rules shall apply to this Contract.

Type: The type of Contract is an Event Contract.

Issuance: These Rules apply solely to the Contract identified in the Contract-Specific Terms.

Underlying: The Underlying for this Contract is the official result of **<time period>** of **<match>**, as recorded by the Source Agency. Revisions to the Underlying made after the Expiration Time will not be accounted for in determining the Expiration Value.

Source Agency: The Source Agency is **<organizer>**, the tournament organizer and governing body of **<esports event>**. The Source Agency's determination is established through the following hierarchy, applied in order, with each level used only where every level above it has not published a result sufficient to determine the Expiration Value: (i) the official results publication of **<organizer>**, including its official website, bracket, and match pages; (ii) the official esports data distributor designated by **<organizer>** or by the publisher of **<game title>** and the official broadcast of **<match>**; (iii) the official records of any renamed, reorganized, or successor organizer of **<esports event>**; and (iv) a result reported concordantly by at least two independent sources with a credible reputation regarding results in **<game title>**. A source whose content may be edited by members of the public is not, by itself, a credible source for level (iv).

Void: The conditions under which a Contract on **<match>** may settle to Void are specified throughout this Contract. All Voids will settle on the basis of the Fair Value Settlement Rule.

Payout Criterion: The Contract will settle as follows: if the Expiration Value is such that **<entity>** is recorded by the Source Agency as the winner of **<time period>** of **<match>**, the Member holding the YES side of the Contract will receive the Settlement Value; if it is not, the Member holding the NO side of the Contract will receive the Settlement Value. Where the Expiration Value cannot be determined, or as otherwise specified in this Contract, the Contract settles to Void.

ESPORTS-SPECIFIC TERMS AND RULES

<game title>: The video game in which **<match>** is played, as specified by the Exchange (for example, Counter-Strike 2, League of Legends, Dota 2, VALORANT, or Rainbow Six Siege).

<organizer>: The tournament organizer that operates **<esports event>** and declares official results for **<match>**, as specified by the Exchange at the time of listing.

<esports event>: The tournament, league, or stage in which **<match>** is played, as specified by the Exchange. If an event's name, sponsor, or sanctioning body changes but it remains the same competition, the Contract continues to reference it.

<match>: A specific scheduled contest between **<team 1>** and **<team 2>** within **<esports event>**, identified by the two teams, the scheduled date, and where applicable the stage or bracket designation (e.g., "Upper Bracket Final"). In the event of a scheduling dispute or ambiguity, the Exchange's designation shall be final.

<team 1> and <team 2>: Refer to the teams participating in **<match>**, as identified by the Exchange in its reasonable discretion by official name, tag, or other identifying characteristics. A team is identified by its entry as recognized by **<organizer>**; player substitutions, including stand-ins, do not change the team's identity. If a team's roster competes under a new name or organization and **<organizer>** treats it as the same entry, the Contract continues to reference that team. If **<organizer>** treats it as a new entry, the Exchange will determine in its sole discretion whether sufficient continuity exists to treat it as the same team, and if it does not, the Contract settles to Void.

<format>: The number of Maps required to win the Series as published by **<organizer>** at the time of listing (e.g., best of 1, best of 3, best of 5). If **<organizer>** changes the number of Maps required to win the Series, **<format>** refers to the format as changed.

<date>: Refers to the scheduled date of **<match>** in Eastern Time, as designated by the Exchange at the time of listing. In the event of a rescheduled **<match>**, the Exchange will update **<date>** to reflect the newly scheduled date per the Scheduling and Postponement Rule. If the Exchange cannot unambiguously identify a rescheduled **<match>**, the Contract settles to Void.

Map: The sub-unit of the Series that **<organizer>** counts toward the Series score: a map in Counter-Strike 2, VALORANT, and Rainbow Six Siege, and a game in League of Legends and Dota 2. A Map includes any overtime played on it.

Series: The full **<match>** played to the number of Maps required by **<format>**.

Commencement: Commencement refers to the start of live play on the first Map of **<match>**, as recorded by the Source Agency. The draft, pick-and-ban, or map veto phase is not Commencement.

Conclusion: **<match>** reaches its Conclusion when a team has won the Series under **<format>**, as recorded by the Source Agency. A single-Map **<time period>** reaches its Conclusion when that Map reaches a result recorded by the Source Agency. **<match>** does not reach its Conclusion where play ends before that point.

Remakes, Restarts, and Replays: Where **<organizer>** restarts or replays a Map, in full or from a saved game state, because of a technical failure, disconnection, or rules violation, only the result of the completed and counted play governs, and the Map is counted once.

Abandonment: **<match>** is subject to Abandonment where play ends prior to Conclusion, as determined by the Source Agency, and **<match>** is not resumed under the Scheduling and Postponement Rule.

WINNER-SPECIFIC TERMS

<entity>: One of **<team 1>** or **<team 2>**, as specified in the Contract Title.

<time period>: Either (i) the Series, or (ii) a single numbered Map of **<match>** (e.g., “Map 2”), as specified in the Contract Title. The default **<time period>** is the Series.

Win: For a Series, **<entity>** wins when the Source Agency records it as having won the number of Maps required by **<format>** (e.g., 2 Maps in a best of 3). For a Map, **<entity>** wins when the Source Agency credits it with that Map under the victory condition of **<game title>**, inclusive of any overtime.

Draw Rule: Where **<time period>** ends in a draw recorded by the Source Agency with no tiebreaker applied (e.g., a 1–1 result in a best of 2), the Contract settles as follows, notwithstanding the Payout Criterion: where the Exchange has listed a Draw outcome for **<match>**, that outcome settles YES and the Contract settles NO; where no Draw outcome is listed, the Member holding the YES side of the Contract will receive the Settlement Value divided by the number of teams sharing the draw, rounded down to the nearest Minimum Tick, and the Member holding the NO side of the Contract will receive the Settlement Value minus that amount. Where a tiebreaker map, game, or match is applied, the Contract settles on its result only if the Exchange specifies at listing that tiebreakers are included; otherwise it settles on the result of **<time period>** as defined.

Map Not Played: Where **<time period>** is a numbered Map and the Series reaches its Conclusion before that Map is reached, the Contract settles to Void.

EVENT RESULT AND SETTLEMENT

Expiration Value Determination Rule: The Contract will settle according to an unequivocally determined Expiration Value, regardless of whether the Source Agency designates **<match>** as official, complete, or as having reached an official final result. The Expiration Value or the Payout Criterion can be unequivocally determined where either:

- the applicable **<time period>** has reached its Conclusion, in which case the Contract settles on the result recorded by the Source Agency through the end of that **<time period>**; or
- the applicable **<time period>** has not reached its Conclusion, but the Payout Criterion has been satisfied, or can no longer be satisfied, on the basis of Maps already completed, such that no further play within **<time period>** could alter the outcome, in which case the Contract settles on that determined outcome.

This Rule applies whether or not **<match>** is subject to Abandonment. Any Contract whose Expiration Value and Payout Criterion cannot be unequivocally determined under this Rule settles to Void.

Scheduling and Postponement Rule: As used in this Rule, the "originally scheduled start time" and the "scheduled calendar day" of **<match>** are determined by **<date>** as designated by the Exchange at the time of listing, and are updated only where the Exchange formally reschedules **<match>** and updates **<date>**. A delay, suspension, or postponement does not by itself update **<date>**. The postponement window under this Rule is 48 hours.

If **<match>** does not begin on its scheduled calendar day, the Contract settles to Void unless (i) the Exchange has updated **<date>** and **<match>** begins on the updated calendar day, or (ii) **<match>** begins within the postponement window of its originally scheduled start time. If **<match>** begins but is then suspended before the Expiration Value can be determined, the Contract settles to Void unless **<match>** resumes within the postponement window of the time of suspension, or unless the Contract is settleable under the Expiration Value Determination Rule.

Forfeit Rule: If a team forfeits, withdraws, or is disqualified before Commencement, the Contract settles to Void and is resolved under the Fair Value Settlement Rule. If a team forfeits, withdraws, or is disqualified after Commencement, settlement follows the winner of **<time period>** as officially declared by the Source Agency, including a win awarded by forfeit, provided play in that **<time period>** had begun. A **<time period>** or Map that had not begun at the time of forfeiture settles to Void or is not counted, as applicable.

No Result and Data Availability Rule: If the Source Agency has not recorded a result sufficient to determine the Expiration Value upon the Conclusion of **<match>**, the Exchange will wait up to 48 hours from the Conclusion of **<match>** for the Source Agency to record such a result. If the Source Agency has not recorded a result sufficient to determine the Expiration Value by the end of that 48-hour period, the Contract settles to Void, except where the Payout Criterion has already been unequivocally determined under the Expiration Value Determination Rule, in which case the Contract settles on that determined outcome.

CONTINGENCIES

Extraordinary Circumstances Rule: In the event of an extraordinary circumstance that renders a team or player unable to compete in **<match>**, or that otherwise materially affects the Underlying or the integrity of the settlement process, including but not limited to the death, serious injury, or incapacitation of one or more players, coaches, or staff members, or a widespread outage of the game servers, anti-cheat system, or official data feed of **<game title>** that prevents a reliable result, the Exchange may determine, based upon the information reasonably available at the time, that settling the Contract to Void is necessary to prevent manipulation, price distortion, or a disruption of the settlement process. Absent such a determination, Contracts settle in accordance with the other provisions of this Contract, and if **<match>** is completed and an official result is recorded by the Source Agency, Contracts settle on that result notwithstanding the circumstance. The Exchange will make any determination under this Rule as promptly as reasonably practicable, will publish notice of the determination and a summary of its basis on its website, and will maintain a contemporaneous record of the information relied upon. All determinations under this Rule are final.

General Market Suspension Rule: The Exchange may suspend trading in any Contract at any time pending clarification of an unusual or uncertain event that may affect the outcome or validity of **<match>**, where the Exchange determines that continued trading may result in manipulation, price distortion, or a disruption of the settlement process. For illustration purposes, the Exchange may suspend trading upon a credible but unconfirmed report that **<match>** has been postponed, that a result is under official review, that an integrity investigation has been opened, or that a team is unable to compete, pending confirmation of whether and how **<match>** will proceed. The Exchange will resolve the suspension, by resuming trading or issuing a determination, within 24 hours of the suspension or, where it cannot do so, will extend the suspension for a stated further period, not to exceed the Expiration Date. Upon resolution of the underlying uncertainty or expiry of the final stated period, affected Contracts will be resolved under the applicable settlement provisions of this Contract or will settle to Void if the Exchange determines that this will reduce the possibility of manipulation or disorderly trading on the market. The Exchange will publish notice of any suspension, extension, or resolution on its website, and will record the basis for each contemporaneously. All determinations under this Rule are final.

Contingencies: Before Settlement, the Exchange may, at its sole discretion, initiate the Market Outcome Review Process pursuant to the Rulebook. If an Expiration Value cannot be determined on the Expiration Date, the Exchange has the right to determine payouts pursuant to the Rulebook or settle the Contract to Void.

FAIR VALUE SETTLEMENT RULE

Fair Value Settlement Rule: Where a Contract settles to Void, or where any other provision of this Contract provides for settlement at fair value, the Exchange will resolve all affected Contracts pursuant to this Rule.

(a) **Reference Time.** The "Reference Time" is the earliest of: (i) the suspension, interruption, or termination of **<match>**; (ii) any halt of trading in the Contract imposed by the Exchange in connection with the circumstance giving rise to settlement under this Rule; and (iii) the first public report of that circumstance. Where a Contract settles to Void by operation of a condition

specified in this Contract rather than an event affecting **<match>**, including a Map not reached, or the inability to identify a rescheduled **<match>** under the definition of **<date>**, the Reference Time is the time at which satisfaction of that condition became certain, whether by official announcement, the recording of the relevant result or determination by the Source Agency, or the Exchange's determination, or any earlier halt of trading in the Contract imposed by the Exchange in connection with that condition. Where the Exchange reasonably determines that the circumstance was reflected in trading in the Contract before the earliest of these times, the Exchange may set an earlier Reference Time. Where the precise time of any event described in this paragraph cannot reasonably be determined, the Exchange may rely on an approximate time.

(b) **Calculation Window.** The "Calculation Window" is the 30-minute period ending at the Reference Time or, where the Contract has been listed for trading for less than 30 minutes as of the Reference Time, the period from listing to the Reference Time.

(c) **Fair Value Price.** The "Fair Value Price" is the time-weighted average, over the Calculation Window, of a composite price for the outcome referenced by the Contract, calculated from: (i) prices for the same outcome published by independent, widely disseminated commercial markets, converted to implied prices by removing the embedded margin from each source pursuant to a consistent, documented normalization methodology; and (ii) the midpoint of the best bid and best offer for the Contract on the Exchange. The composite will reflect no fewer than two independent sources under clause (i) where available, combined with the Exchange's own market data pursuant to a weighting methodology established by the Exchange and applied consistently across Contracts. The Fair Value Price will not be less than $0.00 or greater than the Settlement Value, and will be rounded to the nearest Minimum Tick, with a value falling exactly between two ticks rounded to the tick closer to the composite price at the Reference Time.

(d) **Data Integrity.** In determining the Fair Value Price, the Exchange may exclude from the composite (i) any Transaction or quotation on the Exchange that the Exchange reasonably determines resulted from anomalous, erroneous, non-bona-fide, or manipulative activity; (ii) any interval during which the market in the Contract on the Exchange was one-sided, or during which the width of the bid-offer spread or the displayed size rendered quotations unreliable; and (iii) any external source whose published prices are stale, materially divergent from the other sources without apparent basis, suspended, or otherwise unreliable during the Calculation Window.

(e) **Fallbacks.** If one component of the composite is unavailable or unreliable during the Calculation Window, the Fair Value Price will be determined from the remaining component or components. If neither sufficient external source prices nor sufficient reliable two-sided activity on the Exchange is available during the Calculation Window, the Exchange will apply the following, in order, using the first source that yields a reliable Fair Value Price: (i) the most recent period of no less than 30 minutes within the 24 hours preceding the Reference Time in which the composite can be reliably calculated; (ii) contemporaneous prices of related Contracts listed on the Exchange that reference **<match>**; and (iii) if no reliable Fair Value Price can be determined from the foregoing, the affected Contracts will be resolved without a Fair Value Price, and Members will receive the return of funds that are at risk in the market.

(f) **Settlement.** Where a price is determined, each affected Contract will settle with the Member holding the YES side receiving the Fair Value Price per Contract and the Member holding the NO

side receiving the Settlement Value minus the Fair Value Price per Contract, in lieu of any other payout under this Contract.

(g) **Determination, Notice, and Finality.** The Exchange will determine the Fair Value Price no later than the day after the Expiration Date, unless the Market Outcome Review Process has been initiated, in which case the timeline of that process governs. The Exchange will publish the Fair Value Price and a summary of the basis for its determination on its website, and will maintain a contemporaneous record of the data considered, any exclusions or fallbacks applied, and the resulting calculation. Any determination made by the Exchange under this Rule is final.

CONTRACT MECHANICS

Minimum Tick: The Minimum Tick size for the Contract shall be $0.001.

Position Accountability Level: The Position Accountability Level for the Contract shall be $25,000 per strike, per Member.

Expiration Time: The Expiration Time of the Contract shall be the time at which the Expiration Value can first be determined pursuant to the applicable rules of this Contract.

Expiration Date: The Expiration Date of the Contract shall be the earlier of (a) the date on which the Expiration Time occurs, or (b) the fifteenth day following the day on which **<match>** is played to Conclusion, or, where **<match>** does not validly begin under the Scheduling and Postponement Rule, the last day on which it could have validly begun (in which case the Expiration Time is 11:59:59 p.m. Eastern Time). The Expiration Date operates as a hard backstop; no settlement or expiration event occurring after the Expiration Date will affect the Contract. If the Expiration Time has not occurred by the date determined under clause (b), the Contract settles on that date pursuant to the applicable rules of this Contract, and no later occurrence of the Expiration Time will affect the Contract.

Last Trading Date: The Last Trading Date of the Contract will be the same as the Expiration Date. The Last Trading Time will be the same as the Expiration Time.

Settlement Date: The Settlement Date shall be no later than the day after the Expiration Time occurs, or, where settlement is determined under the Fair Value Settlement Rule or the Market Outcome Review Process has been initiated, as provided in those provisions. Settlement occurs on the Settlement Date in accordance with the Rulebook.

Settlement Value: The Settlement Value for this Contract is $1.00, unless the Contract settles to Void, in which case the Contract settles pursuant to the Fair Value Settlement Rule.

Expiration Value: The Expiration Value is the value of the Underlying on the Expiration Date at the Expiration Time.

Determination Finality Rule: The determination of the Expiration Value is final, and corrections, appeals, sanctions, result changes, rulings, or similar actions taken by the Source Agency with regard to **<match>** made after the Expiration Time will not affect the Expiration Value.

TRADING PROHIBITIONS APPLICABLE TO INSIDERS AND DECISION MAKERS

Rulebook Rule 5.11 imposes trading prohibitions tailored to event contracts of this type. In the Exchange's assessment, these prohibitions address the participant-level integrity risks most relevant to an esports event contract:

(i) Rule 5.11 prohibits any Member who is an "Insider," defined as any Member with access to material nonpublic information that is the subject of an Underlying, from trading, directly or indirectly, in such Contracts. With respect to the Contract, this prohibition extends to players, substitutes, coaches, analysts, managers, and owners of participating teams; employees and contractors of **<organizer>** and of the publisher of **<game title>** with access to non-public information bearing on match outcomes, including referees, tournament administrators, and in-game observers; producers, casters, and other broadcast and production staff of <match> with access to the live feed ahead of the public broadcast; employees of the official esports data distributor for **<match>**, who receive live match data ahead of public broadcast; and any other Member with access to material nonpublic information, such as rosters, map vetoes, or sanctions before they are announced.

(ii) Rule 5.11 prohibits any Member who is an employee or affiliate of the Source Agency for any Contract from trading in such Contracts.

(iii) Rule 5.11 prohibits any Member who is a decision-maker, directly or indirectly and regardless of the scale of influence, on the outcome of the Underlying from trading in Contracts on that Underlying.

(iv) Rule 5.11 imposes general prohibitions against manipulation (referencing Sections 6(c) and 9(a)(2) of the CEA), manipulative or fraudulent trading practices, money passes, wash trading, front-running, spoofing, layering, and other abusive trading practices.

(v) Rule 2.12 prohibits Ludlow employees, consultants, and Board or committee members from using or disclosing material nonpublic information obtained in connection with their service to Ludlow, and from trading on the basis of such information, consistent with CFTC Regulation 1.59.

(vi) Rule 2.13 limits trading by Affiliates of Ludlow, requires operational independence between Ludlow and any Affiliate Member, and prohibits Affiliate access to Ludlow's material nonpublic information.