

December 12, 2025

SUBMITTED VIA EMAIL

Rahul Varma,
Acting Director, Division of Market Oversight

Richard Haynes,
Acting Director, Division of Clearing and Risk

U.S. Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: Gemini Olympus, LLC - Regarding No-Action Position for Commission Regulations 38.8(b), 38.10, 38.951 (In Part), and 39.20(b)(2), and Parts 43 and 45, for Contracts Cleared by Gemini Olympus, LLC and Traded On or Pursuant to the Rules of Gemini Titan, LLC

Dear Mr. Varma and Mr. Haynes,

Gemini Olympus, LLC (“Olympus”) and Gemini Titan, LLC (“Titan” and, together with Olympus, “Gemini”) hereby respectfully request that the Division of Market Oversight (“DMO”) and the Division of Clearing and Risk (“DCR”) of the Commodity Futures Trading Commission (the “Commission”) issue no-action relief for Commission Regulations 38.8(b), 38.10, 38.951 (in part), and 39.20(b)(2), and Parts 43 and 45 in connection with fully collateralized contracts traded on or pursuant to the rules of Titan and cleared by Olympus.¹

I. Background

Titan is a Designated Contract Market (“DCM”) that lists contracts on the outcome of various events (“Titan Contracts”). Olympus intends to be a DCO that clears Titan Contracts. As described in Titan’s filings with the Commission, these contracts constitute “swaps” under the Commodity Exchange Act (“CEA”). CEA § 1a(47)(A), in relevant part, provides that “the term ‘swap’ means any agreement, contract, or transaction that provides for any purchase, sale, payment, or delivery (other than a dividend on an equity security) that is dependent on the occurrence, nonoccurrence, or the extent of the occurrence of an event or contingency associated with a potential financial, economic, or commercial consequence.” Titan Contracts provide for a payment that is dependent on the occurrence, nonoccurrence, or the extent of the occurrence of an event or contingency associated with a potential financial, economic, or commercial consequence and, therefore, are swaps. Titan Contracts are fully collateralized, requiring each participant to post at execution sufficient funds to cover the position's maximum potential loss. Consequently, Titan does not create uncollateralized credit exposure typical of traditional swaps.

¹ Titan previously was granted no-action relief for Titan Contracts (as defined herein) traded on or pursuant to the rules of Titan and cleared by QC Clearing LLC d/b/a Polymarket Clearing (“QC”) in conjunction with QC on December 11, 2025. The relief requested herein is designed to extend the previously granted relief to Olympus on an equal basis with QC.

To enhance transparency, promote standardization, and reduce systemic risk, Section 727 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank”) added to the CEA new section 2(a)(13)(G), which requires all swaps, whether cleared or uncleared, to be reported to swap data repositories (“SDRs”). The requirement was implemented in Parts 43 and 45 of the Commission Regulations. While Titan, as a DCM, is generally responsible for reporting execution-level swap data under Regulation 38.10 – and has been granted no-action relief from those and related requirements – Olympus, as the DCO, would ordinarily be required to report creation data for cleared swaps under Part 45. DCOs that clear swaps must also report creation data for the clear swaps under Part 45 of the Commission Regulations and maintain swap data in accordance with Regulation 39.20(b)(2).

Titan again represents that the Titan Contracts “provide for a payment that is dependent on the occurrence, nonoccurrence, or the extent of the occurrence of an event or contingency associated with a potential financial, economic, or commercial consequence, and therefore are swaps.”

Gemini requests the no-action relief to include contracts with a binary payout structure and additionally contracts with a variable payout structure, as described in this request. Olympus intends to clear contracts that have a settlement structure that (i) can result in a payout to both counterparties to the contract (although by definition, only one side of the contract can profit, meaning receive a payout in excess of basis) and (ii) whose settlement obligations vary based on the amplitude by which the price at expiration exceeds the strike or strike price. These contracts will be fully collateralized, as noted, and will accordingly have preset price caps and floors that limit potential profit and loss. Additionally, Titan intends to permit participants to clear Titan Contracts through third-party clearing members who are registered clearing members of QC or Olympus.

II. Relevant Swap Data Requirements

A. Relevant Rules and Regulations

DCMs and DCOs are subject to various swap data reporting and recordkeeping requirements. Because Titan Contracts are swaps,² 2 CEA Section 2(a)(13)(G) requires that they be reported to an SDR.³ Certain Commission Regulations regarding swap data reporting and recordkeeping also apply. Relevant regulations applicable to Gemini include the following:

- Commission Regulation 38.8(b) (relevant to Titan): “(1) Prior to listing swaps for trading on or through a designated contract market, each designated contract market must obtain from the Commission a unique, alphanumeric code assigned to the designated contract market by the Commission for the purpose of identifying the designated contract market with respect to unique swap identifier creation. (2) Each designated contract market must generate and assign a unique

² See 7 U.S.C § 1a(47)(A)(ii).

³ See 7 U.S.C. § 2(a)(13)(G) (requiring that each swap, whether cleared or uncleared, be reported to a registered SDR).

swap identifier at, or as soon as technologically practicable following, the time of execution of the swap, in a manner consistent with the requirements of part 45.”⁴

- Commission Regulation 38.10 (relevant to Titan): “With respect to swaps traded on and/or pursuant to the rules of a designated contract market, each designated contract market must maintain and report specified swap data as provided under parts 43 and 45 of this chapter.”⁵
- Commission Regulation 38.951 (relevant to Titan): “A designated contract market must maintain such records, including trade records and investigatory and disciplinary files, in accordance with the requirements of § 1.31 of this chapter, and in accordance with part 45 of this chapter, if applicable.”⁶
- Commission Regulation 39.20(b)(2) (relevant to Olympus): “A derivatives clearing organization that clears swaps must maintain swap data in accordance with the requirements of part 45 of this chapter.”⁷
- Commission Regulation Part 43 (relevant to Titan): Part 43 generally sets forth rules relating to the reporting and public dissemination of swap data.
- Commission Regulation Part 45 (relevant to Gemini): Part 45 generally sets forth various swap data recordkeeping and reporting requirements for DCMs and DCOs.

Collectively, these requirements are called here “the Relevant Regulations.”

B. Regulatory Purpose

The stated goals of the swap data reporting rules, and the amendments thereto, are to mitigate systemic risk, enhance transparency to the public of pricing and trade data, promote standardization, and improve the regulatory experience for market participants.⁸ More specifically, Part 43 of the Commission’s Regulations relates to the real-time public reporting of swap pricing and transaction data, which appear on the “public tape,” and Part 45 relates to the regulatory reporting of swap data to the Commission – by swap dealers and other covered entities – in the interest of increasing insight into the swaps markets to assist with regulatory oversight. Moreover, the Commission’s interests in swap data reporting rules, and the recent amendments thereto, align with Congress’ stated purpose in directing the Commission to adopt real-time public reporting regulations, as well as Congress’ intent of improving reporting and transparency under Dodd-Frank.⁹

III. Undertakings

Should DMO and DCR grant the requested no-action relief, Gemini will do the following as it pertains to the Titan Contracts in order for the no-action relief to remain in effect:

⁴ 17 C.F.R. § 38.8(b).

⁵ 17 C.F.R. § 38.10.

⁶ 17 C.F.R. § 38.951.

⁷ 17 C.F.R. § 39.20(b)(2).

⁸ See Swap Data Recordkeeping and Reporting Requirements, 77 FR 2136, 2137, January 13, 2012 (Part 45 Final Rule); Statement of Chairman Heath P. Tarbert in Support of Final Rules on Swap Data Reporting (Sept. 17, 2020), <https://www.cftc.gov/PressRoom/SpeechesTestimony/tarbertstatement091720c> (hereinafter, Tarbert, Final Statement).

⁹ See Dodd-Frank Wall Street Reform and Consumer Protection Act, section 727, Pub. L. 111–203, 124 Stat. 1376 (2010).

- Gemini will require that all Titan Contracts be fully collateralized;
- Titan will clear the Titan Contracts only through QC or Olympus;
- Titan will publish on its website the following time and sales data for all Titan Contracts transactions promptly after execution thereof: trade timestamp, contract, quantity, and price (in USD);
- Titan shall provide the Commission with transactional information as described in Commission Regulation 16.02;
- Gemini shall continue to comply with all swap reporting and recordkeeping requirements of the CEA and Commission regulations, other than the Relevant Regulations, including (without limitation) the applicable requirements of Parts 38 and 39 of the CFTC’s regulations (the records described in this Undertaking are referred to below as the “Required Records”); and
- Gemini shall keep the Required Records open to inspection upon request by any representative of the Commission, the United States Department of Justice, the Securities and Exchange Commission, or by any representative of a prudential regulator as authorized by the Commission. Copies of all such records shall be provided at the expense of the producing party (Titan or Olympus) to any representative of the Commission upon request. The producing party (Titan or Olympus) shall provide copies of the Required Records either by electronic means, in hard copy, or both, as requested by the Commission, with the sole exception that copies of records originally created and exclusively maintained in paper form may be provided in hard copy only.

IV. Justification

A. Titan Contracts Merit Distinct Treatment

Titan Contracts are primarily traded on a Central Limit Order Book by market participants (“Titan Members or Participants”). While legally classified as swaps, the Titan Contracts share most of the characteristics of exchange traded futures or options thereon (fungibility, offset, exchange traded with standardized terms on a single marketplace) with few of the indicia of traditional swaps (bilateral, traded over-the-counter, and customized). Importantly, Titan Contracts are fully collateralized and potential market participant exposures associated with the Titan Contracts are anticipated to be far lower than those associated with traditional swaps and with swaps market participants. As such, Titan Contracts have no bearing on systemic risk or potential transmission of risk or contagion on systemically important financial institutions. Thus, the regulatory goals of Part 43 and Part 45 have limited to negligible application to Titan Contracts. FCMs and non-binary contracts do not increase the bearing on systemic risk, as all trading – including that intermediated by FCMs and on all contracts – will continue to be fully collateralized. Additionally, these developments do not render Titan Contracts less similar to futures contracts, which are not subject to SDR reporting.

Gemini concurs with the Commission’s belief that price transparency fosters price competition and reduces the cost of hedging.¹⁰ However, as Titan intends to continue to fully comply with Part 16 of the Commission’s regulations – and to publish on its website relevant time and sales data for all transactions

¹⁰ See Statement of Commissioner Dan M. Berkovitz Regarding Amendments to the Swap Data Reporting Rules (Sept. 17, 2020), https://www.cftc.gov/PressRoom/SpeechesTestimony/berkovitzstatement091720#_ftn2.

promptly after execution thereof – the goals of the swap data reporting rules, and the recent amendments thereto, of enhancing price transparency and reducing risk are satisfied without swap data reporting in this instance.

B. Prior NALs Suggest No-Action Relief is Appropriate

The most relevant prior No-Action relief is the relief that was granted to Titan and QC in NAL 25-44 (“Titan NAL”). This letter was comparable to the relief previously granted in CFTC Letters Nos. 17-31, 17-32, 21-11, 24-09, 24-12, 25-02, 25-23, 25-45, 25-47, and 25-48 (collectively, including the Titan NAL, “Prior NALs”).¹¹

Swap data reporting and recordkeeping requirements impose substantial operational and financial burdens on Gemini. Integrating with an SDR requires significant expenditures of engineering resources. The burden imposed by such requirements is significant and consumes valuable resources of new entrants and market innovators. Those resources can be put to better use through direct reporting to market participants and the CFTC. Moreover, the cost of reporting to the SDRs, in the context of the relatively small scale of the Titan Contracts, would be uneconomical, as the overall costs of reporting would not readily be passed through to end users or absorbed by Gemini, while the regulatory value of such reporting, and its relationship to the policy goals of Part 43 and Part 45 reporting, is negligible.

Additionally, the Titan Contracts that do not have a binary payout structure are similar to the “spread contracts” that were included in the no-action relief granted to Nadex in NAL 17-31 (“Nadex NAL”). Those spread contracts also did not have a binary structure. Like the spread contract, the Titan Contracts also have a defined price cap and floor. The Nadex NAL included these contracts in the no-action relief, and Titan’s Contracts that do not have a binary payout would similarly be appropriately included in the no-action relief.

Furthermore, the Prior NALs resulted in the delivery of accurate and rapid reporting of swap data to both market participants and the Commission, and this will continue under the requested relief. Information can be publicly disseminated directly to the market quickly and reliably by Titan, without using an intermediary in the form of an SDR. As noted in its prior no-action relief request, Titan intends to continue to comply with Part 16 and will provide the Commission and the public with the information regarding transactions and markets that will satisfy the goals of increasing transparency and reducing risk.

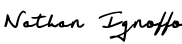
¹¹ See CFTC Letter No. 17-31 (Jun. 30, 2017), available at <https://www.cftc.gov/csl/17-31/download>; CFTC Letter No. 17-32 (Jun. 30, 2017), available at <https://www.cftc.gov/csl/17-32/download>; CFTC Letter No. 21-11 (Apr. 22, 2021), available at <https://www.cftc.gov/csl/21-11/download>; CFTC Letter No. 24-09 (July 12, 2024), available at <https://www.cftc.gov/csl/24-09/download>; CFTC Letter No. 24-12 (Sept. 3, 2024), available at <https://www.cftc.gov/csl/24-12/download>; CFTC Letter No. 25-02 (Jan. 31, 2025), available at <https://www.cftc.gov/csl/24-15/download>; CFTC Letter No. 25-23 (July 22, 2025), available at <https://www.cftc.gov/csl/25-23/download>; CFTC Letter No. 25-44 (Dec. 11, 2025), available at <https://www.cftc.gov/csl/25-44/download>; CFTC Letter No. 25-45 (Dec. 11, 2025), available at <https://www.cftc.gov/csl/25-45/download>; CFTC Letter No. 25-47 (Dec. 11, 2025), available at <https://www.cftc.gov/csl/25-47/download>; CFTC Letter No. 25-48 (Dec. 11, 2025), available at <https://www.cftc.gov/csl/25-48/download>.

Thus, the relief previously granted to others would also serve the interests of the Commission and the market in this case by reducing burdens while still fully achieving the goals of swap data reporting.

V. Conclusion

Gemini greatly appreciates the Divisions' time and attention to its request for no-action relief from Commission Regulations 38.8(b), 38.10, 38.951 (in part), and 39.20(b)(2), and Parts 43 and 45, for contracts traded on or pursuant to the rules of Gemini Titan, LLC and cleared by Gemini Olympus, LLC. If you have any questions or comments or require further information, please do not hesitate to contact me.

Sincerely,

DocuSigned by:

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Nathan Ignoffo

Chief Compliance Officer

Gemini Titan, LLC and Gemini Olympus, LLC

nathan.ignoffo@gemini.com

Certifications

I hereby certify that the material facts set forth in the attached letter dated December 12, 2025 are true and complete to the best of my knowledge. If at any time prior to issuance of a Letter, any material representation made in this request ceases to be true and complete, I will ensure that Commission staff is informed promptly in writing of all materially changed facts and circumstances. If a material change in facts or circumstances occurs subsequent to the issuance of this Letter, Gemini Titan, LLC and Gemini Olympus, LLC understand that they must promptly inform Commission staff.