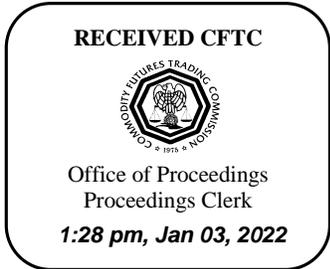


**UNITED STATES OF AMERICA**  
**Before the**  
**COMMODITY FUTURES TRADING COMMISSION**



\_\_\_\_\_ )  
**In the Matter of:** )  
 )  
**Blockratize, Inc. d/b/a Polymarket.com** )  
 )  
**Respondent.** )  
\_\_\_\_\_ )

**CFTC Docket No. 22-09**

**ORDER INSTITUTING PROCEEDINGS PURSUANT TO**  
**SECTION 6(c) AND (d) OF THE COMMODITY EXCHANGE ACT,**  
**MAKING FINDINGS, AND IMPOSING REMEDIAL SANCTIONS**

**I. INTRODUCTION**

The Commodity Futures Trading Commission (“Commission”) has reason to believe that beginning no later than June 2020 and continuing through the present (the “Relevant Period”), Blockratize, Inc. d/b/a Polymarket.com (“Polymarket”) violated Sections 4c(b) and 5h(a)(1) of the Commodity Exchange Act (“Act”), 7 U.S.C. §§ 6c(b), 7b-3(a)(1) (2018), and Commission Regulations (“Regulations”) 32.2 and 37.3(a)(1), 17 C.F.R. §§ 32.2, 37.3(a)(1) (2020). Therefore, the Commission deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted to determine whether any order should be issued imposing remedial sanctions.

In anticipation of the institution of an administrative proceeding, Respondent has submitted an Offer of Settlement (“Offer”), which the Commission has determined to accept. Without admitting or denying any of the findings or conclusions herein, Respondent consents to the entry of this Order Instituting Proceedings Pursuant to Section 6(c) and (d) of the Commodity Exchange Act, Making Findings, and Imposing Remedial Sanctions (“Order”) and acknowledges service of this Order.<sup>1</sup>

<sup>1</sup> Respondent consents to the use of the findings of fact and conclusions of law in this Order in this proceeding and in any other proceeding brought by the Commission or to which the Commission is a party or claimant, and agrees that it shall be taken as true and correct and be given preclusive effect therein, without further proof. Respondent does not consent, however, to the use of this Order, or the findings or conclusions herein, as the sole basis for any other proceeding brought by the Commission or to which the Commission is a party or claimant, other than: a proceeding in bankruptcy or receivership; or a proceeding to enforce the terms of this Order. Respondent does not consent to the use of the Offer or this Order, or the findings or conclusions in this Order, by any other party in any other proceeding.

## II. FINDINGS

The Commission finds the following:

### A. Summary

Polymarket, by and through its officers, employees, or agents, has been operating an unregistered facility or non-designated contract market, in violation of the Act and Commission Regulations, for the online trading of event-based binary options contracts, known as “event markets.” Through its website, [www.polymarket.com](http://www.polymarket.com), Respondent offers the public the opportunity to “bet on your beliefs” by buying and selling binary options contracts related to some event taking place in the future that are susceptible to a “yes” or “no” resolution. The events that act as the underlier to Polymarket’s binary options contracts vary widely, and include predicting the future price of cryptocurrencies (e.g., “Will \$BTC break \$20k before 2021?” and “What will the price of \$ETH be on July 19?”) and other economic indicators (e.g., “Will inflation be 0.4% or more from April to May?” and “Will US GDP growth be more than 4.9% in Q1 2021?”). Such event contracts, each of which is composed of a pair of binary options, constitute swaps under the CFTC’s jurisdiction, and therefore can only be offered on a registered exchange in accordance with the Act and Regulations.

By failing to obtain registration or designation of their facility as required under the Act and Regulations, Respondent has violated Section 5h(a)(1) of the Act, 7 U.S.C. § 7b-3(a)(1) (2018) and Regulation 37.3(a)(1), 17 C.F.R. § 37.3(a)(1) (2020). And by failing to comply with the Act or Regulations regarding commodity option transactions, Respondent has violated Section 4c(b) of the Act, 7 U.S.C. § 6c(b) (2018), and Regulation 32.2(a), 17 C.F.R. § 32.2(a) (2020).

In accepting Respondent’s Offer, the Commission recognizes the substantial cooperation of Polymarket with the Division of Enforcement’s investigation of this matter. The Commission’s recognition of Respondent’s substantial cooperation and remediation is further reflected in the form of a reduced civil monetary penalty.

### B. Respondent

Respondent **Blockratize Inc.** is a Delaware corporation with its headquarters located in New York, New York. Blockratize owns and operates the website [www.polymarket.com](http://www.polymarket.com) and does business under the name “Polymarket.” It has never been registered with the CFTC in any capacity.

### C. Facts

Polymarket is an online trading platform that offers binary options in the form of winner-take-all “event contracts” allowing customers to bid on whether a given event will occur.<sup>2</sup> During the Relevant Period, Polymarket has offered over 900 event-based binary option contract markets

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<sup>2</sup> Each Polymarket event-based market usually comprises a pair of binary options contracts related to some event taking place in the future—a “yes” contract and a “no” contract. Some of Polymarket’s event-based markets differ slightly from a yes/no model, including markets with two choices (A or B), scalar markets, and long/short markets, but the mechanics of Polymarket’s event-based binary options markets are materially the same in all relevant respects.

and, at any given time, offers dozens of such markets on its website that are operated from the U.S. and/or are accessible for trading to U.S. persons. Polymarket’s markets cover a large variety of binary options, including cryptocurrency/digital assets, current events, and financial conditions, among other events. Polymarket markets itself as an “information markets platform that lets you trade on the world’s most highly-debated topics” where “market prices reflect what traders think are the odds of future events, turning trading activity into actionable insights that help people make better decisions.” The binary option contracts include, for example, “Will \$ETH (Ethereum) be above \$2500 on July 22?”; “Will the 7-day average COVID-19 case count in the US be less than 15,000 for the day of July 22?”; “Will Trump win the 2020 presidential election?” and “Will the 2021 Tokyo Olympics take place?”

Polymarket creates, defines, and resolves the trading and execution of contracts for the event-based binary option markets offered on its website. To operate its markets, Polymarket develops so-called smart contracts, which are hosted on a blockchain.<sup>3</sup>

Substantially all trading volume in Polymarket’s event-based binary options contract markets has been facilitated by Polymarket’s website and has been generated by market participants that have Polymarket accounts. Moreover, during the Relevant Period, the underlier to every Polymarket binary option—whether a political event or the future price of Bitcoin—have only been specifically identifiable through the Polymarket website. Therefore, all market participants who seek to transact in Polymarket’s event based binary option markets, even those sophisticated users who can transact directly on the blockchain, must interface, directly or indirectly, with Polymarket’s website in order to do so.

Polymarket’s website allows market participants to select an event-based binary options market and review the contract terms, add liquidity to the market, transmit an order for a binary options contract, view aggregated pricing data and price charts, track their positions, and redeem trading profits. Polymarket displays its continuously-updated pricing information along with dynamic information concerning “trading volume” and the amount of “liquidity” resting in each market’s liquidity pool.

Polymarket uses an algorithmic functionality called an “Automated Market Maker” (or “AMM”) to price the premiums for each binary option contract based on the relative demand for each position. Contract prices are rebalanced by the AMM after each transaction. Therefore, for example, if demand for an event-based binary option market’s “yes” contracts increases over time, the price of the “yes” contracts will go up and the price of the corresponding “no” contracts will go down, with the corresponding yes/no pair pricing always totaling \$1 (e.g. 75 cents for “yes” and 25 cents for “no” or vice versa).

A market participant can open an account on Polymarket by providing an email address and selecting a username. Market participants are not required to provide any other identifying information to begin trading. Once registered on the site, market participants create a “Polymarket Wallet.” Polymarket requires market participants transacting on its website to use an Ethereum-

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<sup>3</sup> A “smart contract” is a self-enforcing piece of computer code containing all terms of a contract—meaning the software can execute the agreement contained in the contract without additional input from the parties. A blockchain is a distributed, shared, immutable ledger that facilitates the process of recording transactions and tracking digital assets in a consensus-based network.

based “stablecoin” cryptocurrency known as \$USD Coin (symbol: \$USDC) that has a value that is redeemable on a 1:1 basis with the U.S. dollar. Market participants can fund their Polymarket Wallets with \$USDC in a variety of ways, including directly via credit or debit card transactions from fiat currency, or via peer-to-peer transfer. Polymarket requires that participants fully pre-fund their wallets before transacting.

Polymarket market participants can buy or sell binary options contracts by “committing funds” directly through the Polymarket website’s graphical user interface. Market participants are charged a 2% fee on each transaction, which is used to compensate, on a pro rata basis, the liquidity providers who have provided liquidity to that specific market. Polymarket market participants trade against a “liquidity pool” that is composed of “tokens” submitted by market participants that act as liquidity providers. The tokens that rest in Polymarket’s liquidity pools function as resting orders for Polymarket’s binary options because they provide actionable liquidity against which other market participants may transact. Any Polymarket user can act as a liquidity provider in any Polymarket market directly through the Polymarket website by clicking the “add liquidity” button in any given market. Polymarket and its employees have acted as liquidity providers from time to time during the Relevant Period. Polymarket sets the conditions for liquidity provider participation, and has changed the relevant policies over time. Most recently, liquidity providers have been required to contribute to the liquidity pool at the prevailing market rate at the time of their transactions. Liquidity volumes vary from market to market, but no transactions can occur without liquidity being present in the market. If market participants close an open position before market resolution, they must pay an additional 2% transaction fee to the liquidity pool. Polymarket does not currently charge participants any other fees for use of its platform, and only collects revenue in its capacity as a liquidity provider. Liquidity providers can cash out their positions at any time or can also “merge” their shares into active position shares. Once liquidity providers withdraw their liquidity, they are paid their pro rata share of the liquidity provider fees collected in the market up to that point in time.

Polymarket’s market resolution conditions are defined solely by Polymarket. Any dispute or ambiguity in the market resolution—i.e., the determination of which contracts are winners and which contracts are losers—is resolved solely by Polymarket’s “Markets Integrity Committee” (“MIC”), which is staffed solely of Polymarket personnel. In the course of the resolution process, the MIC: (i) verifies the resolution date; (ii) checks the resolution source’s data and determines which outcome the data fits into; (iii) reads the entirety of the market description with consideration for edge cases (i.e. difficult borderline decisions regarding market outcomes); and (iv) ensures that the correct outcome matches the payouts. Polymarket has represented that it operates its markets in this manner for the benefit and protection of its participants.

Since Polymarket entered its “beta” phase in June 2020, it has had over \$130 million in trading volume on its various marketplaces. Polymarket represents that it has exacted no profits from those transactions.

Polymarket provided substantial cooperation with the Division of Enforcement’s investigation which materially assisted the investigation. In particular, Polymarket agreed to voluntarily produce documents, provided to Division staff complete presentations of the facts of its operations, including identifying key persons and key documents, and analysis of the technology utilized by Polymarket. Polymarket’s cooperation significantly conserved the time and resources of Division staff.

As set forth below, Respondent represents that it is engaging in remedial action, including in that by January 14, 2022 Respondent shall cease offering access to trading in markets displayed on Polymarket.com, unless such offering, solicitation or trading complies with the Act and applicable Commission Regulations, and will facilitate the resolution (i.e. wind down) of all markets displayed on Polymarket.com that do not comply with the Act and applicable Commission Regulations. By no later than January 24, 2022, Polymarket will certify to the Commission that it has fulfilled these commitments and has made funds available for full redemption by market participants.

In accepting Respondent's Offer, the Commission recognizes the cooperation of Polymarket with the Division of Enforcement's investigation of this matter, including through voluntary, prompt, and thorough production of documents, presentations and analysis, and early resolution. The Commission's recognition of Respondent's cooperation is further reflected in the form of a reduced civil monetary penalty.

### **III. LEGAL DISCUSSION**

#### **A. Regulation of Binary Option Markets**

Section 4c(b) of the Act, 7 U.S.C. § 6c(b) (2018), and Regulation 32.2, 17 C.F.R. § 32.2, (2020), make it illegal, with limited exceptions, to offer, trade, process, execute, confirm the execution of, maintain a position in, or otherwise conduct activities related to commodity options transactions unless such transactions are conducted in compliance with and subject to the Act and Regulations. Section 5h(a)(1) of the Act, 7 U.S.C. § 7b-3(a)(1) (2018), and Regulation 37.3(a), 17 C.F.R. § 37.3(a), prohibit the operation of a facility that offers a trading system or platform in which more than one other market participant has the ability to execute or trade swaps with more than one other market participant unless such facility is registered as a swap execution facility or designated as a contract market.

The terms "commodity option transaction" and "commodity option" are defined in Regulation 1.3, 17 C.F.R. § 1.3 (2020), to include:

[A]ny transaction or agreement in interstate commerce which is or is held out to be of the character of, or is commonly known to the trade as, an 'option', 'privilege', 'indemnity', 'bid', 'offer', 'call', 'put', 'advance guaranty', or 'decline guaranty', and which is subject to regulation under the Act and the regulations . . . .

Section 1a(47) of the Act defines "swap" to include commodity options. 7 U.S.C. § 1a(47)(A)(i) (2018). Binary options are swaps as defined under Section 1a(47) the Act, 7 U.S.C. § 1a(47)(A)(ii), which covers 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 . . . .<sup>4</sup>

The SEF registration requirement applies to “multiple-to-multiple” platforms. Section 1a(50) of the Act, 7 U.S.C. § 1a(50) (2018), defines a SEF as “a trading system or platform in which multiple participants have the ability to execute or trade swaps by accepting bids and offers made by multiple participants in the facility or system, through any means of interstate commerce, including any trading facility, that: (A) facilitates the execution of swaps between persons; and (B) is not a designated contract market.”

Section 4c(b) of the Act, 7 U.S.C. § 6c(b) (2018), prescribes transacting in commodity options, stating:

No person shall offer to enter into, enter into or confirm the execution of, any transaction involving any commodity regulated under this chapter which is of the character of, or is commonly known to the trade as, an “option”, “privilege”, “indemnity”, “bid”, “offer”, “put”, “call”, “advance guaranty”, or “decline guaranty”, contrary to any rule, regulation, or order of the Commission prohibiting any such transaction or allowing any such transaction under such terms and conditions as the Commission shall prescribe.

Regulation 32.2, 17 C.F.R. § 32.2 (2020), provides, in relevant part, that:

[I]t shall be unlawful for any person or group of persons to offer to enter into, enter into, confirm the execution of, maintain a position in, or otherwise conduct activity related to any transaction in interstate commerce that is a commodity option transaction unless [. . .] [s]uch transaction is conducted in compliance with and subject to the provisions of the Act, including any Commission rule, regulation, or order thereunder, otherwise applicable to any other swap[.]

Section 5h(a)(1) of the Act, 7 U.S.C. § 7b-3(a)(1) (2018), forbids any person from operating “a facility for the trading or processing of swaps unless the facility is registered as a swap execution facility or as a designated contract market.”

Regulation 37.3(a)(1), 17 C.F.R. § 37.3(a)(1) (2020), requires that:

Any person operating a facility that offers a trading system or platform in which more than one other market participant has the ability to execute or trade swaps with more than one other market participant on the system or platform shall register the facility as a swap execution facility under this part or as a designated contract market under part 38 of this chapter.

DCMs and SEFs must conform to core principles that are designed to prevent market abuse, ensure their financial stability, protect their information security, and safeguard their systems in the event of a disaster. *See* Sections 5(d)(12)(a), 5(d)(21), 5h(f)(2)(B), and 5h(f)(13) of the Act,

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<sup>4</sup> There are also specific provisions in the Act and Regulations related to event contracts on registered entities. *See* Section 5c(e)(5)(C) of the Act, 7 U.S.C. § 7a-2(c)(5)(C) (2018), and Regulation 40.11, 17 C.F.R. § 40.11 (2020).

7 U.S.C. §§ 7(d)(12)(a), 7(d)(21), 7b-3(f)(2)(B) and 7b-3(f)(13) (2018), and Regulations 37.1401(a) and 38.1051(a), 17 C.F.R. §§ 37.1401(a), 38.1051(a) (2020). For example, DCMs and SEFS must ensure that the contracts they offer for trading are “not readily susceptible to manipulation” and must take steps to prevent market distortion or disruption. *See* Sections 5(d)(3), 5(d)(4), 5h(f)(3) and 5h(f)(4)(B) of the Act, 7 U.S.C. §§ 7(d)(3), 7(d)(4), 7b-3(f)(3) and 7b-3(f)(4)(B) (2018). Moreover, DCMs and SEFs must impose position limits designed to reduce the potential threat of market manipulation or congestion, establish and enforce rules to minimize conflicts of interest and maintain and retain certain important records and provide them to the CFTC. *See* Sections 5(d)(5), 5(d)(16), 5(d)(18), 5h(f)(6), 5h(f)(10) and 5h(f)(12) of the Act, 7 U.S.C. §§ 7(d)(5), 7(d)(16), 7(d)(18), 7b-3 (f)(6), 7b-3 (f)(10), 7b-3 (f)(12) (2018).

Polymarket has offered more than 900 event-based binary option event contract markets without previously seeking or obtaining registration with the CFTC.

**B. Respondent Has Offered Off-Exchange Commodity Options for Trading to U.S. Customers in Violation of Section 4c(b) of the Act, and Regulation 32.2(a).**

By failing to otherwise comply with the Act or Regulations regarding commodity option transactions, Respondent, by and through its officers, employees, and agents, violated Section 4c(b) of the Act, 7 U.S.C. § 6c(b) (2018), and Regulation 32.2(a), 17 C.F.R. § 32.2(a) (2020), by offering to enter into, entering into, confirming the execution of, maintaining positions in, and otherwise conducting activities relating to commodity option transactions in interstate commerce.

The acts and omissions of the officers, employees, or agents acting for Polymarket as described in this Order were done within the scope of their office, employment, or agency with Polymarket. Therefore, pursuant to Section 2(a)(1)(B) of the Act, 7 U.S.C. § 2(a)(1)(B) (2018), and Regulation 1.2, 17 C.F.R. § 1.2 (2020), Polymarket is liable as a principal for each act, omission, or failure of the officers, employees, or agents, or persons acting for Polymarket constituting violations of Section 4c(b) of the Act and Regulation 32.2(a).

**C. Respondent Operated a Facility for the Trading or Processing of Swaps Without Registering as a SEF or as a DCM in Violation of Section 5h(a)(1) of the Act, and Part 37.3 of the Regulations.**

By operating a facility for the trading or processing of swaps in the form of binary options event contracts through the Polymarket website without registering as SEF or as a DCM, Respondent, by and through its officers, employees, and agents, violated Section 5h(a)(1) of the Act, 7 U.S.C. § 7b-3(1) (2018), and Regulation 37.3, 17 C.F.R. § 37.3 (2020).

The products traded on Polymarket are swaps as defined by Section 1a(47) of the Act. Polymarket has operated and is continuing to operate a SEF, as defined by Section 1a(50) of the Act, via a trading system or platform in which multiple participants have the ability to execute or trade swaps by accepting bids and offers made by multiple participants in the facility or system, through any means of interstate commerce, including any trading facility, that: (A) facilitates the execution of swaps between persons; and (B) is not a designated contract market.

The acts and omissions of the other officers, employees, or agents acting for Polymarket as described in this Complaint were done within the scope of their office, employment, or agency with Polymarket. Therefore, pursuant to Section 2(a)(1)(B) of the Act and Regulation 1.2, Polymarket is liable as a principal for each act, omission, or failure of the officers, employees, agents, or persons acting for Polymarket constituting violations of Section 5h(a)(1) of the Act and Regulation 37.3.

#### **IV. FINDINGS OF VIOLATIONS**

Based on the foregoing, the Commission finds that Respondent violated Sections 4c(b) and 5h(a)(1) of the Act, 7 U.S.C. §§ 6c(b), 7b-3(a)(1) (2018), as well as Regulations 32.2 and 37.3(a)(1), 17 C.F.R. §§ 32.2, 37.3(a)(1) (2020).

#### **V. OFFER OF SETTLEMENT**

Respondent has submitted an Offer in which it, without admitting or denying the findings and conclusions herein:

A. Acknowledges service of this Order;

B. Admits the jurisdiction of the Commission with respect to all matters set forth in this Order and for any action or proceeding brought or authorized by the Commission based on violation of or enforcement of this Order;

C. Waives:

1. The filing and service of a complaint and notice of hearing;
2. A hearing;
3. All post-hearing procedures;
4. Judicial review by any court;
5. Any and all objections to the participation by any member of the Commission's staff in the Commission's consideration of the Offer;
6. Any and all claims that it may possess under the Equal Access to Justice Act, 5 U.S.C. § 504 (2018), and 28 U.S.C. § 2412 (2018), and/or the rules promulgated by the Commission in conformity therewith, Part 148 of the Regulations, 17 C.F.R. pt. 148 (2020), relating to, or arising from, this proceeding;
7. Any and all claims that it may possess under the Small Business Regulatory Enforcement Fairness Act of 1996, Pub. L. No. 104-121, tit. II, §§ 201–253, 110 Stat. 847, 857–74 (codified as amended at 28 U.S.C. § 2412 and in scattered sections of 5 U.S.C. and 15 U.S.C.), relating to, or arising from, this proceeding; and

8. Any claims of Double Jeopardy based on the institution of this proceeding or the entry in this proceeding of any order imposing a civil monetary penalty or any other relief, including this Order;

D. Stipulates that the record basis on which this Order is entered shall consist solely of the findings contained in this Order to which Respondent has consented in the Offer; and

E. Consents, solely on the basis of the Offer, to the Commission's entry of this Order that:

1. Makes findings by the Commission that Respondent violated Sections 4c(b) 5h(a)(1) of the Act, 7 U.S.C. §§ 6c(b), 7b-3(1) (2018), and Regulations 32.2 and 37.3(a)(1), 17 C.F.R. §§ 32.2, 37.3(a)(1) (2020);
2. Orders Respondent to cease and desist from violating Sections 4c(b) and 5h(a)(1) of the Act and Regulations 32.2 and 37.3(a)(1);
3. Orders Respondent to pay a civil monetary penalty in the amount of one million four hundred thousand dollars (\$1,400,000), plus post-judgment interest within ten days of the date of entry of this Order; and
4. Orders Respondent and its successors and assigns to comply with the conditions and undertakings consented to in Section VI of this Order.

Upon consideration, the Commission has determined to accept the Offer.

## **VI. ORDER**

**Accordingly, IT IS HEREBY ORDERED THAT:**

- A. Respondent shall cease and desist from violating Section 4c(b) and 5h(a)(1) of the Act, 7 U.S.C. §§ 6c(b), 7b-3(a)(1) (2018), and CFTC Regulation 32.2, 37.3, 17 C.F.R. §§ 32.2, 37.3 (2020).
- B. Respondent shall pay a Civil Monetary Penalty in the amount of one million, four hundred thousand dollars (\$1,400,000) ("CMP Obligation") within ten days of the date of entry of this Order. If the CMP Obligation is not paid in full within ten days of the date of entry of this Order, then post-judgment interest shall accrue on the CMP Obligation beginning on the date of entry of this Order and shall be determined by using the Treasury Bill rate prevailing on the date of entry of this Order pursuant to 28 U.S.C. § 1961 (2018).

Respondent shall pay the CMP Obligation and any post-judgment interest by electronic funds transfer, U.S. postal money order, certified check, bank cashier's check, or bank money order. If payment is to be made other than by electronic funds

transfer, then the payment shall be made payable to the Commodity Futures Trading Commission and sent to the address below:

CFTC  
C/O ESC/AMK-326; RM 265  
6500 S. MacArthur Blvd.  
Oklahoma City, OK 73169  
(405) 954-6569 office  
(405) 954-1620 fax  
9-AMC-AR-CFTC@faa.gov

If payment is to be made by electronic funds transfer, Respondent shall contact Marie Thorne or her successor at the above address to receive payment instructions and shall fully comply with those instructions. Respondent shall accompany payment of the CMP Obligation with a cover letter that identifies the paying party and the name and docket number of this proceeding. Respondent shall simultaneously transmit copies of the cover letter and the form of payment to (i) the Chief Financial Officer, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, D.C. 20581; and (ii) Regional Counsel, Division of Enforcement, Commodity Futures Trading Commission, 525 West Monroe Street, Suite 1100, Chicago, Illinois 60661.

C. Respondent and its successors and assigns shall comply with the following conditions and undertakings set forth in the Offer:

1. By January 14, 2022, Respondent shall cease offering access to trading in markets displayed on Polymarket.com, unless such offering, solicitation or trading complies with the Act and applicable Commission Regulations. By January 14, 2022, Respondent shall facilitate the resolution (i.e. winding down) of all markets displayed on Polymarket.com that do not comply with the Act and applicable Commission Regulations, and shall make funds available for full redemption by each market participant with an open position at the time of resolution. By no later than January 24, 2022, Respondent shall certify in writing to the Commission that these commitments have been fulfilled and any non-compliant trading activity in markets displayed on Polymarket.com has ceased.
2. By no later than January 24, 2022, Respondent shall certify to the Commission that it no longer offers access to trading in markets displayed on Polymarket.com, unless such offering, solicitation or trading complies with the Act and applicable Commission Regulations.
3. Public Statements: Respondent agrees that neither it nor any of its successors and assigns, agents, or employees under their authority or control shall take any action or make any public statement denying, directly or indirectly, any findings or conclusions in this Order or creating, or tending to create, the impression that this Order is without a factual basis; provided, however, that nothing in this provision

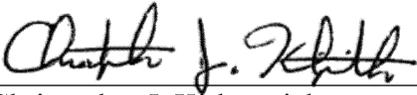
shall affect Respondent's: (i) testimonial obligations; or (ii) right to take legal positions in other proceedings to which the Commission is not a party. Respondent and its successors and assigns shall comply with this agreement, and shall undertake all steps necessary to ensure that all of the agents and/or employees under its authority or control understand and comply with this agreement.

4. Cooperation with the Commission: Respondent understands and agrees that it shall cooperate fully and expeditiously with the Commission, including the Commission's Division of Enforcement in this action, and any current or future Commission investigations or actions related thereto. Respondent shall also cooperate in any investigation, civil litigation, or administrative matter related to, or arising from, the subject matter of this action.
5. Partial Satisfaction: Respondent understands and agrees that any acceptance by the Commission of any partial payment of Respondent's CMP Obligation shall not be deemed a waiver of their obligation to make further payments pursuant to this Order, or a waiver of the Commission's right to seek to compel payment of any remaining balance.
6. Change of Address/Phone: Until such time as Respondent satisfies in full its CMP Obligation as set forth in this Order, Respondent shall provide written notice to the Commission by certified mail of any change to its telephone number and mailing address within ten calendar days of the change.

\* \* \*

**The provisions of this Order shall be effective as of this date.**

By the Commission.



\_\_\_\_\_  
Christopher J. Kirkpatrick  
Secretary of the Commission  
Commodity Futures Trading Commission

Dated: January 3, 2022