

OHIO CASINO CONTROL COMMISSION



Mike DeWine
Governor

Thomas J. Stickrath
Chair

October 2, 2026

Prophet X
c/o Corporation Service Company
1160 Dublin Rd, Suite 400
Columbus, OH 43215
hello@prophetexchange.com

Prophet X
World Trade Center, 29th Floor
150 Greenwich Street
New York, NY 10007

Sent Via Certified Mail and Email

Re: Cease and Desist from Offering Sports Event Contracts in Ohio

Dear Prophet X:

The Ohio Casino Control Commission ("Commission") has jurisdiction over all persons conducting or participating in the conduct of sports gaming in the State of Ohio. R.C. 3775.02(A). The Commission is hereby putting you on notice that by offering "event contracts" on sporting events to persons located in the State of Ohio, without a sports gaming license, Prophet X is violating Ohio law. For the reasons set forth below, Prophet X must immediately cease and desist from offering these wagering products in Ohio.

Based on Prophet X's online content, Prophet X is offering "event contracts" that give persons the option to enter contracts corresponding to one of two outcomes of an event. In a sporting event context, a person is entering a contract that reflects which team they believe will win or lose the matchup or that a team or player will meet certain performance statistics. The ultimate result is money being won or lost based on the outcome of a game or a team or player's performance. Plainly stated, Prophet X is operating online sports gaming.

Sports gaming cannot be offered in Ohio without a license issued by the Commission. R.C. 3775.03(A). A person or business offers sports gaming when it accepts wagers on sporting events. R.C. 3775.01(O)(1). Sporting events include, but are not limited to, professional and collegiate athletic events and the individual performance statistics of athletes or participants in such events. R.C. 3775.01(N)(1). Further, the Ohio General Assembly defined wager as "to risk a sum of money or thing of value on an uncertain occurrence." R.C. 3775.01(DD). Therefore, a person that accepts

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anything of value risked on the outcome of a sporting event without a valid license issued by the Commission is violating Ohio sports gaming laws.

It is a felony to operate sports gaming in the Ohio in a manner that does not comply with Chapter 3775 of the Ohio Revised Code. R.C. 3775.99(B)(9). Further, conducting or participating in the conduct of unlicensed sports gaming also constitutes bookmaking or facilitating bookmaking in violation of the Ohio Criminal Code. *See* R.C. Chapter 2915. Bookmaking is defined under Ohio law as “the business of receiving or paying off bets.” R.C. 2915.01(A). The Code defines “bet” as “the hazarding of anything of value upon the result of an event, undertaking, or contingency, but does not include a bona fide business risk.” R.C. 2915.01(B). By offering sports event contracts to persons located in Ohio, Prophet X is clearly engaged in bookmaking or facilitating bookmaking in violation of Ohio civil and criminal law, exposing Prophet X to civil and criminal penalties. R.C. 2915.02, R.C. 3775.02, R.C. 3775.99.

Moreover, Prophet X’s online content, including its website, constitutes a nuisance under Ohio law that is subject to abatement under R.C. Chapter 3767. R.C. 3775.99(B)(9). The Commission has the power to impose a civil penalty or fine, including for an amount equal to the money or value of the property that Prophet X has unlawfully obtained or retained by offering these event contracts on sporting events to persons located in Ohio. *See* R.C. 3775.02(H)(1)(a); R.C. 3772.04(B); and Ohio Adm.Code 3775-1-08. The Commission may also pursue additional civil and administrative remedies against Prophet X, its officers, directors, and holding or parent companies, as applicable.

Over approximately the past year-and-a-half, multiple designated contract markets (“DCMs”) and futures commission merchants (“FCMs”), who offer sports event contracts throughout the nation, have engaged in litigation with state regulators over the application of state gambling laws to sports event contracts. On September 25, 2026, the U.S. Court of Appeals for the Sixth Circuit held that the Commodity Exchange Act neither applies to these sports event contracts nor preempts Ohio’s sports gaming law. *See KalshiEx LLC v. Schuler*, No. 26-3196, 2026 U.S. App. LEXIS 29542 (6th Cir. Sep. 25, 2026). This decision makes clear that Ohio’s sports gaming laws apply to Prophet X’s sports event contracts.

Because Prophet X is offering unlicensed sports gaming and bookmaking or facilitating bookmaking in Ohio, the Commission demands that Prophet X cease and desist from offering, participating in offering, or facilitating those who offer sports event contracts in Ohio. This includes soliciting or accepting orders for sports event contracts listed on DCMs from persons located in Ohio, as well as operating an FCM or DCM that offers sports event contracts to persons located in Ohio. Prophet X shall notify the Commission in writing no later than fourteen (14) days following the date of this letter that it has complied with this cease-and-desist notice.

Prophet X’s failure to abide by this notice may result in the Commission pursuing all legal remedies and actions against Prophet X, including, but not limited to, administrative, civil, nuisance, or criminal actions pursuant to R.C. Chapters 2915, 3767, and 3775, and any rules adopted thereunder.

Sincerely,

A handwritten signature in blue ink that reads "Andromeda Morrison". The script is fluid and cursive, with the first name and last name clearly distinguishable.

Andromeda Morrison
Interim Executive Director