

United States Senate

WASHINGTON, DC 20510

February 23, 2026

The Honorable Michael Selig
Chairman
Commodity Futures Trading Commission
Three Lafayette Centre 1155 21st Street, NW
Washington, DC 20581

Chairman Selig,

We are writing to express strong concern with prediction contracts that incentivize physical injury or death, and the grave and perverse moral and geopolitical implications of these contracts. These contracts present dangerous national security risks, including creating incentives to incite violence, foment geopolitical conflicts, and disclose classified information. These concerns have already been realized in recent months as these contracts proliferate on exchanges. Under 17 CFR 40.11, the CFTC categorically prohibits contracts that involve, relate to, or reference terrorism, assassination, war, or similar activity contrary to the public interest from being listed.

You must clearly reiterate that the CFTC will categorically prohibit any contract that resolves upon or closely correlates to an individual's death—and vigorously enforce the law through oversight and regulation.

Over the past three months, Polymarket's offshore exchange has offered prediction contracts on:

- "Artemis II explodes?"
- "Maduro out by..."
- "Will Russia capture Myrnohad by..."

The Commodity Exchange Act, under section 5c(c)(5)(C)(i), expressly prohibits the listing of contracts that are contrary to the public interest, including in the following categories: war, terrorism, and assassination. A reasonable individual would interpret these contracts as likely prohibited under this provision.

Polymarket is a U.S. company headquartered in New York City. While most U.S. users are ostensibly blocked from accessing Polymarket, contracts listed on Polymarket's offshore exchange can easily be accessed by individuals based in the U.S. through the use of a Virtual Private Network (VPN). Following Polymarket's acquisition of QCEZ, a CFTC licensed derivatives exchange and clearinghouse, the CFTC has cleared the way for Polymarket to reenter the U.S. market and allowed U.S. users to register for a waitlist ahead of its formal launch. Given the volume of these alarming prediction contracts and Polymarket's return to the U.S. market, the CFTC must provide clarity and take an active role in regulating this space.

We have already seen the consequences of these contracts being offered.

- Beginning on January 20, Polymarket listed the contract “Artemis II explodes?” with YES trading as high as 8 percent before the contract was subsequently renamed and ultimately withdrawn due to public backlash. Not only did this contract directly correlate with crewmember death, it incentivized the failure of the mission and potential insider sabotage.
- On January 5, 2026, the Wall Street Journal reported that an unknown trader placed \$20,000 in bets on Polymarket’s contract “Maduro out by...,” a contract that would pay out if President Nicolás Maduro was “removed from power for any length of time” by January 31, 2026.¹ At the time, Polymarket’s market price for that contract was 8 cents. Around two hours later, President Trump ordered a military strike on Venezuela. When Polymarket resolved the contract around twelve hours later, this trader had netted more than \$400,000 in profits.
- In November 2025, Polymarket resolved a contract that the Ukrainian town of Myrnohad would be captured by Russian forces by November 15, and individuals who bet YES profited by as much as 33,000 percent. Public reporting later found that a staffer at the Institute for the Study of War, a D.C. based think tank, had edited its map to show that Russia had taken control of a key intersection in the town, “despite the lack of indications that Russia had made any such advance.”² This is a contract that unambiguously “involves, relates to, or references” war and clearly displays the dangers of listing such contracts.

These recent events highlight the lack of internal controls and safeguards to prevent insiders from profiting off of non-public information, and direct profiteering off of human suffering.

Troublingly, they also underscore the dangerous incentives directly or indirectly tied to offering contracts related to prohibited categories under the CEA. Government officials, regulated entities, consultants who may be in close communication with those effectuating policy change, and other similar parties can easily act on confidential or operationally sensitive information to personally profit in markets that operate with minimal oversight or transparency, or share this information with contacts who can similarly profit. These contracts further risk incentivizing real-world harm by creating financial rewards linked to destabilizing events or physical injury, and by encouraging actors to influence or precipitate those outcomes for personal profit.

The CFTC’s mission is to promote the integrity, resilience, and vibrancy of the U.S. derivatives markets through sound regulation. To that end, we expect the CFTC to be proactive in providing clear rules of the road and regulating this space. In order to conduct our constitutional oversight responsibilities, we request answers to the following questions no later than March 9, 2026:

1. As Chair of the CFTC, will you interpret contracts that resolve upon death to be contrary to the public interest—and therefore prohibited from being listed on CFTC registered entities?

¹ Wall Street Journal: ‘A Mystery Trader Made \$400,000 Betting on Maduro’s Downfall’
https://www.wsj.com/world/americas/maduro-polymarket-bet-a2e5d100?st=iFuwbV&reflink=desktopwebshare_permalink


² Responsible Statecraft: ‘Think tanker altered Ukraine war map before big Polymarket payout’
<https://responsiblestatecraft.org/isw-polymarket-ukraine-war-map/>

- a. Is it your current policy to universally include rules under relevant contracts stating that the death or incapacitation of the subject of such contract will not cause the contract to resolve in favor of those who might financially benefit from the death or incapacitation of the subject of the contract?
 - b. Do you currently interpret these contracts as being prohibited under the “assassination” prohibition of 5c(c)(5)(C)(i)?
 - c. If this is not your current policy, will you commit to implementing such a policy?
2. The rules of Polymarket’s “Maduro out by...” contract state that the contract will resolve YES if President Nicolás Maduro “resigns, is detained, or otherwise loses his position or is prevented from fulfilling his duties as President of Venezuela within this market’s timeframe.”
 - a. Do you interpret this contract as being prohibited under the CEA’s prohibited categories under 5c(c)(5)(C)(i) and 17 CFR 40.11? If not, why not?
 - b. Will you call in contracts for review under CEA section 5c(c)(5)(C)(i) and 17 CFR 40.11 that could potentially be resolved upon individual’s death or assassination?
3. The YES resolution of “Artemis II explodes?” directly implicates physical harm or death.
 - a. Do you interpret the contract “Artemis II explodes?”—or any contract where resolution would directly implicate physical harm or death—as being prohibited under the CEA’s prohibited categories under 5c(c)(5)(C)(i) and 17 CFR 40.11? If not, why not?
 - b. Polymarket subsequently renamed the contract and posted on X.com: “To clarify, this was a market about a potential booster-stage rupture – a defined hardware failure scenario – not about the Orion crew capsule or astronaut safety. This was not a market on crew injury or loss of life.”³ A “booster-stage rupture” on Artemis II would very strongly correlate with crewmember injury or loss of life. Would you prohibit contracts that strongly correlate with physical injury or loss of life?
 - c. Do you believe that the “Artemis II explodes?” contract provides a market incentive for mission sabotage?
4. Under 17 CFR 40.11, how many times in the previous twelve months has the CFTC called in contracts for review for violating the CEA section 5c(c)(5)(C)(i)? Please provide detailed summaries of each of these instances, if any.
5. How does the CFTC currently define and interpret the following three prohibited categories:
 - a. War
 - b. Terrorism
 - c. Assassination
6. Do you plan to issue further guidance on prediction contracts offered that involve or relate to war, terrorism, or assassination?
7. If they are listed on U.S. exchanges, will you call in contracts that are related to geopolitical conflicts, such as the capture of Maduro or the war in Ukraine?


The letter and spirit of the CEA’s prohibition on war, terrorism, and assassination contracts is clear. We expect the CFTC to enforce the law, and stand ready to provide the Commission the resources it needs to fulfill its statutory mandate. Thank you for your attention this matter.

³ <https://x.com/Polymarket/status/2023134115969560718>

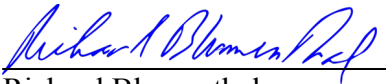
Sincerely,



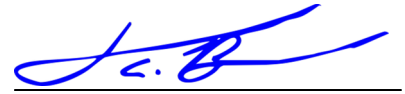
Adam B. Schiff
United States Senator



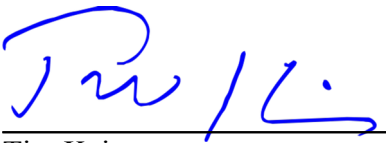
Catherine Cortez Masto
United States Senator




Richard Blumenthal
United States Senator



Cory A. Booker
United States Senator



Tim Kaine
United States Senator



Jacky Rosen
United States Senator