

UDM, LLC

1.55(k) Disclosure

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1. Overview

UDM, LLC (“UDM”, the “Firm”, or “Company”) is a registered futures commission merchant (“FCM”) with the Commodity Futures Trading Commission (“Commission” or “CFTC”) and is a member of the National Futures Association (“NFA”). The Commission requires each FCM, including UDM, to provide the following information to a customer prior to the time the customer first enters into an account agreement with the FCM or deposits money or securities (funds) with the FCM. Except as otherwise noted below, the information set out within this CFTC 1.55(k) FCM Specific Disclosure Document is as of June 8, 2026. UDM will update this information annually or more frequently as necessary to take account of any material change to its business operations, financial condition, or other factors that UDM believes may be material to a customer’s decision to do business with UDM. Nonetheless, UDM’s business activities and financial data are not static and will change in non-material ways frequently throughout any 12-month period.

2. Firm and its Principals

2.1 UDM:

UDM, LLC
150 Waterbury Street
Brooklyn, NY 11206
929-581-2565
support@underdogpredict.com

UDM’s Designated Self-Regulatory Organization (“DSRO”) is the National Futures Association whose website address is: <https://www.nfa.futures.org>.

2.2 Principals:

Below are the names, titles, business addresses, and biographies, including business background, areas of responsibility, and the nature of duties of each of UDM’s Principals as defined in §3.1(a).

Jeremy Levine, CEO

Business Address: 150 Waterbury Street, Brooklyn, NY 11206

Background: Jeremy Levine serves as the Chief Executive Officer at UDM, LLC, as well as the Co-Founder and Chief Executive Officer at Underdog Sports Holdings, Inc. Prior to founding Underdog, Mr. Levine was the CEO of DRAFT, where he and his team pioneered some of the most innovative products in the gaming industry and successfully sold the company to Flutter in 2017. Prior to DRAFT, Mr. Levine founded StarStreet, an early leader in fantasy sports, which was acquired by DraftKings. Mr. Levine’s companies have created or popularized four of the six most played fantasy contests today.

Brandon Stakenborg, CIO

Business Address: 150 Waterbury Street. Brooklyn, NY 11206

Background: Brandon Stakenborg is the Chief Innovation Officer at UDM LLC, as well as the Co-Founder and Chief Innovation Officer at Underdog Sports Holdings, Inc. With nearly two decades of experience in technology and entrepreneurship, Mr. Stakenborg has a strong background

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in startups. As the former lead Mobile Engineer at DRAFT, his technical expertise has been instrumental in driving Underdog's growth and innovation. Mr. Stakenborg's leadership continues to play a pivotal role in shaping the company's direction.

Matt Nashban, Chief Compliance Officer

Business Address: 150 Waterbury Street, Brooklyn, NY 11206

Background: Matt Nashban serves as the Chief Compliance Officer at UDM, LLC, as well as Senior Director Compliance and Regulatory Operations Counsel of Underdog Sports Holdings, Inc., where he leads the company's compliance department across its fantasy sports and prediction markets verticals. Since joining Underdog, Mr. Nashban has advanced through successive roles of increasing responsibility, building and scaling the company's compliance and regulatory operations function over more than 3 years. Before joining Underdog, Mr. Nashban spent more than 5 years at the New York City Office of Administrative Trials and Hearings (OATH), serving in roles including Law Clerk, Deputy Chief Law Clerk, and Acting Chief Law Clerk, where he headed the legal research unit and assisted the Tribunal's panel of Administrative Law Judges in adjudicating cases brought under various New York City regulations and the Administrative Code, including drafting decisions and conferencing cases. Mr. Nashban received his J.D. from Syracuse University College of Law in 2016 and is admitted to the NY State Bar. Mr. Nashban specializes in fantasy sports and prediction markets regulation, licensing, and multi-jurisdictional compliance.

Aamir Aziz, CFO

Business Address: 150 Waterbury Street, Brooklyn, NY 11206

Aamir Aziz is the Chief Financial Officer at UDM, LLC, overseeing the company's financial strategy and operations, as well as Accounting Manager at Underdog Sports Holdings, Inc. Before joining Underdog, Mr. Aziz was a Senior Manager in Deloitte's Accounting and Reporting Advisory practice. At Deloitte, Aamir focused on sourcing new clients as well as serving existing clients with their capital market, IPO readiness, and M&A needs. Earlier, Mr. Aziz served the audit groups at both Deloitte and PricewaterhouseCoopers. Mr. Aziz gained experience across public and private clients across many industries, with a focus on financial services. Mr. Aziz specializes in financial reporting, technical accounting, and strategic growth.

Dustin Cooper, Chief Business Officer

Business Address: 150 Waterbury Street, Brooklyn, NY 11206

Background: Dustin Cooper is the Chief Business Officer at UDM, LLC, as well as the Chief Business Officer at Underdog Sports Holdings, Inc., where he provides oversight around the company's strategic and operational efforts while helping to shape its long-term vision and direction, aligning priorities across the organization. Since joining Underdog in 2020, Mr. Cooper has leveraged his extensive background in financial leadership, which includes roles at DRAFT and Krossover. His experience also spans work at Morgan Stanley and Deloitte. Mr. Cooper specializes in financial planning, cash flow management, and strategic growth initiatives, ensuring Underdog is well-positioned for future success.

Board of Directors

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Name: Jeremy Levine

Business Address: 150 Waterbury Street, Brooklyn, NY 11206

Please reference biography / business background above.

Name: Brandon Stakenborg

Business Address: 150 Waterbury Street, Brooklyn, NY 11206

Please reference biography / business background above.

3. Firm Business

UDM is a clearing FCM and clears all of its customers' transactions through a registered derivatives clearing organization. UDM is a member of Kalshi Klear, LLC. UDM does not currently hold any other futures exchange or clearing organization memberships. UDM's customers are US-based retail and maintain self-directed accounts. UDM does not offer foreign futures, securities futures, or over-the-counter ("OTC") derivatives to its customers. UDM does not have any international businesses. UDM engages Banc of California for deposits of futures customers' funds and the current policy of UDM is not to invest such funds in any investments permitted by CFTC Regulation 1.25. Banc of California is subject to internal Firm due diligence and evaluation.

The significant types of business activities and product lines engaged in by UDM and the approximate percentage of UDM's assets and capital that are used in each type of activity are below:

Activity/Product Line	Percentage of Assets	Percentage of Capital
Futures Commission Merchant	100%	100%

4. Permitted Depositories and Counterparties

UDM may invest futures customer funds in cash, U.S. Government securities, municipal securities, commercial paper, corporate debt, and/or money market mutual funds allowed by 17 CFR § 1.25 ("Authorized Investments"). Customer funds will be segregated and remain in cash and/or Authorized Investments held at a domestic depository institution.

UDM adheres to the UDM Liquidity & Segregation Policy, which sets forth UDM's liquidity and segregation responsibilities, controls, and processes designed to comply with CFTC and NFA financial requirements. UDM engages Banc of California for deposits of futures customers' funds. Banc of California is subject to internal UDM due diligence and evaluation under the UDM Liquidity & Segregation Policy on at least an annual basis, but may be reviewed more frequently if warranted.

5. Material Risks

While UDM does not believe any of the following risks to be material, it recognizes that customers may be subject to liquidity, credit, and/or counterparty risks relating to customer funds entrusted to UDM. Whereas customer funds are protected by significant regulatory protections and UDM's internal risk management and investment policies, they are, nonetheless, subject to certain risks.

These risks include, the risk of loss of all or part of the customer's funds due to investments made by UDM, risks associated with the operations of UDM, its third-party service providers or its affiliates, and risks related to the financial condition of UDM or its affiliates, among other risks. UDM attempts to mitigate these risks by maintaining excess capital and investing in cash or highly liquid, readily accessible products.

- Potential risks from investments of customer funds. UDM does not engage in permitted investments under Regulation 1.25. Were UDM to initiate such permitted investments at any time, such activity would entail risks arising from the particular investments, including market risk (the risk of loss arising from changes in price or value of an investment), credit risk (the risk of loss from a counterparty or issuer failing to meet its financial obligations), interest rate risk (the risk of loss due to changes to the level of one or more interest rates), and foreign exchange risk (the risk of loss due to changes to the value of a foreign currency or exchange rate between currencies). Under normal circumstances, and in accordance with CFTC regulations, an FCM bears sole responsibility for any losses resulting from the investment of customer funds in permitted investments under Regulation 1.25. However, in the extraordinary circumstance of an FCM's insolvency involving losses on permitted investments that the FCM was unable to cover, customers could bear a pro-rata share of such losses.
- Potential risks from operations of UDM, its affiliates, third-party service providers, and various financial matters. Customers may be exposed to risks associated with the operations of UDM or its affiliates. These risks include the risk of financial or other loss arising from inadequate or failed internal processes, employees, resources and systems or from fraudulent or other improper conduct. UDM performs the functions required to operate its business either by itself or through its affiliates or through other third-party service providers. UDM relies on the ability of its employees, its internal systems and systems at technology centers operated by both affiliated and unaffiliated third parties to process transactions. These third parties may fail to perform their obligations, which could, in turn, disrupt UDM's operations. UDM also faces the risk of default, operational failure or cessation of operations of any of the clearing firms, exchanges, clearing houses, custodians, depositories or other financial intermediaries it uses to facilitate customer transactions. In the event of such a default, breakdown or improper operation of UDM's own, an affiliate's, or a third party's systems, or improper or unauthorized action by third parties or UDM's employees, UDM could suffer financial loss, an impairment of liquidity, a disruption of business, regulatory sanctions or damage to its reputation, any of which could adversely affect its customers.
- Risks related to the financial condition of UDM or its affiliates. UDM does not utilize any balance sheet leverage, does not have any principal liabilities, does not operate any other lines of business, and does not have any significant liabilities, contingent or otherwise, or have any material commitments. Except for de minimis transactions from time to time entered into UDM's house account to evaluate and measure the fidelity and integrity of UDM's systems, UDM does not engage in any proprietary trading.

6. Material Complaints or Actions

There are currently no material administrative, civil, enforcement, or criminal complaints or actions pending against UDM relating to its activities as an FCM or otherwise.

In the normal course of business, UDM and its affiliates are subject to examinations and inquiries from government regulators and self-regulatory organizations. These matters could result in recommendations of enforcement or other actions that could potentially result in fines, penalties, or other sanctions. UDM, or its affiliates, are almost always engaged in ongoing regulatory matters that could ultimately lead to enforcement actions that could have a material impact on its business. Additionally, State regulatory actions and litigation, including enforcement actions, could result in the termination of sports-related event contract positions entirely. Please note that if courts determine that certain states have authority to restrict these contracts, open positions in sports-related event contracts for customers in those states may become untradeable. In such cases, customers may be unable to close their positions, or positions could be liquidated prematurely. UDM maintains risk mitigation measures and contingency plans to address developments in ongoing state litigation that could affect customer positions and funds.

Disciplinary history regarding UDM may be obtained from the NFA's website at <https://www.nfa.futures.org/basicnet/>.

7. Customer Funds Segregation

Customer Accounts. FCMs may maintain up to three (3) different types of accounts for customers, depending on the products an FCM offers and the products a customer trades:

- a **Customer Segregated Account** for customers that trade futures and options on futures listed on US futures exchanges;
- a **30.7 Account** (referring to CFTC Regulation 30.7) for customers that trade futures and options on futures listed on foreign boards of trade; and
- a **Cleared Swaps Customer Account** for customers trading swaps (event contracts) that are cleared on a Designated Clearing Organization ("DCO") registered with the CFTC.

The requirement to maintain these separate accounts reflects the different risks posed by the different products. Cash, securities and other collateral (collectively, Customer Funds) required to be held in one type of account, e.g., the Customer Segregated Account, may not be commingled with funds required to be held in another type of account, e.g., the 30.7 Account, except as the Commission may permit by order. UDM does not currently support trading in foreign futures and UDM, therefore, does not maintain a 30.7 Account.

Customer Segregated Account. Funds that customers deposit with an FCM, or that are otherwise required to be held for the benefit of customers, to margin futures and options on futures contracts traded on futures exchanges located in the US, i.e., designated contract markets, are held in a Customer Segregated Account in accordance with section 4d(a)(2) of the Commodity Exchange Act and CFTC Regulation 1.20. Customer Segregated Funds held in the Customer Segregated Account may not be used to meet the obligations of the FCM or any other person, including another customer.

All Customer Segregated Funds may be commingled in a single account, i.e., a customer omnibus account, and held with: (i) a bank or trust company located in the US; (ii) a bank or trust company located outside of the US that has in excess of \$1 billion of regulatory capital; (iii) an FCM; or (iv) a DCO. Such commingled account must be properly titled to make clear that the funds belong to,

and are being held for the benefit of, the FCM’s customers. Unless a customer provides instructions to the contrary, an FCM may hold Customer Segregated Funds only: (i) in the US; (ii) in a money center country; or (iii) in the country of origin of the currency.

An FCM must hold sufficient US dollars in the US to meet all US dollar obligations and sufficient funds in each other currency to meet obligations in such currency. Notwithstanding the foregoing, assets denominated in a currency may be held to meet obligations denominated in another currency (other than the US dollar) as follows: (i) US dollars may be held in the US or in money center countries to meet obligations denominated in any other currency; and (ii) funds in money center currencies may be held in the US or in money center countries to meet obligations denominated in currencies other than the US dollar.

For additional information on the protection of customer funds, please see the Futures Industry Association’s “Protection of Customer Funds Frequently Asked Questions” located at https://www.fiadocumentation.org/fia/regulatory-guidance_1/protection-of-customer-funds-faq_2.

8. Filing a Complaint

Customers wishing to file a complaint with UDM may do so at UDM’s website or mobile app. In the event a customer cannot resolve an issue with UDM, the customer has the option of filing a complaint with the CFTC or NFA.

A customer wishing to file a complaint about UDM or one of its employees with the CFTC may contact the Division of Enforcement online by visiting <https://www.cftc.gov/Forms/tipsandcomplaints.html> or by phone at 866-366-2382.

A customer wishing to file a complaint about UDM or one of its employees with the NFA may do so at <http://www.nfa.futures.org/basicnet/Complaint.aspx> or by calling the NFA directly at 800-621-3570.

9. Relevant Financial Data

UDM’s financial statements as of April 30, 2026, including UDM’s total equity, regulatory capital, and net worth, all computed in accordance with US Generally Accepted Accounting Principles and § 1.17, as applicable are as follows:

Financial Data as of April 30, 2026	
Total Equity	\$7,562,417
Regulatory Capital	\$7,315,586
Net Worth	\$7,562,417

Proprietary margin requirements as a percentage of the aggregate margin requirement for: <ul style="list-style-type: none"> - Futures Customers - Cleared Swaps (Event Contract) Customers - 30.7 Customers 	N/A N/A N/A
Number of futures customers, cleared swaps (event contract) customers and 30.7 customers that comprise 50% of the FCM's total funds <ul style="list-style-type: none"> - Futures Customers - Cleared Swaps (Event Contract) Customers - 30.7 Customers 	N/A 0 N/A
Aggregate notional value of all non-hedged, principal, over- the-counter transactions	N/A
Unsecured lines of credit the FCM has obtained but not yet drawn upon	\$0
Aggregate amount of financing the FCM provides for customer transactions involving illiquid financial products	N/A
Percentage of futures customers, cleared swaps (event contract) customers, and 30.7 customer receivable balances that the FCM had to write off as uncollectable during the past 12-month period.	0%

UDM's audited financial statements will be made available on UDM's website or mobile app. UDM's next scheduled audit will be completed for the fiscal year ending December 31, 2026.

Additional financial information on all FCMs is also available on the Commission's website at: <http://www.cftc.gov/MarketReports/FinancialDataforFCMs/index.htm>.

Customers should be aware that the NFA publishes on its website certain financial information with respect to each FCM. The FCM Capital Report provides each FCM's most recent month-end adjusted net capital, required net capital, and excess net capital. (Information for a twelve-month period is available.) In addition, NFA publishes twice monthly a Customer Segregated Funds report, which shows for each FCM: (i) total funds held in Customer Segregated Accounts; (ii) total funds required to be held in Customer Segregated Accounts; and (iii) excess segregated funds, i.e., the FCM's Residual Interest. This report also shows the percentage of Customer Segregated Funds that are held in cash and each of the permitted investments under Commission Rule 1.25. Finally, the report indicates whether the FCM held any Customer Segregated Funds during that month at a depository that is an affiliate of the FCM.

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The report shows the most recent semi-monthly information, but the public will also have the ability to see information for the most recent twelve-month period.

The above financial information reports can be found by conducting a search for a specific FCM in NFA's BASIC system (<http://www.nfa.futures.org/basicnet/>) and then clicking on "View Financial Information" on the FCM's BASIC Details page.

10. Risk Practices, Controls and Procedures

UDM has established a Risk Management Program which sets forth practices, controls, policies and procedures consistent with CFTC Rule 1.11, which are designed to manage and monitor the risks associated with its activities under the guidance and direction of its CCO. We note that UDM currently only engages in business related to fully collateralized contracts; accordingly, UDM does not view breach of liquidity-related risk tolerance limits related to under margining to be currently applicable.

UDM's Risk Management Program includes criteria for identifying risks and risk tolerance levels, periodic risk exposure reports, and policies and procedures to monitor segregation, capital and operational risks. UDM has established a Risk Management Unit that reports directly to senior management and is independent from the business unit. The Risk Management Unit provides quarterly risk exposure reports to senior management that sets forth all applicable risk exposures to credit risk, liquidity risk, market risk, operational risk, information security risk, data management risk, strategic risk, reputational risk, legal risk, regulatory and compliance risks.

Last Updated: June 8, 2026