



STATE OF CONNECTICUT
DEPARTMENT OF CONSUMER PROTECTION

September 8, 2026

Via Certified Mail and E-Mail

Ludlow Exchange LLC d/b/a Novig
169 Madison Avenue, #2199
New York, NY 10016
Info@novig.co or alex@novig.co

Registered Agent:
Cogency Global Inc.
850 New Burton Road, Suite 201
Dover, Delaware 19904

To Whom It May Concern:

The Department of Consumer Protection ("Department") has become aware that Ludlow Exchange LLC d/b/a Novig ("Novig") is conducting unlicensed online gambling, more specifically sports wagering, in Connecticut through its online sports event contracts ("Contracts"). Novig's actions are in violation of Connecticut General Statutes (Conn. Gen. Stat.) §§ 53-278b, 53-278d, and the Connecticut Unfair Trade Practices Act, Conn. Gen. Stat. §§ 42-110 et seq. ("CUTPA").¹ The Department, therefore, orders Novig to immediately cease and desist advertising and offering its Contracts within Connecticut.

Conn. Gen. Stat. § 53-278b prohibits gambling and professional gambling. Gambling is defined as "risking any money, credit, deposit or other thing of value for gain contingent in whole or in part upon lot, chance or the operation of a gambling device" Conn. Gen. Stat. § 53-278a. Professional gambling means "accepting or offering to accept, for profit, money, credits, deposits or other things of value risked in gambling" Id.

Sports wagering is a form of gambling and is defined as:

[R]isking or accepting any money, credit, deposit or other thing of value for gain contingent in whole or in part, (A) by any system or method of wagering, including, but not limited to, in person or through an electronic wagering platform, and (B) based on (i) a live sporting event or a portion or portions of a live sporting event, including future or propositional events during such an event, or (ii) the individual performance statistics of an athlete or

¹ Judge Oliver of the United States District Court for the District of Connecticut held in *KalshiEX LLC v. Cafferelli*, No. 25-cv-2016, U.S. Dist. LEXIS 178500, at *8, that there is no federal protection for sports event contracts, concluding that "at bottom, they are sports wagers," subject to state law.

athletes in a sporting event or a combination of sporting events.
Conn Gen. Stat. § 12-850(34).

Novig's platform allows users to purchase Contracts based on their belief that a particular sport outcome will occur, such as a specific team winning a game, division, or championship. The user is paid based on the outcome of the sporting event and not based on the occurrence or nonoccurrence of such event. These Contracts constitute sports wagering because they allow Connecticut residents to risk something of value for gain by an electronic wagering platform through the placement of wagers on the outcome of live sporting events or portions of a live sporting event including future events.

Public Act 21-23 authorized online sports gambling in Connecticut, but only for specific licensed entities. Novig does not possess an online gaming operator's license under Conn. Gen. Stat. § 12-857 or any other relevant qualification that would allow Novig to provide online sports wagering within Connecticut; nor do Novig's actions fall within any of the excepted activities to the prohibition on gambling listed in Conn. Gen. Stat. § 53-278g. Even if Novig possessed an online gaming operator's license, Novig's Contracts still violate numerous other Connecticut laws and public policies in that Novig allows illegal wagers on Connecticut intercollegiate teams. Conn. Gen. Stat. § 12-850(32).

Moreover, Novig's Contracts are void under Conn. Gen. Stat. § 52-553, which prohibits wagering contracts. More specifically, Conn. Gen. Stat. § 52-553 states:

All wagers, and all contracts and securities of which the whole or any part of the consideration is money or other valuable thing won, laid or bet, at any game, horse race, sport or pastime, and all contracts to repay any money knowingly lent at the time and place of such game, race, sport or pastime, to any person so gaming, betting or wagering, or to repay any money lent to any person who, at such time and place, so pays, bets or wagers, shall be void

Novig's Contracts likewise fail to meet any of the exemptions of Conn. Gen. Stat. § 52-553.

Novig's promotion of unlicensed and illegal gambling services is also an unfair trade practice, which violates CUTPA. Not only are Novig's actions deceptive, they are also unfair in that Novig, by operating outside of the regulatory environment, is able to gain a competitive advantage over appropriately licensed entities.

Novig is hereby ordered to immediately cease and desist advertising, offering, promoting, or otherwise making available Contracts or any other form of unlicensed online sports wagering within Connecticut. Novig must, however, allow all Connecticut residents to withdraw any funds currently held by Novig. Failure to comply may result in additional action including, but not limited to, civil penalties under CUTPA and/or criminal penalties under Conn. Gen. Stat. §§ 53-278b and 53-278d.

Sincerely,

A handwritten signature in black ink, appearing to read 'K Gilman', with a long horizontal flourish extending to the right.

Kristofer Gilman
Director of Gaming