July 1, 2025

SUBMITTED VIA CFTC PORTAL
Secretary of the Commission
Office of the Secretariat
U.S. Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: KalshiEX LLC – CFTC Regulation 40.2(a) Notification Regarding the Initial Listing of the "Will <city> have <above/below/between/exactly/at least> <count> billionaires in <year>?" Contract

Dear Sir or Madam,

Pursuant to Section 5c(c) of the Commodity Exchange Act and Section 40.2(a) of the regulations of the Commodity Futures Trading Commission, KalshiEX LLC (Kalshi), a registered DCM, hereby notifies the Commission that it is self-certifying the "Will <city> have <above/below/between/exactly/at least> <count> billionaires in <year>?" contract (Contract). The Contract will initially be listed after close-of-business on **July 1, 2025**; it is listed as the day after because of limitations of the Commission's online submission portal. The Exchange intends to list the contract on a custom basis. The Contract's terms and conditions (Appendix A) includes the following strike conditions:

- **<date>**
- **<city>**
- **<above/below/between/exactly/at least>**
- **<count>**
- **<year>**

Along with this letter, Kalshi submits the following documents:

- A concise explanation and analysis of the Contract;
- Certification;
- Appendix A with the Contract's Terms and Conditions;
- Confidential Appendices with further information; and
- A request for FOIA confidential treatment.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Xavier Sottile
Head of Markets
KalshiEX LLC

xsottile@kalshi.com

KalshiEX LLC
Official Product Name: “Will <city> have <above/below/between/exactly/at least> <count> billionaires in <year>?”
Rulebook: CITYBILLIONAIRES
Summary: city have abovebelowbetweenexactlyat least
Kalshi Contract Category: Other Event
Kalshi Internal Category: World
July 1, 2025

CONCISE EXPLANATION AND ANALYSIS OF THE PRODUCT AND ITS COMPLIANCE WITH APPLICABLE PROVISIONS OF THE ACT, INCLUDING CORE PRINCIPLES AND THE COMMISSION'S REGULATIONS THEREUNDER

Pursuant to Commission Rule 40.2(a)(3)(v), the following is a concise explanation and analysis of the product and its compliance with the Act, including the relevant Core Principles (discussed in Appendix D), and the Commission's regulations thereunder.

I. Introduction

The “Will <city> have <above/below/between/exactly/at least> <count> billionaires in <year>?” Contract is a contract relating to World.

Further information about the Contract, including an analysis of its risk mitigation and price basing utility, as well as additional considerations related to the Contract, is included in Confidential Appendices B, C, and D.

Pursuant to Section 5c(c) of the Act and CFTC Regulations 40.2(a), the Exchange hereby certifies that the listing of the Contract complies with the Act and Commission regulations under the Act.

General Contract Terms and Conditions: The Contract operates similar to other event contracts that the Exchange lists for trading. The minimum price fluctuation is $0.01 (one cent). Price bands will apply so that Contracts may only be listed at values of at least $0.01 and at most $0.99. Further, the Contract is sized with a one-dollar notional value and has a minimum price fluctuation of $0.01 to enable Members to match the size of the contracts purchased to their economic risks. As outlined in Rule 5.12 of the Rulebook, trading shall be available at all times outside of any maintenance windows, which will be announced in advance by the Exchange. Members will be charged fees in accordance with Rule 3.6 of the Rulebook. Fees, if they are charged, are charged in such amounts as may be revised from time to time to be reflected on the Exchange’s Website. A new Source Agency can be added via a Part 40 amendment. All instructions on how to access the Underlying are non-binding and are provided for convenience only and are not part of the binding Terms and Conditions of the Contract. They may be clarified at any time. Furthermore, the Contract's payout structure is characterized by the payment of an absolute amount to the holder of one side of the option and no payment to the counterparty. During the time that trading on the Contract is open, Members are able to adjust their positions and trade freely. The Expiration Value and Market Outcome are determined at or after Market Close. The market is then settled by the Exchange, and the long position holders and short position holders are paid according to the Market Outcome. In this case, "long position holders" refers to Members who purchased the "Yes" side of the Contract and "short position holders" refers to Members who purchased the "No" side of the Contract. If the Market Outcome is "Yes," meaning that an event occurs that is encompassed within the Payout Criterion, then the long position holders are paid an absolute amount proportional to the size of their position and the short position holders receive no payment. If the Market Outcome is "No," then the short position holders are paid an absolute amount proportional to the size of their position and the long position holders receive no payment. Specification of the circumstances that would trigger a Market Outcome of "Yes" are included below in the section titled "Payout Criterion" in Appendix A.

CERTIFICATIONS PURSUANT TO SECTION 5c OF THE COMMODITY EXCHANGE ACT, 7 U.S.C. § 7A-2 AND COMMODITY FUTURES TRADING COMMISSION RULE 40.2, 17 C.F.R. § 40.2

Based on the above analysis, the Exchange certifies that:

- ❏ The Contract complies with the Act and Commission regulations thereunder.
- ❏ This submission (other than those appendices for which confidential treatment has been requested) has been concurrently posted on the Exchange's website at https://kalshi.com/regulatory/filings.

Should you have any questions concerning the above, please contact the exchange at ProductFilings@kalshi.com.

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By: Xavier Sottile
Title: Head of Markets
Date: July 1, 2025

Attachments:

Appendix A - Contract Terms and Conditions
Appendix B (Confidential) - Further Considerations
Appendix C (Confidential) - Source Agency
Appendix D (Confidential) - Compliance with Core Principles

APPENDIX A – CONTRACT TERMS AND CONDITIONS

Official Product Name: “Will <city> have <above/below/between/exactly/at least> <count> billionaires in <year>?”
Rulebook: CITYBILLIONAIRES

CITYBILLIONAIRES

Scope: These rules shall apply to this contract.

Underlying: The Underlying for this Contract is the number of billionaires in <city> as reported in Forbes' annual "The Cities With The Most Billionaires" list for <year>. Revisions to the Underlying made after Expiration will not be accounted for in determining the Expiration Value.

Instructions: The Underlying can be found at Forbes.com in their annual "The Cities With The Most Billionaires" article series, e.g. for 2025: https://www.forbes.com/sites/gennacontino/2025/04/02/the-cities-with-the-most-billionaires-2025/. These instructions on how to access the Underlying are provided for convenience only and are not part of the binding Terms and Conditions of the Contract. They may be clarified at any time.

Source Agency: The Source Agency is Forbes Media LLC.

Type: The type of Contract is an Event Contract.

Issuance: The Contract is based on the outcome of a recurrent data release, which is issued on an annual basis. Thus, Contract iterations will be issued on a recurring basis, and future Contract iterations will generally correspond to the next year.

<city>: <city> refers to a city or metropolitan area specified by the Exchange, as defined by Forbes in their annual list. This includes the geographic boundaries used by Forbes, which may encompass metropolitan areas, urban agglomerations, or city proper as determined by Forbes. The Exchange may list iterations with values including specific city names like "New York," "London," "Hong Kong," or grouped designations like "Any U.S. city," "Any Asian city."

<year>: <year> refers to the year of the Forbes list specified by the Exchange.

<count>: The Exchange may list iterations of the Contract with <count> levels equal to integers.

Payout Criterion: The Payout Criterion for the Contract encompasses the Expiration Values that correspond to the number of billionaires in <city> as published in the first release of Forbes' "The Cities With The Most Billionaires" list for <year>.

For the purposes of this Contract:

- Only the first published version of the <year> list will be used for resolution
- The count must appear in the official "Cities With The Most Billionaires" article, not other Forbes lists
- If <city> is not included in the published list, the Contract resolves to 0 billionaires

- Cities are defined according to Forbes' geographic methodology for that year
- Only the headline number in the article counts, not numbers that might be derived from other Forbes data

Special provisions:

- If Forbes does not publish "The Cities With The Most Billionaires" list for <year>, the Contract resolves to the last fair market price
- If Forbes changes the title but publishes a similar list ranking cities by billionaire count, that list will be used

Examples of resolution:

- Forbes lists "New York" with 136 billionaires in their 2026 list → Contract for New York resolves to 136
- Forbes lists "London" with 75 billionaires → Contract for London resolves to 75
- "Chicago" does not appear in the article → Contract for Chicago resolves to 0
- Forbes later corrects Hong Kong from 112 to 115 → Contract still resolves to 112 (first publication)

Minimum Tick: The Minimum Tick size for the Contract shall be $0.01.

Position Accountability Level: The Position Accountability Level for the Contract shall be $25,000 per strike, per Member.

Last Trading Date: The Last Trading Date of the Contract will be June 30, <year>. The Last Trading Time will be 11:59 PM ET. If Forbes publishes the list before this date, the Last Trading Date will be moved to an earlier date and time in accordance with Rule 7.2.

Settlement Date: The Settlement Date of the Contract shall be no later than the day after the Expiration Date, unless the Market Outcome is under review pursuant to Rule 7.1.

Expiration Date: The latest Expiration Date of the Contract shall be June 30, <year>. If Forbes publishes "The Cities With The Most Billionaires" list for <year> before this date, expiration will be moved to an earlier date and time in accordance with Rule 7.2.

Expiration time: The Expiration time of the Contract shall be 10:00 AM ET.

Settlement Value: The Settlement Value for this Contract is $1.00.

Expiration Value: The Expiration Value is the value of the Underlying as documented by the Source Agency on the Expiration Date at the Expiration time.

Contingencies: Before Settlement, Kalshi may, at its sole discretion, initiate the Market Outcome Review Process pursuant to Rule 6.3(d) of the Rulebook. If an Expiration Value cannot be determined on the Expiration Date, Kalshi has the right to determine payouts pursuant to Rule 6.3(b) in the Rulebook.