May 27, 2026

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 the number of <eruption attribute> volcanic eruptions in <region> be <above/below/between/exactly/at least> <count> in <time period>?” 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 the number of <eruption attribute> volcanic eruptions in <region> be <above/below/between/exactly/at least> <count> in <time period>?” contract (Contract). The Contract will initially be listed after close-of-business on **May 28, 2026**; 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:

- **<count>**
- **<eruption attribute>**
- **<region>**
- **<time period>**
- **<above/below/between/exactly/at least>**

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 the number of <eruption attribute> volcanic eruptions in <region> be <above/below/between/exactly/at least> <count> in <time period>?”
Rulebook: GVPERUPT
Summary: Volcanic eruption count threshold in specified region
Kalshi Contract Category: Health/Science
Kalshi Internal Category: Climate and Weather
May 27, 2026

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 the number of <eruption attribute> volcanic eruptions in <region> be <above/below/between/exactly/at least> <count> in <time period>?” Contract is a contract relating to Climate and Weather.

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 C, D, and E.

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 5.16 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 3.13 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: May 27, 2026

Attachments:

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

APPENDIX A – CONTRACT TERMS AND CONDITIONS

Official Product Name: “Will the number of <eruption attribute> volcanic eruptions in <region> be <above/below/between/exactly/at least> <count> in <time period>?”
Rulebook: GVPERUPT

GVPERUPT

Scope: These rules shall apply to this contract.

Underlying: The number of volcanic eruptions in <region> that satisfy the catalogued attribute <eruption attribute> and whose eruption start is attributed by the Smithsonian Institution Global Volcanism Program (GVP) to a date within <time period>.

This figure is determined from the Smithsonian Global Volcanism Program's "Volcanoes of the World" (VOTW) database, which is maintained as the online VOTW catalog and is updated continuously on a rolling basis. The relevant figures are the GVP-catalogued eruptions whose entries in VOTW show (i) an eruption start date within <time period>, (ii) a catalogued geographic location within <region> (using GVP's geographic classifications), and (iii) a catalogued value for the specified attribute (e.g., GVP-assigned Volcanic Explosivity Index (VEI), or another discretely-recorded VOTW eruption field) that satisfies <eruption attribute>. Where the attribute is VEI-based, the VEI used is the maximum VEI GVP assigns to the overall eruption. An eruption for which GVP has not recorded the value required by <eruption attribute> (e.g., an unrated VEI) does not count unless and until GVP records a qualifying value. Revisions to the Underlying made after Expiration will not be accounted for in determining the Expiration Value.

Source Agency: The Source Agencies are, in hierarchical order, the Smithsonian Institution Global Volcanism Program, the U.S. Geological Survey, Reuters, the Associated Press, and Bloomberg News.

Type: The type of Contract is an Event Contract.

Issuance: The Contract is based on a continuously maintained database updated on a rolling basis. Contract iterations will be issued on a recurring basis, and future Contract iterations will generally correspond to the next <time period>.

<count>: <count> refers to a numerical threshold for the number of qualifying eruptions, expressed as a whole number, as specified by the Exchange, which may be expressed as a single value, a minimum, a maximum, a range (inclusive of both endpoints unless otherwise specified), or multiple thresholds, at any increment determined by the Exchange.

<eruption attribute>: <eruption attribute> refers to a single objectively-catalogued GVP eruption attribute or threshold specified by the Exchange (e.g., a GVP-assigned VEI of at least a specified level, or another discretely-recorded VOTW eruption field the Exchange specifies by reference to the GVP catalog).

<region>: <region> refers to the geographic scope specified by the Exchange using GVP's geographic classifications (e.g., worldwide, a specified GVP volcanic region, or a country).

<time period>: <time period> refers to a specific duration or range of time as specified by the Exchange. All time periods are interpreted in Eastern Time (ET) unless otherwise specified. The end of <time period> is defined as 11:59:59 PM ET on the final day of the specified period, unless otherwise specified. <time period> may also refer to a discrete date and time.

<above/below/between/exactly/at least>: <above/below/between/exactly/at least> refers to comparison operators as specified by the Exchange. "Above X" means strictly greater than X (>X). "Below X" means strictly less than X (<X). "Exactly X" means equal to X (=X), measured to the precision specified elsewhere in the Contract. "At least X" means greater than or equal to X (≥X). "Between X and Y" means greater than or equal to X and less than or equal to Y (≥X and ≤Y), i.e., inclusive of both endpoints, unless otherwise specified. Where the Underlying value is rounded or reported to a specific number of decimal places, the comparison shall be applied to the value as reported by the Source Agency, with two decimal places assumed unless otherwise specified. The Exchange may specify rounding or truncation, including the applicable extent and number of decimal places, at Issuance. The Exchange may list iterations of the Contract corresponding to variations of <above/below/between/exactly/at least>.

Payout Criterion: The Payout Criterion for the Contract encompasses the Expiration Values that are <above/below/between/exactly/at least> <count>, where the Expiration Value is the number of volcanic eruptions in <region> satisfying <eruption attribute> with a GVP-attributed eruption start within <time period>.

For purposes of this Contract:

- An eruption is attributed to the period containing its GVP-recorded eruption start date (an eruption beginning before <time period> is not counted even if it continued into it).
- An eruption for which GVP has not recorded the value required by <eruption attribute> does not count unless and until GVP records a qualifying value.
- The NOAA/NCEI "significant volcanic eruptions" database and its criteria, aviation ash advisories or color codes, GVP activity-report entries lacking the required catalogued value, and non-GVP eruption counts are excluded.
- If the data is not available from the highest-ranked Source Agency, the figure as documented by another Source Agency listed above that documents the same GVP-based qualifying eruption count for <region> and <time period> governs.

Examples that would resolve the market to Yes:

- <eruption attribute> = "GVP-assigned VEI ≥ 4," <region> = "worldwide," condition "at least 2," <time period> = "2026": GVP documents three VEI ≥ 4 eruptions with 2026 start dates — Yes.
- Same iteration, condition "exactly 2": exactly two qualifying eruptions started in 2026 — Yes.

Examples that would NOT resolve the market to Yes:

- Same iteration, condition "at least 2": only one qualifying eruption with a 2026 start is documented — No.
- Same iteration: two large 2026 eruptions remain unrated by GVP — No (unrated does not count).
- Same iteration: a VEI 4 eruption began December 2025 and continued into 2026 — No (attributed to its 2025 start year).

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 the same as the Expiration Date. The Last Trading Time will be the same as the Expiration time.

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 one hundred eighty (180) days after the end of <time period>. If an event described in the Payout Criterion occurs, 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 7.1 of the Rulebook. If an Expiration Value cannot be determined on the Expiration Date, Kalshi has the right to determine payouts pursuant to Rule 7.1 in the Rulebook.

APPENDIX B – TRADING PROHIBITIONS

In addition to the general prohibition against trading on material nonpublic information, the Exchange will institute additional prohibitions for trading the contract. Persons under 18 years of age are not permitted to create Kalshi accounts. The following individuals will be prohibited from trading:

- GVP editors and compilers with the ability to assign or stage catalogued eruption values.
- USGS / VDAP and volcano-observatory scientists with non-public knowledge of imminent attribute determinations within <time period>.
- Any person in receipt of an embargoed or pre-publication GVP catalog update material to the relevant <time period>.
- Immediate family members and household members of any of the above, and anyone trading on material non-public information sourced from any of the above.