

May 13, 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 <named event> be the <position> <weather event> 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 <named event> be the <position> <weather event> in <time period>?” contract (Contract). The Contract will initially be listed after close-of-business on **May 13, 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:

- **<named event>**
- **<position>**
- **<weather event>**
- **<time period>**

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 <named event> be the <position> <weather event> in <time period>?”

Rulebook: STORMORDER

Summary: Named weather event development

Kalshi Contract Category: Weather/Climate

Kalshi Internal Category: Climate and Weather

May 13, 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 <named event> be the <position> <weather event> 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](mailto:ProductFilings@kalshi.com).



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By: Xavier Sottile  
Title: Head of Markets  
Date: May 13, 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 <named event> be the <position> <weather event> in <time period>?”**

**Rulebook: STORMORDER**

## STORMORDER

**Scope:** These rules shall apply to this contract.

**Underlying:** The Underlying for this Contract is the classification and sequential or superlative standing of <named event> as a <weather event> within <time period>, as reported by the Source Agency. 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 National Weather Service (NWS), the National Oceanic and Atmospheric Administration (NOAA) (including the National Hurricane Center), the World Meteorological Organization (WMO), the Joint Typhoon Warning Center (JTWC), the Associated Press, Reuters, BBC News, and The Weather Channel.

**Type:** The type of Contract is an Event Contract.

**Issuance:** After the initial Contract, Contract iterations will be listed on an as-needed basis at the discretion of the Exchange and corresponding to the risk management needs of Members.

**<named event>:** <named event> refers to a specific weather system designated by the Source Agency by name (e.g., "Hurricane Milton"), by identifier (e.g., "Tropical Storm 04L"), or by distinguishing characteristics (e.g., "the first named storm to make landfall in Florida in <time period>"). <named event> may refer to a singular system or, where specified, multiple systems using AND logic (all must satisfy the criterion) or OR logic (any one suffices). The identity of <named event> shall remain consistent throughout the life of the Contract. Renaming, reclassification, or re-designation of a storm by the Source Agency does not create a new <named event> for purposes of this Contract, provided the system is substantially continuous in origin.

**<position>:** <position> refers to the standing of <named event> relative to other <weather event>s within <time period> as specified by the Exchange. <position> may take the form of:

- An ordinal sequence position (e.g., "first," "second," "fifth"), meaning the <named event> is the nth storm to satisfy the criteria defining <weather event> within <time period> in chronological order of first qualifying classification by the Source Agency.
- A superlative or categorical standing (e.g., "highest category," "most intense," "strongest," "deadliest"), meaning the <named event> ranks first among all <weather event>s in <time period> according to the specified meteorological or impact measure as determined by the Source Agency at the time of resolution.
- A relative range (e.g., "top 3," "among the five strongest"), meaning <named event> falls within the specified set of <weather event>s by the relevant ordering criterion.

- "Any" or "None," following the standard conventions of these terms as applied elsewhere in these rules.

Where <position> is superlative or comparative, the measure used to determine standing (e.g., maximum sustained wind speed, minimum central pressure, Saffir-Simpson category at peak intensity) shall be as specified by the Exchange at listing and consistent with the reporting conventions of the Source Agency. Where <position> is ordinal and sequential, the chronological order shall be determined by the date and time at which the Source Agency first officially classifies a system as a <weather event>, not by the date of formation, naming, or landfall.

**<weather event>:** <weather event> refers to a meteorological system or phenomenon as specified by the Exchange. This may include (but is not limited to) a named tropical storm, hurricane, typhoon, cyclone, Category 1 through 5 hurricane (per the Saffir-Simpson Hurricane Wind Scale), major hurricane (Category 3 or above), subtropical storm, extratropical cyclone, tornado, blizzard, or other classified atmospheric event. <weather event> may refer to a singular event type, multiple event types, or a class of events defined by distinguishing characteristics (e.g., "Category 4 or above hurricane," "Atlantic named storm"). The precise threshold or classification criteria for <weather event> shall be those applied by the Source Agency as of the time of official designation.

**<time period>:** <time period> refers to a specific range of time as specified by the Exchange. This may be defined by exact dates (e.g., "between June 1, 2026, and November 30, 2026"), relative markers (e.g., "before December 1, 2026"), a named season (e.g., "the 2026 Atlantic hurricane season," understood to run from June 1 through November 30 of that year unless officially extended or modified by the relevant meteorological authority and as reported by the Source Agency), or broader intervals. "Between" is inclusive of both endpoints, while "before" and "after" exclude the specified date unless stated otherwise. <time period> may also refer to "Any" or "None", to multiple non-consecutive intervals, or to a singular and discrete date or time. All times referenced in <time period> shall be understood as Eastern Time (ET) unless otherwise specified by the Exchange.

**Payout Criterion:** The Payout Criterion for the Contract encompasses the Expiration Values that <named event> is the <position> <weather event> in <time period>.

**Additional clarification(s):**

- For Contracts where <position> is ordinal and sequential, <named event> resolves "Yes" if and only if it is the  $n$ -th system in chronological order to be officially classified as a <weather event> by the Source Agency within <time period>, where  $n$  corresponds to the specified <position>. Chronological order is determined by the date and time of first official classification as a <weather event>, not by naming, formation, or any other event.

- For Contracts where <position> is superlative or categorical (e.g., "highest category," "most intense"), the standing of <named event> shall be evaluated at the Expiration Date using the final best-track or post-season data published by the Source Agency, if available. If post-season data has not been published by the Expiration Date, the most recent operational data from the Source Agency shall be used. If post-season reanalysis subsequently changes the standing of <named event> after Expiration, such revisions shall not affect settlement.
- If two or more <named event>s (named events) share the same standing for <position> (e.g., two storms tie for highest category at the same peak intensity measure and/or have identical chronological timestamps), the Source Agency's official advisory ordering shall govern. However, if there remains a tie even after such advisory, the Contracts on such <named events> will resolve in the following way:
  - If there is a "Tie" market listed, the Contract on that market will resolve to "Yes" and all others to "No".
  - If there is no "Tie" strike listed, "Yes" holders of Contracts of <named event>s sharing the same <position> will be paid out at a value of (\$1/[the number of <named event>s sharing <position>]) and "No" holders of Contracts of <named event>s sharing the same <position> shall receive (\$1 minus the "Yes" Payout).
  - In cases where there are two events or more tied for <position>, the following <position>s will commensurately be skipped (e.g. if there are 2 named events tied at 2nd place, 3rd place will be skipped and assume a value of "No").
- A weather system that is initially classified below the threshold of <weather event> and subsequently upgraded to meet or exceed that threshold counts as a <weather event> from the date and time of the upgrade, not the date of original formation or naming.
- A weather system that is downgraded below the threshold of <weather event> after having previously met or exceeded it retains its status as a <weather event> for purposes of sequential counting. However, for superlative <position> resolution, peak intensity achieved at any point during the system's lifetime within <time period> shall be used, consistent with the Source Agency's best-track or operational data.
- A weather system that dissipates and subsequently regenerates as a distinct system shall be treated as a new and separate <weather event> for all purposes under this Contract, provided the Source Agency designates the regenerated system under a new name or identifier. If the Source Agency treats the system as continuous despite a period of dissipation, it shall be treated as a single system for purposes of this Contract.
- If <named event> forms outside of <time period> but achieves the classification threshold of <weather event> for the first time within <time period>, it counts as a <weather event> within <time period> for purposes of sequential and superlative <position> determination.
- If <named event> is officially retired, renamed, or redesignated by the relevant meteorological authority after the Contract is listed, the Exchange will announce the

applicable treatment to Members. Provided the underlying physical system is substantially continuous, retirement or renaming shall not affect resolution.

- If the Source Agency ceases publication or reclassifies its advisory methodology during <time period> such that the definition of <weather event> becomes materially ambiguous, the Exchange shall determine resolution in accordance with the most recently applicable published standards of the Source Agency, and may invoke Rule 7.1 if necessary.
- If no <weather event> occurs within <time period>, all Contracts with non-"None" <position> values shall resolve "No."

**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 Expiration Date. The Last Trading Time will be 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 week after the final day of <time period>. If an event described in the Payout Criterion occurs and is sufficiently verifiable, expiration may be moved to an earlier date and time in accordance with Rule 7.2. For Contracts where <position> is superlative or comparative and final standing cannot be determined until <time period> concludes, the Expiration Date shall be no earlier than the final day of <time period>.

**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. Individuals are prohibited from trading this Contract if they:

- Are an employee, contractor, or affiliate of any Source Agency listed in this Contract (including NOAA, NHC, NWS, WMO, JTWC, JMA, or ECMWF), or of any entity whose data or official classifications are used to determine the Expiration Value.
- Have access to material non-public information regarding the meteorological status, classification, intensity measurements, or official ranking of <named event> or any other <weather event> within <time period>, including but not limited to unreleased advisory data, internal agency tracking models, or pre-publication reanalysis results.
- Have the ability to exert direct or indirect influence over the official classification, naming, ranking, or measurement of <named event> or any competing <weather event> within <time period>, including persons with authority over Source Agency data publication or storm advisory issuance.
- Are acting on the basis of information derived from non-public government or agency communications relating to the meteorological record underlying this Contract.
- Are employees, affiliates, or close associates of any government meteorological agency with jurisdiction over the naming or ranking of <weather event>s within the relevant geographic region, where such affiliation provides access to non-public data material to resolution of this Contract.

