November 24, 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 <political and economic outcomes> occur in <events>?" 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 <political and economic outcomes> occur in <events>?" contract (Contract). The Contract will initially be listed after close-of-business on **November 24th**. The Exchange intends to list the contract on a custom ⁃ basis. The Contract's terms and conditions (Appendix A) includes the following strike conditions:

- **<events>**
- **<outcomes>**
- **<component>**
- **<rule>**
- **<political and economic outcomes>**

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 <political and economic outcomes> occur in <events>?"
Rulebook: POLITICALECONOMICEVENTS
Summary: Political and economic outcomes
Kalshi Contract Category: Political Decision
Kalshi Internal Category: Politics
November 24, 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 <political and economic outcomes> occur in <events>?" Contract is a contract relating to Politics.

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 5.12 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: November 24, 2025

<u>Attachments:</u>

Appendix A - Contract Terms and Conditions

Appendix B (Confidential) - 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 <political and economic outcomes> occur in <events>?"
Rulebook: POLITICALECONOMICEVENTS

POLITICALECONOMICEVENTS

Scope: These rules shall apply to this contract.

Underlying: The Underlying for this Contract is the outcomes, announcements, and data releases regarding <outcomes> as documented by the Source Agencies between Issuance and the resolution of each <component>. Revisions to the Underlying made after Expiration will not be accounted for in determining the Expiration Value.

Source Agency: The Source Agencies are, if not otherwise specified, for U.S. federal data: the relevant U.S. government agency releasing the data (Bureau of Labor Statistics, Bureau of Economic Analysis, Federal Reserve, Congressional Budget Office, U.S. Census Bureau, U.S. Treasury, White House, U.S. Congress), and for all political/economic events: The New York Times, the Associated Press, Bloomberg News, Reuters, The Wall Street Journal, Financial Times, The Washington Post, Politico, and official statements from specified government entities, persons, or international organizations.

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.

<outcomes>: <outcomes> refers to a set of specific political decisions, economic indicators, policy implementations, or governmental actions specified by the Exchange. Outcomes may include but are not limited to: election results, appointment confirmations, legislative votes, executive orders, treaty ratifications, economic data releases meeting specified thresholds, central bank decisions, regulatory actions, international agreements, referendum results, cabinet changes, and policy announcements.

<events>: <events> refers to the time period(s) or specific contexts in which <outcomes> are measured, specified by the Exchange, including but not limited to: specific calendar dates, quarters, fiscal years, legislative sessions, congressional terms, administrations, before/after specific deadlines, and during specified economic or political cycles.

<component>: <component> refers to a given <outcome> occurring within its correspondent <event>. Each component shall be resolved according to its corresponding <rule>, which dictates the resolution criteria for that specific component.

<rule>: <rule> is the active Kalshi certification that will dictate the resolution of a particular <component>. For example, if <component1> is "The Federal Reserve raises interest rates by at least 25 basis points before March 31, 2025," <rule1> might be "FED." For <component2> being "Joe Biden nominates a Supreme Court Justice in 2025," <rule2> might be "NOM."

For each <component>, the terms and conditions of <rule> are incorporated by reference herein with respect to <component>. Any variables in any <rule> otherwise undefined in these Terms and Conditions will be derived or interpreted by the Exchange using their natural language counterparts in <outcomes> and <events>. For example, if <outcome1> is "unemployment rate below 4.0%," the outcome of <component1> will be derived from the relevant economic indicator rule and <value> will be "4.0%."

Payout Criterion: The Payout Criterion for the Contract encompasses the Expiration Values where ALL specified <outcomes> occur within their respective <events> as documented by the Source Agencies. Each <component> must be satisfied according to its corresponding <rule> for the Contract to resolve to "Yes."

The Contract will pay out "Yes" only if every <component> resolves to "Yes" according to its respective <rule>. If any single <component> resolves to "No" or becomes impossible to occur, the entire Contract immediately resolves to "No."

For clarity:

- If <component1> is an economic data release, it uses the first officially released value (not preliminary or revised estimates unless specified)
- If <component2> is a political appointment, both nomination and confirmation must occur unless only one is specified
- If <component3> is a policy announcement, the announcement must be official and from an authorized source

"Yes" holders will receive $1.00 per contract if and only if all <components> resolve to "Yes." "No" holders will receive $1.00 per contract if any <component> resolves to "No" or becomes impossible.

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 week after the latest possible date for all <outcomes> to be determined, or the latest Expiration Date according to the relevant <rule>. If an event described in the Payout Criterion occurs making any outcome

impossible, or they have all occurred, 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.