

June 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 Tesla robotaxi be <offered to/removed from> the public in <area>?” 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 Tesla robotaxi be <offered to/removed from> the public in <area>?” contract (Contract). The Contract will initially be listed after close-of-business on **June 25, 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>**
- **<offered to/removed from>**
- **<area>**
- **<offered to>**

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 Tesla robotaxi be <offered to/removed from> the public in <area>?”

Rulebook: ROBOTAXIAREA

Summary: Tesla robotaxi public availability decision

Kalshi Contract Category: Transportation

Kalshi Internal Category: Transportation

June 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 Tesla robotaxi be <offered to/removed from> the public in <area>?” Contract is a contract relating to Transportation.

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](mailto:ProductFilings@kalshi.com).



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By: Xavier Sottile  
Title: Head of Markets  
Date: June 24, 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 Tesla robotaxi be <offered to/removed from> the public in  
<area>?”**

**Rulebook: ROBOTAXIAREA**

## ROBOTAXIAREA

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

**Underlying:** The Underlying for this Contract is the operational status of Tesla robotaxi services available to the general public in <area> after Issuance and before <date>. The robotaxi service must allow members of the general public to request and complete paid rides in Tesla vehicles operating without a human driver actively controlling the vehicle. Revisions to the Underlying made after Expiration will not be accounted for in determining the Expiration Value.

**Source Agency:** The Source Agencies are Tesla Inc., Tesla official social media accounts, Elon Musk, the relevant transportation authority for <area>, The New York Times, the Associated Press, Bloomberg News, Reuters, Axios, Politico, Semafor, The Information, The Washington Post, The Wall Street Journal, ABC, CBS, CNN, Fox News, MSNBC, and NBC.

**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.

**<area>:** <area> refers to a specific geographic location specified by the Exchange. This may include:

- A specific city and its incorporated limits (e.g., "Austin, Texas")
- A metropolitan statistical area (e.g., "Austin-Round Rock Metropolitan Area")
- A county or counties (e.g., "Travis County, Texas")
- A state or province (e.g., "Texas")
- A country (e.g., "United States")
- Multiple specific locations using AND/OR logic
- "Anywhere in the world"

**<date>:** <date> refers to a calendar date specified by the Exchange. The Exchange may list iterations of the Contract corresponding to variations of <date>.

**<offered to/removed from>:** <offered to/removed from> refers to whether the Contract will pay out based on Tesla robotaxi service being newly made available to the public ("offered to") or being discontinued after previously being available ("removed from").

**Payout Criterion:** The Payout Criterion for the Contract encompasses the Expiration Values that:

For <offered to>: Tesla has launched a robotaxi service in <area> that satisfies ALL of the following criteria:

1. The service allows members of the general public to request rides through a publicly accessible application or platform (not limited to Tesla employees, beta testers, or invite-only participants)
2. The vehicles operate without any human driver or safety monitor physically present in the driver's seat who is actively controlling the vehicle during normal operation
3. The service charges fares or fees for rides (free promotional rides alone do not qualify)

For "removed from": Tesla has discontinued, suspended, or withdrawn a previously operational robotaxi service in <area> that met all the "offered to" criteria above, where:

1. The service is no longer accepting new ride requests from the general public for any period of time as a result of a decision by Tesla to suspend operations in the area, and such suspension is not explicitly characterized as temporary (e.g., due to weather, maintenance, or system upgrades). The Payout Criterion is not satisfied by short-term service interruptions that are clearly communicated as temporary or expected to resume.

The following do NOT satisfy the Payout Criterion:

- If a government orders Tesla to cease ongoing services but they do not comply, then the market does not resolve to Yes
- Services limited to Tesla employees, contractors, or their guests
- Beta tests, pilot programs, or demonstrations
- Services requiring special invitations, access codes, or pre-approval to use
- Vehicles with human safety drivers, monitors, or operators in any seat of the vehicle who can take control
- Temporary suspensions due to weather or technical issues
- Services operating only with remote human teleoperators controlling each vehicle continuously
- Test fleets that are not charging fares to the general public
- Announcements of future launches without actual operational service

**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 month after <date>. 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 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.