

July 25, 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 <company> confirm an IPO before <date>?” 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 <company> confirm an IPO before <date>?” contract (Contract). The Contract will initially be listed after close-of-business on **July 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>
- <company>

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 <company> confirm an IPO before <date>?"**

**Rulebook: IPOEVENTCONFIRM**

**Summary: Company IPO confirmation deadline**

**Kalshi Contract Category: Economic/Demographic Measure - non U.S. Govt**

**Kalshi Internal Category: Financials**

**July 25, 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 <company> confirm an IPO before <date>?" Contract is a contract relating to Financials.

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: July 25, 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 <company> confirm an IPO before <date>?”**

**Rulebook: IPOEVENTCONFIRM**

## IPOEVENTCONFIRM

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

**Underlying:** The Underlying for this Contract is whether <company> has confirmed an initial public offering (IPO) of its equity securities after Issuance and before <date>. 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, U.S. Securities and Exchange Commission (SEC), <company>, the exchange on which <company> is planning to IPO (including but not limited to: the New York Stock Exchange (NYSE), the Nasdaq Stock Market (NASDAQ), the Shanghai Stock Exchange (SSE), the Hong Kong Stock Exchange, and the London Stock Exchange (LSE)), The New York Times, the Wall Street Journal, Bloomberg News, BBC, Australian Broadcasting Corporation (ABC), Reuters, CNBC, and Financial Times.

**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.

**<company>:** <company> refers to a business entity specified by the Exchange, including corporations, limited liability companies, partnerships, or other legally recognized commercial organizations. Identification may be based on official name, proposed stock ticker, registration jurisdiction, other distinguishing features, or by characteristic in singular, multiple, or within a given set (e.g. ‘Meta’ or ‘any tech company’). This may also take the form of “Any” or “None”. <company> will be tracked through re-branding and legal name changes that represent the same underlying business entity.

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

**Payout Criterion:** The Payout Criterion for the Contract encompasses the Expiration Values that, after Issuance and before <date>, <company> has officially confirmed that it will conduct an initial public offering (IPO) of its equity securities on a regulated public securities exchange.

An IPO is considered “officially confirmed” if any one of the following occurs after Issuance and before <date>:

- The company’s Form S-1 (or equivalent IPO registration statement) is declared effective by the U.S. Securities and Exchange Commission (SEC), or an equivalent regulatory

listing is approved by a recognized national securities regulator (e.g., FCA, SEBI, MAS, etc.) and made public;

- The IPO is priced, meaning a final pricing press release or SEC filing (e.g., 424B4 or equivalent) publicly confirms the number of shares and offering price;
- A public securities exchange (e.g., NYSE, NASDAQ, LSE, ASX) assigns a ticker symbol and announces that <company> has been approved for initial listing pursuant to an IPO.

For the purposes of this Contract:

- This market will resolve on the basis of the date of the relevant confirmation, NOT the date of the IPO or document submission or processing
- The announcement must clearly reference an initial public offering of common equity securities
- The announcement must be public and verifiable, either through regulatory filings, press releases, or the official website of the exchange or securities regulator
- The IPO must be the first time <company> has conducted a public equity offering on a regulated securities exchange, meaning:
  - <company> has not previously been publicly traded on any regulated securities exchange, including under a different name, ticker, or corporate structure;
  - <company> has not previously been traded via OTC, pink sheets, or alternative trading systems that provide public investor access, unless such access was limited, unregulated, or not functionally equivalent to a formal exchange listing;
  - <company> has not previously undergone an IPO, direct listing, de-SPAC transaction, or public spin-off resulting in public equity trading on a recognized exchange;
  - If <company> was previously public but later went private, a subsequent listing shall not be considered a “first-time” listing for purposes of this contract.

The following ARE encompassed by the Payout Criterion:

- The SEC declares <company>’s Form S-1 effective after Issuance;
- <company> publicly releases final pricing terms via press release or SEC filing;
- The NYSE or NASDAQ publishes a company profile indicating ticker assignment for IPO listing;
- A foreign exchange (e.g., London Stock Exchange) announces that <company> has been accepted for IPO listing.

The following are NOT encompassed by the Payout Criterion:

- Filing of an S-1 or equivalent without subsequent SEC effectiveness, pricing, or listing announcement;
- Direct listings where no new shares are offered;

- Mergers with SPACs or reverse mergers;
- Private placements or offerings limited to institutional or accredited investors;
- Listings of preferred shares, debt instruments, or depositary receipts without a common equity IPO;
- Speculative media reports or rumors not confirmed by the <company>, underwriters, exchange, or regulator.

Examples that WOULD resolve the market to YES:

- <company>'s Form S-1 is declared effective by the SEC on April 10;
- <company> announces IPO pricing in a press release and files a 424B4 after Issuance;
- NASDAQ assigns ticker "XYZ" to <company> and lists it as "approved for IPO listing" before <date>;
- The London Stock Exchange confirms the upcoming IPO listing of <company> in its official daily notices.

Examples that WOULD NOT resolve the market to Yes:

- <company> files a draft S-1 after Issuance but receives no further regulatory action by <date>;
- <company> goes public via SPAC or direct listing without raising new capital;
- <company> conducts a private equity round with no exchange listing.

**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 <date>. The Last Trading Time will be 11:59 PM ET.

**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 <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.