AILEGISLATION

Scope: These rules shall apply to this contract.

Underlying: The Underlying for this Contract is bills that have become law between Issuance and <date> according to Congress.gov. Revisions to the Underlying made after Expiration will not be accounted for in determining the Expiration Value.

Instructions: Bills that have become law can be found here. These instructions on how to access the Underlying 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.

Source Agency: The Source Agency is the Library of Congress.

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.

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

Payout Criterion: The Payout Criterion for the Contract encompasses the Expiration Values that include a bill that imposes one of the following restrictions on products using large language models:

- Forbids their creation
- Sets limits on how they're trained, for example by limiting access to previously usable training data or by setting limits on the number of parameters they may be trained with.
- Prevents their use for certain applications or uses, such as interacting with customers, interfacing with other applications, or performing actions on the web.
- Restricts the ability of US citizens to use foreign LLM-based products or restricts US operated LLM products or businesses from being sold to foreign customers or entities.
    - The export restriction must be specific, and not universally applied to all exports or exports of a broad industry. For example, a blanket ban on exports to a specific country would not qualify, and neither would a blanket ban on allowing the purchase of US businesses by investors in a specific country. Introducing a ban that specifically limits the export of artificial intelligence or machine learning software to a specific country or a broad number of countries would qualify if it was known to apply to LLM products.
    - An introduced bill specifically classifying artificial intelligence software or machine learning models such that they would newly qualify for existing

export bans would qualify.

Minimum Tick: The Minimum Tick size for the referred Contract shall be 0.01.

Position Accountability Level: The Position Accountability Level for the $1 referred 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 Expiration Date of the Contract shall be the sooner of the date of the first 10:00 AM ET following the occurrence of an event that is encompassed in the Payout Criterion or the first 10:00 AM ET data after <date> that data is available.

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(c) of the Rulebook.