VALIDATORVOTE

Scope: These rules shall apply to this contract.

Underlying: The Underlying for this Contract is the team selected by Hyperliquid validators to receive the <ticker> ticker designation through an on-chain validator vote occurring 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 Hyperliquid, Hyperliquid Foundation, Decrypt, CoinDesk, The Block, and CoinTelegraph.

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.

<ticker>: <ticker> refers to a stablecoin ticker symbol specified by the Exchange (e.g., "USDH", "USDT", "USDC", or any other ticker designation subject to validator vote on Hyperliquid).

<team>: <team> refers to an entity, organization, protocol, or group submitting a proposal to issue a stablecoin with the <ticker> designation on Hyperliquid. May include established stablecoin issuers (e.g., Paxos, Circle, Tether), DeFi protocols (e.g., Frax, MakerDAO/Sky), specialized stablecoin platforms (e.g., Agora, Bridge), Hyperliquid-native teams (e.g., Native Markets), or "None/No team selected" if no team receives sufficient votes.

<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 <team> has been selected through the Hyperliquid validator vote to receive the <ticker> ticker designation first after Issuance. The determination will be based on which team receives the most stake-weighted validator votes during the official voting period.

Resolution shall be determined as follows:

- The team that receives the highest percentage of stake-weighted validator votes wins the ticker designation
- If Hyperliquid Foundation validators abstain and align with the non-Foundation majority (as per their stated governance mechanism), their stake shall be counted toward the team that secured the most non-Foundation support
- If no team receives any validator votes, or if the vote is cancelled before completion, the market resolves to "None/No team selected" or all to No if that strike is not listed
- If multiple teams receive exactly equal stake-weighted votes (a tie), the market resolves to "None/No team selected" (or all No if none of those are listed) unless Hyperliquid implements and announces an official tiebreaker mechanism before <date>, in which case the winner of that tiebreaker mechanism resolves to "Yes"
- If the validator vote is postponed but occurs before <date>, the market remains open and resolves based on the eventual vote outcome
- If Hyperliquid announces that a team has won the ticker designation without conducting a validator vote, that team resolves to "Yes"

- Only the initial official announcement of the winning team shall be considered; subsequent disputes, appeals, or reversals after the Expiration Date shall not affect resolution

Examples that would resolve to "Yes" for a given <team>:

- Hyperliquid announces "<team> has won the validator vote for the <ticker> ticker with 67% of stake-weighted votes"
- The official Hyperliquid website displays "<team> selected for <ticker> issuance following validator vote"

Examples that would NOT resolve to "Yes" for a given <team>:

- <team> submits a proposal but does not win the validator vote
- <team> is mentioned as a frontrunner but the vote has not concluded
- <team> wins a community sentiment poll but not the official validator vote
- <team> receives the ticker through means other than a validator vote (unless no vote occurs and Hyperliquid directly assigns it)

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 <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 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.