October 6, 2026

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 the yield of the 5-Year U.S. Treasury Note be <above/below/exactly/at least/at most/between> <value> <time period>?" 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 the yield of the 5-Year U.S. Treasury Note be <above/below/exactly/at least/at most/between> <value> <time period>?" contract (Contract). The Contract will initially be listed after close-of-business on October 7, 2026; 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:

- **<above/below/exactly/at least/at most/between>**
- **<value>**
- **<time period>**

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 the yield of the 5-Year U.S. Treasury Note be <above/below/exactly/at least/at most/between> <value> <time period>?"
Rulebook: 5YRRATEPYTH
Summary: 5-Year Treasury yield via Pyth
Kalshi Contract Category: Economic/Demographic Measure -- U.S. Government
Kalshi Internal Category: Financials
October 6, 2026

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 E), and the Commission's regulations thereunder.

I. Introduction

The "Will the yield of the 5-Year U.S. Treasury Note be <above/below/exactly/at least/at most/between> <value> <time period>?" 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 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 5.16 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 3.13 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: October 6, 2026

Attachments:

Appendix A - Contract Terms and Conditions
Appendix B - 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 the yield of the 5-Year U.S. Treasury Note be <above/below/exactly/at least/at most/between> <value> <time period>?"
Rulebook: 5YRRATEPYTH

5YRRATEPYTH

Scope: These rules shall apply to this contract.

Underlying: The Underlying for this Contract is the yield of the 5-Year U.S. Treasury Note <time period> as reported by the Source Agency. Revisions to the Underlying made after Expiration will not be accounted for in determining the Expiration Value.

Source Agency: The Source Agency is Pyth.

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.

<above/below/exactly/at least/at most/between>: <above/below/exactly/at least/at most/between> refers to comparison operators specified by the Exchange. "Above X" means strictly greater than X (>X). "Below X" means strictly less than X (<X). "Exactly X" means equal to X (=X), measured to the precision specified elsewhere in the Contract. "At least X" means greater than or equal to X (≥X). "At most X" means less than or equal to X (≤X). "Between X and Y" means greater than or equal to X and less than or equal to Y (≥X and ≤Y), i.e., inclusive of both endpoints, unless otherwise specified. The Exchange may list iterations of the Contract corresponding to variations of <above/below/exactly/at least/at most/between>. Where the Contract specifies a <time period>, "At least X" and "At most X" require the applicable value to satisfy the comparison criterion at every point <time period>, such that at no point <time period> is the value less than X or greater than X, respectively, unless otherwise specified by the Exchange. "Above X," "Below X," "Exactly X," and "Between X and Y" require the applicable value to satisfy the comparison criterion at least once <time period>, unless otherwise specified by the Exchange.

<value>: <value> refers to a specific yield level specified by the Exchange, expressed as an annualized percentage (e.g., "4.25%"). Unless otherwise specified by the Exchange, <value> will be expressed to two decimal places, with rounding to the nearest 0.01% (one basis point). Where the Source Agency reports yields to a finer level of precision (e.g., thousandths of a percent), the Exchange may specify <value> and resolve the Contract to that finer precision. The Exchange may list iterations of the Contract with <value> levels that fall within an inclusive range beginning at zero percent (0.00%) at consecutive increments of one basis point (0.01%). Due to the potential for variability in the Underlying, the Exchange may modify <value> levels in response to suggestions by Members. <value> may also take the form of a relative value to itself, a time period, or another U.S. Treasury note or bond (e.g., "above the yield on October 16"),

"Any," or "None." Where the comparison operator is “between”, <value> will take the form of two numbers that constitute the upper and lower bounds.

<time period>: <time period> refers to a specific range of time as specified by the Exchange. This may be defined by exact dates (e.g., "between January 1, 2026, and December 31, 2026"), relative markers (e.g., "before July 1, 2027"), an event, or broader intervals (e.g., "Q1–Q2 2027," "January–March 2026"). "Between" is inclusive of both endpoints, while "before" and "after" exclude the specified date unless stated otherwise. All dates and times are Eastern Time (ET). Where “before” is specified, the earlier time bound is understood to be Contract Issuance. <time period> may also refer to "Any" or "None," to multiple dates (even if non-consecutive), or to a singular and discrete date or time.

Payout Criterion: The Payout Criterion for the Contract encompasses the Expiration Values that the 5-Year U.S. Treasury Note yield is <above/below/exactly/at least/at most/between> <value> <time period>

Additional Clarifications:

- The 5-Year U.S. Treasury Note refers to a U.S. Treasury note with an original term to maturity of five years. Unless otherwise specified, the 5-Year U.S. Treasury Note refers to the current on-the-run (most recently auctioned) benchmark 5-Year note, as reflected in the Source Agency's 5-Year U.S. Treasury yield feed. The 5-Year U.S. Treasury Note may alternatively refer to: (i) a specific CUSIP-identified 5-Year note (including an off-the-run security), as specified by the Exchange; (ii) a 5-Year note identified by its specific auction (e.g., "the 5-Year Note auctioned in November 2025"); or (iii) a 5-Year Treasury Inflation-Protected Security (TIPS), where specified. Where the 5-Year U.S. Treasury Note refers to a specific CUSIP or auctioned instrument, the Expiration Value will be based on that instrument's market yield as reported by the Source Agency.
- The yield of the 5-Year U.S. Treasury Note reported by Pyth shall govern for purposes of determining the Expiration Value, provided such data is available. Where Pyth data is unavailable, unreliable, or does not correspond to the specified 5-Year U.S. Treasury Note, no other source and no previously published value shall govern, and the Contract will resolve in accordance with the no-data provisions below.
- If the specific CUSIP or security identified as the 5-Year U.S. Treasury Note matures, is fully redeemed, or otherwise ceases to be actively quoted by the Source Agency at any point <time period> or earlier, the Contract will resolve based on the current on-the-run benchmark 5-Year note.
- If the 5-Year U.S. Treasury Note refers to the current on-the-run 5-Year note and a new auction results in a new security becoming on-the-run <time period>, the Contract will track the newly on-the-run security from the date it is so designated, unless the Contract specifies a fixed CUSIP, in which case the Contract continues to track that CUSIP

irrespective of its on-the-run status.

- If the Source Agency's 5-Year U.S. Treasury yield feed is renamed or re-identified (including any change to its symbol or price feed identifier), is migrated to a different Pyth delivery channel or product, or has its contributing publishers or aggregation methodology changed <time period>, but the Source Agency continues to publish the yield of the 5-Year U.S. Treasury Note under the same or a successor feed reflecting the continuation of that feed, that continued record governs.
- Where <time period> refers to a range of time (i.e. anything other than a singular date and time), the Contract is resolved on the basis of whether or not the comparison operator was satisfied either at any point in <time period> (for above/below/between) or satisfied continuously throughout <time period> (for at least/at most) by the available data, unless otherwise specified by the Exchange. Where <time period> refers to a discrete date and time, only the value at that time is compared to the comparison operator.
- If the identified symbol, CUSIP, or tenor is no longer published by the Source Agency and no substantially equivalent replacement instrument is available, there is no data for the Underlying, and the Contract will resolve in accordance with the no-data provisions below.
- If the Source Agency publishes a value and subsequently corrects, retracts, or removes that value prior to Expiration, the corrected value governs only if the Exchange determines, in its sole discretion, that the correction remedies a material error in the initial value; otherwise, the initial value governs as set forth below. Corrections, retractions, or removals published after Expiration will not be accounted for in determining the Expiration Value.
- If the Exchange determines, in its sole discretion, that the initial non-preliminary publication contains a material error, it may delay Expiration until the earlier of (i) publication of revised data or (ii) the Expiration Date. If no reliable data is available by the Expiration Date, or no data is expected, in the sole discretion of the Exchange, to be released by the Expiration Date, all markets will resolve to the last fair price, as determined by the Exchange in its sole discretion, unless a "No data" strike is listed, in which case the "No data" strike will resolve Yes and all others will resolve No.
- For purposes of the Contract, there is no data for the Underlying where the Source Agency has not published reliable data for the yield of the 5-Year U.S. Treasury Note <time period>, including where Source Agency data is unavailable, or does not correspond to the specified 5-Year U.S. Treasury Note (e.g., where the Exchange specifies a CUSIP-identified note, an auctioned note, a TIPS, or an FRN for which the Source Agency does not publish a yield). A stale value carried forward, cached, or otherwise displayed by the Source Agency after the time at which it was originally published, including while the market for the 5-Year U.S. Treasury Note is closed, is not reliable data for any later time, and no previously published value will be used in place of data published for the time <time period>. Where <time period> spans more than a single

discrete time, the Contract will resolve on the reliable data the Source Agency publishes <time period>, and there is no data for the Underlying only if the Source Agency publishes no reliable data at any point <time period>.

- The Exchange may list a "No data" strike. The "No data" strike will resolve Yes if, and only if, there is no data, or no reliable data, for the Underlying by the Expiration Date, or there is no expectation, in the sole discretion of the Exchange, of the release of such data, in which case all other strikes will resolve No; otherwise, the "No data" strike will resolve No and all other strikes will resolve in accordance with the Payout Criterion.
- If there is no data for the Underlying published by the Source Agency by the Expiration Date, or no expectation, in the sole discretion of the Exchange, of the release of data, all markets will resolve to the last fair price, as determined by the Exchange in its sole discretion, unless a "No data" strike is listed, in which case the "No data" strike will resolve Yes and all others will resolve No.

If a natural person who is the primary subject of a Contract's Underlying or Payout Criterion dies prior to Expiration, or if an act or attempted act of violence, assassination, or terrorism directly prevents, interrupts, or causes the event that is the primary subject of a Contract's Underlying or Payout Criterion, Kalshi may, in its sole discretion, settle the Contract at the last traded price prior to the death or act. If Kalshi determines that trading activity was materially affected by the circumstances giving rise to the death or act, Kalshi may instead use the last traded price prior to such circumstances becoming known or reasonably anticipated by market participants. For purposes of this Rule, Kalshi may rely on an approximate time where the precise time is unknown or cannot be reasonably determined. If Kalshi determines that no last traded price represents a fair settlement, the Outcome Review Committee shall determine the fair settlement price. Kalshi may halt or pause trading in any such Contract (with public notice on Kalshi's website or the Platform) if it reasonably believes that a death or act of terrorism subject to this Rule has occurred, is imminent, or that circumstances giving rise to such an occurrence may be happening. Determinations of Kalshi and the Outcome Review Committee under this Rule are final and not subject to review.

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 final day of <time period>. The Last Trading Time will be one minute prior to the end of <time period>.

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 final day of <time period>. 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.

APPENDIX B – TRADING PROHIBITIONS

In addition to the general prohibition against trading on material nonpublic information, the Exchange will institute additional prohibitions for trading the contract. Persons under 18 years of age are not permitted to create Kalshi accounts. The following individuals will be prohibited from trading:

- Employees, contractors, and contributors of the Pyth Data Association, and of any entity that operates, administers, or maintains the Pyth Network's 5-Year U.S. Treasury yield feed, who have access to material nonpublic information relating to that feed
- Employees of institutions contributing 5-Year U.S. Treasury yield data to Pyth who have the ability to influence the data contributed or published
- Officials, employees, and contractors of the U.S. Department of the Treasury and the Board of Governors of the Federal Reserve System who have access to material nonpublic information regarding Treasury auctions, debt management, or monetary policy
- Any person who otherwise has the ability to influence, or has advance knowledge of, the yield of the 5-Year U.S. Treasury Note as reported by Pyth <time period>
- The immediate family members and members of the same household of any person described above