February 5, 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 <candidate> qualify for the <election> runoff in <jurisdiction>?" 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 <candidate> qualify for the <election> runoff in <jurisdiction>?" contract (Contract). The Contract will initially be listed after close-of-business on **February 5, 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:

- **<candidate>**
- **<election>**
- **<jurisdiction>**
- **<date>** (the target date)

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 <candidate> qualify for the <election> runoff in <jurisdiction>?"
Rulebook: ADVANCE
Summary: Predictions relating to runoff election participation
Kalshi Contract Category: Political Decision
Kalshi Internal Category: Elections
February 5, 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 D), and the Commission's regulations thereunder.

I. Introduction

The "Will <candidate> qualify for the <election> runoff in <jurisdiction>?" Contract is a contract relating to **Companies**.

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 5.16 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.

By: Xavier Sottile
Title: Head of Markets
Date: February 5, 2026

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 <candidate> qualify for the <election> runoff in <jurisdiction>?”
Rulebook: ADVANCE

ADVANCE

Scope: These rules shall apply to this contract.

Underlying: The Underlying for this Contract is reporting from the Source Agencies on candidates who have qualified for a runoff election for <election> in <jurisdiction>. 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, the official election authority of <jurisdiction> (e.g., Secretary of State, State Election Board, Ministry of Interior), the Associated Press, Reuters, The New York Times, Bloomberg News, The Washington Post, The Wall Street Journal, ABC News, CBS News, CNN, NBC News, the Guardian, ABC News Australia, Al Jazeera, Deutsche Welle, and Fox News.

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.

<jurisdiction>: <jurisdiction> refers to a geographic area specified by the Exchange. This may include U.S. states or territories, countries, subnational divisions, or other electoral districts where runoff elections are held. Examples include "Georgia," "Louisiana," "France," or "Mayenne's 3rd constituency." <jurisdiction> may refer to multiple jurisdictions using AND/OR logic, or take the forms “Any” or “None”.

<election>: <election> refers to a specific electoral contest specified by the Exchange. This may include federal, state, or local elections such as "the 2026 Georgia U.S. Senate general election," "the 2027 French legislative election for Seine-Saint-Denis 1st constituency," or "the 2025 Louisiana gubernatorial election." The Exchange will specify the election type (primary or general), the office contested, and the relevant electoral cycle.

<candidate>: <candidate> refers to an individual or entity specified by the Exchange. The Exchange may list iterations of the Contract corresponding to any entity who was a candidate in the first round of voting for <election> or who is otherwise eligible to appear in a runoff under the laws of <jurisdiction>. <candidate> may take the forms of, but is not limited to the forms of a single entity, multiple entities using AND/OR logic, a singular entity within a set of entities, “Any” or “None”. <candidate> may also be described by distinguishing characteristics.

Payout Criterion: The Payout Criterion for the Contract encompasses the Expiration Values that <candidate> has been announced to qualify for a runoff election for <election> in <jurisdiction>.

Additional clarification(s):

- A candidate "qualifies" for a runoff when they meet the statutory or regulatory threshold in <jurisdiction> that entitles them to appear on the runoff ballot.
- A candidate is "announced to qualify" when the official election authority of <jurisdiction> certifies or announces qualification, OR when the Associated Press or at least two other Source Agencies report that <candidate> has qualified for the runoff, whichever occurs first. Official certification is not required for resolution, OR when the terms below for a first round winner are met.
- This is determined at the time qualification is announced; subsequent withdrawals, disqualifications, or changes in eligibility do not affect whether the candidate qualified.
- If a candidate is announced to not qualify, the market will immediately resolve to No.
- Ties for Qualification: If there is an exact tie in vote totals such that the tie determines which candidates qualify for the runoff, the market will remain open until the tie is resolved by official procedures in <jurisdiction> (such as drawing lots or other legally prescribed methods). Once resolved, markets will settle based on the official determination.
- Multiple Qualifying Candidates: In jurisdictions where more than two candidates may qualify for a runoff (e.g., French triangulaires), markets for all candidates who meet the qualification threshold will resolve to Yes.
- First Round Winner Declared: If a candidate wins the first round outright with a majority (or whatever threshold <jurisdiction> requires to avoid a runoff), and no runoff occurs, the market for that winning candidate will resolve Yes and all other markets will resolve to No.
- Election Postponed: If the first round or the runoff election is postponed but not cancelled, the market will remain open and will resolve based on the rescheduled election timeline, up to a maximum of two years from the original scheduled date.
- Election Cancelled Entirely: If <election> is cancelled outright and no runoff will occur, all markets will resolve to the last fair price as determined in the sole discretion of the Exchange.

Examples that WOULD resolve the market to Yes:

- <candidate> finishes second in the first round of the Georgia Senate election where no candidate received a majority, and the Associated Press reports that <candidate> has qualified for the runoff.
- <candidate> qualifies for the runoff based on first-round results as reported by CNN and The New York Times, even before official certification.
- <candidate> qualifies for the runoff and later withdraws from the race.
- <candidate> qualifies for the runoff and is later disqualified for any reason.

Examples that would NOT resolve the market to Yes:

- <candidate> initially finishes third in a French legislative race but another candidate withdraws; <candidate> did not independently meet the qualification threshold based on the first-round results.
- In a French legislative race, <candidate> receives 11% of votes from registered voters (below the 12.5% threshold) and is not among the top two candidates, thus failing to meet either qualification pathway.

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 two years after the initially scheduled date of <election>. 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.