May 20, 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 <entity 1> record more <stat> than <entity 2> in <time period> of <basketball game>?" 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 <entity 1> record more <stat> than <entity 2> in <time period> of <basketball game>?" contract (Contract). The Contract will initially be listed after close-of-business on **May 21, 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:

- **<entity 1>**
- **<stat>**
- **<entity 2>**
- **<time period>**
- **<basketball game>**

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 <entity 1> record more <stat> than <entity 2> in <time period> of <basketball game>?"
Rulebook: BASKETBALLH2H
Summary: Head-to-head basketball performance
Kalshi Contract Category: Sports
Kalshi Internal Category: Sports
May 20, 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 <entity 1> record more <stat> than <entity 2> in <time period> of <basketball game>?" Contract is a contract relating to **Sports**.

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: May 20, 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 <entity 1> record more <stat> than <entity 2> in <time period> of <basketball game>?"
Rulebook: BASKETBALLH2H

BASKETBALLH2H

Scope: These rules shall apply to this contract.

Underlying: The Underlying for this Contract is the comparison between the official <stat> credited to <entity 1> and the official <stat> credited to <entity 2> during <time period> of <basketball game>, as published in the league's official box score and/or play-by-play (e.g., NBA). For team-specific markets, only statistics credited to the specified team count; for player-specific markets, only statistics credited to the specified player count. Only events occurring during regulation and any officially designated overtime periods are included unless <time period> specifies otherwise. Pre-game, halftime, and post-game activities (e.g., warm-ups, exhibitions, or technical/statistical corrections) do not count toward points, rebounds, assists, steals, blocks, turnovers, or team totals unless expressly stated. Any points or statistics awarded due to technical fouls, flagrant fouls, or free throws are included if credited in the official record. Revisions to the official record made after Expiration will not be considered when determining the Expiration Value.

Source Agency: The Source Agencies are, in hierarchical order, the league governing <basketball game>, ESPN, Fox Sports, and the official broadcast partner of <basketball game>.

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.

<entity 1> and <entity 2>: <entity 1> and <entity 2> each refer to either a basketball team or a basketball player officially entered in a <basketball game> as recognized by the governing body of the competition (e.g., NBA, NCAA, FIBA) and specified by the Exchange. If <entity 1> or <entity 2> is a team, it is defined by the franchise, school, or national side name as listed on the official schedule, and shall be tracked through official name changes. If <entity 1> or <entity 2> is a player, it is defined by the athlete's full name as listed on the official roster of the governing body or team, with the full name governing where two or more players share the same surname. <entity 1> and <entity 2> may also be referred to in the singular or plural, as any team or group of teams, or any player or group of players, identified with AND/OR logic, within a set of basketball games, teams, players or players within teams (including within or representative of the whole season or tournament participants), or by distinguishing characteristics. <entity 1> and <entity 2> may be participants in the same <basketball game>, in separate <basketball game>s, on the same team, or on opposing teams, as specified by the Exchange. Where <entity 1> or <entity 2> is identified as a group with AND logic, the relevant <stat> for the group shall be understood as the cumulative numerical total credited to all members of the group; where identified with OR logic, the relevant <stat> shall be understood as the highest count number credited to any single member of the group.

<stat>: <stat> refers to an official statistic specified by the Exchange, which may include but is not limited to: assists, baskets, and rebounds. <stat> may be identified in the singular (e.g. assists), or the multiple using AND/OR operations (whereby "AND" will be understood to refer to cumulative numerical total, and "OR" to the highest count number specified). The same <stat> shall apply to both <entity 1> and <entity 2> unless the Exchange specifies otherwise.

<time period>: <time period> refers to a segment of <basketball game> or the tournament at which <basketball game> is played specified by the Exchange. <time period> may take, but is not limited to the following forms:

- Entire game, which refers to the time period encapsulating regulation time and overtime
- Entire game excluding overtime (i.e. regulation time only game), which refers to regulation time with no overtime
- Overtime only
- A quarter, half, or subsegment of the game specified in the singular or in the plural when used with AND/OR operators (e.g. Q1, or Q1 and Q2)
- Any quarter or half across the entire game or a subset of the game, which may be satisfied if at least one of the aforementioned segments of the game meets the stated Payout Criterion
- Each quarter or half across the entire game, or each subset of the game, which may be satisfied if ALL of the aforementioned segments of the game meets the stated Payout Criterion
- A given time period denoted in hours and/or minutes and/or seconds of matchplay, or constrained by a given time in a stated timezone (e.g. prior to 7PM ET)
- A given segment or subsection of a competition, or the competition in its entirety

<time period> may also take the forms of any segment in a set range, refer in the singular or the multiple, by distinguishing characteristics (e.g. any basketball game involving a team from New York), "Any" or "None". Where not specified otherwise, <time period> shall be understood to refer to the sum of regulation time and overtime.

<basketball game>: <basketball game> refers to an officially scheduled contest between two teams as recognized by the National Basketball Association (NBA) or the governing body of the relevant competition (e.g., FIBA, NCAA) specified by the Exchange. <basketball game> may be defined by the names of the teams involved, by the date of the game, by the stage of the season (e.g., regular season, playoffs, finals), as any basketball game within a set of basketball games (including within or representative of the whole season or tournament), or by distinguishing characteristics. <basketball game> may also take the forms "Any" or "None". Where <entity 1> and <entity 2> participate in different <basketball game>s, <basketball game> shall be understood to refer collectively to the relevant contests for each entity, as specified by the Exchange.

Payout Criterion: The Payout Criterion for the Contract encompasses the Expiration Values that the <stat> credited to <entity 1> in <time period> of <basketball game> is strictly greater than (>) the <stat> credited to <entity 2> in <time period> of <basketball game>.

Additional clarification(s):

- Statistics are considered final at the conclusion of <basketball game>. Corrections made afterwards will not affect the value of the Contract.
- If the <stat> credited to <entity 1> is equal to the <stat> credited to <entity 2> (i.e., a tie), the Contract shall resolve in the following way:
    - If there is a "Tie" strike listed, this "Tie" strike will resolve to "Yes" and all others to "No"
    - If there is no "Tie" strike listed, all Contracts on <entity 1> and <entity 2> shall resolve such that "Yes" holders are paid $0.50, and "No" holders receive ($1 - the "Yes" payout).
- If <time period> is specified in the Contract Title (e.g., "more points in Q1"), then only <stat> recorded within that segment counts toward the comparison; statistics recorded outside of <time period> do not count.
- If <entity 1> and <entity 2> participate in different <basketball game>s, the comparison shall be made between the <stat> recorded by each in their respective <basketball game> during the applicable <time period>, and resolution shall not occur until both <basketball game>s are complete (subject to the cancellation and delay provisions below).
- If <basketball game> is cancelled prior to scheduled commencement, all markets on <basketball game> will resolve to the last fair price as determined by the Exchange in its sole discretion.
- If <basketball game> is cancelled or abandoned after the start of the game and does not re-commence within 24 hours, all markets except for those on results already reached (which will resolve on the basis of available statistics where the <time period> has been completed) will resolve to the last fair price as determined by the Exchange in its sole discretion. For Contracts where <time period> covers the entire game, the markets will resolve based on available statistics if the game reaches 48 minutes of gameplay for an NBA game, or 40 minutes for a WNBA or collegiate game.
- If <basketball game> is delayed for two weeks or less, all markets on <basketball game> will remain open.
- If <basketball game> is delayed for more than two weeks, all markets on <basketball game> will resolve to the last fair price as determined by the Exchange in its sole discretion.
- If either or both <entity 1> and/or <entity 2> withdraws prior to the commencement of <basketball game> OR either or both <entity 1> and/or <entity 2> fail to participate for at least one (1) second during <time period>, the markets on the comparison will resolve to the last fair price as determined by the Exchange in its sole discretion.

- If either <entity 1> or <entity 2> retires or is injured during <basketball game>, the markets will settle based on the end-of-game statistics if both entities have played for at least one (1) second during <time period>.
- If either <entity 1> or <entity 2> is disqualified following <basketball game>, the markets will settle based on the end-of-game statistics if both entities have played for at least one (1) second during <time period>.
- If data for the results of <basketball game> is delayed or unavailable, the Exchange may wait 24-hours for it to become available. If, after 24 hours, the data remains unavailable, all markets on <basketball game> that cannot be settled due to missing data will resolve to the last fair price as determined by the Exchange in its sole discretion.
- If there is a change to the format of <basketball game> that materially affects markets on <basketball game>, the affected markets may be resolved to the last fair price as determined by the Exchange in its sole discretion.
- If a season is truncated mid-season, all markets deemed to be affected (e.g. total stat comparisons over a season) by the Exchange may resolve to the last fair price as determined by the Exchange in its sole discretion.
- Where <entity 1> and <entity 2> are both members of a group identified using AND/OR logic, statistics credited to overlapping members shall not be double-counted; the Exchange shall, in its sole discretion, apply consistent attribution methodology in line with the official record.

If a natural person who is the primary subject of a Contract's Underlying or Payout Criterion dies prior to Expiration, Kalshi may, in its sole discretion, settle the Contract at the last traded price prior to the death. If Kalshi determines that trading activity was materially affected by the circumstances giving rise to the death, 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 the death of such person has occurred, is imminent, or that circumstances giving rise to the death may be occurring. 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 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 the fifteenth day following <basketball game>. Where <entity 1> and <entity 2> participate in different <basketball game>s, the latest Expiration Date shall be the fifteenth day following the later of the two <basketball game>s. 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:

- Current and former players, coaches, and staff of the league, association, or organization(s) governing <event>.
    - For college leagues/associations specifically, or where otherwise appropriate (as identified by the Exchange), this applies to current and former players/coaches/staff of the specific teams in <basketball game> rather than the league/association as a whole (e.g., if the Division I Gonzaga Men's Basketball Team is playing in <basketball game>, this prohibition will restrict trades by current/former players of that team, rather than all current/former players/coaches/staff in any NCAA sport);
- Paid employees of the league and league participants;
- Ultimate beneficial owners of teams and the league; and
- household members and immediate family of all above.

These prohibitions apply to the appropriate values of <basketball game>. For example, former players of the National Football League are not necessarily prohibited from trading on iterations of the Contract related to the National Basketball Association, unless they are part of any other group listed for that league.[1]

[1] The Contract has not been endorsed by any league or association as of self-certification. The use of any names of leagues or associations does not indicate an endorsement of this product.