April 23, 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 CCA Current Auction Settlement Price for <auction> be <above/below/between/exactly/at least> <value>?" 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 CCA Current Auction Settlement Price for <auction> be <above/below/between/exactly/at least> <value>?" contract (Contract). The Contract will initially be listed after close-of-business on **April 23, 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:

- **<auction>**
- **<above/below/between/exactly/at least>**
- **<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 CCA Current Auction Settlement Price for <auction> be <above/below/between/exactly/at least> <value>?"
Rulebook: CCAPRICE
Summary: CCA prices
Kalshi Contract Category: Commodity
Kalshi Internal Category: Financials
April 23, 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 the CCA Current Auction Settlement Price for <auction> be <above/below/between/exactly/at least> <value>?" 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: April 23, 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 CCA Current Auction Settlement Price for <auction> be <above/below/between/exactly/at least> <value>?"
Rulebook: CCAPRICE

CCAPRICE

Scope: These rules shall apply to this contract.

Underlying: The Underlying for this Contract is the Current Auction Settlement Price for <auction>, as documented in the official Joint Auction Summary Results Report published by the California Air Resources Board (CARB) in or before <time period>. The "Current Auction Settlement Price" means the uniform-price allowance price, expressed in U.S. dollars per metric ton of CO2 equivalent (USD/tCO2e), resulting from the sale of allowances in the Current Auction component of the specified joint California–Québec greenhouse gas allowance auction, as distinguished from the Advance Auction Settlement Price. Revisions to the Underlying made after Expiration will not be accounted for in determining the Expiration Value.

Instructions: The Underlying can be found at the CARB Auction Information webpage (arb.ca.gov). 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 California Air Resources Board (CARB), including its official website (arb.ca.gov) and any successor domains or official publication channels formally designated by CARB.

Type: The type of Contract is an Event Contract.

Issuance: The Contract is based on the outcome of a recurrent data release, which is issued on a quarterly basis. Thus, Contract iterations will be issued on a recurring basis, quarterly, and future Contract iterations will generally correspond to the next <auction>.

<auction>: <auction> refers to a specific joint California–Québec greenhouse gas allowance auction specified by the Exchange, identified by its official auction identifier as assigned and published by CARB (e.g., "Joint Auction #47"). May also be identified by any other unique identifier used by CARB in the corresponding Auction Notice, including sequential number, scheduled auction date, or successor designations in the event of renumbering or format changes. Where an auction identifier is reassigned, rescheduled, postponed, or merged by CARB prior to the Expiration Date, <auction> refers to the auction bearing the successor identifier as formally designated by CARB. The Exchange may list iterations of the Contract corresponding to variations of <auction>.

<time period>: <time period> refers to a specific duration or range of time as specified by the Exchange. May be expressed as a calendar year (e.g., "2026"), a calendar month and year (e.g., "May 2026"), a calendar quarter (e.g., "Q2 2026"), a specific week, a bounded custom period (e.g., "the period ending June 10, 2026"), or other bounded time periods as appropriate to the

contract subject matter. <time period> may also refer to a discrete date and time (e.g. June 10. 2026 at 11:59PM PT). All time periods for this Contract are interpreted in Pacific Time (PT), reflecting the operating time zone of the Source Agency, unless otherwise explicitly specified by the Exchange. The end of <time period> is defined as 11:59 PM PT on the final day of the specified period, unless otherwise explicitly specified by the Exchange. The Exchange may list iterations of the Contract corresponding to variations of <time period>.

<value>: <value> refers to a specific price threshold specified by the Exchange, expressed in USD/tCO2e. May be expressed as a whole number, decimal, range, or formula. The Exchange may list iterations of the Contract with <value> thresholds at any increments, ranges, or formulas. Due to the potential for variability in the Underlying, the Exchange may modify <value> levels in response to suggestions by Members.

<above/below/between/exactly/at least>: Refers to comparison operators as specified by the Exchange. "Above <value>" means strictly greater than <value>; "below <value>" means strictly less than <value>; "at least <value>" means greater than or equal to <value>; "exactly <value>" means equal to <value> at the precision reported by the Source Agency; "between <value1> and <value2>" means greater than or equal to <value1> and less than or equal to <value2> unless otherwise specified.

Payout Criterion: The Payout Criterion for the Contract encompasses the Expiration Values that the Current Auction Settlement Price for <auction>, as documented in the official Joint Auction Summary Results Report published by CARB in or before <time period>, is <above/below/between/exactly/at least> <value> USD/tCO2e as of the Expiration time on the Expiration Date.

For the avoidance of doubt: (i) the Current Auction Settlement Price refers solely to the price resulting from the Current Auction component of <auction> and excludes the Advance Auction Settlement Price, any Allowance Price Containment Reserve sale price, and any secondary-market price; (ii) the comparison is performed at the precision as reported in the Joint Auction Summary Results Report; (iii) if the Current Auction of <auction> is undersubscribed and settles at the Auction Reserve Price, the Current Auction Settlement Price equals the Auction Reserve Price for purposes of this Contract; (iv) if CARB issues a correction, retraction, or clarification to the Joint Auction Summary Results Report prior to the Expiration time on the Expiration Date, the corrected figure shall control; if issued after the Expiration time on the Expiration Date, the figure as of the Expiration time on the Expiration Date shall control; (v) if the Joint Auction Summary Results Report is first published on a CARB successor domain or authorized publication channel formally designated by CARB, that publication shall constitute official publication by CARB for purposes of this Contract.

All references to the Current Auction Settlement Price in USD/tCO2e refer to the figure as reported in U.S. dollars by CARB. If CARB reports the Current Auction Settlement Price solely

in Canadian dollars (CAD), the CAD figure shall be converted to USD using the Auction Exchange Rate (USD to CAD FX Rate) as established for <auction> and published by CARB in the corresponding Auction Notice or Joint Auction Summary Results Report, and the resulting USD figure shall be used as the Current Auction Settlement Price for purposes of this Contract.

In the event that (a) <auction> is cancelled, postponed, or otherwise does not occur in or before <time period>; (b) the Joint Auction Summary Results Report for <auction> is not published by CARB in or before <time period>; or (c) no Current Auction Settlement Price is reported in the Joint Auction Summary Results Report for <auction>, such that a Current Auction Settlement Price for <auction> as defined herein cannot be determined as of the Expiration time on the Expiration Date, the Contract shall resolve to No.

Examples that would resolve the market to Yes (illustrated for a Contract listed with <auction> = "Joint Auction #47," <time period> = "the period ending June 10, 2026," <value> = $27.94, and <above> specified):

- CARB publishes the Joint Auction Summary Results Report for Joint Auction #47 on May 22, 2026 showing a Current Auction Settlement Price of $28.00/tCO2e.
- CARB publishes the Joint Auction Summary Results Report for Joint Auction #47 on June 10, 2026 at 10:00 AM PT showing a Current Auction Settlement Price of $27.95/tCO2e.
- CARB publishes the Joint Auction Summary Results Report for Joint Auction #47 showing a Current Auction Settlement Price of $35.12/tCO2e, even if the Advance Auction Settlement Price is $25.00/tCO2e.
- CARB initially publishes the Joint Auction Summary Results Report for Joint Auction #47 showing a Current Auction Settlement Price of $26.00/tCO2e, identifies a reporting error, and publishes a corrected figure of $28.50/tCO2e prior to the Expiration time on the Expiration Date.

Examples that would NOT resolve the market to Yes (illustrated for a Contract listed with <auction> = "Joint Auction #47," <time period> = "the period ending June 10, 2026," <value> = $27.94, and <above> specified):

- CARB publishes the Joint Auction Summary Results Report for Joint Auction #47 showing a Current Auction Settlement Price of exactly $27.94/tCO2e (the Current Auction cleared at the Auction Reserve Price).
- The Current Auction of Joint Auction #47 is undersubscribed and the Summary Results Report reports a Current Auction Settlement Price equal to the $27.94 Auction Reserve Price, even if the Advance Auction cleared above the reserve.
- The Advance Auction Settlement Price for Joint Auction #47 is reported at $30.00/tCO2e while the Current Auction Settlement Price is reported at $27.94/tCO2e; only the Current Auction figure is used.

- CARB initially publishes the Joint Auction Summary Results Report for Joint Auction #47 showing a Current Auction Settlement Price of $28.50/tCO2e, then issues a correction to $27.94/tCO2e prior to the Expiration time on the Expiration Date.
- Joint Auction #47 is cancelled and does not occur in or before June 10, 2026.
- Joint Auction #47 occurs on May 20, 2026, but CARB does not publish the Joint Auction Summary Results Report for Joint Auction #47 in or before June 10, 2026 at 11:59 PM PT.

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 Expiration Date. The Last Trading Time will be 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 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 11:59 PM PT.

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, officers, directors, members, contractors, and agents of the California Air Resources Board (CARB) with access to non-public auction administration information, including but not limited to the Cap-and-Invest Program staff, Enforcement Division staff, and Office of the Executive Officer.
- Employees, officers, directors, and agents of the Québec Ministère de l'Environnement, de la Lutte contre les changements climatiques, de la Faune et des Parcs (MELCCFP) with access to non-public auction administration information.
- Employees, officers, directors, contractors, and agents of WCI, Inc., in its capacity as the joint auction administrator and operator of the Auction Platform.
- Employees, officers, directors, contractors, and agents of the jurisdictions' Market Monitor (currently Monitoring Analytics, LLC) and any successor Market Monitor.
- Registered Auction Participants in the specific Joint Auction referenced by the Contract, their Account Representatives and Primary Account Representatives (as defined in the California Cap-and-Invest Regulation and the Québec Regulation), and persons who bid or attempted to bid in such Joint Auction.
- Cap-and-Invest Consultants or Advisors (as defined in Section 95914 of the California Cap-and-Invest Regulation) who have provided or are providing bid strategy services with respect to the specific Joint Auction referenced by the Contract, and persons employed by or acting on behalf of such Consultants or Advisors with access to bid strategy information.
- Employees, officers, and directors of the corporate parents, subsidiaries, or direct corporate associates (as defined in Section 95833 of the California Cap-and-Invest Regulation) of Registered Auction Participants who have access to such entities' bid strategy, bid guarantee, or bidding limit information.
- Employees, officers, and directors of the California Environmental Protection Agency (CalEPA), the Office of the Governor of California, the California Natural Resources Agency, and the corresponding Québec executive branch offices with access to non-public information concerning the specific Joint Auction.
- Employees of financial settlement agents and financial services providers engaged by CARB, MELCCFP, or WCI, Inc. in connection with the specific Joint Auction (including the Financial Services Administrator) with access to non-public bidding, settlement, or clearing data.

- Employees, officers, directors, and agents of the California Department of Justice, the Québec Ministère de la Justice, and any other law enforcement or regulatory body conducting an ongoing investigation described in Section 95912(d)(4)(D) of the Cap-and-Invest Regulation with respect to any Registered Auction Participant in the specific Joint Auction.
- Persons who have misappropriated material non-public information about the specific Joint Auction from any of the above, and persons who have received such information from such persons knowing or having reason to know it was misappropriated.
- Immediate family members (spouse, domestic partner, parents, children, siblings) residing in the same household as any person described in categories 1–6 above.