May 7, 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> win <time period> of <esports event>?" 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> win <time period> of <esports event>?" contract (Contract). The Contract will initially be listed after close-of-business on **May 8, 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:

- **<date>**
- **<entity>**
- **<time period>**
- **<esports event>**

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> win <time period> of <esports event>?"
Rulebook: ESPORTSWIN
Summary: Outcome of entity's esports event period
Kalshi Contract Category: Sports
Kalshi Internal Category: Sports
May 7, 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> win <time period> of <esports event>?" 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 7, 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> win <time period> of <esports event>?”
Rulebook: ESPORTSWIN

ESPORTSWIN

Scope: These rules shall apply to this contract.

Underlying: The Underlying for this Contract is the official competitive result of <entity> in <time period> of <esports event> 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 Agencies are, in hierarchical order: the governing body or official tournament organizer of <esports event>, the designated official statistics provider of <esports event>, the official broadcast or streaming platform of <esports event>, Liquipedia, HLTV (for Counter-Strike events), op.gg or gol.gg (for League of Legends events), Dotabuff, Stratz, or DLTV (for Dota 2 events), vlr.gg (for VALORANT events), ESPN Esports, EGamersWorld, The Esports Observer, Dot Esports, the Associated Press, and Reuters.

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>: <entity> refers to one or more players, teams, rosters, or defined categories of participants specified by the Exchange. <entity> may include, but is not limited to: a specific named individual player (e.g., "s1mple"); a full team or roster (e.g., "Team Liquid," "Cloud9"); a defined subset of players or teams meeting specified criteria (e.g., "any North American team," "the series leader after Map 1"); the entire field or any designated portion thereof; or any other participant designation as determined by the Exchange, including those referenced by distinguishing characteristics or in the multiple with AND/OR logic. <entity> may also take the values "Any" or "None." When <entity> refers to a group (e.g., "any team in the bracket"), the Payout Criterion is satisfied if at least one member of that group satisfies the win condition for <time period> of <esports event>, unless the Exchange specifies otherwise at Issuance. For team-level determinations, <entity> refers to the collective competitive record of the rostered lineup as officially recognized by the governing body of <esports event>, and roster substitutions mid-event do not alter the identity of <entity> unless the governing body treats the substituted lineup as a distinct entry. The Exchange may list iterations of the Contract corresponding to variations of <entity>.

<esports event>: <esports event> refers to a professional esports competition or a defined subset thereof, as specified by the Exchange. <esports event> may refer to: a full tournament or league season (e.g., "the 2026 IEM Katowice," "the 2026 LCS Spring Split"); a specific stage of a tournament (e.g., "the Group Stage of the 2026 Worlds Championship"); a specific series within a tournament (e.g., "the Grand Finals of the 2026 ESL Pro League"); a specific map, game, or round within a series (e.g., "Map 2 of the 2026 PGL Major Grand Finals," "Overtime of Game

3"); a defined time window within an event (e.g., "Day 1 of the 2026 The International"); a tiebreaker or playoff; a scrimmage or showmatch only if explicitly designated by the Exchange; or a multi-tournament span (e.g., "the 2026 Major Championship circuit"). <esports event> includes but is not limited to competitions sanctioned by Riot Games, Valve, ESL/FACEIT, BLAST, PGL, Activision Blizzard, Electronic Arts, Epic Games, the International Esports Federation (IESF), and other recognized esports governing bodies or tournament organizers across any title. Where relevant, the Exchange will specify the game title, governing body, or sanctioning organization of <esports event> at Issuance. If a tournament's name, sponsorship, sanctioning body, or game version changes but the event remains equivalent in nature and competitive standing, the most natural successor event will track <esports event>. This will be announced by the Exchange in the event it is relevant. For events that involve multiple titles (e.g., multi-game esports festivals), <esports event> will specify the applicable game title at Issuance. The Exchange may list iterations of the Contract corresponding to variations of <esports event>.

<time period>: <time period> refers to a specific portion, stage, or duration of <esports event> within which the win condition is evaluated, as specified by the Exchange. <time period> may be expressed as: a single map or game within a series (e.g., "Map 1," "Game 3"); a full series or match between two participants (e.g., "the Quarterfinal series," "the Grand Finals," "the Bo3 match"); a defined stage or bracket of a tournament (e.g., "the Group Stage," "the Upper Bracket Finals"); the full tournament or event (e.g., "the tournament," "the season"); a specific round or half within a map or game (e.g., "the CT-side half," "overtime," "Round 16"); or any other subdivision of <esports event> as appropriate to the subject matter of the Contract. All time periods are interpreted in Eastern Time (ET) unless otherwise specified. The Exchange may list iterations of the Contract corresponding to variations of <time period>. Where <time period> refers to a stage with a defined advancement criterion (e.g., "advancing out of the Group Stage"), "win" shall be understood to mean satisfying that advancement criterion as officially determined by the governing body of <esports event>.

Payout Criterion: Payout Criterion: The Payout Criterion for the Contract encompasses the Expiration Values that <entity> has won <time period> of <esports event>.

For the purposes of this Contract, "win" is defined as follows, depending on the scope of <time period> as specified by the Exchange:

- Map or game-level win: <entity> is officially credited with the victory on a specific map or in a specific game within a series, as determined by the governing body of <esports event> under the applicable ruleset (e.g., the team that reaches the requisite round count, eliminates all opponents, destroys the objective structure, or otherwise satisfies the game-title-specific victory condition on that map or in that game).

- Series or match-level win: <entity> wins the requisite number of maps, games, rounds, or other sub-units in the series or match — as that unit is designated by the governing body of <esports event> — as specified by the format (e.g., 2 maps in a best-of-3, 3 maps in a best-of-5, 16 rounds in a single map of Counter-Strike) to be declared the official series or match winner by the governing body of <esports event>.
- Stage or bracket-level win: <entity> satisfies the advancement or elimination criterion established by the governing body of <esports event> for that stage (e.g., finishing first in a group, advancing through a bracket round, winning a playoff stage), such that the governing body officially records <entity> as having won or advanced from that stage.
- Tournament or event-level win: <entity> is officially declared the champion or winner of the full <esports event> by the governing body, having satisfied all format requirements to be recognized as the sole (or, where the format permits, tied) winner of the event.
- Round or half-level win: <entity> is officially credited with winning the specified round or half (e.g., winning the pistol round, winning the CT-side half) as recorded in the official match data published by the governing body or its designated statistics provider.

Where the applicable game title defines victory by a metric not enumerated above (e.g., points accumulated, time survived, placement in a battle royale lobby), the Exchange will specify the operative win condition at Issuance. The official determination of the governing body of <esports event> shall govern in all cases.

Additional clarification(s):

- If <entity> refers to a specific individual player and <time period> is the full <esports event>, a stage, bracket, group, playoff, season, or any other scope at which the win condition requires <entity> to be officially declared the winner of, or to satisfy an advancement criterion for, that scope, and that player is officially substituted out of the roster, dropped, disqualified, removed, or otherwise barred from participating in <esports event> at any point before the governing body officially declares the winner of <time period>, such that the player cannot be officially declared the winner of (or to have satisfied the advancement criterion for) <time period>, the market resolves to No.
- If <entity> refers to a specific individual player and <time period> is a specific series, match, map, game, round, or half within <esports event>, and that player is officially substituted out of the roster, disqualified, removed, or otherwise barred from participating before the commencement of play in that specific <time period>, the Contract will resolve to the last fair price determined in the sole discretion of the Exchange.
- If <entity> commences play in <esports event> but subsequently disconnects, is substituted, or is otherwise unable to continue during the portion of <esports event>

relevant to <time period>, the market resolves based on the official result as declared by the governing body of <esports event> for the relevant <time period>. If the governing body has not issued a final result and the outcome cannot be determined from officially published records, the market resolves to the last fair price as determined in the sole discretion of the Exchange. For disconnection events: if the governing body rules that the relevant map or game is to be replayed from the point of disconnection or in full, only the result of the officially completed and counted replay shall govern resolution.

- If the result of <time period> is determined by a draw or tie and no tiebreaker mechanism is applied by the governing body of <esports event> (and the Exchange has not explicitly specified that a draw or shared first-place finish satisfies the Payout Criterion for <entity>), the following shall occur:
    - Where there is a "Tie" strike listed, the "Tie" strike shall resolve to "Yes" and all others shall resolve to "No"
    - Where there is no "Tie" strike listed, the markets will resolve such that holders of "Yes" Contracts on those drawn or shared first-place finishers receive ($1/[the number of tied participants]), rounded down, and "No" holders on the aforementioned Contracts receive ($1 - the "Yes" payout).
    - Where the governing body applies a tiebreaker to determine a singular winner, resolution shall be based on the outcome of that tiebreaker. Where multiple participants are recognized as co-winners by the governing body with no tiebreaker applied, the markets will resolve such that holders of "Yes" Contracts on those drawn or shared first-place finishers receive ($1/[the number of tied participants]), rounded down, and "No" holders on the aforementioned Contracts receive ($1 - the "Yes" payout).
- If <entity> wins <time period> of <esports event> by forfeit that occurs during the course of play (i.e., the opposing participant withdraws, fails to appear, or is disqualified during play), the market resolves to Yes, provided the governing body officially awards the win to <entity>. If a forfeit occurs without any play having occurred in <time period>, regardless of whether the governing body credits an <entity> with a win, the market resolves to the last fair price as determined in the sole discretion of the Exchange.
- If <entity> is disqualified from <esports event> before winning <time period>, but after it commences, the market resolves to No. If <entity> is disqualified after the governing body has already officially declared <entity> the winner of <time period>, and the governing body's decision regarding the effect of that disqualification is issued prior to Expiration, the market resolves based on whether the disqualification retroactively voids that result: if the governing body voids the result and awards the win to another participant prior to Expiration, the market resolves to No; if the governing body allows the result to stand, does not alter the official record of <entity>'s win, or has not issued a decision altering that record prior to Expiration, the market resolves to Yes. Any

disqualification, voiding, or reversal of <entity>'s officially declared win that occurs (or is announced) after Expiration shall not be accounted for in resolution.

- If the governing body of <esports event> orders a full or partial replay of a map, game, series, or stage (e.g., due to a server crash, verified cheating, or a critical technical failure), the result of the voided play shall not govern resolution. Only the result of the officially completed and counted replay shall be used to determine whether <entity> has won <time period>.
- If <entity> is disqualified and that disqualification retroactively voids maps, games, rounds, or series previously credited to <entity> as wins, the voided results shall not count toward the win condition for resolution purposes, consistent with the final official determination of the governing body if such a disqualification decision occurs prior to Expiration. Revisions to results after the Expiration Date will not be accounted for in resolution.
- When <entity> refers to a group (e.g., "any team from North America"), the market resolves to Yes if at least one member of the group is officially declared the winner of <time period> of <esports event>, unless the Exchange specifies at Issuance that all members of the group (or a stated subset thereof) must win, in which case the Payout Criterion is satisfied only if every member of the specified group or subset wins <time period>.
- If <esports event> (or the relevant <time period> thereof) is officially shortened from its scheduled format but the governing body publishes an official result for the completed play, the market will resolve based on the official result as published. If <esports event> is shortened such that the relevant <time period> is not completed and no official winner is declared by the governing body for the relevant scope of <time period>, the market will resolve to the last fair price as determined in the sole discretion of the Exchange.
- If <esports event> is officially cancelled before any official result relevant to <time period> is published, the market will resolve to the last fair price as determined in the sole discretion of the Exchange.
- If <esports event> is postponed but later resumed, the market will remain open and resolve based on the official result once play is completed, provided the event is completed within 48 hours of its originally scheduled start date (and the rescheduling is announced within one week of the originally scheduled start date). If the event is postponed further, the market will resolve at the last fair price as determined in the sole discretion of the Exchange.
- If the governing body of <esports event> changes the event format, map pool, ruleset, series structure, or advancement criteria after the Contract is issued but before <esports event> begins, the new official rules and methodology shall govern resolution, including how "win" is defined for the applicable <time period>.
- For events utilizing a round-robin, double-elimination, or other non-single-elimination bracket format, the win condition is evaluated only with respect to the specific <time

period> as specified at Issuance, and does not automatically extend to additional tiebreaker maps, games, or stages unless the Exchange explicitly specifies at Issuance that tiebreakers are included.

- When <esports event> spans multiple tournaments or a full season (e.g., "the 2026 LCS Spring Split"), the win condition is evaluated cumulatively or with respect to the specified scope of <time period> as published in the governing body's official records. The market will not resolve until the conclusion of the final event or stage within the specified scope.
- If a patch, update, or in-game change deployed by the game's developer during <esports event> materially alters the win condition, match format, or official result determination methodology after the Contract is issued but before or during <esports event>, the Exchange will determine the appropriate resolution methodology and announce any adjustments to Members. The official result as published by the governing body under the applicable version of the game shall govern resolution unless the Exchange determines otherwise.
- For battle royale, multi-participant lobby, or other formats in which more than two participants compete simultaneously within a single <time period> and "win" is defined by final placement, the Payout Criterion is satisfied only if <entity> achieves first place (or the highest available placement if first place is voided) in the official standings for that <time period>, unless the Exchange specifies a different placement threshold at Issuance.
- If the series or match format for <time period> is changed by the governing body after the Contract is issued (e.g., a best-of-3 series is converted to a best-of-1 due to scheduling constraints), the altered format governs resolution, and "win" shall be understood relative to the official format as played and officially recorded by the governing body.

Examples that would resolve the market to Yes:

- <entity> is "Team Vitality," <esports event> is "the 2026 IEM Cologne," and <time period> is "the Grand Finals." Team Vitality defeats their opponent in the official Grand Finals series and is declared the champion of the 2026 IEM Cologne by the tournament organizer. The market resolves to Yes.
- <entity> is "Faker," <esports event> is "the 2026 LCK Spring Split," and <time period> is "Game 3 of the Grand Finals." Faker's team wins Game 3 of the series as officially recorded. The market resolves to Yes.
- <entity> is "any team seeded from the Americas region," <esports event> is "the 2026 League of Legends World Championship," and <time period> is "the Group Stage." One Americas-region team advances out of the Group Stage as officially recorded. The market resolves to Yes.

- <entity> is "NaVi," <esports event> is "the 2026 BLAST Premier World Final," and <time period> is "Map 2 of their Semifinal series." NaVi is officially credited with the Map 2 win. Their opponent forfeits during Map 2 and the governing body awards the map to NaVi. The market resolves to Yes.

Examples that would NOT resolve the market to Yes:

- <entity> is "G2 Esports," <esports event> is "the 2026 ESL Pro League Season 21," and <time period> is "the tournament." G2 Esports reaches the Grand Finals but loses. The market resolves to No.
- <entity> is "Cloud9," <esports event> is "the 2026 PGL Major," and <time period> is "the Group Stage." Cloud9 is eliminated from the Group Stage. The market resolves to No.
- <entity> is "TenZ," <esports event> is "the 2026 VCT Champions," and <time period> is "Map 1 of the Grand Finals." TenZ is substituted out of the starting roster before his team commences play. The market resolves to the last fair price (not Yes or No).
- <entity> is "Team Liquid," <esports event> is "the 2026 The International," and <time period> is "the tournament." The event is cancelled before any official matches are played. The market resolves to the last fair price (not Yes or No).
- <entity> is "Sentinels," <esports event> is "the 2026 VCT Americas," and <time period> is "their Round 1 series." Sentinels and their opponents split the first two maps with no tiebreaker mechanism applied; the governing body records a draw. The market resolves to 50/50.

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 one week after the conclusion of <esports event> or <time period>, whichever is later. 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 professional players, substitutes, reserves, and trialists rostered with any team or organization participating in <esports event>, including any team that has been eliminated, withdrawn, replaced, or relegated from <esports event>;
- Current coaches, head coaches, assistant coaches, analysts, performance coaches, mental coaches, in-game leaders, captains, scouts, content creators, streamers, social media staff, and any other competitive, performance, or support personnel of any team or organization participating in <esports event>;
- Current owners, ultimate beneficial owners, executives, directors, board members, investors, shareholders, and paid employees (full-time, part-time, or contract) of any team or organization participating in <esports event>, and of any parent, subsidiary, or affiliated entity thereof;
- Current and former agents, managers, representatives, lawyers, and other personal advisors of any individual rostered with a team or organization participating in <esports event>;
- Current employees, executives, directors, contractors, and officials of the governing body, sanctioning organization, league, or tournament organizer of <esports event>, and any successor, related, or substituted organization performing equivalent competitive-administration functions;
- Current referees, observers, tournament admins, integrity officials, anti-cheat operators, server administrators, and on-site competitive-operations staff of <esports event>, including current and former employees, contractors, and officials of the Esports Integrity Commission (ESIC) and any analogous integrity body with investigative jurisdiction over <esports event>;
- Current producers, directors, casters, analysts, observers, broadcast talent, and production-crew members with access to non-public competitive information from the official broadcast, streaming, or production operation of <esports event>;
- Current employees and contractors of the official statistics provider, scoring provider, or data partner of <esports event>, and of any third-party data provider with access to non-public competitive information regarding <esports event>;
- Journalists, reporters, and content creators with access to embargoed or non-public information regarding <esports event>, including non-public roster, lineup, substitution, disciplinary, or competitive-ruling information;
- Household members and immediate family of all of the above.