February 19, 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 <driver> finish <position type> <count> in the <session> at the <race>?" 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 <driver> finish <position type> <count> in the <session> at the <race>?" contract (Contract). The Contract will initially be listed after close-of-business on **February 19, 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:

- **<driver>**
- **<position type>**
- **<count>**
- **<session>**
- **<race>**

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 <driver> finish <position type> <count> in the <session> at the <race>?"
Rulebook: F1TOPFINISH
Summary: Final driver placement predictions
Kalshi Contract Category: Sports
Kalshi Internal Category: Sports
February 19, 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 <driver> finish <position type> <count> in the <session> at the <race>?" 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: February 19, 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 <driver> finish <position type> <count> in the <session> at the <race>?"
Rulebook: F1TOPFINISH

F1TOPFINISH

Scope: These rules shall apply to this contract.

Underlying: The Underlying for this Contract is the official finishing position of <driver> in the <session> at the <race>, as determined by the FIA's official classification for that session. The official classification is the final classification issued by the FIA at or immediately following the conclusion of the <session>, incorporating any steward decisions (including time penalties, disqualifications, or position changes) announced before the classification is published. 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 FIA (Fédération Internationale de l'Automobile), Formula1.com (the official Formula 1 website), ESPN, Sky Sports, the Associated Press, BBC Sport, and Reuters.

Type: The type of Contract is an Event Contract.

Issuance: The Contract is based on the outcome of a recurrent event. Thus, Contract iterations will be issued on a recurring basis, and future Contract iterations will generally correspond to the next scheduled FIA Formula 1 World Championship Grand Prix race.

<driver>: <driver> refers to a single individual, or set of individuals defined by team affiliation or other distinguishing characteristics, entered as a driver in the <race>. The Exchange may list iterations of the Contract corresponding to variations of <driver>. <driver> may refer to a specifically named individual, multiple named individuals using AND/OR logic, any element in a set of drivers, or any driver satisfying a distinguishing characteristic (e.g., "any driver from the Red Bull Racing F1 team," "any driver competing for a constructor entered by <team>"). Where <driver> is defined by team affiliation, all drivers officially entered by that constructor for the relevant <race> weekend are encompassed, including any reserve or substitute driver formally designated to participate. If <driver> changes racing teams or is replaced by a reserve/substitute driver between Contract issuance and race day, markets referencing that <driver> by name remain valid and continue to track the named individual regardless of team affiliation at time of <race>. Where <driver> is defined by team affiliation rather than by name, any officially entered replacement or substitute driver for that constructor shall be encompassed within <driver> for purposes of resolution. If <driver> does not start the race (i.e., does not cross the start/finish line under their own power after the signal to start the formation lap), all contracts where <position type> refers to “in the top” or “exactly” for that <driver> resolve No. Where <driver> is defined by team affiliation, <position type> takes the values “in the top” or “exactly”, and no driver from that constructor starts the race, the Contract resolves No.

<count>: <count> refers to a positive integer specified by the Exchange (e.g., 3 for a podium finish, 5, 6, 10). The Exchange may list iterations of the Contract corresponding to variations of <count>. The meaning of <count> depends on <position type> as defined below.

<position type>: <position type> refers to one of the following comparison operators as specified by the Exchange: "in the top" (meaning the driver's official finishing position is numerically less than or equal to <count>), "exactly" (meaning the driver's official finishing position is numerically equal to <count>), or "outside the top" (meaning the driver's official finishing position is numerically greater than <count>, or the driver is not classified as a finisher). If no <position type> is specified, it defaults to "in the top." The Exchange may list iterations of the Contract corresponding to variations of <position type>.

<race>: <race> refers to one or more FIA Formula 1 World Championship event weekends as designated on the official FIA calendar (e.g., "the 2026 Monaco Grand Prix," "the 2026 British Grand Prix"), including a specified year and event name and encompassing all sessions held during that event weekend. <race> may refer to a singular event, multiple events (e.g., "the 2026 Monaco Grand Prix and the 2026 British Grand Prix"), an element in a set of events (e.g., "any race in the first half of the 2026 season"), or events defined by distinguishing characteristics (e.g., "the first three races of the 2026 season," "any 2026 street circuit round"), and may also take the values "Any" or "None." If the FIA renames a Grand Prix, the Contract follows the event as identified by the FIA regardless of naming changes. The Exchange may list iterations of the Contract corresponding to variations of <race>.

<session>: <session> refers to either the "Grand Prix" (the main race) or the "Sprint" (the Sprint race) at the <race>, as specified by the Exchange. If no <session> is specified, <session> defaults to the Grand Prix. Not all event weekends include a Sprint; if a Contract references a Sprint at an event weekend where no Sprint is scheduled, all Contracts for that <session> resolve No. The Exchange may list iterations of the Contract corresponding to variations of <session>.

Payout Criterion: The Payout Criterion for the Contract encompasses the Expiration Values that indicate <driver> achieved a finishing position satisfying the <position type> <count> condition in the <session> at the <race>, as reflected in the FIA's official classification for that session.

Specifically: if <position type> is "in the top," the Contract resolves Yes if the driver's position is ≤ <count>. If <position type> is "exactly," the Contract resolves Yes if the driver's position = <count>. If <position type> is "outside the top" (meaning the driver's official finishing position is numerically greater than <count>, or the driver is not classified as a finisher) the Contract resolves Yes if the driver's position is > <count>, or if the driver is not classified as a finisher.

The following conditions and clarifications apply:

- Only the result from the specified <session> counts. Results from other sessions (including practice, qualifying, and the other race session) do not apply.
- "Finishing position" is determined solely by the FIA's official race classification, which incorporates any time penalties, post-race penalties, or disqualifications announced before the classification is published. Subsequent appeals, revised penalties, or disqualifications issued after the publication of the official classification are not considered.
- If <driver> retires from the <session>, is disqualified before the official classification is published, or is otherwise not classified as a finisher, the Contract resolves No if <position type> is "in the top" or "exactly," and resolves Yes if <position type> is "outside the top." A driver who is not classified is not considered to have achieved any specific finishing position, but is treated as having finished outside the top <count> for any value of <count>.
- If a driver ahead of <driver> in the classification is disqualified before the official classification is published, <driver>'s finishing position improves accordingly.
- For the Grand Prix: If the race is red-flagged and not restarted, the official FIA classification at the time of stoppage determines finishing positions, provided at least two racing laps (laps not entirely under Safety Car or Virtual Safety Car) have been completed by the leader. If fewer than two racing laps are completed, all Contracts for that <session> resolve to the last fair price.
- For the Sprint: If the Sprint is red-flagged and not restarted, the official FIA classification at the time of stoppage determines finishing positions, provided at least two laps (laps not entirely under Safety Car or Virtual Safety Car) have been completed by the leader. If fewer than two laps are completed, all Contracts for that <session> resolve to the last fair price.
- If the <session> is postponed but rescheduled to start within 48 hours of its originally scheduled start time at the same circuit, the market remains open and will resolve based on the rescheduled <session>. If the <session> is moved to a different circuit, all Contracts resolve at the last fair market price, regardless of timing. If the <session> is cancelled outright, or is postponed such that the rescheduled start time is more than 48 hours after the originally scheduled start time, all Contracts on that <session> will be resolved at the last fair market price as determined in the sole discretion of the Exchange.
    - If the <race> event weekend is cancelled in its entirety, all Contracts referencing any <session> (including any default state of <session>) at that <race> resolve at the last fair market price.
- If the <race> is postponed such that the rescheduled start time is more than 48 hours after the originally scheduled start time, all Contracts related to sessions for which a result is unable to be determined will be resolved at the last fair market price in accordance with the Exchange's rules.

Examples that would resolve the market to Yes (where <position type> = “in the top”):

- <driver> is "Carlos Sainz," <count> is 3, and <race> is "the 2026 Spanish Grand Prix." Sainz finishes 2nd in the official FIA classification. Because 2nd is less than or equal to 3, the contract resolves Yes.
- <driver> is "George Russell," <count> is 10. Russell finishes 10th. Because 10 equals <count>, the contract resolves Yes.
- <driver> is "Lando Norris," <count> is 5. Norris crosses the finish line 6th, but the 4th-place driver is disqualified before the official classification is published, promoting Norris to 5th. The contract resolves Yes.
- <driver> is "Max Verstappen," <count> is 3. The race is delayed by rain and starts the following morning (20 hours after the originally scheduled time). Verstappen finishes 1st. The contract resolves Yes.

Examples that would NOT resolve the market to Yes (where <position type> = “in the top”):

- <driver> is "Pierre Gasly," <count> is 6. Gasly retires on lap 40 of 57, having run in 5th place at the time. Because Gasly is not a classified finisher, the contract resolves No.
- <driver> is "Fernando Alonso," <count> is 5. Alonso finishes 6th. Because 6 is greater than 5, the contract resolves No.
- <driver> is "Yuki Tsunoda." The race is red-flagged on lap 1 behind the Safety Car and not restarted (fewer than two racing laps). All contracts resolve to the last fair price.
- <race> is "the 2026 Emilia Romagna Grand Prix." The race is cancelled due to flooding and not rescheduled. All contracts resolve to the last fair price.

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 scheduled date of <session> of <race>. 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 FIA officials, race stewards, race directors, and FIA timing and scoring personnel involved in Formula 1 events.
- Current and former drivers, team principals, team managers, race engineers, chief strategists, performance engineers, and any other team personnel with non-public access to car performance data, strategy decisions, or race-weekend plans for any FIA Formula 1 World Championship team.
- Current and former employees of Formula 1 (the commercial rights holder), including race operations, broadcast, and timing personnel with access to non-public data.
- Current and former employees of Pirelli Motorsport (or any other official FIA Formula 1 tyre supplier) with access to non-public tyre allocation, degradation, or strategy data.
- Current and former employees of the FIA Technical Department with access to non-public information about car legality, scrutineering results, or technical directives.
- Immediate family members (parents, siblings, spouses, domestic partners) and household members of any of the above individuals.