October 13, 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(d) Class Certification Regarding the Initial Listing of the "Will <F1 team>'s margin of victory at <race> be <above/below/exactly/at least/at most/between> <time>?" Contracts

Dear Sir or Madam,

Pursuant to Section 5c(c) of the Commodity Exchange Act and Section 40.2(d) of the regulations of the Commodity Futures Trading Commission, KalshiEX LLC (Kalshi), a registered DCM, hereby notifies the Commission that it is self-certifying, as a class pursuant to Commission Regulation 40.2(d)(1), the "Will <F1 team>'s margin of victory at <race> be <above/below/exactly/at least/at most/between> <time>?" contracts (each, a Contract, and together, the Class). The Contracts will initially be listed after close-of-business on October 13, 2026; they are listed as the day after because of limitations of the Commission's online submission portal. The Exchange intends to list the contracts on a custom basis. The Contracts' terms and conditions (Appendix A) include the following strike conditions:

- **<F1 team>**
- **<race>**
- **<above/below/exactly/at least/at most/between>**
- **<time>**

Each Contract within the Class relies upon a pricing source, formula, procedure, and methodology for calculating reference prices and payment obligations identical to those of the following product previously submitted to the Commission by Kalshi and certified pursuant to Commission Regulation 40.2(a) (the "Referenced Contract"): Official Product Name: "Will McLaren's margin of victory at the 2026 United States Grand Prix be <above/below/exactly/at least/at most/between> <time>?"; Official Receipt Date: October 13, 2026.

Along with this letter, Kalshi submits the following documents:

- A concise explanation and analysis of the Class;
- An analysis of the conditions of Commission Regulation 40.2(d)(1)(i)–(iv);
- Certification;
- Appendix A with the Contracts' 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 <F1 team>'s margin of victory at <race> be <above/below/exactly/at least/at most/between> <time>?"**
**Rulebook: F1WINMARGIN**
**Summary: F1 race margin of victory**
**Kalshi Contract Category: Sports**
**Kalshi Internal Category: Sports**
**October 13, 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

The following is a concise explanation and analysis of the Class and its compliance with the Act, including the relevant Core Principles (discussed in Appendix E), and the Commission's regulations thereunder. Although Commission Regulation 40.2(d)(1) requires certification only under Commission Regulations 40.2(a)(1), (a)(2), (a)(3)(i), (a)(3)(iv), and (a)(3)(vi), this explanation and analysis is provided voluntarily and consistent with CFTC Staff Advisory No. 26-22 (July 24, 2026) and CFTC Staff Letter No. 26-08 (Mar. 12, 2026).

### I. Introduction

**The "Will <F1 team>'s margin of victory at <race> be <above/below/exactly/at least/at most/between> <time>?" Contracts are contracts relating to Sports.**

Each Contract within the Class is identical in all respects to the Referenced Contract, except for the <F1 team> (i.e., the specific constructor entered in the FIA Formula One World Championship, or "Any" constructor, specified by the Exchange), the <race> (i.e., the specific race of the FIA Formula One World Championship specified by the Exchange), the <above/below/exactly/at least/at most/between> (i.e., the comparison operator specified by the Exchange), and the <time> (i.e., the duration, in seconds, specified by the Exchange against which the margin of victory is compared). Every Contract within the Class relies on the identical pricing source, formula, procedure, and methodology for calculating reference prices and payment obligations, as set forth in Appendix A and analyzed below.

Further information about the Contracts, including an analysis of their risk mitigation and price basing utility, as well as additional considerations related to the Contracts, is included in Confidential Appendices C, D, and E.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.2(d), the Exchange hereby certifies that each Contract within the Class 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.

**CLASS CERTIFICATION CONDITIONS PURSUANT TO COMMISSION REGULATION 40.2(d)(1)**

Commission Regulation 40.2(d)(1) permits a designated contract market to list or facilitate trading in any swap or number of swaps based upon certain excluded commodities as a certified class, provided the DCM certifies, under Commission Regulations 40.2(a)(1), (a)(2), and (a)(3)(i), (iv), and (vi), that each of the conditions of Commission Regulation 40.2(d)(1)(i)–(iv) is satisfied. Each condition is satisfied with respect to the Class, as set forth below.

**Condition (i) – Excluded Commodity:** Each Contract within the Class is based upon an excluded commodity specified in Commission Regulation 40.2(d)(1). Specifically, each Contract is based upon an "occurrence, extent of an occurrence, or contingency" within the meaning of Section 1a(19)(iv) of the Act, namely, the margin of victory, measured as the time gap between the winner and the second-placed driver in the FIA's official classification, by which a specified Formula 1 team (or any team) wins a specified race of the FIA Formula One World Championship, which is beyond the control of the parties to the relevant contract, agreement, or transaction and is associated with a financial, commercial, or economic consequence.

**Condition (ii) – Identical Pricing Source, Formula, Procedure, and Methodology:** Each Contract within the Class is based upon an excluded commodity with an identical pricing source, formula, procedure, and methodology for calculating reference prices and payment obligations. Each Contract within the Class relies upon the identical Source Agencies, in identical hierarchical order, as set forth in Appendix A: the Fédération Internationale de l'Automobile ("FIA") (including the official Final Race Classification and other official timing documents and decisions published by the FIA for each race at fia.com and through its other official communications, including press releases), Formula1.com (the official Formula 1 website), ESPN, Sky Sports, the Associated Press, and Fox Sports. This hierarchy is identical for every Contract within the Class.

Each Contract within the Class also relies upon an identical formula for calculating payment obligations: binary settlement of $1.00 if the Payout Criterion — that the specified team (or any team) won the specified race and the margin of victory, as shown in the FIA's Final Race Classification, satisfies the specified comparison to the specified time — is satisfied, and $0.00 otherwise.

Each Contract within the Class further relies upon an identical procedure and methodology, namely the single, uniform set of rules set forth in the F1WINMARGIN Rulebook attached as Appendix A. Every Contract in the Class shares the same definitions of Underlying, Source Agency, and Payout Criterion; the same measurement methodology, namely the time gap between the drivers classified first and second in the FIA's Final Race Classification, which the FIA produces in the same manner for every race in the championship; the same comparison

definitions and precision; and the same clarifications regarding lapped or unclassified second-placed cars, dead heats, penalties, postponement, suspension, cancellation, corrections, and missing data. Every race within the Class is run under a single, uniform set of sporting rules, the FIA Formula 1 Sporting Regulations, promulgated by a single governing body and classified under the same procedures. The Class is limited to races of the FIA Formula One World Championship; it does not include races in any other series, championship, or competition (including, for the avoidance of doubt, FIA Formula 2, FIA Formula 3, F1 Academy, and the FIA Formula E World Championship), whose differing sporting regulations and classification procedures would result in differing settlement sources or methodologies, nor practice or qualifying sessions, testing, or other non-championship events. Contracts within the Class differ only as to the specific team (or "Any"), race, comparison operator, and time specified by the Exchange for each Contract — each a strike parameter rather than a differing settlement source, procedure, or methodology. Consistent with CFTC Staff Advisory No. 26-22, the Class does not bundle permutations with differing settlement sources or methodologies; every Contract within the Class settles pursuant to the same rules irrespective of which team, race, comparison operator, or time is specified.

**Condition (iii) – Identity with a Previously Certified or Approved Product:** The pricing source, formula, procedure, and methodology for calculating reference prices and payment obligations in each particular Contract within the Class is identical to the pricing source, formula, procedure, and methodology for calculating reference prices and payment obligations in the Referenced Contract, a product previously submitted to the Commission by Kalshi and certified pursuant to Commission Regulation 40.2(a): Official Product Name "Will McLaren's margin of victory at the 2026 United States Grand Prix be <above/below/exactly/at least/at most/between> <time>?", Official Receipt Date October 13, 2026. Each Contract within the Class differs from the Referenced Contract only as to the specific <F1 team> (the constructor entered in the FIA Formula One World Championship, or "Any" constructor, specified by the Exchange), the specific <race> (the race of the FIA Formula One World Championship specified by the Exchange), the specific <above/below/exactly/at least/at most/between> (the comparison operator specified by the Exchange), and the specific <time> (the duration, in seconds, specified by the Exchange). The Referenced Contract's team (McLaren) and race (the 2026 United States Grand Prix) are themselves instances of these same class variables. No other term, condition, Source Agency, formula, procedure, or methodology differs between the Referenced Contract and any Contract within the Class.

**Condition (iv) – Identical Currency:** Each Contract within the Class is based upon an excluded commodity involving an identical currency: each Contract is denominated, trades, and settles exclusively in United States Dollars, with a Settlement Value of $1.00.

**Identification of Settlement Sources:** Consistent with CFTC Staff Advisory No. 26-22, the settlement sources upon which each Contract within the Class relies are specifically identified in

Appendix A under "Source Agency," and the settlement methodology applicable to every Contract within the Class is set forth in Appendix A under "Payout Criterion."

**Commission Regulation 40.2(d)(2):** Kalshi acknowledges that the Commission may in its discretion require a registered entity to withdraw its certification under Commission Regulation 40.2(d)(1) and to submit each individual Contract, or certain individual Contracts, within the submission for Commission review pursuant to Commission Regulation 40.2 or 40.3.

**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, and pursuant to Commission Regulations 40.2(d)(1) and 40.2(a)(1), (a)(2), (a)(3)(i), (a)(3)(iv), and (a)(3)(vi), the Exchange certifies that:

- ❏ Each Contract within the certified Class complies with the Act and Commission regulations thereunder.
- ❏ Each Contract within the certified Class satisfies each of the conditions of Commission Regulation 40.2(d)(1)(i)–(iv).
- ❏ This submission (other than those appendices for which confidential treatment has been requested) has been concurrently posted on the Exchange's website at https://kalshi.com/regulatory/filings.

Should you have any questions concerning the above, please contact the exchange at ProductFilings@kalshi.com.



By: Xavier Sottile
Title: Head of Markets
Date: October 13, 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 <F1 team>'s margin of victory at <race> be <above/below/exactly/at least/at most/between> <time>?"**
**Rulebook: F1WINMARGIN**

# F1WINMARGIN

**Scope:** These rules shall apply to each Contract within the Class.

**Underlying:** The Underlying for this Contract is whether <F1 team> won <race> and, if so, the margin of victory, being the time gap between the driver classified first and the driver classified second in the FIA's Final Race Classification for <race>. 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 Fédération Internationale de l'Automobile ("FIA") (including the official Final Race Classification and other official timing documents and decisions published by the FIA for each race at fia.com and through its other official communications, including press releases), Formula1.com (the official Formula 1 website), ESPN, Sky Sports, the Associated Press, and Fox Sports.

**Type:** The type of Contract is an Event Contract.

**Issuance:** The Contracts are based on the outcomes of recurrent events. Contract iterations will be issued on a recurring basis, and Contract iterations will generally correspond to each scheduled <race>.

**<F1 team>:** <F1 team> refers to a single constructor (team) entered in the FIA Formula One World Championship for the season in which <race> is held, as specified by the Exchange (e.g., "McLaren," "Mercedes," "Ferrari," "Red Bull Racing"), or to "Any." <F1 team> is identified by its constructor entry with the FIA, without regard to title-sponsor, commercial, or abbreviated names, so that a team is the same <F1 team> whether a Source Agency refers to it by its full entry name (e.g., "McLaren Formula 1 Team") or by a short name (e.g., "McLaren"); if a constructor is renamed or rebranded but continues as the same entry in the championship, <F1 team> follows that entry. <F1 team> wins <race> if a car entered by <F1 team>, driven by any driver (including any reserve or substitute driver), is classified first in the Final Race Classification. Where <F1 team> is "Any," the condition is satisfied by whichever team wins <race>, so that the Contract turns solely on the margin of victory. The Exchange may list iterations of the Contract corresponding to variations of <F1 team>.

**<race>:** <race> refers to a single race of the FIA Formula One World Championship, identified by its season and its official event name as designated on the official FIA calendar, as specified by the Exchange (e.g., "the 2026 United States Grand Prix," "the 2026 Mexico City Grand Prix"). Unless the Exchange specifies the Sprint of an event weekend (e.g., "the 2026 Miami Grand Prix Sprint"), <race> refers to the Grand Prix race itself and not to any Sprint, practice, or qualifying session of the same weekend. <race> does not include races or sessions in any other series, championship, or competition (including, for the avoidance of doubt, FIA Formula 2, FIA

Formula 3, F1 Academy, and the FIA Formula E World Championship), testing, demonstration events, or any other non-championship event. A change in the commercial or title-sponsor name of the race, or in its venue, does not affect the identification of <race>, which follows the event as identified by the FIA. The Exchange may list iterations of the Contract corresponding to variations of <race>.

**<above/below/exactly/at least/at most/between>:** <above/below/exactly/at least/at most/between> refers to comparison operators specified by the Exchange. "Above X" means strictly greater than X (>X). "Below X" means strictly less than X (<X). "Exactly X" means equal to X (=X), measured to the precision specified elsewhere in the Contract. "At least X" means greater than or equal to X (≥X). "At most X" means less than or equal to X (≤X). "Between X and Y" means greater than or equal to X and less than or equal to Y (≥X and ≤Y), i.e., inclusive of both endpoints, unless otherwise specified. The Exchange may list iterations of the Contract corresponding to variations of <above/below/exactly/at least/at most/between>.

**<time>:** <time> refers to a duration, in seconds, specified by the Exchange and expressed to one thousandth of a second (e.g., "5.000 seconds"), against which the margin of victory is compared; where <above/below/exactly/at least/at most/between> is "between," <time> refers to two such durations, a lower bound and an upper bound. The Exchange may list iterations of the Contract with <time> levels that fall within an inclusive range beginning at 0.000 (zero) seconds at consecutive increments of 0.001 (one one-thousandth of one) second. Due to the potential for variability in the Underlying, the Exchange may modify <time> levels in response to suggestions by Members.

**Payout Criterion:** The Payout Criterion for the Contract encompasses the Expiration Values that <F1 team> won <race> and its margin of victory at <race> is <above/below/exactly/at least/at most/between> <time>

**Additional Clarifications:**

*Margin of Victory:*

- The "margin of victory" is the time gap between the driver classified first and the driver classified second in the FIA's Final Race Classification for <race>, as shown in that classification (i.e., the gap recorded for the second-placed driver). The classification governs as published, including any time penalties and disqualifications reflected in it; on-track gaps at the finish line, live timing screens, and broadcast graphics are not used where they differ from the classification.
- The "Final Race Classification" is the final classification of <race> as first published by the FIA following <race>, incorporating any decisions of the stewards announced before it is published. Amendments to the classification published after the Final Race Classification (including following a right of review or an appeal) are not accounted for,

except as provided under Source, Corrections, and Data below.

- If <F1 team> does not win <race>, <F1 team> has no margin of victory and the Contract for <F1 team> will resolve No, irrespective of the <above/below/exactly/at least/at most/between> and <time> specified. Where <F1 team> is "Any," the Contract resolves on the margin of victory of whichever team wins <race>.
- The margin of victory is compared with <time> using the gap as published by the FIA, without rounding. A published gap and <time> that differ only by trailing zeros are equal (e.g., a gap of 5.3 seconds is equal to a <time> of 5.300 seconds).
- If the driver classified second completed fewer laps than the winner (i.e., is classified one or more laps behind), or if the winner is the only classified driver, the margin of victory is deemed to be greater than every <time>, so that Contracts with "above" or "at least" resolve Yes, and Contracts with "below," "exactly," "at most," or "between" resolve No, provided <F1 team> won <race>.
- If the Final Race Classification shows two or more drivers sharing first place (a dead heat), the margin of victory is 0.000 seconds, and each team whose car shares first place is treated as having won <race>.

*Race Status:*

- If <race> is postponed from its originally scheduled start time but begins within forty-eight (48) hours of its originally scheduled start time, the Contract will remain open and will resolve on the Final Race Classification of <race> as run.
- If <race> does not begin within forty-eight (48) hours of its originally scheduled start time, or is cancelled, the Contract will resolve to the last fair price, as determined by the Exchange in its sole discretion.
- If <race> is suspended (including by red flag) and resumed, the Final Race Classification of the race as completed governs. If <race> is suspended and not resumed, the Final Race Classification published by the FIA for the race as stopped governs, including any classification determined by reference to an earlier lap under the FIA Formula 1 Sporting Regulations.
- If <race> commences but the FIA does not publish a Final Race Classification classifying a winner, OR no points are awarded for <race> under the FIA Formula 1 Sporting Regulations, the Contract will resolve to the last fair price, as determined by the Exchange in its sole discretion. For the avoidance of doubt, if any of the conditions in this occur in a race that is suspended and not resumed, the Contract will resolve to the last fair price.

*Source, Corrections, and Data:*

- The fallback Source Agencies are consulted only to establish the gap shown in the FIA's Final Race Classification (for example, as reproduced in Formula1.com's official race results or as reported by the media Source Agencies) and whether, when, and how <race>

was run. They are not used to substitute a different measure of the margin of victory.

- If the Source Agencies conflict as to the winner of <race> or the margin of victory, the hierarchy set out in Source Agency above will govern. Continuing ambiguity or dispute will be resolved by Kalshi pursuant to Rule 7.1.
- If a Source Agency publishes a value and subsequently corrects, retracts, or removes that value prior to Expiration, the corrected value governs only if the Exchange determines, in its sole discretion, that the correction remedies a material error in the initial value; otherwise, the initial value governs as set forth below. Corrections, retractions, or removals published after Expiration will not be accounted for in determining the Expiration Value.
- Only values reported in the initial, non-preliminary report shall be used for the purpose of resolution unless otherwise explicitly specified by the Exchange. Corrections that the Exchange determines, in its sole discretion, do not remedy a material error shall not supersede earlier values. For the avoidance of doubt, the FIA's provisional classification is a preliminary report, and the Final Race Classification is the initial, non-preliminary report.
- If the Exchange determines, in its sole discretion, that the initial non-preliminary publication contains a material error, it may delay Expiration until the earlier of (i) publication of revised data or (ii) the Expiration Date. If no reliable data is available by the Expiration Date, the no-data clarification below governs. For the avoidance of doubt, a classification in which a gap is attributed to the wrong driver or car, or that is manifestly inconsistent with the official timing of the race, may be treated as containing a material error; a stewards' decision, right of review, or appeal issued after the Final Race Classification is not a material error.
- If the FIA renames, reformats, or changes the channel through which it publishes the Final Race Classification, but continues to publish the official final classification of the race that continues the same record, that continued record governs and the Contract remains open. If no such record is published, the no-data clarification below governs.
- If there is no data for the Underlying published by the Source Agencies by the Expiration Date, all markets will resolve to the last fair price, as determined by the Exchange in its sole discretion.

**Examples that would resolve the market to Yes:**

*Assuming <F1 team> is "McLaren," <above/below/exactly/at least/at most/between> is "above," <time> is "5.000 seconds," and <race> is "the 2026 United States Grand Prix":*

- Lando Norris wins for McLaren, and the second-placed driver is classified 7.412 seconds behind. The Contract for McLaren above 5.000 seconds at the 2026 United States Grand Prix will resolve Yes, because 7.412 seconds is above 5.000 seconds.
- Oscar Piastri wins for McLaren and his teammate Lando Norris finishes second, classified 5.300 seconds behind. The Contract for McLaren above 5.000 seconds at the 2026 United States Grand Prix will resolve Yes, because the margin is measured to the

second-placed driver even when both drive for McLaren.

- A McLaren driver crosses the line 4.800 seconds ahead of the next car, whose 5-second time penalty is reflected in the Final Race Classification; that car remains classified second, with a gap of 9.800 seconds. The Contract for McLaren above 5.000 seconds at the 2026 United States Grand Prix will resolve Yes, because the Final Race Classification governs.
- The race is red-flagged and not resumed, and the FIA's Final Race Classification for the race as stopped shows a McLaren driver winning with the second-placed driver 6.100 seconds behind. The Contract for McLaren above 5.000 seconds at the 2026 United States Grand Prix will resolve Yes, because that classification governs.
- A McLaren driver wins, and every other classified driver is at least one lap behind. The Contract for McLaren above 5.000 seconds at the 2026 United States Grand Prix will resolve Yes, because a lapped second-placed driver is deemed to trail by more than every listed time.

**Examples that would NOT resolve the market to Yes:**
*Assuming <F1 team> is "McLaren," <above/below/exactly/at least/at most/between> is "above," <time> is "5.000 seconds," and <race> is "the 2026 United States Grand Prix":*

- A McLaren driver wins with the second-placed driver classified 3.215 seconds behind. The Contract for McLaren above 5.000 seconds at the 2026 United States Grand Prix will resolve No, because 3.215 seconds is not above 5.000 seconds.
- A McLaren driver wins with a gap of exactly 5.000 seconds. The Contract for McLaren above 5.000 seconds at the 2026 United States Grand Prix will resolve No, because "above" requires a margin strictly greater than 5.000 seconds.
- A Mercedes driver wins by 12.000 seconds, and a McLaren driver finishes second. The Contract for McLaren above 5.000 seconds at the 2026 United States Grand Prix will resolve No, because McLaren did not win the race.
- A McLaren driver crosses the line first but is disqualified by the stewards before the Final Race Classification is published, and that classification lists another team's driver as the winner. The Contract for McLaren above 5.000 seconds at the 2026 United States Grand Prix will resolve No, because McLaren did not win according to the Final Race Classification.

If a natural person who is the primary subject of a Contract's Underlying or Payout Criterion dies prior to Expiration, or if an act or attempted act of violence, assassination, or terrorism directly prevents, interrupts, or causes the event that is the primary subject of a Contract's Underlying or Payout Criterion, Kalshi may, in its sole discretion, settle the Contract at the last traded price prior to the death or act. If Kalshi determines that trading activity was materially affected by the circumstances giving rise to the death or act, 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 a death or act of terrorism subject to this Rule has occurred, is imminent, or that circumstances giving rise to such an occurrence may be happening. 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 Expiration Date. The Last Trading Time will be 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 four (4) days after the originally scheduled date 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:

- Any driver entered in <race>, and any team principal, sporting director, race engineer, strategist, mechanic, or other personnel of <F1 team> or of any other team entered in <race> with responsibility for car setup, race strategy, or race execution.
- Any race director, steward, timekeeper, technical delegate, or other FIA official with authority over race control decisions, penalties, disqualifications, timing, or the classification of <race>.
- Any employee, officer, contractor, or agent of Formula One Management, the Formula One Group, or any timing, broadcast, or data provider with access to timing or classification data for <race> before its public release.
- Any employee, officer, contractor, or agent of a Source Agency listed in Appendix A with access to material nonpublic information relating to the Underlying.
- Any person who otherwise has the ability to influence, or has advance knowledge of, the result of <race> or the margin of victory, including through team orders, strategy calls, or officiating decisions.
- The immediate family members and members of the same household of any person described above