July 24, 2025

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 <person> be impeached?” 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 <person> be impeached?” contract (Contract). The Contract will initially be listed after close-of-business on **July 24, 2025**; 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>**
- **<person>**

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 <person> be impeached?”
Rulebook: IMPEACHPERSON
Summary: Person's impeachment status determination
Kalshi Contract Category: Political Decision
Kalshi Internal Category: Politics
July 24, 2025

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 <person> be impeached?” Contract is a contract relating to Politics.

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 B, C, and D.

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 5.12 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 3.6 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: July 24, 2025

Attachments:

Appendix A - Contract Terms and Conditions
Appendix B (Confidential) - Further Considerations
Appendix C (Confidential) - Source Agency
Appendix D (Confidential) - Compliance with Core Principles

APPENDIX A – CONTRACT TERMS AND CONDITIONS

Official Product Name: “Will <person> be impeached?”
Rulebook: IMPEACHPERSON

IMPEACHPERSON

Scope: These rules shall apply to this contract.

Underlying: The Underlying for this Contract is the formal impeachment of <person> by the relevant legislative body with constitutional authority to do so, after Issuance and before <date>. 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 official government website or press office of the relevant legislative body with impeachment authority, the official government gazette or federal register of the relevant jurisdiction, the Associated Press, Reuters, The New York Times, The Washington Post, The Wall Street Journal, Bloomberg News, BBC News, Financial Times, The Guardian, Politico, CNN, Fox News, ABC News, CBS News, NBC News, Al Jazeera English, Deutsche Welle (DW), France 24 English, NHK World-Japan, Channel NewsAsia, The South China Morning Post, The Times of India, The Globe and Mail, and ABC News Australia.

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.

<person>: <person> refers to a specific individual specified by the Exchange who currently holds or has held an elected or appointed government office subject to impeachment proceedings. This includes presidents, prime ministers, governors, mayors, judges, cabinet officials, or other positions where the relevant jurisdiction's constitution or governing documents provide for impeachment or equivalent removal proceedings by a legislative body. <person> is tracked through name changes and can be described through characteristics (e.g. “any Democratic judge”).

<date>: <date> refers to a calendar date specified by the Exchange. The Exchange may list iterations of the Contract corresponding to variations of <date>.

Payout Criterion: The Payout Criterion for the Contract encompasses the Expiration Values that <person> has been formally impeached after Issuance and before <date>. Impeachment is defined as the completed formal adoption of charges against <person> by a legislative body with constitutional authority to impeach, regardless of subsequent conviction or removal proceedings. This includes:

For the United States federal system:

- A simple majority vote by the U.S. House of Representatives that formally adopts one or more articles of impeachment against <person>
- Official announcement by the House Speaker or Clerk that impeachment has been completed

For U.S. state and local jurisdictions:

- Completed impeachment as defined by the relevant state constitution or municipal charter
- Final legislative vote adopting formal impeachment charges in accordance with jurisdictional requirements

For parliamentary systems:

- Completed formal impeachment proceedings as constitutionally defined
- Legislative adoption of impeachment charges under constitutional impeachment provisions
- Formal completion of proceedings constitutionally designated as impeachment

For other governmental systems:

- Completed formal impeachment by any legislative or constitutionally authorized body
- Final adoption of impeachment charges under constitutional impeachment provisions
- Formal completion of any proceeding constitutionally designated as impeachment

The following constitute completed impeachment that triggers the Payout Criterion:

- Final legislative vote that formally adopts articles of impeachment or equivalent charges
- Official certification or announcement that impeachment has been completed
- Formal delivery of impeachment articles to the trial body (e.g., U.S. Senate, constitutional court)
- Completed impeachment under any constitutional framework, regardless of subsequent trial outcomes

The following do NOT constitute completed impeachment:

- Committee approval of impeachment articles without full legislative adoption
- Initiation or commencement of impeachment proceedings without completion
- Legislative investigations or inquiries that do not result in adopted impeachment charges
- Informal calls for impeachment without formal legislative completion
- Administrative disciplinary proceedings not constitutionally defined as impeachment
- Recall elections or other non-impeachment removal mechanisms
- Criminal charges separate from legislative impeachment proceedings

- Legislative censure, reprimand, or no-confidence votes not constitutionally designated as impeachment
- Provisional or conditional impeachment pending further legislative action

Examples that would resolve the market to Yes:

- The U.S. House of Representatives votes to formally impeach <person> and the articles are adopted
- A state legislature completes impeachment proceedings by formally adopting impeachment charges
- A parliamentary body completes constitutional impeachment proceedings against <person>
- A legislative body formally adopts and certifies articles of impeachment against <person>
- Constitutional impeachment proceedings are completed with formal adoption of charges

Examples that would NOT resolve the market to Yes:

- An impeachment vote fails
- The House Judiciary Committee approves articles of impeachment but the full House has not voted
- Impeachment proceedings are initiated but not completed before <date>
- Legislative investigations conclude without formal adoption of impeachment charges
- <person> resigns before the final impeachment vote occurs
- Administrative or judicial proceedings that are not constitutionally defined as impeachment
- Recall or other removal proceedings that do not constitute constitutional impeachment

Further clarifications:

- The market resolves to "Yes" when impeachment is formally completed, regardless of subsequent conviction or removal outcomes
- If <person> resigns after impeachment is completed but before Senate trial or equivalent, the market still resolves to "Yes"
- If <person> resigns before the final impeachment vote, the market resolves to "No"
- If multiple jurisdictions attempt impeachment, completion by any constitutionally authorized body triggers "Yes"
- If <person> dies before the final impeachment vote, the market resolves to 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 day prior to <date>. The Last Trading Time will be 11:59 PM ET.

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 <date>. 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 6.3(d) of the Rulebook. If an Expiration Value cannot be determined on the Expiration Date, Kalshi has the right to determine payouts pursuant to Rule 6.3(b) in the Rulebook.