May 22, 2026

SUBMITTED VIA CFTC PORTAL
Secretary of the Commission
Office of the Secretariat
U.S. Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: KalshiEX LLC – CFTC Regulation 40.2(a) Notification Regarding the Initial Listing of the Will the U.S. midterm elections be held on time in <time period>? Contract

Dear Sir or Madam,

Pursuant to Section 5c(c) of the Commodity Exchange Act and Section 40.2(a) of the regulations of the Commodity Futures Trading Commission, KalshiEX LLC (Kalshi), a registered DCM, hereby notifies the Commission that it is self-certifying the Will the U.S. midterm elections be held on time in <time period>? contract (Contract). The Contract will initially be listed after close-of-business on **May 26, 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>**
- **<time period>**
- **<count>**

Along with this letter, Kalshi submits the following documents:

- A concise explanation and analysis of the Contract;
- Certification;
- Appendix A with the Contract's Terms and Conditions;
- Confidential Appendices with further information; and
- A request for FOIA confidential treatment.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Xavier Sottile
Head of Markets
KalshiEX LLC
xsottile@kalshi.com

KalshiEX LLC
Official Product Name: Will the U.S. midterm elections be held on time in <time period>?
Rulebook: MIDTERMHAPPEN
Summary: On-time timing of U.S. midterm elections
Kalshi Contract Category: Political Decision
Kalshi Internal Category: Elections
May 22, 2026

CONCISE EXPLANATION AND ANALYSIS OF THE PRODUCT AND ITS COMPLIANCE WITH APPLICABLE PROVISIONS OF THE ACT, INCLUDING CORE PRINCIPLES AND THE COMMISSION'S REGULATIONS THEREUNDER

Pursuant to Commission Rule 40.2(a)(3)(v), the following is a concise explanation and analysis of the product and its compliance with the Act, including the relevant Core Principles (discussed in Appendix D), and the Commission's regulations thereunder.

I. Introduction

The Will the U.S. midterm elections be held on time in <time period>? Contract is a contract relating to Elections.

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 22, 2026

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

APPENDIX A – CONTRACT TERMS AND CONDITIONS

Official Product Name: Will the U.S. midterm elections be held on time in <time period>?
Rulebook: MIDTERMHAPPEN

MIDTERMHAPPEN

Scope: These rules shall apply to this Contract.

Underlying: The Underlying for this Contract is whether the regularly scheduled biennial federal general election for the U.S. House of Representatives is conducted on the federally prescribed Election Day for <time period> in at least <count> of the 50 U.S. states, as reported by the Source Agencies. 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 Associated Press, Reuters, The New York Times, The Wall Street Journal, The Washington Post, Bloomberg News, ABC News, CBS News, NBC News, CNN, Fox News, BBC News, the Federal Election Commission, and the U.S. state election commissions and Secretaries of State.

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.

<time period>: For purposes of this Contract, <time period> refers to a calendar year in which a U.S. midterm election is scheduled to take place under federal law as in effect on the Issuance date of the Contract (e.g., 2026, 2030, 2034). A "midterm election" is a regularly scheduled federal general election occurring in the middle of a U.S. presidential term, at which the office of U.S. President is not on the ballot. The "federally prescribed Election Day for <time period>" is the Tuesday next after the first Monday in November of <time period> (e.g., November 3, 2026; November 5, 2030; November 7, 2034), being the date on which the regularly scheduled biennial federal general election for the U.S. House of Representatives is required to be held under 2 U.S.C. § 7 as in effect on the Issuance date of the Contract. Any change to the date on which such election is held or required to be held — whether by federal legislation, executive order, presidential proclamation, federal agency directive, state law or proclamation, court order, or any other instrument, and whether enacted or issued before or after Issuance — shall not change the "federally prescribed Election Day for <time period>" for purposes of this Contract. All references to time are interpreted in Eastern Time (ET) unless otherwise specified. The Exchange may list iterations of the Contract corresponding to variations of <time period>.

<count>: <count> refers to a numerical value specified by the Exchange representing a number of U.S. states. The Exchange may list iterations of the Contract with <count> levels that fall within an inclusive range from 1 to 50 at consecutive increments of 1.

Payout Criterion: The Payout Criterion for the Contract encompasses Expiration Values in which the regularly scheduled biennial federal general election for the U.S. House of

Representatives is conducted on time in at least <count> of the 50 U.S. states, as reported by one or more Source Agencies on or before the Expiration Date.

Additional clarification(s):

- For purposes of this Contract, such election is "conducted on time" in a state if, on the federally prescribed Election Day for <time period>, election officials in that state lawfully accept ballots cast by voters in such election (whether in person at polling places, by mail, by absentee voting, by provisional ballot, or by other lawful means accepted on that date) in each of the state's U.S. House of Representatives congressional districts, such that votes cast on that date in each such district are eligible to be counted toward determining the winner of the election in that district. Localized disruptions within a congressional district — including, without limitation, individual polling places opening late or closing early, individual voting machines malfunctioning, or localized power, weather, or connectivity outages — do not disqualify a congressional district from being "conducted on time" so long as ballots in such election are lawfully accepted somewhere within that congressional district on the federally prescribed Election Day for <time period>. If, on the federally prescribed Election Day for <time period>, no ballots in such election are lawfully accepted anywhere within one or more of a state's U.S. House of Representatives congressional districts, the state is not "conducted on time" regardless of whether ballots are accepted in other congressional districts within that state.
- An election that is postponed to, rescheduled to, conducted on, or otherwise held on a date other than the federally prescribed Election Day for <time period> in a state does not qualify as "conducted on time" in that state, regardless of the reason for the change of date and regardless of whether such change is lawful, including without limitation any change effected by federal legislation, executive order, presidential proclamation, federal agency directive, state law or proclamation, court order, or any other instrument. Ballots cast before the federally prescribed Election Day for <time period> through early voting do not, by themselves, satisfy this criterion in a state unless ballots are also lawfully accepted on the federally prescribed Election Day for <time period> in that state.
- Special elections to fill vacancies, primary elections, and elections to non-voting delegate seats (including those representing the District of Columbia and U.S. territories) are not, by themselves, the "regularly scheduled biennial federal general election" referenced herein.
- The validity, fairness, certification status, or subsequent judicial treatment of any such election does not affect whether the election was "conducted on time" for purposes of this Contract; the test is whether election officials in the relevant state lawfully accepted ballots in the election on the federally prescribed Election Day for <time period>.
- The Contract resolves Yes if the foregoing conditions are satisfied on or before the Expiration Date; otherwise the Contract resolves No.

Examples that would resolve the market to Yes (assuming <count> = 26 and <time period> = 2026; federally prescribed Election Day = November 3, 2026):

- The federal general election for the U.S. House of Representatives proceeds normally on November 3, 2026 in all 50 states.
- The election proceeds on November 3, 2026 in 49 states; one state postpones its federal election to November 10, 2026 due to a hurricane making landfall on Election Day.
- The election proceeds on November 3, 2026 in 30 states; 20 states postpone their federal elections to later dates following an executive order declaring a national emergency.
- The election proceeds on November 3, 2026 in 40 states under contested conditions (presence of federalized National Guard at polling places, scattered civil unrest); 10 states' elections are cancelled or postponed.
- The election proceeds on November 3, 2026 in exactly 26 states; 24 states do not hold elections on that date.
- The election proceeds on November 3, 2026 in 50 states; certification in several states is delayed by local officials refusing to sign off, but the underlying voting occurred on the prescribed date.
- The election proceeds on November 3, 2026 in 50 states; results in 25 states are subsequently invalidated by federal courts after Expiration.
- The election proceeds on November 3, 2026 in all 50 states; voting machines malfunction at approximately 120 individual polling places across multiple states, but in every affected congressional district paper or provisional ballots are accepted at other polling places within the district on November 3, 2026.

Examples that would NOT resolve the market to Yes (assuming <count> = 26 and <time period> = 2026; federally prescribed Election Day = November 3, 2026):

- All 50 states cancel their federal general elections on November 3, 2026; no voting occurs on that date.
- The election is held in only 20 states on November 3, 2026; 30 states postpone or cancel.
- All states conduct early voting throughout October 2026 but cancel polling-place operations on November 3, 2026, with no ballots accepted on that date in 26 or more states.
- Congress enacts legislation moving the 2026 federal Election Day to November 10, 2026, and elections proceed normally on November 10, 2026 in all 50 states; no voting occurs on November 3, 2026.
- Congress enacts and the President signs legislation on October 30, 2026 lawfully moving the 2026 federal Election Day to November 10, 2026; the election proceeds normally on November 10, 2026 in all 50 states; no voting occurs on November 3, 2026.

- A federal court order or executive order issued in October 2026 purports to move the 2026 federal Election Day to November 17, 2026; the election proceeds normally on November 17, 2026 in all 50 states; no voting occurs on November 3, 2026.

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 federally prescribed Election Day for <time period>. If an event described in the Payout Criterion occurs, expiration will be moved to an earlier date and time in accordance with Rule 7.2.

Expiration time: The Expiration time of the Contract shall be 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:

- Members of Congress and congressional staff
- White House and Executive Office of the President personnel
- DOJ officials (including Civil Rights Division and OLC) with non-public knowledge of pending litigation or opinions affecting election timing
- EAC and FEC commissioners and senior staff
- State Secretaries of State, state election directors, and senior state election officials
- County election officials and clerks
- Federal and state judges, clerks, and chambers staff
- Election infrastructure vendors (voting machines, ballot printing, voter registration systems, election-night reporting)
- Officers, employees, and agents of any Source Agency with pre-publication access to Underlying-determinative reporting