September 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/party> <underperform/outperform> <poll> in <election> in <geography>?" 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/party> <underperform/outperform> <poll> in <election> in <geography>?" contract (Contract). The Contract will initially be listed after close-of-business on **September 25, 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/party>**
- **<underperform/outperform>**
- **<poll>**
- **<election>**
- **<geography>**
- **<underperform>**
- **<outperform>**
- **<candidate>**

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/party> <underperform/outperform> <poll> in <election> in <geography>?"
Rulebook: POLLOUTPERFORMANCE
Summary: Whether <person/party> will over/underperform polls in <election> <geography>
Kalshi Contract Category: Political Decision
Kalshi Internal Category: Elections
September 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/party> <underperform/outperform> <poll> in <election> in <geography>?" 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 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 5.16 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: September 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/party> <underperform/outperform> <poll> in <election> in <geography>?"
Rulebook: POLLOUTPERFORMANCE

POLLOUTPERFORMANCE

Scope: These rules shall apply to this contract.

Underlying: The Underlying for this Contract is the reported performance of <person/party> in <election> after Issuance and before the Expiration 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 electoral commission, constitutional court, or equivalent electoral authority of the relevant <geography>; the formal proclamation by the head of state or government when constitutionally required; for religious elections, the official religious authority (e.g., Vatican for papal elections, relevant Patriarchate for Orthodox elections); for traditional leadership, both the traditional authority and relevant government recognition body; for professional elections, the governing board or regulatory authority; (2) Secondary Sources: for international elections, the United Nations Electoral Assistance Division, Organization of American States, African Union, European Union Election Observation Missions, Commonwealth Secretariat, Carter Center, International IDEA, International Foundation for Electoral Systems; (3) Tertiary Sources: major newspapers of record in the relevant jurisdiction in order of circulation, Reuters, Associated Press, Bloomberg News, Agence France-Presse, The New York Times, Financial Times, The Wall Street Journal, BBC, France24, Deutsche Welle, NHK World, Al Jazeera English, The Washington Post, Axios, Politico, Semafor, The Information, ABC, CBS, CNN, Fox News, MSNBC, NBC, <poll>, the organization responsible for <poll>.

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/party>: <person/party> refers to an individual, political party, election winner, or political coalition specified by the Exchange. Specification may be based on official name, other distinguishing features, or by characteristic in singular, multiple, or within a given set (e.g. ‘the election winner’, ‘the incumbent party’). <person/party> may also take the form of “Any” or “No”.

<poll>: <poll> refers to a specific survey or polling result specified by the Exchange in the Contract iteration. This may include, but is not limited to: a single poll conducted by a specific pollster and released on a given date, an approval rating, vote share, total votes, seats won, an aggregate of polls, provided the Exchange specifies the aggregation source (e.g., FiveThirtyEight average, RealClearPolitics average), or any other metric or combination of metrics grouped by distinguishing characteristic (e.g. “any U.S. election poll”) specified by the Exchange. If <poll>

takes the form of a range, the midpoint of said range will be used, unless otherwise specified. Where necessary, the Exchange may clarify the performance measure of comparison and time at which it is measured for comparison where relevant.

<election>: <election> refers to a specific electoral event specified by the Exchange, including: jurisdiction (international, national, regional, state, provincial, municipal, religious, traditional, professional); type (presidential, parliamentary, legislative, judicial, constituent assembly, referendum, plebiscite, recall, confidence vote, religious selection, traditional selection, professional board); electoral system (first-past-the-post, proportional representation, mixed-member, ranked choice, single transferable vote, approval, score/range, Condorcet, Borda count, cumulative, limited, single non-transferable vote, consensual allocation, religious discernment, traditional selection); round (first round, runoff, final ballot); specific position (for rotational systems); and date or year. For multi-stage elections, the Exchange will specify which stage. For elections with multiple simultaneous components, each component constitutes a separate Contract unless specified otherwise.

<geography>: <geography> refers to the specific geographic area for the election, such as supra-national, nationwide, a specific state, congressional district, county, or other political subdivision.

<underperform/outperform>: <underperform/outperform> refers to a candidate's performance in an election on a metric specified by the Exchange relative to that in <poll>. If <underperform>, a <person/party> has strictly lower (worse) performance than the reference measure. If <outperform>, a candidate has strictly greater (better) performance than the reference measure.

<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 <candidate>'s realized result in <election> <underperform/outperform> <poll> in <geography> after Issuance and before <date>.

Additional clarification(s):

- Realized result refers to the official, certified vote result for <person/party> in <geography> as published by the official election authority
- Certification by the competent authority constitutes the final binding result, even if later challenged, recounted, or litigated.
- If multiple rounds of voting occur (e.g. runoffs), the round explicitly specified by the Exchange will govern. If none is specified, the Contract refers to the first round of voting.

- Only the polling figure at the specified time will be used. Later clarifications or methodological changes will not be integrated. Only the topline number reported will be used, not the statistical confidence interval.
- If a poll is cancelled or not released before <date>, or <election> does not occur before <date>, the Contract will resolve to "No".

The following ARE encompassed by the Payout Criterion:

- Certified results showing <person/party>'s vote share higher (for outperform) or lower (for underperform) than the <poll> figure, regardless of margin of error.

The following ARE NOT encompassed by the Payout Criterion:

- Unofficial election-night tallies, preliminary counts, or projections that are not certified by the election authority.
- Polling results cited in media reports that are not directly released by the pollster or aggregator.
- Speculation, forecasts, betting odds, or statements by candidates, campaigns, or commentators.

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 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 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.