

ACQANNOUNCE

Scope: These rules shall apply to this contract.

Underlying: The Underlying for this Contract is the announcement by <company1>/<company2> of an acquisition after Issuance and before <date>. Subsequent revisions to the transaction, regulatory outcomes, or cancellations made after Expiration shall not be considered in determining the Expiration Value.

Source Agency: The Source Agencies are, in hierarchical order, <company 1>/<company 2>'s official investor relations website or press releases; <company 1>/<company 2>'s official social media and the official social media account of <company 1>/<company 2>'s current executives, the entity being acquired by/acquiring <company 1>/<company 2>, the U.S. Securities and Exchange Commission (SEC); Bloomberg News, Reuters, The Wall Street Journal, CNBC, ABC News Australia, BBC, The Guardian, the Financial Times, and The New York Times.

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.

<company 1>: <company 1> refers to a business entity specified by the Exchange, including corporations, limited liability companies, partnerships, or other legally recognized commercial organizations. Identification may be based on official name, stock ticker, registration jurisdiction, or other distinguishing features, other distinguishing features, or by characteristic in singular or multiple/plural, or within a set (e.g. 'Meta' or 'any tech company'). This may also take the form of "Any" or "None".

<company 2>: <company 2> refers to a business entity specified by the Exchange, including corporations, limited liability companies, partnerships, or other legally recognized commercial organizations. Identification may be based on official name, stock ticker, registration jurisdiction, or other distinguishing features, or by characteristic in singular form, in multiple/plural, or within a set (e.g. 'Meta' or 'any tech company'). This may also take the form of "Any".

<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 <company 1> has announced that it has made a deal to acquire <company 2> after Issuance and before <date>.

The deal does not need to close (acquisition is finalized and completed) as long as an agreement has been made. A definitive, binding agreement accompanied by public announcement is sufficient to resolve this market to Yes. The signing of a contract, absent a qualifying public announcement, is not sufficient to resolve this market to Yes.

Letters of intent, memoranda of understanding, or term sheets; or agreements in principle or handshake agreements are not encompassed by the Payout Criterion. Market resolution is based solely on the announcement of a qualifying acquisition. Whether the transaction is later completed, modified, blocked by regulators, abandoned, or terminated has no bearing on resolution.

For clarity, an acquisition refers to a transaction in which <company 1> agrees to purchase <company 2>, resulting in a change of ownership or control. This includes transactions structured as asset purchases, stock purchases, tender offers, SPAC combinations, or takeover

agreements. The acquisition must involve the transfer of a controlling interest in the target company or subsidiary, and may be friendly or hostile in nature. Partial stake purchases or non-controlling minority investments do not qualify as acquisitions for the purpose of this Contract.

The following ARE encompassed by the Payout Criterion:

- Press releases issued by <company 1> stating it has agreed to acquire <company 2>
- Announcements of SPAC transactions or reverse mergers
- SEC filings such as Form 8-K, S-4, or Schedule 14A that disclose a signed acquisition agreement
- News reports from Source Agencies quoting <company 1> or <company 2> or their representatives confirming the transaction
- Cross-border transactions requiring regulatory approvals, provided definitive agreement is signed and announcement of said agreement is made

The following are NOT encompassed by the Payout Criterion:

- Letters of intent, memoranda of understanding, or term sheets
- Agreements in principle or handshake agreements
- Rumors, leaks, or speculative reports not confirmed by <company 1> or <company 2> or a Source Agency
- Discussions of “strategic alternatives,” “exploratory talks,” or “preliminary discussions” without confirmation of a deal
- Internal reorganizations, restructurings, spin-offs, or transactions between subsidiaries within <company 1> or <company 2>
- Joint ventures, partnerships, licensing deals, or minority investments that do not involve full or controlling ownership transfer
- Announcements made after <date>, even if the deal was signed earlier

Unless explicitly specified otherwise, the announcement must involve the legal corporate entities identified as <company 1> and <company 2>. Transactions limited solely to assets, or divisions do not qualify unless they represent the majority of <company 1> or <company 2>’s operations or the majority transfer of <company 1> or <company 2>’s equity control. Transactions regarding the acquisition subsidiaries do qualify.

Examples that WOULD resolve the Payout Criterion to YES:

- <company 1> announces a definitive agreement to acquire <company 2>, even though later blocked by courts.
- <company 1> and <company 2> jointly announce a definitive acquisition agreement, even though deal was not completed.
- <company 1> signs a definitive agreement to acquire <company 2> and it happens.
- <company 1> enters into a definitive agreement to acquire <company 2>, and binding terms are published and agreed upon even if regulatory review is pending.

Examples that would NOT resolve the Payout Criterion to YES:

- <company 1> and <company 2> are reported to be “in talks” over a potential acquisition.
- <company 1> and <company 2> announce a memorandum of understanding (MoU).
- The CEO of <company 1> states “we’ve agreed in principle to buy <company 2>” during an interview.

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.