AIRPORTDELAY

Scope: These rules shall apply to this contract.

Underlying: The Underlying for this Contract is the percentage of scheduled flights at <airport> that are cancelled in <time period>, calculated by dividing the number of cancelled flights by the total number of scheduled flights and expressing the result as a percentage carried to two decimal places without rounding (any digits beyond the second decimal place are truncated). The total number of scheduled flights is the count of commercial flights of <flight category> (arrivals and departures combined) scheduled to operate at <airport> during <time period>, as reflected in the schedule data published or made available by the Source Agency as of 11:59:59 PM local time at <airport> on the date two calendar days prior to the first day of <time period>, unless a different time is specified by the Exchange at Issuance. This count is fixed as of that time, is inclusive of any flight subsequently cancelled, and is not reduced by any cancellation, schedule change, or removal occurring after that time; the Exchange will record this count, publicize it at Issuance, and the published count shall be binding. The number of cancelled flights is the count of flights within that fixed total that are classified as cancelled by the Source Agency at any time after the schedule is fixed, whether before or during <time period>, as such classification stands as of the Expiration time on the Expiration Date. A flight classified as cancelled that is subsequently reinstated and operates during <time period> is not counted as cancelled. Diverted flights, delayed flights (regardless of the length of delay, including flights that operate after the end of <time period> due to delay), and gate returns that ultimately depart are not counted as cancelled. Flights added to the schedule after the schedule is fixed are excluded from both the number of cancelled flights and the total number of scheduled flights. If a Source Agency corrects, retracts, or restates any figure prior to the Expiration time, the corrected figure shall govern. Revisions to the Underlying made after Expiration will not be accounted for in determining the Expiration Value.

Source Agency: The primary Source Agency is FlightAware. The secondary Source Agency, applied only if the primary is unavailable or does not publish a usable figure for <time period>, is the U.S. Department of Transportation Bureau of Transportation Statistics (BTS) On-Time Reporting data for <airport>. 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.

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. The Exchange may list iterations of the Contract corresponding to variations of <airport>, <time period>, <percentage>, and <flight category>.

<airport>: <airport> refers to a specific commercial airport specified by the Exchange, identified by its ICAO and IATA codes. The Exchange may list iterations of the Contract corresponding to variations of <airport>. If <airport> is renamed or its operator changes, the Contract continues to refer to the same physical airport facility.

<flight category>: <flight category> refers to the categories of commercial flights specified by the Exchange, which may include passenger flights, cargo flights, or both. Unless otherwise specified by the Exchange at Issuance, <flight category> includes both passenger and cargo flights. The Exchange may list iterations of the Contract corresponding to variations of <flight category>.

<time period>: <time period> refers to a specific duration or range of time as specified by the Exchange. May be expressed as a single calendar day, multiple calendar days, a calendar week, a calendar month and year, or other bounded time periods as appropriate to the contract subject matter. All times relating to <time period> and to the scheduling and operation of flights are interpreted in the local time of <airport> unless otherwise specified. The end of <time period> is defined as 11:59:59 PM local time at <airport> on the final day of the specified period. Each flight is attributed to <time period> according to its originally scheduled date of operation at <airport> in local time. The Exchange may list iterations of the Contract corresponding to variations of <time period>.

<percentage>: <percentage> refers to a specific percentage threshold (or thresholds, where the comparison operator is specified as "between") specified by the Exchange (e.g., 50.00%). <percentage> is measured against the percentage of scheduled flights cancelled as computed under the Underlying, without further rounding. The Exchange may list iterations of the Contract with <percentage> levels at increments specified by the Exchange, and may modify <percentage> levels in response to suggestions by Members.

<above/below/between/exactly/at least>: <above/below/between/exactly/at least> refers to comparison operators. "Above" means greater than (>), "below" means less than (<), "between" means within an inclusive range (≥ lower bound and ≤ upper bound), unless otherwise specified, "exactly" means equal to (=) to two decimal places (unless otherwise specified), and "at least" means greater than or equal to (≥). Where “between” is the comparison operator, <percentage> shall take two values forming a lower and upper bound.

Payout Criterion: The Payout Criterion for the Contract encompasses the Expiration Values for which the percentage of scheduled <flight category> flights in at <airport> cancelled in <time period> is <above/below/between/exactly/at least> <percentage>.

- If <airport> is fully closed and no scheduled flight operates for the entirety of <time period>, the percentage of scheduled flights cancelled shall be deemed 100.00%.
- If the total number of scheduled flights equals zero because <airport> is closed, or has been ordered or announced to be closed, for the entirety of <time period>, the percentage of scheduled flights cancelled shall be deemed 100.00%. If the total number of scheduled flights equals zero for any other reason, the Expiration Value shall be determined pursuant to Rule 7.1 of the Rulebook.
- A flight cancelled after the schedule is fixed but prior to the start of <time period> (including pre-emptive cancellations made in advance of forecast weather) is counted as cancelled so long as it is within the fixed total of scheduled flights.
- Except as provided in the final provision below, cancellations arising from any cause — including weather, air traffic control action, staffing, mechanical issues, or strikes — are counted identically.
- If an Excluded Event determines whether or not the Expiration Value satisfies the Payout Criterion, the Contract shall settle at the last fair price pursuant to Rule 7.1 of the Rulebook. "Excluded Event" means any event or circumstance arising from, or directly resulting from, (i) any act of unlawful interference with civil aviation, including sabotage, unlawful seizure of aircraft, or interference with air navigation facilities or services; (ii) any deliberate act or omission by any person, whether or not identified, undertaken with the purpose or reasonably foreseeable effect of disrupting operations at <airport>, including without limitation unauthorized unmanned aircraft operations, laser illumination, trespass upon or unauthorized presence within the air operations area, tampering with or destruction of airport, air carrier, air traffic control, or utility infrastructure serving <airport>, and false reports or threats resulting in evacuation, ground stop, or suspension of operations; (iii) any malicious cyber incident affecting systems of <airport>, any air carrier, or any air navigation service provider, as characterized by the affected entity or a governmental authority; or (iv) any security-related closure, ground stop, or operational suspension ordered by a governmental authority in response to an actual or suspected act described in clauses (i)–(iii) or to any actual or suspected act of unlawful violence, wherever occurring.

Examples that would resolve the market to Yes (assuming, for illustration, <percentage> = 50.00%, <flight category> is all flights, and a single-day <time period>):

- The fixed total of scheduled flights is 1,200 and the Source Agency classifies 640 of them as cancelled as of the Expiration time. The percentage cancelled is 53.33%, which is greater than or equal to 50.00%.
- A blizzard is forecast; airlines pre-emptively cancel 500 of the 1,000 scheduled flights the evening before <time period> begins, and 30 additional scheduled flights are cancelled during <time period>. The percentage cancelled is 53.00%.
- <airport> is fully closed for the entirety of <time period> and no scheduled flight operates. The percentage cancelled is deemed 100.00%.

Examples that would NOT resolve the market to Yes (same assumptions):

- The fixed total of scheduled flights is 1,000; 450 are classified as cancelled, and a further 400 are delayed or diverted.

The percentage cancelled is 45.00%, because delayed and diverted flights are not counted as cancelled.

- The fixed total of scheduled flights is 1,000; 495 are classified as cancelled as of the Expiration time, and 20 additional flights that had earlier been classified as cancelled were reinstated and operated during <time period>. The percentage cancelled is 49.50%.
- A ground stop halts operations at <airport> for six hours during <time period>, but most affected flights ultimately operate with delays; 200 of the 1,000 scheduled flights are classified as cancelled. The percentage cancelled is 20.00%.

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 $0.001.

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 end of <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:

- An employee, officer, director, or contractor of the operator of <airport>, of any governmental authority with operational, security, or air traffic control responsibility for <airport>, of any air carrier, of any critical service provider to <airport>, or of any Source Agency, in each case whose duties relate to, or who has material non-public information regarding, flight operations, cancellations, security actions, or flight status data at <airport>;
- An officer, director, or paid official of any labor organization with authority over, or material non-public information regarding, any labor action affecting operations at <airport>; or
- A member of the household of, or acting at the direction of or in concert with, any person described above.