

CLOSE

Scope: These rules shall apply to this contract.

Underlying: The Underlying for this Contract is the operational status of <place> as reported by the Source Agencies 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 the IMF, the Associated Press, The New York Times, Bloomberg News, Reuters, The Wall Street Journal, Financial Times, BBC, CNN, SBS, ABC (Australian Broadcasting Corporation), South China Morning Post, and Al Jazeera.

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.

<entity>: <entity> refers to an entity specified by the Exchange. May include single entities, multiple entities using AND/OR logic, or categories of entities (e.g., "any state actor," "any non-state organization"). May also take the value "unknown entity" or "any entity."

<place>: <place> refers to a place specified by the Exchange.

<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 <entity> has effectively closed <place> to cargo and tanker ships after Issuance and before <date>. The closure must be the direct result of deliberate actions by <entity>.

For the purposes of this Contract, "effectively closed" occurs when the seven-day moving average of commercial vessel transits (both cargo and tanker ships) through <place> decreases by 90% or more compared to the seven-day moving average 30 days prior to the alleged closure, as reported by the IMF's PortWatch service.

The following do NOT constitute effective closure:

- Delays or enhanced inspections that allow eventual passage
- Closures due to weather, accidents, or technical failures unrelated to <entity>
- Voluntary rerouting by individual shippers for commercial reasons unrelated to <entity> actions
- Actions affecting only military vessels while commercial traffic continues
- Traffic reductions of less than 90%

If multiple entities contribute to a closure, the Contract resolves to "Yes" only if <entity> is identified as a direct cause of the closure.

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 <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.