

EARTHQUAKEAREA

Scope: These rules shall apply to this contract.

Underlying: The Underlying for this Contract is the occurrence of an earthquake of specified magnitude with an epicenter in <area> 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 United States Geological Survey (USGS), the European-Mediterranean Seismological Centre (EMSC), the Japan Meteorological Agency (JMA), the China Earthquake Networks Center (CENC), the GFZ German Research Centre for Geosciences, and relevant national seismological agencies for <area>.

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.

<area>: <area> refers to a specific geographic region specified by the Exchange, which may include countries, U.S. states, or other defined regions.

<count>: <count> refers to a magnitude value on the Moment Magnitude Scale (Mw) specified by the Exchange.

<above/below/between/exactly/at least>: This parameter specifies the comparison operator for the earthquake magnitude relative to <count>.

<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 an earthquake with magnitude <above/below/between/exactly/at least> <count> occurs with its epicenter in <area> after Issuance and before <date>.

Key provisions:

- Magnitude is determined by the highest reported magnitude from any Source Agency within 7 days of the earthquake
- Uses Moment Magnitude Scale (Mw) when available; if only other scales reported, standard conversions apply
- Only earthquakes at depths of 700km or less are included
- Time of occurrence is based on UTC time of the earthquake, not reporting time

Geographic boundaries:

- For countries: epicenter must be within internationally recognized land borders OR territorial waters
- For U.S. states: epicenter must be within official state boundaries including state waters
- For island nations: includes all recognized islands and territorial waters
- Disputed territories are included only if controlled by <area> and recognized by the UN
- Exclusive Economic Zones (EEZ) beyond territorial waters are NOT included

Special provisions:

- Preliminary magnitudes that are later revised still count if they meet criteria within 7 days
- Induced earthquakes (from fracking, mining, etc.) are included
- Volcanic earthquakes are included if they meet magnitude criteria
- Earthquake swarms are treated as individual events

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.