

F1POLE

Scope: These rules shall apply to this contract.

Underlying: The Underlying for this Contract is the driver who sets the fastest qualifying lap time and is awarded pole position for the <session> at the <race>, as officially determined by the FIA. Pole position means the first position on the starting grid for the applicable race (Grand Prix or Sprint), as determined by the corresponding qualifying session lap times. Grid penalties imposed after qualifying (e.g., for engine component changes, gearbox changes, or behavioral infractions) do not affect the determination of pole position for the purposes of this Contract. The driver who sets the fastest qualifying time is considered the pole-sitter regardless of their actual starting grid position on race day. 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 FIA (Fédération Internationale de l'Automobile), Formula1.com (the official Formula 1 website), ESPN, Sky Sports, the Associated Press, BBC Sport, and Reuters.

Type: The type of Contract is an Event Contract.

Issuance: The Contract is based on the outcome of a recurrent event. Thus, Contract iterations will be issued on a recurring basis, and future Contract iterations will generally correspond to the next scheduled FIA Formula 1 World Championship Grand Prix race.

<driver>: <driver> refers to a single individual, or set of individuals defined by team affiliation or other distinguishing characteristics, entered as a driver in the <race>. The Exchange may list iterations of the Contract corresponding to variations of <driver>. <driver> may refer to a specifically named individual, multiple named individuals using AND/OR logic, any element in a set of drivers, or any driver satisfying a distinguishing characteristic (e.g., "any driver from the Red Bull Racing F1 team," "any driver competing for a constructor entered by <team>"). Where <driver> is defined by team affiliation, all drivers officially entered by that constructor for the relevant <race> weekend are encompassed, including any reserve or substitute driver formally designated to participate. If <driver> changes racing teams or is replaced by a reserve/substitute driver between Contract issuance and race day, markets referencing that <driver> by name remain valid and continue to track the named individual regardless of team affiliation at time of <race>. Where <driver> is defined by team affiliation rather than by name, any officially entered replacement or substitute driver for that constructor shall be encompassed within <driver> for purposes of resolution. If <driver> does not participate in the qualifying session that determines pole position for the <session> (i.e., does not leave the pit lane and attempt at least one timed lap during the applicable qualifying session), all contracts for that <driver> resolve No. Where <driver> is defined by team affiliation and no driver from that constructor participates in the applicable qualifying session, the Contract resolves No.

<race>: <race> refers to one or more FIA Formula 1 World Championship event weekends as designated on the official FIA calendar (e.g., "the 2026 Monaco Grand Prix," "the 2026 British Grand Prix"), including a specified year and event name and encompassing all sessions held during that event weekend. <race> may refer to a singular event, multiple events (e.g., "the 2026 Monaco Grand Prix and the 2026 British Grand Prix"), an element in a set of events (e.g., "any race in the first half of the 2026 season"), or events defined by distinguishing characteristics (e.g., "the first three races of the 2026 season," "any 2026 street circuit

round"), and may also take the values "Any" or "None." If the FIA renames a Grand Prix, the Contract follows the event as identified by the FIA regardless of naming changes. The Exchange may list iterations of the Contract corresponding to variations of <race>.

<session>: <session> refers to the qualifying session whose outcome determines the Contract, as specified by the Exchange. Valid values are "Grand Prix" (meaning the qualifying session that sets the starting grid for the main Grand Prix race) or "Sprint" (meaning the Sprint Qualifying/Shootout session that sets the starting grid for the Sprint race). If no <session> is specified, <session> defaults to "Grand Prix." Not all event weekends include Sprint Qualifying; if a Contract references a Sprint <session> at an event where no Sprint Qualifying is scheduled, all Contracts for that <session> resolve No. If the FIA changes the sprint weekend format, the Contract follows whichever qualifying session sets the grid for the applicable race. The Exchange may list iterations of the Contract corresponding to variations of <session>.

Payout Criterion: The Payout Criterion for the Contract encompasses the Expiration Values that indicate <driver> set the fastest valid qualifying lap time in the qualifying session that determines the starting grid for the <session> at the <race>, as officially determined by the FIA.

The following conditions and clarifications apply:

- "Pole position" is determined exclusively by qualifying session performance (the fastest valid lap time set during qualifying), not by the actual race-day starting grid. Grid penalties applied after qualifying do not change who holds pole position for the purposes of this Contract.
- If the FIA deletes a driver's qualifying lap time (e.g., for exceeding track limits, failing post-qualifying scrutineering, or other infractions announced before the official qualifying classification is published), that time is excluded and the next-fastest valid time determines pole position.
- If qualifying is conducted under a non-standard format (e.g., a single qualifying session due to weather, or a revised format introduced by the FIA), the driver who sets the fastest valid qualifying time under whatever format is used is considered the pole-sitter.
- If the applicable qualifying session is not held at all, but was initially scheduled to be held (e.g., cancelled due to extreme weather) and the FIA forms the grid based on championship standings, practice times, or any other criteria, all Contracts for that <session> resolve to the last fair market price.
- At sprint race weekends, if <session> is "Grand Prix," the Contract refers to the qualifying session that determines the grid for the main Grand Prix race. If <session> is "Sprint," the Contract refers to the Sprint Qualifying/Shootout session that determines the grid for the Sprint race. If the FIA changes its sprint weekend format, the Contract follows whichever qualifying session sets the grid for the applicable race.
- If two or more drivers set identical fastest qualifying times, the FIA's tiebreaking procedure determines pole position. If the FIA declares co-pole-sitters, the tied racers' markets will settle at $\$1/(\text{number of co-pole-sitters})$, rounded down.
- If the <session> at <race> is postponed but rescheduled to start within 48 hours of its originally scheduled start time at the same circuit, the market remains open and will resolve based on the rescheduled qualifying session. If the <race> is moved to a different circuit, all Contracts resolve at the last fair market price, regardless of timing.
- If the <session> at <race> is cancelled outright, or is postponed such that the

rescheduled start time is more than 48 hours after the originally scheduled start time, all Contracts related to sessions for which a result is unable to be determined will be resolved at the last fair market price in accordance with the Exchange's rules.

Examples that would resolve the market to Yes:

- <driver> is "Max Verstappen" and <race> is "the 2026 Belgian Grand Prix." Verstappen sets the fastest time in Q3 of 1:42.616. Even though Verstappen later receives a 5-place grid penalty for an engine change and starts 6th, he is still the official pole-sitter. The contract resolves Yes.
- <driver> is "Charles Leclerc." Leclerc sets the fastest time in Q3. Another driver initially appeared faster, but that driver's lap was deleted for track limits before the classification was published. Leclerc is awarded pole. The contract resolves Yes.

Examples that would NOT resolve the market to Yes:

- <driver> is "Lando Norris." Norris qualifies 2nd. Even though the pole-sitter receives a grid penalty and Norris starts 1st on race day, Norris did not set the fastest qualifying time. The contract resolves No.
- <driver> is "Lewis Hamilton." Qualifying is cancelled due to a typhoon. The FIA sets the grid based on FP3 times. All pole position contracts resolve to the last fair price determined in the sole discretion of the Exchange.
- <driver> is "Oscar Piastri." Piastri does not set a timed lap during qualifying due to a mechanical failure. The contract resolves No.
- <race> is "the 2026 Australian Grand Prix." The race is relocated to a different circuit within 48 hours due to a venue issue. All contracts resolve at the last fair market price, because the circuit change fundamentally alters qualifying conditions.

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 the scheduled date of <race>. 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:

- Current and former FIA officials, race stewards, race directors, and FIA timing and scoring personnel involved in Formula 1 events.
- Current and former drivers, team principals, team managers, race engineers, chief strategists, performance engineers, and any other team personnel with non-public access to car performance data, strategy decisions, or race-weekend plans for any FIA Formula 1 World Championship team.
- Current and former employees of Formula 1 (the commercial rights holder), including race operations, broadcast, and timing personnel with access to non-public data.
- Current and former employees of Pirelli Motorsport (or any other official FIA Formula 1 tyre supplier) with access to non-public tyre allocation, degradation, or strategy data.
- Current and former employees of the FIA Technical Department with access to non-public information about car legality, scrutineering results, or technical directives.
- Immediate family members (parents, siblings, spouses, domestic partners) and household members of any of the above individuals.