

## GOVTSHTUTDOWN

**Scope:** These rules shall apply to this contract.

**Underlying:** The Underlying for this Contract is whether the United States federal government is at least partially shut down due to a lapse of appropriations at 10:00 AM ET on <date>, as documented by the Source Agencies. 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: (1) Primary: Office of Management and Budget (OMB) and United States Office of Personnel Management (OPM); (2) Secondary: New York Times, Wall Street Journal, Associated Press, Reuters, Bloomberg News, The Guardian, and Politico.

**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.

**<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 the US federal government is at least partially shut down due to a lapse of appropriations at 10:00 AM ET on <date>.

### **Additional clarification(s):**

- A shutdown is defined as the government's orderly suspension of agency work that is not legally excepted, typically accompanied by furloughing the employees who perform that work, when funding is unavailable. To count toward the Payout Criterion, <date> need not necessarily be the first instance of shutdown, but may also be part of a continued shutdown period.
- Where the Primary Source Agencies have not published timely guidance, or there exists conflict between Primary Source Agencies, Secondary Source Agencies may be used to determine resolution. In this case, Secondary Source Agencies merely stating that the government has "shut down" is not sufficient; it must be reported consistent with the definition above, indicating that agencies have suspended non-excepted operations or that employees have been furloughed. Similarly, Secondary Source Agencies stating that the government has "reopened" is not itself sufficient unless accompanied by text relating to the recommencement of government operations and/or restoration of funds.

### **Examples that would resolve the market to Yes:**

- OMB releases a formal directive that orders heads of the affected agencies to "execute plans for an orderly shutdown," which is in effect as of 10:00 AM ET on <date>.
- OPM posts a current operating status that indicates that "due to a partial lapse in appropriations, Federal Government operations vary by agency".

### **Examples that would NOT resolve the market to Yes:**

- A technical lapse in appropriations occurs, but OMB directs agencies to continue standard operations
- Government closures or operating status changes resulting from Federal holidays,

inclement weather, or other emergencies, unless such closures coincide with a shutdown due to a lapse in appropriations

**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 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 day following <date> to account for any potential data or reporting delays. If an event described in the Payout Criterion occurs, expiration may 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.