

PARTYSWITCH

Scope: These rules shall apply to this contract.

Underlying: The Underlying for this Contract is the party affiliation and caucus membership of <member of Congress> 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 <member of Congress>, the Office of the Clerk of the U.S. House of Representatives, the Secretary of the U.S. Senate, official Congressional party caucuses, The New York Times, the Associated Press, Bloomberg News, Reuters, Axios, Politico, Semafor, The Information, The Washington Post, The Wall Street Journal, ABC, CBS, CNN, Fox News, MSNBC, and NBC.

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.

<member of Congress>: <member of Congress> refers to a specific current member of the United States House of Representatives or United States Senate.

<party>: <party> refers to a political party or caucus that <member of Congress> is affiliated with as of Issuance.

<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 <member of Congress> has, after Issuance and before <date>:

- Changed their official party registration from <party> to another party or to independent/unaffiliated status; OR
- Announced they are no longer a member of <party>; OR
- Been expelled from <party> by official party action; OR
- For Senators only: Announced they will no longer caucus with <party> or begun caucusing with a different party

The following do NOT trigger the Payout Criterion:

- Death, resignation from Congress, or expulsion from Congress
- Temporary suspension from party activities or committees while remaining a party member
- Loss of party endorsement or support while maintaining party membership
- Statements about considering leaving the party without actual departure
- Being stripped of committee assignments while remaining in the party

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.