July 27, 2026

SUBMITTED VIA CFTC PORTAL
Secretary of the Commission
Office of the Secretariat
U.S. Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: KalshiEX LLC – CFTC Regulation 40.6 Notification Regarding the Amendment of the "Will <parties> be members of the next government of <country>?" Contract

Dear Sir or Madam,

Pursuant to Section 5c(c) of the Commodity Exchange Act and Section 40.6 of the regulations of the Commodity Futures Trading Commission, KalshiEX LLC (Kalshi), a registered DCM, hereby notifies the Commission that it is amending the "Will <parties> be members of the next government of <country>?" contract (Contract). The amended Contract will become effective ten business days after this submission. This is a straight-forward modification to the previous version of the Contract. The changes are as follows:

- Added an Additional clarification(s) section to the Payout Criterion addressing the treatment of a party named in <parties> that dissolves, is absorbed, or merges; that undergoes a legal name change or rebranding while remaining the same underlying legal organization; or that contests the election as part of a joint electoral list, alliance, or umbrella grouping.
- Updated the Contingencies provision to cite Rule 7.1 in place of Rule 6.3(d) and Rule 6.3(b).

Along with this letter, Kalshi submits the following documents:

- A clean copy of the amended Contract
- A red-lined copy of the original Contract

If you have any questions, please do not hesitate to contact me.

Sincerely,

Xavier Sottile
Head of Markets

KalshiEX LLC
xsottile@kalshi.com

KalshiEX LLC
Official Product Name: "Will <parties> be members of the next government of <country>?"
Rulebook: COALITION
Kalshi Contract Category: Political Decision
Coalitions
July 27, 2026

CONCISE EXPLANATION AND ANALYSIS OF THE PRODUCT AND ITS COMPLIANCE WITH APPLICABLE PROVISIONS OF THE ACT, INCLUDING CORE PRINCIPLES AND THE COMMISSION'S REGULATIONS THEREUNDER

Pursuant to Commission Rule 40.6(a)(7)(v), the following is a concise explanation and analysis of the product and its compliance with the Act, including the relevant Core Principles (discussed in Appendix D), and the Commission's regulations thereunder.

I. Introduction

The "Will <parties> be members of the next government of <country>?" Contract is a contract relating to ruling parliamentary coalitions.

Further information about the Contract, including an analysis of its risk mitigation and price basing utility, as well as additional considerations related to the Contract, is included in Confidential Appendices B, C, and D.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchange hereby certifies that the amendment of the Contract complies with the Act and Commission regulations under the Act.

General Contract Terms and Conditions: The Contract operates similar to other event contracts that the Exchange lists for trading. The minimum price fluctuation is $0.01 (one cent). Price bands will apply so that Contracts may only be listed at values of at least $0.01 and at most $0.99. Further, the Contract is sized with a one-dollar notional value and has a minimum price fluctuation of $0.01 to enable Members to match the size of the contracts purchased to their economic risks. As outlined in Rule 5.12 of the Rulebook, trading shall be available at all times outside of any maintenance windows, which will be announced in advance by the Exchange. Members will be charged fees in accordance

with Rule 3.6 of the Rulebook. Fees, if they are charged, are charged in such amounts as may be revised from time to time to be reflected on the Exchange's Website. A new Source Agency can be added via a Part 40 amendment. All instructions on how to access the Underlying are non-binding and are provided for convenience only and are not part of the binding Terms and Conditions of the Contract. They may be clarified at any time. Furthermore, the Contract's payout structure is characterized by the payment of an absolute amount to the holder of one side of the option and no payment to the counterparty. During the time that trading on the Contract is open, Members are able to adjust their positions and trade freely. The Expiration Value and Market Outcome are determined at or after Market Close. The market is then settled by the Exchange, and the long position holders and short position holders are paid according to the Market Outcome. In this case, "long position holders" refers to Members who purchased the "Yes" side of the Contract and "short position holders" refers to Members who purchased the "No" side of the Contract. If the Market Outcome is "Yes," meaning that an event occurs that is encompassed within the Payout Criterion, then the long position holders are paid an absolute amount proportional to the size of their position and the short position holders receive no payment. If the Market Outcome is "No," then the short position holders are paid an absolute amount proportional to the size of their position and the long position holders receive no payment. Specification of the circumstances that would trigger a Market Outcome of "Yes" are included below in the section titled "Payout Criterion" in Appendix A.

CERTIFICATIONS PURSUANT TO SECTION 5c OF THE COMMODITY EXCHANGE ACT, 7 U.S.C. § 7A-2 AND COMMODITY FUTURES TRADING COMMISSION RULE 40.6, 17 C.F.R. § 40.6

Based on the above analysis, the Exchange certifies that:

- ❏ The Contract complies with the Act and Commission regulations thereunder.
- ❏ This submission (other than those appendices for which confidential treatment has been requested) has been concurrently posted on the Exchange's website at https://kalshi.com/regulatory/filings.

Should you have any questions concerning the above, please contact the exchange at ProductFilings@kalshi.com.



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By: Xavier Sottile
Title: Head of Markets
Date: July 27, 2026

Attachments:
Appendix A - Contract Terms and Conditions
Appendix B (Confidential) - Further Considerations
Appendix C (Confidential) - Source Agency
Appendix D (Confidential) - Compliance with Core Principles

APPENDIX A – CONTRACT TERMS AND CONDITIONS

Official Product Name: “Will <parties> be members of the next government of <country>?”
Rulebook: COALITION

COALITION

Scope: These rules shall apply to this contract.

Underlying: The Underlying for this Contract is the makeup of the parliament (or equivalent legislature) of <country>. Revisions to the Underlying made after Expiration will not be accounted for in determining the Expiration Value.

Source Agency: The Source Agency is <country> 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.

<country>: <country> refers to a nation specified by the Exchange.

<parties>: <parties> refers to a set of political parties or alliances in <country>.

<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 <parties> exclusively make up of the next elected ruling government of <country>. A party is considered to be part of government if one or more of its representatives hold at least one ministerial or cabinet-level position (including junior ministers or equivalent executive roles, if applicable) in the new government. This evaluation shall occur at the first official, stable formation of the government (i.e., once the legislative process for forming a government is complete and the head of state appoints ministers under normal non-caretaker circumstances). Additionally,

1. A "confidence and supply arrangement" (or any analogous agreement), where a party does not hold formal cabinet or ministerial positions but has publicly agreed, through a formal written agreement or a widely recognized, explicitly stated political deal, to support the government on key votes (e.g., votes of confidence, budget/finance bills) without formally joining the cabinet or government, may be included in the Payout Criterion if specified in <parties> (e.g. <parties> could take the form of "The Conservative Party and the Liberal Party" as well as "The Conservative Party with the support of the Greens").

2. If, following the election, a caretaker or interim government is appointed temporarily before the formal government formation, this caretaker period does not count for determining a given party's status.

If the joint list instead constitutes a newly consolidated party that legally replaces its constituent predecessors (such that the predecessor parties cease to exist as distinct legal or political entities), the predecessor parties named in <parties> do not count. Only the new consolidated party counts, and only if it is itself named in <parties>.
If the named party continues to exist as a distinct, separately identifiable constituent party under the umbrella list (rather than having been subsumed into it), the named party remains eligible to count toward the Payout Criterion, provided that a qualifying government officeholder is affiliated with the named party.
Joint electoral list: If a party named in <parties> contests the election as part of a joint electoral list, alliance, or umbrella grouping:
Legal name change: If a party named in <parties> undergoes a legal name change or rebranding but remains the same underlying legal political organization (i.e., the same legal registration, organizational continuity, and party structure persist, notwithstanding the new name), the party shall continue to be treated as the named party for purposes of the Payout Criterion.
Dissolution, absorption, or merger: If a party named in <parties> dissolves, is absorbed into, or merges with one or more other parties to form a new and distinct political party or organization prior to the relevant government formation, the originally named party shall not be counted as a member of the government unless it continues to exist and hold office under its original identity.

Additional clarification(s):

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 <date>. If an event encompassed by 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.