

October 14, 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 – Event Contracts Taker Rebate Program

Dear Sir or Madam,

Pursuant to Section 5c(c) of the Commodity Exchange Act (the “Act”), Kalshi Rule 3.13(f), and Section 40.6(a) of the regulations of the Commodity Futures Trading Commission (the “Commission” or “CFTC”), KalshiEX LLC (“Kalshi” or the “Exchange”) hereby notifies the Commission that it is implementing, no earlier than ten (10) business days from the date of this self-certification filing, on or after October 27, 2026, the Event Contracts Taker Rebate Program (the “Program”), as set forth in Appendix A.

Appendix A contains the Program’s terms and conditions. Appendix B contains an example of Taker Rebate calculations under the Program’s terms and conditions.

The Program provides a tiered taker fee rebate to Self-Clearing Members on Kalshi meeting the requirements in Appendix A, based on the Eligible Participant's Effective Volume transacted on the Exchange during that same calendar month, as described in Appendix A.

Kalshi Rule 3.13(f) allows Kalshi to create programs that provide incentives to Participants that encourage trading, and the Program is consistent with this Rule. The purpose of the Program is to improve market structure by reducing, for Kalshi's most active Self-Clearing Members, the net effective taker fee in all Kalshi event contract markets and, in markets with narrow minimum tick sizes, to a level at or below \$0.005. Reducing net effective fees in these markets is intended to improve market structure and orderbook quality, which in turn is intended to support tighter tick sizes, deeper and more reliable two-sided liquidity, and improved execution quality for all market participants.

Compliance with Core Principles

Kalshi has evaluated the Program under the Act and the Commission's regulations. The analysis below addresses the Core Principles most directly implicated by the Program, assuming the most generous application of the Program's filed terms (including the maximum Rebate Tier, the maximum enhancement under Section 5(D) of Appendix A, and the broadest set of Eligible Series).

Core Principle 2 – Compliance with Rules. The Effective Volume, Rebate Tier, Series Rebate Conditions, and Taker Rebate calculation methodology and other mechanics apply uniformly to all Eligible Participants that satisfy the filed criteria and do not permit individualized or preferential terms. Access to the Program is available to any Self-Clearing Member satisfying the

objective, uniformly-applied standards set forth in Appendix A and Chapter 4 of Kalshi's Rulebook. Kalshi affiliates are excluded to avoid conflicts of interest. Introducing Brokers, Futures Commission Merchants, and customers transacting through an IB or FCM are also excluded. Kalshi members who are prohibited by the Kalshi Rules from submitting orders or trading with respect to a particular contract are not Eligible Participants with respect to that contract. Consistent with Commission Regulation 38.151(b), the Taker Rebate Percentages are comparable and are applied uniformly to all Self-Clearing Members meeting the same objective criteria. All Rebate Tier assignments, Series Rebate Condition determinations, and Taker Rebate calculations are made under the objective criteria filed in Appendix A, and any change to the Rebate Tier thresholds, Taker Rebate Percentages, Series Rebate Conditions, tick-size enhancement formula, eligibility criteria, or Program duration will be made only by a new filing under CFTC Regulation 40.6(a).

Core Principle 3 – Contracts Not Readily Susceptible to Manipulation. Kalshi has evaluated the Program's structure against potential manipulative and abusive trading risks, including the potential for a participant to engage in wash trading, pre-arranged trading, or other non-bona fide activity for the purpose of reaching a Rebate Tier threshold. Kalshi believes the Program will support the relevant event contracts' resistance to manipulation by encouraging two-sided liquidity from Eligible Participants that are, on net, liquidity providers, making it more difficult for a single bad actor to create an artificial price. Kalshi further believes the Program's design reinforces the manipulation resistance of the Exchange's event contracts across all categories. The Program's structure and features were designed with the intention of minimizing manipulation risks in Kalshi's event contracts, including, but not limited to the following elements:

(a) Effective Volume is calculated as the sum, across an Eligible Participant's trades, of the product of each fill's execution price, one minus that price, and the number of contracts traded, which is mathematically equivalent to the Eligible Participant's aggregate exchange fees generated divided by the Exchange's general taker fee factor. Reaching a given Rebate Tier therefore requires generating fee-bearing trading activity rather than merely a specified raw contract count.

(b) An Eligible Participant may only receive a Taker Rebate in a given Eligible Series if (i) its maker volume in that Eligible Series during the Rebate Month exceeds 0.5% of total maker volume transacted in that Eligible Series during the Rebate Month, and (ii) its maker volume in that Eligible Series during the Rebate Month exceeds its taker volume in that Eligible Series during the Rebate Month (the "Series Rebate Conditions"), described further in Section 5(B) of Appendix A. The objective Series Rebate Conditions ensure that an Eligible Participant does not receive a Taker Rebate in a series based on one-sided taker activity alone, and that the Program's taker rebate is paid only to Eligible Participants who are, on net, liquidity providers in that series, in furtherance of the Program's purpose.

(c) The Taker Rebate Percentage, including any enhancement under Section 5(D) of Appendix A, is designed so that the resulting Net Taker Fee per contract is never reduced to a negative amount. Because the Taker Rebate Percentage, including any enhancement under Section 5(D), is always less than 100% of the Base Taker Fee, the Net Taker Fee is positive on every fill. The Taker Rebate Percentages are fixed in advance in Appendix A and range from 15% to 50% of Eligible Taker Fees, subject to the Enhanced Taker Rebate under

Section 5(D), which on any fill is capped at the Base Taker Fee less \$0.005 and is therefore always less than the Base Taker Fee. This design is intended to reduce net trading costs for net liquidity providers without rewarding disruptive or non-bona fide activity.

(d) Kalshi Rule 5.17's prohibitions on wash trading, pre-arranged trading, spoofing, and other disruptive or abusive practices apply to all transactions regardless of Program participation, and any transaction resulting from, or subject to inquiry or investigation for, potential violation of Rule 5.17, or any transaction cancelled or price-adjusted under Kalshi Rule 5.11, is excluded from Effective Volume, from the Series Rebate Conditions, and from Eligible Taker Fees under the Program.

Specifically with respect to contracts that resolve based on the statements or actions of a single individual ("mention" markets), the Program does not change the contract's terms or settlement source, which would have separately been determined not readily susceptible to manipulation pursuant to the Part 40 filing for that product's listing and in accordance with Commission staff guidance on mention markets. Additionally, any person who is prohibited by Exchange rules from trading in a particular contract—for example, because the person has the ability to influence its outcome—would continue to be prohibited from submitting orders for or trading in the contract and thus could not participate in the Program with respect to that contract, even if the person is otherwise an Eligible Participant.

Kalshi Rule 5.17 prohibits spoofing, layering, quote stuffing, wash trading, and other disruptive or abusive practices regardless of whether orders or transactions arise from Program participation. Kalshi surveillance capabilities include alerts for spoofing, layering, quote stuffing, concentrated or coordinated accounts approaching a Rebate Tier, monitoring for maker/taker patterns inconsistent with genuine two-sided liquidity, monitoring for wash trading, and monitoring for pre-arranged or coordinated or linked accounts, including common ownership, devices, IP addresses, or other linkage indicators. The Exchange will periodically reassess these surveillance parameters and the Program's effects. If the Exchange identifies abusive, disruptive, or manipulative activity, it will investigate and may suspend or terminate an Eligible Participant's status under the Program, take disciplinary action, submit a new filing to modify the Program, or terminate the Program, as appropriate.

If the Exchange determines that the Program is no longer consistent with its goals, the Rules of the Exchange, or applicable law, the Exchange may take action including, but not limited to, terminating the Program through a filing under Part 40 of the Commission's regulations, terminating an Eligible Participant's eligibility for Taker Rebates, or pursuing disciplinary action and rule enforcement under Chapter 9 of Kalshi's Rulebook.

For these reasons, Kalshi does not believe the Program's structure creates excess risk of manipulation as it relates to all of Kalshi's event contract markets that may be incentivized under this Program.

Core Principle 4 – Prevention of Market Disruption; Core Principle 12 – Protection of Markets and Market Participants. The elements described under Core Principle 3 above were also designed with the intention of preventing market disruption. The Program's purpose, reducing net effective taker fees for the Exchange's high volume Eligible Participants across Eligible Series, is intended to improve overall orderbook structure and execution quality for all participants in the marketplace. The Program does not impact Kalshi's ability to perform its trade

practice and market surveillance obligations under the CEA. Chapter 5 of Kalshi's Rulebook, including Rule 5.17, continues to apply in full to all order and trade activity conducted under the Program. Kalshi maintains an independent surveillance and enforcement program dedicated to detecting violations of and enforcing Chapter 5 of Kalshi's Rulebook.

Kalshi staff will continue to monitor for manipulative trading, market abuse, and in particular, wash trading, pre-arranged trading, and other non-bona fide trading activity, as noted above, with a heightened focus on order-level and trade-level activity by Eligible Participants, including Eligible Participants under this Program. The Program's objective Rebate Tier schedule, Series Rebate Conditions, positive Net Taker Fee on every fill, participant exclusions, and surveillance controls are intended to reduce net trading costs for net liquidity providers without rewarding disruptive or non-bona fide activity. The Exchange will not permit an Eligible Participant to receive Taker Rebates for, or to count toward Effective Volume or the Series Rebate Conditions, any transaction that is subject to inquiry or investigation for wash trading, pre-arranged trading, or other abusive or disruptive conduct. The Exchange will evaluate the cumulative effect of Taker Rebates together with fees, other fee rebates, and other incentive programs, including whether the aggregate payments could create net-negative trading economics, reduce genuine risk transfer, or distort price discovery. The Program will be suspended, reduced, or revised as appropriate through the applicable filing process if the Exchange's periodic reassessment identifies material market-disruption or participant-protection concerns.

Core Principle 7 – Availability of General Information. The Program terms, including the Rebate Tier thresholds, Taker Rebate Percentages, Series Rebate Conditions, tick-size enhancement formula, and effective dates, will be posted on the Exchange's website through the Regulatory Notices page and a Program-specific webpage. Following each Rebate Month, Kalshi will make available to each Eligible Participant its Effective Volume, Rebate Tier, and Taker Rebate for that Rebate Month. If the Exchange terminates the Program early, the Exchange will post notice promptly on its website.

Core Principle 9 – Execution of Transactions. The Program does not afford Eligible Participants any execution priority over other participants and does not alter the order matching engine, other order-execution protocols, or the priority of orders on the central limit order book. The Taker Rebate is calculated and applied only after the close of the relevant Rebate Month, based on that month's trading activity, and accordingly does not affect order priority or the manner in which any order is matched or executed.

Core Principle 16 – Conflicts of Interest. To minimize the potential for conflicts of interest, Kalshi has determined to exclude any affiliate of Kalshi from becoming an Eligible Participant under the Program.

Core Principle 18 – Recordkeeping. The Exchange or its systems will make and keep records of each Eligible Participant's Effective Volume calculations, Rebate Tier determinations, Series Rebate Condition results, tick-size enhancement calculations, participant order and trade data, rebate calculations, rebate payments, notifications, surveillance alerts, investigations, and any termination or suspension decisions with respect to Eligible Participant status. Kalshi will retain all records relating to the Program, including participant performance data, rebate calculations, payment records, and surveillance reports, for at least five (5) years in accordance with 17 C.F.R. §§ 38.950–38.951 and 1.31.

Core Principle 19 – Antitrust Considerations. The Program has fixed and transparent terms, is voluntary, and is open to any Self-Clearing Member meeting Kalshi's published, objective standards under this Program and Chapter 4 of the Rulebook. The Program does not require exclusivity in market or trading-platform participation, otherwise restrict an Eligible Participant's ability to trade on the Exchange or on any other trading platform, or impose any other unreasonable restraint of trade or material anticompetitive burden.

Core Principle 21 – Financial Resources. The Taker Rebate under the Program is funded entirely from exchange fees already collected by Kalshi and is self-limiting such that the Program can never result in a negative effective fee or a net payment by Kalshi to an Eligible Participant on a given fill. The Taker Rebate Percentages are fixed in advance and are subject to a fixed term as detailed in Appendix A. Accordingly, the Program is anticipated to remain economically sustainable and will not negatively impact Kalshi's satisfaction of its financial resources requirements. The Exchange will monitor cumulative Taker Rebate payments and will amend or terminate the Program through a filing under CFTC Regulation 40.6(a) in the unexpected event that rebate payments threaten its ability to satisfy its financial resources requirements, or if it otherwise determines that the Program is not economically beneficial to the Exchange.

Kalshi is not aware of any substantive opposing views.

Kalshi accordingly certifies that the Program complies with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder, and certifies that, concurrent with this filing, a copy of this submission was posted on the Kalshi website and may be accessed at: <https://kalshi.com/regulatory/notices>.

If you have any questions or comments or require further information, please do not hesitate to contact me.

Sincerely,

Rhianna Ross Mataras
Regulatory Counsel
KalshiEX LLC
rross@kalshi.com

Enclosure:

Appendix A (Terms and Conditions)

Appendix B (Reward Calculation Examples)

Appendix A

Event Contracts Taker Rebate Program (“Program”)

Terms and Conditions

1. Program Purpose

The purpose of this Program is to improve market structure in all event contracts listed by Kalshi by reducing the net effective taker fee in Eligible Series, paid by Self-Clearing Members that meet the objective Series Rebate Conditions, thereby supporting tighter tick sizes, and improving overall orderbook structure and execution quality for all participants in the marketplace.

2. Program Scope and Duration

The Program applies to Taker Fees charged on all Kalshi event contract markets (including all markets listed under all Kalshi Event Contract categories) except Combinations, which are excluded from Eligible Taker Fees but are included in the calculation of Effective Volume and the Series Rebate Conditions, as set forth in Section 4 below.

The Program will be effective upon Exchange notice, no earlier than ten (10) business days from the date of this filing, October 27, 2026, and will continue in effect until December 31, 2027, unless Kalshi amends or terminates the Program through a subsequent filing under Part 40 of the Commission’s Regulations.

3. Eligible Participants

“Eligible Participants” are Self-Clearing Members, except: (i) affiliates of Kalshi; and (ii) Introducing Brokers, Futures Commission Merchants, and customers thereof when transacting via the IB or FCM.

There is no limit on the number of Eligible Participants.

For the avoidance of doubt, Kalshi members who are prohibited by the Kalshi Rules from submitting orders or trading with respect to a particular contract remain subject to that prohibition notwithstanding anything in the Program terms and conditions and are not “Eligible Participants” under the Program with respect to that contract.

4. Program Definitions

“**Combination**” or “**Combo**” means a custom transaction consisting of a combination of events, traded in a single position through the Request for Quote system.

“**Effective Volume**” means, for an Eligible Participant and a given Rebate Month, the sum across all of that Eligible Participant's trades (including Combinations, and both maker and taker fills) executed during the Rebate Month of the product of (i) the execution price of the fill, expressed as a decimal, (ii) one minus the execution price, and (iii) the number of contracts in the fill (i.e., $\text{Effective Volume} = \sum p(1-p)c$).

“Eligible Taker Fees” means the Taker Fees paid by an Eligible Participant on fills in an Eligible Series during a Rebate Month, excluding Taker Fees attributable to Combinations.

“Eligible Series” means any individual event contract series listed on the Exchange during the Program’s duration, provided that for the purposes of the Series Rebate Conditions and the corresponding application of Taker Rebates, a Live Series and Non-Live Series are treated as separate Eligible Series, as set forth in Section 5(E).

“Enhanced Taker Rebate” has the meaning set forth in Section 5(D).

“Maker Volume Share” means, for an Eligible Participant and a given Eligible Series and Rebate Month, that Eligible Participant's maker-side Effective Volume in that Eligible Series during that Rebate Month, expressed as a percentage of the total maker-side Effective Volume transacted by all Exchange participants in that Eligible Series during that Rebate Month.

“Net Liquidity Provider” means, for an Eligible Participant and a given Eligible Series and Rebate Month, that the Eligible Participant's maker-side Effective Volume in that Eligible Series during that Rebate Month exceeds its taker-side Effective Volume in that Eligible Series during that Rebate Month.

“Qualifying Small-Tick Market” means an individual market within an Eligible Series whose minimum tick size, for prices between \$0.10 and \$0.90, is \$0.005 or smaller. The Enhanced Taker Rebate under Section 5(D) applies only to fills executed in a Qualifying Small-Tick Market, regardless of the tick size of other markets in the same Eligible Series.

“Rebate Month” means a calendar month.

“Rebate Tier” means one of the tiers set forth in Section 5(A), each associated with a Minimum Monthly Effective Volume threshold and a corresponding Taker Rebate Percentage.

“Series Rebate Conditions” has the meaning set forth in Section 5(B).

“Taker Rebate” means the rebate of Eligible Taker Fees paid to an Eligible Participant under this Program.

“Taker Rebate Percentage” means the percentage of Eligible Taker Fees rebated to an Eligible Participant in a given Eligible Series for a given Rebate Month, as determined under Sections 5(A) through 5(D), subject to the Enhanced Taker Rebate under Section 5(D).

5. Program Terms

(A) Rebate Tier Schedule.

At the end of each Rebate Month, Kalshi will calculate each Eligible Participant's Effective Volume for that Rebate Month and assign the Eligible Participant to a Rebate Tier based on the following schedule:

Rebate Tier	Minimum Monthly Effective Volume	Taker Rebate Percentage (excludes Combo Contracts)
Tier 0 (Baseline)	0	0%
Tier 1	2,000,000	15%

Tier 2	20,000,000	30%
Tier 3	100,000,000	50%*

**subject to enhancement under Section 5(D) of Appendix A in Qualifying Small-Tick Markets*

(B) Series Rebate Conditions.

An Eligible Participant under Rebate Tier 1, 2, or 3 for a given Rebate Month will only receive a Taker Rebate in a given Eligible Series for that Rebate Month if both of the following objective conditions (the “Series Rebate Conditions”) are satisfied for that Eligible Series and Rebate Month:

- (i) the Eligible Participant's Maker Volume Share in that Eligible Series exceeds 0.5%; and
- (ii) the Eligible Participant is a Net Liquidity Provider in that Eligible Series.

The Series Rebate Conditions are evaluated separately for each Eligible Series and apply in addition to, and independent of, the Eligible Participant's Rebate Tier.

(C) Timing of Calculation and Payment.

Tier qualification for a given Rebate Month is determined using that same Rebate Month's Effective Volume (i.e., the Rebate Tier applicable to October trading activity is determined by Effective Volume generated in October). Because an Eligible Participant's final Rebate Tier for a Rebate Month cannot be determined until that Rebate Month has ended, Kalshi will calculate the Taker Rebate payable to each Eligible Participant for a Rebate Month, and apply it retroactively to that Eligible Participant's Eligible Taker Fees for that entire Rebate Month in each Eligible Series satisfying the Series Rebate Conditions, promptly after the Rebate Month ends. The resulting Taker Rebate will be credited to the Eligible Participant's account in the form of an outward payment no later than the fifteenth (15th) day of the calendar month following the Rebate Month.

(D) Enhanced Taker Rebate Per Contract.

For an Eligible Participant meeting the Series Rebate Conditions and eligible under Rebate Tier 3 for a given Rebate Month, the Taker Rebate Percentage applicable to that Eligible Participant's Eligible Taker Fees in a Qualifying Small-Tick Market will be increased above the standard Tier 3 Taker Rebate Percentage of 50%, on a fill-by-fill basis, and the Eligible Participant will receive the “Enhanced Taker Rebate,” calculated as:

$$\text{Enhanced Taker Rebate Per Contract} = \max [50\% \times \text{Base Taker Fee}, \text{Base Taker Fee} - \$0.005]$$

where “Base Taker Fee” is the standard taker fee per contract for that fill under the Exchange's generally applicable fee schedule, before any rounding, before application of any rebate.

The Enhanced Taker Rebate will never result in a negative Net Taker Fee. This enhancement is not available to Eligible Participants in Rebate Tier 0, 1, or 2.

For example, for a fill executed at a price of \$0.50 (the price at which the Base Taker Fee per contract is highest) the Base Taker Fee per contract is \$0.0175 ($0.07 \times 0.50 \times 0.50$). Applying the

formula above, the Enhanced Taker Rebate for a Tier 3 Eligible Participant on that fill in a Qualifying Small-Tick Market would be approximately \$0.0125 [$\$0.0175 - \$0.005$], increasing the Taker Rebate Percentage to 71.43% [$\$0.0125 \div \$0.0175$], and reducing the Net Taker Fee on that fill to \$0.005 [$\$0.0175 - \$0.0125$].

(E) Separate Treatment of Sports Non-Live and Live Series.

For purposes of the Series Rebate Conditions, each Eligible Series referencing a sport event is divided into two separate Eligible Series: a “Non-Live Series,” consisting of all fills in that series executed before the Event Start Time, and a “Live Series,” consisting of all fills in that series executed at or after the Event Start Time. Each fill is assigned to the Non-Live Series or the Live Series based on its execution timestamp. The Series Rebate Conditions, including Maker Volume Share and Net Liquidity Provider status, are calculated separately for the Non-Live Series and the Live Series. Satisfying the conditions in one does not satisfy them in the other, and maker volume in one is not counted toward either condition in the other. An Eligible Participant receives a Taker Rebate on its Eligible Taker Fees in a Non-Live Series or a Live Series only if it independently satisfies the Series Rebate Conditions in that series for the Rebate Month.

Kalshi will communicate the "Event Start Time" used in this context via its website and API. In the case that an event is postponed before the Event Start Time, Kalshi will amend the Event Start Time to match the amended start time of the event (and will amend this value on its website and API). In the case that an event is postponed after the Event Start Time, Kalshi will use the original broadcast Event Start Time for distinguishing the Non-Live Series from the Live Series.

6. Interaction with Other Incentive Programs

In the event an individual transaction is simultaneously eligible for more than one per-trade incentive payment across Kalshi's trading incentive programs, Kalshi will apply the highest of any per-trade incentive for a given transaction, but not the summation of all eligible incentives for that transaction. Additionally, in the event that an individual transaction is simultaneously eligible for a trading fee rebate and per-trade incentives across Kalshi's trading incentive programs, Kalshi will adjust incentive payments under any of its trading incentive programs downward to the exact extent necessary to prevent trading conditions with net-negative (maker + taker) fees on a per-trade basis.

7. Compliance with Kalshi's Rulebook

All trading is subject to the rules in Kalshi's Rulebook, among other relevant Federal laws and regulations.

All Eligible Participants under this Program are required to adhere to Chapter 5 of Kalshi's Rulebook, including Rule 5.17 (Prohibited Transactions and Activities). Accordingly, any transaction resulting from, or subject to inquiry or investigation for, potential wash trading, pre-arranged trading, or any other disruptive, abusive, manipulative, or otherwise prohibited trading practice set forth in Rule 5.17, as well as any transaction cancelled or price-adjusted under Kalshi Rule 5.11, is excluded from Effective Volume, the Series Rebate Conditions, and Eligible Taker Fees under this Program. Kalshi may also take additional action to preserve market integrity, including termination or modification of the Program terms, termination of

Eligible Participant status under the Program in accordance with Section 8 below, or commencement of disciplinary procedures under Chapter 9 of the Kalshi Rulebook.

8. Recordkeeping, Monitoring, and Termination of Status

Kalshi shall monitor trading activity and Eligible Participants' performance and shall retain the right to revoke Eligible Participant status if Kalshi's Chief Regulatory Officer or Chief Compliance Officer concludes from review that a participant's participation in the Program is abusive or in any way inconsistent with the purpose of the Program, Kalshi's Rulebook, or applicable law.

In the event of such a determination, Kalshi will implement the following procedures:

- Kalshi shall document the termination of Eligible Participant status under the Program and the basis therefor;
- Kalshi shall notify the participant in writing that the participant is no longer eligible to receive Taker Rebates under the Program; and
- Upon any effective termination date, any Taker Rebates earned for Rebate Months ending before the effective termination date will remain earned, except in cases where Kalshi determines that the participant's activity involves fraud, abusive or willful misconduct, or another violation of the Exchange Rulebook or applicable law.

Kalshi will keep records of the operation of this Program, including the records described in Core Principle 18 of the cover letter above. Kalshi may modify or terminate the Program at any time, in a manner consistent with CFTC rules and regulations and with notice provided on Kalshi's website. For the avoidance of doubt, substantive modification of the Program terms would necessarily take place via a Rule 40.6 submission.

Appendix B

Event Contracts Taker Rebate Program (“Program”)

Example Rebate Calculation

1. Rebate Tier Schedule

Reproduced from Appendix A, Section 5(A):

Rebate Tier	Minimum Monthly Effective Volume	Taker Rebate Percentage (excludes Combo Contracts)
Tier 0 (Baseline)	0	0%
Tier 1	2,000,000	15%
Tier 2	20,000,000	30%
Tier 3	100,000,000	50%*

**subject to enhancement under Section 5(D) of Appendix A in Qualifying Small-Tick Markets*

2. Series Rebate Conditions Example

An Eligible Participant generates 25,000,000 of Effective Volume in a Rebate Month, qualifying it for Rebate Tier 2 (30% standard Taker Rebate Percentage).

In Eligible Series A, the Eligible Participant's maker-side Effective Volume represents 2% of total maker volume in that series (satisfying condition (i)) and exceeds its own taker-side Effective Volume in that series (satisfying condition (ii)). The Eligible Participant receives a 30% Taker Rebate on its Eligible Taker Fees in Eligible Series A for that Rebate Month.

In Eligible Series B, the same Eligible Participant's maker-side Effective Volume represents only 0.2% of total maker volume in that series; because condition (i) is not satisfied, the Eligible Participant receives no Taker Rebate on its Eligible Taker Fees in Eligible Series B for that Rebate Month, notwithstanding its Rebate Tier 2 status.

3. Enhanced Taker Rebate Example

An Eligible Participant qualifies for Rebate Tier 3 (50% standard Taker Rebate Percentage) for a Rebate Month and satisfies the Series Rebate Conditions in Eligible Series C. The Eligible Participant executes a taker fill of 1,000 contracts at \$0.50 in a Qualifying Small-Tick Market listed under Eligible Series C.

Variable	Value
Base Taker Fee per contract ($0.07 \times 0.50 \times 0.50$)	\$0.0175
Standard Tier 3 Net Taker Fee per contract (50% rebate)	\$0.00875
Enhanced Taker Rebate ($\$0.0175 - \$0.005$)	\$0.0125
Enhanced Net Taker Fee per contract	\$0.005
Base Taker Fee on 1,000 contracts	\$17.50
Enhanced Taker Rebate paid on this fill	\$12.50
Net Taker Fee paid on this fill	\$5.00