November 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: DCM Notice of Market Emergency and Emergency Rule Filing Pursuant to CFTC Regulation 40.6(a)

Dear Sir or Madam,

KalshiEX LLC ("Kalshi" or the "Exchange") respectfully submits this notice to the Commodity Futures Trading Commission ("CFTC" or the "Commission") and its Division of Market Oversight ("DMO"). As set forth below, the Exchange has determined that a market emergency (the "Emergency") requires the immediate adoption of emergency rules (the "Emergency Rules") under Commodity Exchange Act ("CEA") Section 5c(c), CFTC Regulation 40.6(a), and Kalshi Rule 2.8.

I. Background

The Emergency is the result of an Ex Parte Temporary Restraining Order (the "TRO") entered against the Exchange and its affiliates on November 12, 2026, by the 21st Judicial District Court for the Parish of Tangipahoa, State of Louisiana (the "Court"), in *State of Louisiana, by and through its Attorney General, Liz Murrill v. Kalshi Inc., et al.* The State of Louisiana, acting through Attorney General Liz Murrill, obtained the TRO ex parte, without notice to or an opportunity to be heard by the defendants.

The TRO names the Exchange and its affiliates Kalshi Inc., Kalshi Klear Inc., Kalshi Klear LLC, and Kalshi Trading LLC, along with numerous other designated contract markets, intermediaries, and their affiliates, including QCX LLC d/b/a Polymarket US and entities affiliated with Robinhood, Crypto.com, Coinbase, Novig, Underdog, Gemini, and ProphetX. The TRO also binds each defendant's principals, officers, agents, employees, counsel, and all persons in active concert or participation with them who receive actual knowledge of the order. The TRO temporarily restrains and enjoins the defendants from: (a) operating, offering, listing, accepting, clearing, settling, brokering, making a market in, or otherwise facilitating or offering any "event contract" from, to, or on behalf of any person located in the State of Louisiana without a valid license and permit issued under Chapter 10 of Title 27 of the Louisiana Revised Statutes; (b) accepting, facilitating, or allowing any wager from, or allowing market access to, any person

located in Louisiana; (c) failing to geofence the State of Louisiana so that such offerings are not accessible to persons located within the State; and (d) representing, advertising, or marketing to any person located in Louisiana that the defendants' event contracts are lawful, licensed, or authorized in Louisiana.

Kalshi maintains that its listed event contracts are subject to the exclusive jurisdiction of the Commission under the CEA, and it intends to contest the TRO and any preliminary injunction. Nothing in this submission constitutes an admission that Louisiana law, or any interpretation of that law contained in the TRO, applies to Kalshi or its contracts.

Paragraph (b) of the TRO expressly prohibits the defendants from "allowing market access to" any person located in Louisiana. Complying with the TRO therefore requires the Exchange to immediately suspend all market access to event contracts for one category of participants — Members located in Louisiana — across all listed contracts, based on geography rather than on any contract term, market condition, or Member conduct. Because the TRO bars market access itself, and not merely the opening of new positions, a liquidation-only restriction would not satisfy the TRO. Absent emergency action, the Exchange's Rules do not provide a standing mechanism for suspending market access for a geographic subset of Members while trading continues for all other participants.

The TRO was entered ex parte, with no advance notice, and took effect immediately. Without a uniform, transparent rule governing the restriction, affected Members could face uncertainty regarding their access and their existing positions, and the Exchange could face inconsistent treatment of otherwise uniform contracts.

As a designated contract market registered with the Commission, Kalshi is subject to the core principles set forth in Section 5(d) of the CEA, 7 U.S.C. § 7(d), and implementing regulations under 17 CFR Part 38. Core Principle 2 (Compliance with Rules) requires the Exchange to establish, monitor, and enforce compliance with Exchange rules, including rules governing the conduct of participants and the operations of the market. Core Principle 6 (Emergency Authority) provides that, in consultation or cooperation with the Commission, the Exchange shall adopt rules to provide for the exercise of emergency authority, including the authority to suspend or curtail trading. Kalshi Rule 2.8 likewise authorizes the Exchange to adopt temporary emergency rules in response to an Emergency, including actions to suspend or curtail trading. The TRO constitutes a judicial and governmental action within the meaning of 17 CFR § 40.1 and Kalshi Rule 2.8 that has a direct and material impact on trading on the Exchange.

After consultation with legal counsel, and consistent with its obligations under DCM Core Principles 2, 4, 6, 7, 8, and 9, Kalshi has determined that immediate adoption of at least one Emergency Rule is necessary to comply with the TRO, maintain orderly markets, protect the interests of all market participants, and preserve the financial integrity of the Exchange.

II. Emergency Rule

Pursuant to DCM Core Principle 6 (Emergency Authority), CFTC Regulation 40.6(a), CEA Section 5c(c), and Kalshi Rule 2.8, the Exchange hereby self-certifies the following Emergency Rule, effective immediately:

Emergency Rule 1: Limitation of Market Access to Members located in Louisiana

Effective immediately, the Exchange will suspend market access to event contracts for every Member that the Exchange identifies as located in the State of Louisiana, as follows:

1. *Suspension of market access.* All Members whom the Exchange identifies as located in the State of Louisiana are denied access to all event contract markets listed on the Exchange. Such Members may not submit any order of any kind, including orders that would open, increase, reduce, or close a position.

2. *Geofencing.* The Exchange will take measures to apply geolocation controls designed to prevent persons located within the State of Louisiana from accessing the Exchange's markets.

3. *Existing positions.* The Emergency Rule does not require the cancellation or forced close-out of any existing position. The Exchange will address the treatment of existing positions held by Members located in Louisiana, including settlement and related collateral, in accordance with the TRO and in consultation with DMO staff, and will notify the Commission of any further action.

4. *Effect on other participants.* The Emergency Rule does not alter the terms, settlement, or collateralization of any Contract, and market access remains unchanged for participants not located in Louisiana.

5. *Duration.* The Emergency Rule will remain in effect until the expiration of the TRO, currently expected to be on November 22, 2026.

III. Self-Certification and Commission Review

The Emergency Rules described herein are adopted on an emergency, self-certified basis pursuant to CFTC Regulation 40.6(a) and CEA Section 5c(c). The Exchange has determined, in its judgment and in consultation with counsel, that the Emergency requires immediate action, and that the adoption of these Emergency Rules is necessary and appropriate under the circumstances.

Consistent with CFTC Regulation 40.6(a), the Exchange acknowledges that the Emergency Rules are subject to review by the Commission. The Exchange will provide such additional

information and documentation as the Commission or DMO staff may request in connection with their review.

Pursuant to CFTC Regulation 40.6(a)(6), Kalshi certifies that a notice of certification and a copy of this submission have been posted on the Exchange's website concurrently with this filing.

IV. Continued Coordination with DMO

The Exchange welcomes continued consultation and coordination with DMO staff regarding the Emergency Rules, their implementation, and any further actions that may be necessitated by the ongoing litigation or the issuance of a preliminary injunction. Kalshi respectfully requests that DMO staff make themselves available to confer with the Exchange at their earliest convenience. The Exchange will have further updates for DMO pending the outcome of the next substantive hearing in the associated legal action.

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

Sincerely,

Richard Heaslip
Chief Regulatory Officer
KalshiEX LLC
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