November 25, 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 "How many <weekdays/weeknights/weekend days/weekend nights/days> will the precipitation recorded in <area> <time range> be <above/below/exactly/at least/at most/between> <value> inches <time period>? (Scalar)" 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) hereby notifies the Commission that it is amending the "How many <weekdays/weeknights/weekend days/weekend nights/days> will the precipitation recorded in <area> <time range> be <above/below/exactly/at least/at most/between> <value> inches <time period>? (Scalar)" contract (Contract).

This contract is a straight-forward modification to the previous "How many <weekdays/weeknights/weekend days/weekend nights/days> will the precipitation recorded in <area> <time range> be <above/below/exactly/at least/at most/between> <value> inches <time period>? (Scalar)" contract. The changes are as follows:

1. **Revision of the weeknights and weekend nights definitions and addition of combinations of days or nights of the week**
2. **Revision of the Last Trading Date and Last Trading Time**

Along with this letter, Kalshi submitted 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: "How many <weekdays/weeknights/weekend days/weekend nights/days> will the precipitation recorded in <area> <time range> be <above/below/exactly/at least/at most/between> <value> inches <time period>? (Scalar)"
Rulebook: PRECIPDAYSSCALAR
Summary: Precipitation day counts by location
Kalshi Contract Category: Weather/Climate
Kalshi Internal Category: Climate and Weather
November 25, 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

The following is a concise explanation and analysis of the Class and its compliance with the Act, including the relevant Core Principles (discussed in Appendix F), and the Commission's regulations thereunder. Although Commission Regulation 40.2(d)(1) requires certification only under Commission Regulations 40.2(a)(1), (a)(2), (a)(3)(i), (a)(3)(iv), and (a)(3)(vi), this explanation and analysis is provided voluntarily and consistent with CFTC Staff Advisory No. 26-22 (July 24, 2026) and CFTC Staff Letter No. 26-08 (Mar. 12, 2026).

I. Introduction

The "How many <weekdays/weeknights/weekend days/weekend nights/days> will the precipitation recorded in <area> <time range> be <above/below/exactly/at least/at most/between> <value> inches <time period>? (Scalar)" Contracts are contracts relating to Climate and Weather.

Each Contract within the Class is identical in all respects to the Referenced Contract, except for the <area> (i.e., the locality and designated observing station specified by the Exchange). The <payout schedule> variable is a strike variable of the Referenced Contract itself and is available on identical terms to every Contract within the Class. The <weekdays/weeknights/weekend days/weekend nights/days>, <time range>, <above/below/exactly/at least/at most/between>, <value>, and <time period> variables, which the Referenced Contract leaves unspecified, are likewise strike variables of the Referenced Contract itself and are available on identical terms to every Contract within the Class. Every Contract within the Class relies on the identical pricing source, formula, procedure, and methodology for calculating reference prices and payment obligations, as set forth in Appendix A and analyzed below.

Further information about the Contracts, including an analysis of their risk mitigation and price basing utility, as well as additional considerations related to the Contracts, is included in Confidential Appendices D, E, and F.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.2(d), the Exchange hereby certifies that each Contract within the Class 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 $0.001 (one-tenth of one cent). Price bands will apply so that Contracts may only be listed at values of at least $0.001 and at most $0.999. Further, the Contract is sized with a one-dollar notional value and has a minimum price fluctuation of $0.001 to enable Members to match the size of the contracts purchased to their economic risks. As outlined in Rule 5.16 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 3.13 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 a proportion of the Settlement Value to the holders of each side of the Contract, as determined by a payout curve that the Exchange specifies at Issuance and publishes in full before trading begins. 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. Per Contract, the long position holders receive the amount that the payout curve assigns to the Expiration Value under the Payout Shape Methodology in Appendix B (the "long payout"), and the short position holders receive the Settlement Value minus the long payout, in each case multiplied by the number of Contracts held. Specification of the payout curve and of how the long payout is determined are included below in the section titled "Payout Criterion" in Appendix A and in Appendix B.

CLASS CERTIFICATION CONDITIONS PURSUANT TO COMMISSION REGULATION 40.2(d)(1)

Commission Regulation 40.2(d)(1) permits a designated contract market to list or facilitate trading in any swap or number of swaps based upon certain excluded commodities as a certified class, provided the DCM certifies, under Commission Regulations 40.2(a)(1), (a)(2), and (a)(3)(i), (iv), and (vi), that each of the conditions of Commission Regulation 40.2(d)(1)(i)–(iv) is satisfied. Each condition is satisfied with respect to the Class, as set forth below.

Condition (i) – Excluded Commodity: Each Contract within the Class is based upon an excluded commodity specified in Commission Regulation 40.2(d)(1). Specifically, each Contract is based upon an "occurrence, extent of an occurrence, or contingency" within the meaning of Section 1a(19)(iv) of the Act, namely, the number of specified days or nights during a specified period on which the precipitation recorded at a specified observing station over a specified portion of the day or night meets a specified threshold, which is beyond the control of the parties to the relevant contract, agreement, or transaction and is associated with a financial, commercial, or economic consequence.

Condition (ii) – Identical Pricing Source, Formula, Procedure, and Methodology: Each Contract within the Class is based upon an excluded commodity with an identical pricing source, formula, procedure, and methodology for calculating reference prices and payment obligations. Each Contract within the Class relies upon the identical Source Agencies, in identical hierarchical order, as set forth in Appendix A: The Weather Company (including the historical hourly observations it publishes through weather.com and Weather Underground and the daily climate values it publishes at weather.com/kalshi), and the National Weather Service of the National Oceanic and Atmospheric Administration (including the hourly surface observations and daily climate reports it publishes at weather.gov). This hierarchy is identical for every Contract within the Class.

Each Contract within the Class also relies upon an identical formula for calculating payment obligations: the Payout Shape Methodology, Version 1.2, set forth in Appendix B, under which, per Contract, the holder of a long position receives the long payout that <payout schedule> assigns to the Expiration Value, rounded down once to its settlement increment, and the holder of a short position receives the Settlement Value of $1.00 minus the long payout.

Each Contract within the Class further relies upon an identical procedure and methodology, namely the single, uniform set of rules set forth in the PRECIPDAYSSCALAR Rulebook attached as Appendix A, together with the Payout Shape Methodology in Appendix B. Every Contract measures liquid-equivalent precipitation in inches, to the hundredth of an inch, at a single designated surface observing station in the National Weather Service observing network whose observations both Source Agencies publish, from the same official records (the station's

daily precipitation total for a full calendar day, and its routine hourly observations for any other <time range>), and every Contract shares the same definitions of Underlying, Source Agency, and Payout Criterion, and the same clarifications regarding trace amounts, missing observations, station changes, and corrections. Contracts within the Class differ only as to the <weekdays/weeknights/weekend days/weekend nights/days>, <area>, <time range>, <above/below/exactly/at least/at most/between>, <value>, and <time period> specified by the Exchange for each Contract and each Contract's published <payout schedule> — each a strike parameter rather than a differing settlement source, procedure, or methodology. Like <payout schedule>, <above/below/exactly/at least/at most/between> and <value> select which condition a listed Contract counts, and every payout curve is computed from the same Expiration Value under the same Methodology. The Class does not include any locality whose designated station's observations are not published by both Source Agencies, or any precipitation measured by another station, gauge, observer network, radar, satellite, or model. Consistent with CFTC Staff Advisory No. 26-22, the Class does not bundle permutations with differing settlement sources or methodologies; every Contract within the Class settles pursuant to the same rules irrespective of which counted unit, area, time range, comparison, threshold, time period, or payout schedule is specified.

Condition (iii) – Identity with a Previously Certified or Approved Product: The pricing source, formula, procedure, and methodology for calculating reference prices and payment obligations in each particular Contract within the Class is identical to the pricing source, formula, procedure, and methodology for calculating reference prices and payment obligations in the Referenced Contract, a product previously submitted to the Commission by Kalshi and certified pursuant to Commission Regulation 40.2(a): Official Product Name "How many <weekdays/weeknights/weekend days/weekend nights/days> will the precipitation recorded in New York City (Central Park) <time range> be <above/below/exactly/at least/at most/between> <value> inches <time period>? (Scalar)", Official Receipt Date November 12, 2026. Each Contract within the Class differs from the Referenced Contract only as to the specific <area> (the locality and designated observing station specified by the Exchange). The Referenced Contract's area (New York City (Central Park)) is itself an instance of this same class variable. The Referenced Contract determines long and short payouts under the identical Payout Shape Methodology, Version 1.2, and carries <payout schedule> as its own strike variable, which is available on identical terms to every Contract within the Class. The Referenced Contract likewise carries <weekdays/weeknights/weekend days/weekend nights/days>, <time range>, <above/below/exactly/at least/at most/between>, <value>, and <time period> as its own strike variables, each of which is available on identical terms to every Contract within the Class. No other term, condition, Source Agency, formula, procedure, or methodology differs between the Referenced Contract and any Contract within the Class.

Condition (iv) – Identical Currency: Each Contract within the Class is based upon an excluded commodity involving an identical currency: each Contract is denominated, trades, and settles exclusively in United States Dollars, with a Settlement Value of $1.00.

Identification of Settlement Sources: Consistent with CFTC Staff Advisory No. 26-22, the settlement sources upon which each Contract within the Class relies are specifically identified in Appendix A under "Source Agency," and the settlement methodology applicable to every Contract within the Class is set forth in Appendix A under "Payout Criterion" and in the Payout Shape Methodology in Appendix B.

Commission Regulation 40.2(d)(2): Kalshi acknowledges that the Commission may in its discretion require a registered entity to withdraw its certification under Commission Regulation 40.2(d)(1) and to submit each individual Contract, or certain individual Contracts, within the submission for Commission review pursuant to Commission Regulation 40.2 or 40.3.

CERTIFICATIONS PURSUANT TO SECTION 5c OF THE COMMODITY EXCHANGE ACT, 7 U.S.C. § 7A-2 AND COMMODITY FUTURES TRADING COMMISSION RULE 40.2, 17 C.F.R. § 40.2

Based on the above analysis, and pursuant to Commission Regulations 40.2(d)(1) and 40.2(a)(1), (a)(2), (a)(3)(i), (a)(3)(iv), and (a)(3)(vi), the Exchange certifies that:

- ❏ Each Contract within the certified Class complies with the Act and Commission regulations thereunder.
- ❏ Each Contract within the certified Class satisfies each of the conditions of Commission Regulation 40.2(d)(1)(i)–(iv).
- ❏ 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: November 25, 2026

Attachments:

Appendix A - Contract Terms and Conditions
Appendix B - Payout Shape Methodology
Appendix C - Trading Prohibitions
Appendix D (Confidential) - Further Considerations
Appendix E (Confidential) - Source Agency
Appendix F (Confidential) - Compliance with Core Principles

APPENDIX A – CONTRACT TERMS AND CONDITIONS

Official Product Name: "How many <weekdays/weeknights/weekend days/weekend nights/days> will the precipitation recorded in <area> <time range> be <above/below/exactly/at least/at most/between> <value> inches <time period>? (Scalar)"
Rulebook: PRECIPDAYSSCALAR

PRECIPDAYSSCALAR

Scope: These rules shall apply to each Contract within the Class.

Underlying: The Underlying for this Contract is the number of <weekdays/weeknights/weekend days/weekend nights/days> <time period> on which the total precipitation recorded at the designated observing station for <area> <time range> is <above/below/exactly/at least/at most/between> <value> inches, 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, The Weather Company (including the historical hourly observations it publishes through weather.com and Weather Underground and the daily climate values it publishes at weather.com/kalshi), and the National Weather Service of the National Oceanic and Atmospheric Administration (including the hourly surface observations and daily climate reports it publishes at weather.gov).

Type: The type of Contract is an Event Contract.

Issuance: The Contracts are based on the outcomes of recurrent events. Contract iterations will be issued on a recurring basis, and Contract iterations will generally correspond to each calendar week and calendar month for each <area>.

<weekdays/weeknights/weekend days/weekend nights/days>: <weekdays/weeknights/weekend days/weekend nights/days> refers to the unit counted by the Contract, as specified by the Exchange, and is one of the following: "weekdays" (Mondays through Fridays, inclusive); "weekend days" (Saturdays and Sundays); "days" (every calendar day); "weeknights" (nights beginning on the evening of a Monday, Tuesday, Wednesday, or Thursday); "weekend nights" (nights beginning on the evening of a Friday, Saturday, or Sunday); or any combination of the days of the week, or any combination of the nights of the week, specified by the Exchange (e.g., "Mondays, Wednesdays, and Fridays" or "Friday, Saturday, and Sunday nights"). Days and dates are determined in local time at the designated observing station for <area>, a night is identified by the date of the evening on which it begins, and holidays do not change the classification of any day or night. A day or night is counted only if <time period> includes its date. The Exchange may list iterations of the Contract corresponding to variations of <weekdays/weeknights/weekend days/weekend nights/days>.

<area>: <area> refers to a city, town, or other locality in the United States, together with one designated surface observing station for it, identified by name and by its official station identifier, as specified by the Exchange (e.g., "New York City (Central Park)," station KNYC). The designated station is a station in the National Weather Service observing network (such as an

Automated Surface Observing System station) whose routine hourly observations and daily precipitation totals are published by both Source Agencies. Precipitation "recorded in <area>" means precipitation recorded by the designated station's precipitation gauge only; observations at any other station or by any observer network, and area-averaged, radar- or satellite-derived, or modeled estimates, do not count. The Exchange may list iterations of the Contract corresponding to variations of <area>.

<time range>: <time range> refers to the portion of each counted day or night over which precipitation is accumulated, as specified by the Exchange, and is expressed either as the full calendar day ("over the full calendar day") or as a window of whole hours in local time at the designated station (e.g., "between 7:00 AM and 7:00 PM"; for a night, "between 7:00 PM and 7:00 AM"). Where <weekdays/weeknights/weekend days/weekend nights/days> is weekdays, weekend days, or days (or a combination of days of the week), <time range> lies within a single calendar day; where it is weeknights or weekend nights (or a combination of nights of the week), <time range> is a window of hours that begins on the evening on which the night begins and may end on the following morning. "Over the full calendar day" means the calendar day used for the station's daily precipitation total in the Source Agency's daily record. The Exchange may list iterations of the Contract corresponding to variations of <time range>.

<above/below/exactly/at least/at most/between>: <above/below/exactly/at least/at most/between> refers to comparison operators specified by the Exchange. "Above X" means strictly greater than X (>X). "Below X" means strictly less than X (<X). "Exactly X" means equal to X (=X). "At least X" means greater than or equal to X (≥X). "At most X" means less than or equal to X (≤X). "Between X and Y" means greater than or equal to X and less than or equal to Y (≥X and ≤Y), i.e., inclusive of both endpoints, unless otherwise specified. The Exchange may list iterations of the Contract corresponding to variations of <above/below/exactly/at least/at most/between>.

<value>: <value> refers to a number of inches of precipitation, stated to the hundredth of an inch, specified by the Exchange. The Exchange may list iterations of the Contract with <value> levels that fall within an inclusive range beginning at 0.00 (zero) inches and ending at 10.00 (ten) inches at consecutive increments of 0.01 (one-hundredth of an inch). Where <above/below/exactly/at least/at most/between> is "between," <value> is two such levels. Due to the potential for variability in the Underlying, the Exchange may modify <value> levels in response to suggestions by Members.

<time period>: <time period> refers to a specific range of time as specified by the Exchange. This may be defined by exact dates (e.g., "between January 1, 2027, and December 31, 2027"), relative markers (e.g., "before July 1, 2027"), an event, or broader intervals (e.g., "Q1–Q2 2027," "January–March 2027"). "Between" is inclusive of both endpoints, while "before" and "after"

exclude the specified date unless stated otherwise. Where <time period> has no stated start date (e.g., "before July 1, 2027"), it begins on the date the first Contract in that set of outcomes is listed, and every Contract listed later in the same set covers the same <time period>. <time period> may also refer to "Any" or "None," to multiple dates (even if non-consecutive), or to a singular and discrete date or time.

<payout schedule>: <payout schedule> refers to the payout curve specified by the Exchange and published in full before trading begins. It sets out (i) the market type: Directional, whose long ("Higher") payout goes from $0.00 at the range low up to $1.00 at the range high, or Proximity, whose long ("Close to") payout is $1.00 at a strike and goes down to $0.00 at each end of the range; (ii) the range low, the range high, and, for a Proximity market, the strike, each a whole number of <weekdays/weeknights/weekend days/weekend nights/days>; (iii) the buckets that divide the range, each with its bounds, start and end amounts, and shape (including any exponent or base); and (iv) the settlement increment. The short position ("Lower" in a Directional market, "Far from" in a Proximity market) receives the Settlement Value minus the long payout. Each <payout schedule> must meet the requirements of, and is applied under, the Payout Shape Methodology, Version 1.2, in Appendix B (the "Methodology"), which is incorporated into these terms. The Exchange may list iterations of the Contract corresponding to variations of <payout schedule>.

Payout Criterion: The Payout Criterion for the Contract encompasses every Expiration Value and determines the proportion of the Settlement Value distributed to long and short position holders as follows: per Contract, the holder of a long ("Yes") position, (here labeled "Higher" in a Directional market and "Close to" in a Proximity market), receives the amount that <payout schedule> assigns to the Expiration Value under the Methodology (the "long payout"), and the holder of a short ("No") position, (here labeled "Lower" in a Directional market and "Far from" in a Proximity market), receives the Settlement Value minus the long payout. Each distinct long payout under <payout schedule> is a Market Outcome.

Additional Clarifications:

Payout Determination:

- The long payout is rounded down to the settlement increment once, as the final step; the short payout is its exact complement and is never rounded independently. Different Expiration Values may therefore produce the same long payout if their unrounded long payouts round down to the same amount.

Measurement:

- Precipitation is liquid-equivalent precipitation (rain, and the melted water equivalent of snow, sleet, hail, and other frozen precipitation) in inches to the hundredth of an inch; snowfall and snow depth do not count. A trace, or any amount reported as less than 0.01

inches, counts as 0.00 inches.

- Where <time range> is the full calendar day, a counted day's value is the station's daily precipitation total; otherwise, it is the sum of the precipitation amounts in the station's routine hourly observations whose observation times fall after the start, and at or before the end, of <time range>. Special and intermediate observations are not added separately. If daylight saving time begins or ends during <time range>, <time range> runs for the actual elapsed time between its start and end, and each routine hourly observation within it counts once.
- Each counted day or night is evaluated separately against <value>, and the Underlying is a whole number of zero or more. Forecasts, warnings, and radar, satellite, or modeled estimates are never the value of a counted day or night.

Missing Observations and Station Changes:

- If no Source Agency publishes a daily total for a counted day whose <time range> is the full calendar day, its value is the sum of the station's routine hourly observations for that calendar day.
- A routine hourly observation within <time range> that no Source Agency publishes by the Expiration Date counts as 0.00 inches, and a day or night for which no Source Agency publishes a daily total or any routine hourly observation within <time range> by the Expiration Date is not counted.
- If the designated station for <area> is relocated, renamed, reidentified, or its instrumentation is replaced or recalibrated <time period>, but a Source Agency continues to report its observations under the same or a successor station identifier reflecting the continuation of the station's primary climate record for <area>, that continued record governs and the Contract remains open. If the station is discontinued with no such successor, the no-data rule below governs in place of the missing-observation rules above.

Source and Corrections:

- If the Source Agencies' published values for a counted day or night conflict, the value of The Weather Company governs; the value of the National Weather Service is used only where The Weather Company publishes none for that day or night by Expiration (for a daily total, none marked "Final"). Where a value is a sum of routine hourly observations, this applies to each observation separately.
- If a Source Agency publishes a value and subsequently corrects, retracts, or removes that value prior to Expiration, the corrected value governs only if the Exchange determines, in its sole discretion, that the correction remedies a material error in the initial value; otherwise, the initial value governs as set forth below. Corrections, retractions, or removals published after Expiration will not be accounted for in determining the Expiration Value.

- Only values reported in the initial, non-preliminary report shall be used for the purpose of resolution unless otherwise explicitly specified by the Exchange. Corrections that the Exchange determines, in its sole discretion, do not remedy a material error shall not supersede earlier values.
- If the Exchange determines, in its sole discretion, that the initial non-preliminary publication contains a material error, it may delay Expiration until the earlier of (i) publication of revised data or (ii) the Expiration Date. If no reliable data is available by the Expiration Date, the no-data rule below governs.
- For the avoidance of doubt, a Source Agency's routine hourly observations, and its first daily summary for the station published after the day ends (for The Weather Company, its first daily total marked "Final"), are its initial, non-preliminary report, even where generally labeled provisional or preliminary, and later quality-controlled data published before Expiration is treated as a correction under these bullets.
- If there is no data for the Underlying published by any Source Agency by the Expiration Date, all markets will resolve to the last fair price, as determined by the Exchange in its sole discretion, except markets whose long payout has already been definitively determined (e.g., because the Underlying has already reached the range high).

Examples of long and short payouts:
Assuming <weekdays/weeknights/weekend days/weekend nights/days> is "days," <area> is "New York City (Central Park)," <time range> is "over the full calendar day," <above/below/exactly/at least/at most/between> is "at least," <value> is 0.01, <time period> is "between December 1, 2026, and December 31, 2026," each <payout schedule> has a range low of 5, a range high of 17, and a settlement increment of $0.01, and each Proximity market has a strike of 11

If at least 0.01 inches of precipitation is recorded at Central Park on 14 days between December 1, 2026, and December 31, 2026, each Contract pays as follows:

- Directional · linear (5–17 linear, $0.00 to $1.00): long (higher) payout $0.75; short (lower) payout $0.25.
- Proximity · linear (5–11 linear, $0.00 to $1.00; 11–17 linear, $1.00 to $0.00): long (close to) payout $0.50; short (far from) payout $0.50.
- Directional · power (5–17 power with p = 2, $0.00 to $1.00): long (higher) payout $0.56; short (lower) payout $0.44.
- Proximity · power (5–11 power with p = 2, $0.00 to $1.00; 11–17 power with p = 2, $1.00 to $0.00): long (close to) payout $0.75; short (far from) payout $0.25.
- Directional · exponential (5–17 exponential with k = 4, $0.00 to $1.00): long (higher) payout $0.60; short (lower) payout $0.40.
- Proximity · exponential (5–11 exponential with k = 4, $0.00 to $1.00; 11–17 exponential with k = 4, $1.00 to $0.00): long (close to) payout $0.66; short (far from) payout $0.34.

- The daily total at Central Park on December 9, 2026, is exactly 0.01 inches, so December 9 is counted under "at least"; a day with only a trace of precipitation is recorded as 0.00 inches and is not counted.
- Measurable precipitation is recorded on only 3 days, so the Expiration Value is 3, which is below the range low, and every Contract above pays a long payout of $0.00 and a short payout of $1.00.
- By Expiration, no Source Agency publishes a daily total or any hourly observations for Central Park for December 20, 2026, so December 20 is not counted, and each Contract pays as shown above for 14 days.
- The Source Agency documents 14 qualifying days at Expiration, and a Source Agency later revises the December 31 total from 0.02 inches to a trace. The revision is published after Expiration and is not accounted for, so each Contract pays as shown above for 14 days.

If a natural person who is the primary subject of a Contract's Underlying or Payout Criterion dies prior to Expiration, or if an act or attempted act of violence, assassination, or terrorism directly prevents, interrupts, or causes the event that is the primary subject of a Contract's Underlying or Payout Criterion, Kalshi may, in its sole discretion, settle the Contract at the last traded price prior to the death or act. If Kalshi determines that trading activity was materially affected by the circumstances giving rise to the death or act, Kalshi may instead use the last traded price prior to such circumstances becoming known or reasonably anticipated by market participants. For purposes of this Rule, Kalshi may rely on an approximate time where the precise time is unknown or cannot be reasonably determined. If Kalshi determines that no last traded price represents a fair settlement, the Outcome Review Committee shall determine the fair settlement price. Kalshi may halt or pause trading in any such Contract (with public notice on Kalshi's website or the Platform) if it reasonably believes that a death or act of terrorism subject to this Rule has occurred, is imminent, or that circumstances giving rise to such an occurrence may be happening. Determinations of Kalshi and the Outcome Review Committee under this Rule are final and not subject to review.

Minimum Tick: The Minimum Tick size for the Contract shall be $0.001.

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 final day of <time period>. The Last Trading Time will be: (i) where <time range> is specified as "over the full calendar day", one (1) minute prior to the end of <time range> for the last counted day or night, or (ii) in all other specifications of <time range>, ten (10) minutes prior to the end of <time range> for the last counted day or night.

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 the final day of <time period>. When the Underlying becomes determinable or the long payout has been definitively determined (e.g., because the Underlying has reached the range high), 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.

APPENDIX B – PAYOUT SHAPE METHODOLOGY (VERSION 1.2)

This Methodology is published in full on the Exchange's website and is incorporated into the Contract's Terms and Conditions (Appendix A). It applies identically to every iteration of the Contract. Given the published parameters and the Expiration Value, every long payout is determined mechanically, and no discretion is exercised in determining any long payout (excluding exceptional cases documented in Appendix A requiring last fair price settlement).

Section 1 — Payout schedule. Each <payout schedule> sets out the following, all published before trading begins and never changed, selected, or recalibrated during trading or at settlement:

- **Range:** a range low L and a range high H, where L < H.
- **Strike (Proximity only):** a strike K, where L < K < H.
- **Buckets:** one or more buckets, listed in order, that cover L to H with no gaps or overlaps, though endpoints may be shared; each bucket's upper bound is the next bucket's lower bound, and in a Proximity market K is one of these shared bounds. Each bucket runs from a lower bound c to an upper bound d, where c < d, and has a start amount a (the payout at c), an end amount b (the payout at d), and a shape under Section 2. Buckets need not be the same width.
- **Settlement increment:** q, which is $0.01, $0.001, or $0.0001. Where the Exchange does not specify otherwise, q is $0.01.
- **Amounts:** each a and b is a whole multiple of q from $0.00 to $1.00, and each bucket's a equals the b of the bucket before it, so the payout never jumps. The first bucket starts at $0.00. In a Directional market, the last bucket ends at $1.00, and b ≥ a in every bucket. In a Proximity market, the bucket ending at K ends at $1.00, the last bucket ends at $0.00, b ≥ a in every bucket below K, and b ≤ a in every bucket above K.

Section 2 — Shapes. For an Expiration Value E within a bucket, x = (E − c) ÷ (d − c) runs from 0 at the bucket's lower bound to 1 at its upper bound. The unrounded long payout is R = a + (b − a) × f(x), where f is the bucket's shape:

- **Linear:** f(x) = x. A linear bucket with a = b pays the same amount throughout.
- **Power:** f(x) = x^p, with exponent p > 0, or, where the Exchange specifies the reversed form, f(x) = 1 − (1 − x)^p.
- **Exponential:** f(x) = (k^x − 1) ÷ (k − 1), with base k > 0 and k ≠ 1.

Different buckets may use different shapes. No other shape may be used.

Section 3 — Determining the payout.

- **Step 1.** E is the Expiration Value under Appendix A. If E is below L, E is treated as L; if E is above H, E is treated as H.
- **Step 2.** R is computed under Section 2 for the bucket that contains E. Where E is a bound shared by two buckets, both give the same R.

- ❏ **Step 3.** The long payout is V = q × floor(R ÷ q). This is the only rounding: E, x, f(x), and every other value are used exactly (values such as k^x are evaluated to enough precision to apply this step correctly), and an R that equals a whole multiple of q is not rounded below it.
- ❏ **Step 4.** The short payout is $1.00 − V and is never rounded separately. Each of V and the short payout is multiplied by the holder's number of Contracts.

Section 4 — Versioning. Changes to this Methodology are adopted only by rule certification under Commission Regulation 40.6(a) and apply prospectively only. They never alter the payout schedule of a Contract that has been listed. Each Contract is governed by the version of this Methodology certified with it; a Contract certified under an earlier version continues to be governed by that version unless amended by rule certification under Commission Regulation 40.6.

Section 5 — Listing standards. The Exchange selects each <payout schedule> under the following standards before the Contract is listed. These standards govern listing only and do not affect the determination of any payout under Sections 1 through 3.

- ❏ **Parameter limits.** L ≥ 0 and H − L ≥ 2 (H − L ≥ 4 in a Proximity market), in whole units of <weekdays/weeknights/weekend days/weekend nights/days>. A Directional market has no more than three buckets, and a Proximity market has no more than three buckets on each side of K. Each bucket is at least two units wide. A power or reversed-power exponent p is at least 0.5 and at most 4, and an exponential base k is at least 1/16 and at most 16.
- ❏ **Range and strike.** L and H are set, in whole units, at approximately the 5th and 95th percentiles of the distribution of <weekdays/weeknights/weekend days/weekend nights/days> <time period> on which the total precipitation recorded at the designated observing station for <area> <time range> is <above/below/exactly/at least/at most/between> <value> inches implied by the official precipitation records described below, so that the Exchange's reference expectation sits near the middle of the range. The reference expectation is the trailing thirty-year average of <weekdays/weeknights/weekend days/weekend nights/days> for <area>, <time range>, <above/below/exactly/at least/at most/between>, <value>, and the calendar dates that <time period> covers and cross-checked against publicly available projections. In a Proximity market, K is the reference expectation rounded to the nearest whole unit.
- ❏ **Market type, buckets, and shape.** The Exchange may list each combination of <weekdays/weeknights/weekend days/weekend nights/days>, <area>, <time range>, <above/below/exactly/at least/at most/between>, <value>, and <time period> as a Directional market, a Proximity market, or both, based on the exposure participants are most likely to want, whether the distribution of <weekdays/weeknights/weekend days/weekend nights/days> has a sufficiently well-defined center for a Proximity strike to

be meaningful, expected trading interest, and its experience with comparable listings. A Directional market uses one bucket and a Proximity market two, meeting at K, unless the distribution of <weekdays/weeknights/weekend days/weekend nights/days> is materially asymmetric, in which case the Exchange may use more buckets within the parameter limits above. Each bucket is linear unless the distribution of <weekdays/weeknights/weekend days/weekend nights/days> is materially skewed, in which case a power or exponential shape may be used so that the payout changes fastest where outcomes are most likely.

- ❏ **Settlement increment.** The Exchange specifies a q finer than $0.01 only where a coarser increment would give two or more whole-unit values of E the same long payout.
- ❏ **Data.** The Exchange sets these parameters from the station's official precipitation records (the hourly observations published through weather.com and Weather Underground and the National Weather Service's daily climate data) for <area> and <weekdays/weeknights/weekend days/weekend nights/days> over the trailing thirty years; and publicly available projections of <weekdays/weeknights/weekend days/weekend nights/days> as a cross-check. No proprietary pricing model is used, and no model output enters settlement.
- ❏ **Pre-listing review.** Each <payout schedule> is prepared by the Exchange's markets team and, before listing, is (i) validated automatically against Sections 1 and 2 and the parameter limits above; (ii) reviewed and approved by a second reviewer outside the markets team, who confirms that the range brackets the realistic distribution of <weekdays/weeknights/weekend days/weekend nights/days>, so that the long payout is neither fixed at $0.00 or $1.00 for most outcomes nor insensitive to the outcomes that occur, and that the basis for the choice of market type is recorded; and (iii) run through the settlement engine to generate the long and short payout at each whole unit from L to H, which is reconciled against an independent implementation of this Methodology. A failure or discrepancy at any step prevents listing.
- ❏ **Publication.** Before trading begins, the Exchange publishes on the market page the market type; L, H, and, for a Proximity market, K; each bucket's bounds, start and end amounts, shape, and exponent or base; q; a chart of the payout curve; and the long and short payout at each whole unit from L to H. The same parameters are available in machine-readable form through the Exchange's public API.

APPENDIX C – TRADING PROHIBITIONS

In addition to the general prohibition against trading on material nonpublic information, the Exchange will institute additional prohibitions for trading the contract. Persons under 18 years of age are not permitted to create Kalshi accounts. The following individuals will be prohibited from trading:

- Any employee, officer, contractor, or agent of The Weather Company with access to, or the ability to alter, observation data for the designated observing station for <area> before publication.
- Any employee, officer, contractor, or agent of the National Weather Service, the National Oceanic and Atmospheric Administration, or any other agency or vendor that operates, maintains, calibrates, sites, or quality-controls the designated observing station for <area> or its precipitation gauge.
- Any person with physical access to the designated observing station's precipitation gauge, or with authority over its instrumentation, siting, or data transmission.
- Any employee, officer, contractor, or agent of a Source Agency listed in Appendix A with access to material nonpublic information relating to the Underlying.
- Any person who otherwise has the ability to influence, or has advance knowledge of, the precipitation recorded at the designated observing station for <area> or its publication.
- The immediate family members and members of the same household of any person described above