

July 10, 2025

**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 40.2(a) Notification Regarding the Initial Listing of the “Will the implementation of <legislation> get delayed?” Contract

Dear Sir or Madam,

Pursuant to Section 5c(c) of the Commodity Exchange Act and Section 40.2(a) of the regulations of the Commodity Futures Trading Commission, KalshiEX LLC (Kalshi), a registered DCM, hereby notifies the Commission that it is self-certifying the “Will the implementation of <legislation> get delayed?” contract (Contract). The Contract will initially be listed after close-of-business on **July 10, 2025**; it is listed as the day after because of limitations of the Commission's online submission portal. The Exchange intends to list the contract on a **custom** basis. The Contract’s terms and conditions (Appendix A) includes the following strike conditions:

- **<date>**
- **<legislation>**
- **<jurisdiction>**

Along with this letter, Kalshi submits the following documents:

- A concise explanation and analysis of the Contract;
- Certification;
- Appendix A with the Contract’s Terms and Conditions;
- Confidential Appendices with further information; and
- A request for FOIA confidential treatment.

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 the implementation of <legislation> get delayed?”

Rulebook: LEGISLATIONDELAY

Summary: Delay in legislation implementation

Kalshi Contract Category: Political Decision

Kalshi Internal Category: Politics

July 10, 2025

**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 40.2(a)(3)(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 the implementation of <legislation> get delayed?” Contract is a contract relating to Politics.

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 Regulations 40.2(a), the Exchange hereby certifies that the listing 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  
40.2, 17 C.F.R. § 40.2**

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](mailto:ProductFilings@kalshi.com).



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By: Xavier Sottile  
Title: Head of Markets  
Date: July 10, 2025

**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 the implementation of <legislation> get delayed?”**

**Rulebook: LEGISLATIONDELAY**

## LEGISLATIONDELAY

**Scope:** These rules shall apply to this contract.

**Underlying:** The Underlying for this Contract is the official implementation status and timing of <legislation>. 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 implementing government agency, department, or supranational organization with primary authority over <legislation> in <jurisdiction>, official government gazettes or registers (such as the Federal Register, Official Journal of the European Union, or equivalent), legislative bodies or parliaments of <jurisdiction>, relevant executive offices (such as the White House, European Commission, or equivalent), The New York Times, the Associated Press, Bloomberg News, Reuters, Financial Times, BBC News, Axios, Politico, Semafor, The Information, The Washington Post, The Wall Street Journal, ABC, CBS, CNN, Fox News, MSNBC, NBC, Euronews, Al Jazeera English, Deutsche Welle (DW), France 24 English, NHK World-Japan, Channel NewsAsia, The South China Morning Post, The Times of India, The Globe and Mail, ABC News Australia, and relevant jurisdiction-specific major news outlets as determined by the Exchange.

**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.

**<legislation>:** <legislation> refers to a specific piece of legislation, regulation, directive, provision, or policy implementation specified by the Exchange from any jurisdiction worldwide. This may include the formal name, bill/directive number (if applicable), and specific provisions or sections whose implementation timing is being evaluated. The Exchange will specify the exact legislative text, regulatory framework, or policy directive that constitutes <legislation>, along with the governing jurisdiction (e.g., European Union, United States, United Kingdom, etc.). <legislation> may also be described generically (e.g., “The EU AI Act”).

**<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 the implementation of <legislation> has been officially delayed beyond its original implementation date by any amount of time, as documented by the Source Agencies after Issuance and before <date>.



A delay is defined as any of the following official actions that postpone the implementation, effective date, or compliance deadline of <legislation>:

- Official announcement by the implementing agency or authority postponing the implementation date
- Publication in official government gazettes, registers, or journals of a rule, directive, or notice delaying the effective date
- Legislative action (new legislation, amendment, resolution, or appropriations measure) that delays implementation
- Court order, tribunal ruling, or judicial injunction that prevents or postpones implementation
- Executive order, directive, or decision that delays or suspends implementation
- Official agency guidance, bulletin, or communication stating implementation is being postponed
- Formal government statement that compliance deadlines are being extended
- Supranational organization decisions (e.g., European Commission, UN bodies) that delay implementation

**Actions that do NOT constitute delays:**

- Mere lack of implementation without official postponement announcement
- Unofficial statements, rumors, or speculation about potential delays
- Administrative guidance on interpretation that does not change timing
- Technical corrections or clarifications that do not affect implementation dates
- Partial implementation where the core provisions remain on schedule according to official sources
- Temporary operational suspensions that do not change the official implementation date
- A "grace period" for enforcement is announced without changing the official implementation date
- Individual companies or member states request extensions but the general implementation date remains unchanged
- Local governments struggle to implement federal/supranational requirements but official deadlines remain unchanged

If <legislation> has multiple implementation phases or deadlines, a delay of any phase or deadline will trigger the Payout Criterion. If <legislation> is repealed, struck down by courts, or otherwise prevented from taking effect permanently, the market will resolve to "Yes." If the implementing authority declares <legislation> "delayed indefinitely," "suspended pending review," or uses similar language indicating postponement, this will trigger the Payout Criterion.

**Minimum Tick:** The Minimum Tick size for the Contract shall be \$0.01.

**Position Accountability Level:** The Position Accountability Level for the Contract shall be \$25,000 per strike, per Member.

**Last Trading Date:** The Last Trading Date of the Contract will be the day prior to <date>. The Last Trading Time will be 11:59 PM ET.

**Settlement Date:** The Settlement Date of the Contract shall be no later than the day after the Expiration Date, unless the Market Outcome is under review pursuant to Rule 7.1.

**Expiration Date:** The latest Expiration Date of the Contract shall be one week after <date>. If an event described in the Payout Criterion occurs, expiration will be moved to an earlier date and time in accordance with Rule 7.2.

**Expiration Time:** The Expiration time of the Contract shall be 10:00 AM ET.

**Settlement Value:** The Settlement Value for this Contract is \$1.00.

**Expiration Value:** The Expiration Value is the value of the Underlying as documented by the Source Agency on the Expiration Date at the Expiration time.

**Contingencies:** Before Settlement, Kalshi may, at its sole discretion, initiate the Market Outcome Review Process pursuant to Rule 6.3(d) of the Rulebook. If an Expiration Value cannot be determined on the Expiration Date, Kalshi has the right to determine payouts pursuant to Rule 6.3(b) in the Rulebook.

