

December 16, 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 <player> <enter/withdraw from> the transfer portal in <time period>?” 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 <player> <enter/withdraw from> the transfer portal in <time period>?” contract (Contract). The Contract will initially be listed on **December 17, 2025**. The Exchange intends to list the contract on a **daily** basis. The Contract’s terms and conditions (Appendix A) includes the following strike conditions:

- **<time period>**
- **<player>**
- **<enter/withdraw from>**
- **<action>**

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 <player> <enter/withdraw from> the transfer portal in <time period>?”

Rulebook: TRANSFER

Kalshi Contract Category: Sports

Summary: Player entering/withdrawing from transfer portal

December 16, 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 <player> <enter/withdraw from> the transfer portal in <time period>?” Contract is a contract relating to Sports.

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 C, D, and E.

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.



By: Xavier Sottile
Title: Head of Markets
Date: December 16, 2025

Attachments:

Appendix A - Contract Terms and Conditions

Appendix B - Trading Prohibitions

Appendix C (Confidential) - Further Considerations

Appendix D (Confidential) - Source Agency

Appendix E (Confidential) - Compliance with Core Principles

APPENDIX A – CONTRACT TERMS AND CONDITIONS

Official Product Name: “Will <player> <enter/withdraw from> the transfer portal in <time period>?”

Rulebook: TRANSFER

TRANSFER

Scope: These rules shall apply to this contract.

Underlying: The Underlying for this Contract is public announcements or official actions regarding transfer portal entry or withdrawal for <player> in NCAA Division I college football or basketball in <time period>. Revisions to the Underlying made after Expiration will not be accounted for in determining the Expiration Value.

Instructions: Transfer portal announcements are typically made via player social media accounts (X/Twitter, Instagram), official school athletic department releases, and reporting from national recruiting outlets such as ESPN at <https://www.espn.com/college-sports/>. Official portal entry can be verified via the NCAA Transfer Portal database and Source Agency reporting. These instructions on how to access the Underlying 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.

Source Agency: The Source Agencies are, in hierarchical order, the NCAA, <player>, the relevant NCAA member institution(s), ESPN, CBS Sports, 247Sports, On3, Fox Sports, The Athletic, and the Associated Press.

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.

<player>: <player> refers to a current or former student-athlete who is or has been eligible to participate in NCAA Division I college football or men's or women's basketball. The Exchange may list iterations of the Contract corresponding to variations of <player>. <player> may also refer to multiple players using AND/OR logic, refer to player(s) by distinguishing characteristics, or as an element in a set of player(s). If the player legally changes their name after Issuance, the Contract continues to apply to the same individual.

<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, 2026, and December 31, 2026"), relative markers (e.g., "before July 1, 2027"), an event, or broader intervals (e.g., "Q1 2027," "January–March 2026"). "Between" is inclusive of both endpoints, while "before" and "after" exclude the specified date unless stated otherwise. <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. Unless otherwise specified, the timezone shall be understood to be in Eastern Time.

<action>: <action> refers to either "enter the transfer portal" or "withdraw from the transfer portal," as specified by the Exchange. The Exchange will specify <action> at the time of listing to determine which Payout Criterion applies.

Payout Criterion:

If <action> is "enter the transfer portal": The Payout Criterion for the Contract encompasses the Expiration Values that <player> has publicly announced their intent to enter the NCAA Transfer Portal, or has officially entered the NCAA Transfer Portal, in <time period>. The market resolves to Yes if either condition is satisfied.

A valid **announcement** occurs when any of the following happens in <time period>:

- <player> posts a statement on their personal social media account (including but not limited to X/Twitter, Instagram, or similar platforms) stating they intend to enter, are entering, or have entered the transfer portal; OR
- A Source Agency reports that <player> has announced, confirmed, or stated their intent to enter or has entered the transfer portal; OR
- <player>'s current institution's athletic department issues a statement confirming the player's intent to enter or entry into the portal.

Official entry occurs when any of the following happens in <time period>:

- <player>'s name appears in the NCAA Transfer Portal database; OR
- A Source Agency reports that <player> has officially entered the transfer portal (regardless of whether <player> made a prior public announcement).

If <player> announces intent to enter the portal and subsequently announces they have changed their mind and will remain at their current school in <time period>, the market still resolves to Yes—the announcement of intent to enter occurred.

If <player> officially enters the portal and subsequently withdraws in <time period>, the market still resolves to Yes—the official entry occurred.

If a reporter or Source Agency reports that <player> "is expected to enter," "is considering entering," or "may enter" the portal without attributing a direct announcement, statement, or confirmation to <player>, this does NOT by itself satisfy the Payout Criterion. However, if the player subsequently officially enters the portal (as confirmed by the NCAA database or Source Agency reporting of official entry), the market resolves to Yes.

If <action> is "withdraw from the transfer portal": The Payout Criterion for the Contract encompasses the Expiration Values that <player> has publicly announced their withdrawal from

the NCAA Transfer Portal, or has officially withdrawn from the NCAA Transfer Portal, in <time period>. The market resolves to Yes if either condition is satisfied.

A valid **announcement** occurs when any of the following happens in <time period>:

- <player> posts a statement on their personal social media account stating they are withdrawing from the transfer portal, staying at their current school, or returning to their previous school; OR
- A Source Agency reports that <player> has announced their withdrawal from the transfer portal; OR
- <player>'s institution's athletic department issues a statement confirming the player has withdrawn from the portal and will remain with the program.

Official withdrawal occurs when any of the following happens in <time period>:

- <player>'s name is removed from the NCAA Transfer Portal database and a Source Agency reports the player has withdrawn; OR
- A Source Agency reports that <player> has officially withdrawn from the transfer portal (regardless of whether <player> made a prior public announcement).

If <player> announces withdrawal from the portal and subsequently re-enters the portal in <time period>, the market still resolves to Yes—the withdrawal announcement occurred.

If <player> officially withdraws from the portal and subsequently re-enters in <time period>, the market still resolves to Yes—the official withdrawal occurred.

An announcement of commitment to a new school does NOT by itself constitute an announcement of "withdrawal from the transfer portal" for purposes of this Contract. The player must specifically announce withdrawal from the portal, announce they are remaining at or returning to their current/previous institution, or officially withdraw from the portal as reported by a Source Agency.

Source Agency Corrections: If a Source Agency issues a correction before the Expiration Date stating that an earlier report of an announcement or official action was erroneous and no such announcement or action occurred, the corrected information will be used for resolution purposes.

Examples that would resolve "Enter the Transfer Portal" to Yes:

- <player> posts on X/Twitter: "After much thought, I have decided to enter the transfer portal."
- ESPN reports: "<player> announced Monday he is entering the transfer portal."
- <player>'s school issues a release stating the player has entered the portal.

- <player> announces they are entering the portal, then hours later tweets "I've changed my mind, I'm staying"—the market still resolves to Yes because the announcement occurred.
- 247Sports reports: "<player> told reporters today he will be entering the transfer portal."
- <player> makes no public announcement, but their name appears in the NCAA Transfer Portal database and ESPN reports "<player> has entered the transfer portal"—the market resolves to Yes because official entry occurred.
- <player> enters the portal without any prior announcement, then withdraws two days later—the market still resolves to Yes because official entry occurred.

Examples that would NOT resolve "Enter the Transfer Portal" to Yes:

- A reporter tweets "<player> is expected to enter the portal next week" with no direct statement from <player>, and the player never actually enters the portal in <time period>.
- An anonymous source tells ESPN that <player> "is considering" the portal, but no announcement or official entry occurs in <time period>.
- <player>'s teammate says in an interview "<player> told me he's thinking about leaving," but no announcement or official entry occurs in <time period>.

Examples that would resolve "Withdraw from the Transfer Portal" to Yes:

- <player> posts on Instagram: "I'm withdrawing from the portal and staying home. Go [Team]!"
- CBS Sports reports: "<player> has announced he is withdrawing from the transfer portal and returning to [School]."
- <player>'s athletic department tweets: "<player> has withdrawn from the portal and will return for the 2026 season."
- <player> announces withdrawal, then re-enters the portal two weeks later—the market still resolves to Yes because the withdrawal announcement occurred.
- <player> makes no public announcement, but On3 reports "<player> has officially withdrawn from the transfer portal and will remain at [School]"—the market resolves to Yes because official withdrawal occurred.

Examples that would NOT resolve "Withdraw from the Transfer Portal" to Yes:

- <player> announces a commitment to transfer to a new school (this is a transfer commitment, not a portal withdrawal announcement or official withdrawal to remain at the current school).
- A reporter says <player> "is likely to withdraw from the portal" without a direct announcement or official action.
- <player>'s name disappears from the NCAA Transfer Portal database without any Source Agency reporting of the withdrawal.

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

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

Last Trading Date: The Last Trading Date of the Contract will be the same as the Expiration Date. The Last Trading Time will be the same as the Expiration time.

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

Expiration Date: The latest Expiration Date of the Contract shall be one week after the end of <time period>. 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 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 – 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:

- <player> (the individual named in the Contract);
- Current and former coaches, athletic staff, and student-athletes of the NCAA institution at which <player> is enrolled or was most recently enrolled at the time of Issuance;
- Agents, advisors, NIL representatives, attorneys, or any other individual providing professional representation or counsel to <player>;
- NCAA employees with access to the NCAA Transfer Portal database;
- Compliance officers, academic advisors, and athletic department administrators at <player>'s current or most recent institution;
- Employees of recruiting services (including but not limited to 247Sports, On3, and Rivals) who cover <player>'s sport and conference;
- Immediate family members (parents, siblings, spouse, children) and household members of <player>; and
- Immediate family members and household members of all individuals listed above.