September 4, 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: Kalshi Klear LLC – Self-Certification of Klear Procedure: ISV Eligibility Criteria and Reconciliation Procedures

Dear Sir or Madam,

Kalshi Klear LLC ("Klear" or "Clearinghouse") hereby notifies the Commodity Futures Trading Commission ("CFTC") that, effective no earlier than ten (10) business days from the this self-certification filing date, or such later date as Klear may determine, Klear will adopt ISV Eligibility Criteria and Reconciliation Procedures (the "Procedures").

These Procedures were developed in connection with the implementation of Klear's August 6, 2026, 40.6(a) filing, under which Klear may utilize the services of one or more approved third-party ISVs (each individually, an "Eligible ISV") to facilitate the advancement of U.S. dollars to Klear accounts against in-transit USDC deposits (initiated from a user's self-custody wallet through the Eligible ISV's wallet-connection integration and converted into U.S. dollars by an approved third-party payment provider) prior to settlement to Klear (the "Deposit Method").

The purpose of these Procedures are to describe the process Klear follows in its integration with the Eligible ISV for the purposes of the Deposit Method. The Procedures specifically describe the applicable:

(a) Technical integration, risk management, and compliance criteria utilized to assess and evaluate an ISV's eligibility for integration to the Deposit Method, and the associated requirement for each Eligible ISV to execute an agreement, including a reimbursement undertaking, for Deposit Shortfalls;
(b) Pre-funding requirements for the advancement of funds including submission of a Deposit Indication on behalf of the Klear Account in good standing with Klear by the Eligible ISV; and
(c) Daily transaction monitoring and monthly reconciliation protocols used to evaluate exposure to and resolve Deposit Shortfalls.

Compliance with Core Principles

Klear has concluded that the Procedures associated with the implementation of the Deposit Method are not inconsistent with the CEA and the CFTC's regulations. In particular, the following core principles may be pertinent:

Core Principle B. Core Principle B and the implementing regulations generally set forth requirements regarding financial resources. Because each Pre-funded Amount is outstanding only for the brief period between a Deposit Indication (as defined in the Procedures) and on-chain confirmation, and Deposit Shortfalls (as defined in the Procedures) are expected to arise only in the very small percentage of transactions that fail to settle on-chain, Klear's aggregate exposure under the Program at any given time is bounded and expected to be minimal relative to the Klear's financial resources. In accordance with the Procedures, Klear will nonetheless monitor its aggregate exposure under the Program on an ongoing basis to confirm that outstanding Pre-funded Amounts and unreimbursed Deposit Shortfalls do not reduce the financial resources Klear maintains. Klear's unconditional right to decline any individual Deposit Indication further limits the Klear's maximum exposure under the Program at any given time.

Core Principle C. Core Principle C and the implementing regulations generally set forth the rules regarding participant eligibility, and in particular, the requirement to permit fair and open access. The Procedures set forth objective eligibility criteria for ISVs, and accordingly, any ISV that is able to integrate with Klear through the defined technical integration path and which satisfies Klear's counterparty and risk management and compliance criteria is eligible to integrate.

Core Principle D. Core Principle D and the implementing regulations generally set forth requirements regarding risk management. The Procedures for transaction monitoring and reconciliation provides appropriate risk controls for managing this Deposit Method, including daily and month-end reconciliations and strict reimbursement protocols associated with potential Deposit Shortfalls. Klear has determined that the brief duration of the advances anticipated, the eligibility criteria for ISVs, the transaction monitoring and reconciliation protocols for Deposit Shortfalls, and the discretion to decline to advance a Pre-funded Amount, set forth in these Procedures, preserves the financial integrity of transactions.

Core Principle E. Core Principle E and the implementing regulations generally set forth requirements regarding settlements, including deposits of initial margin. The Deposit Method set forth in the Procedures is a means by which U.S. dollars can be deposited to Klear through an advance of in-transit funds and used as initial margin. The Pre-funded Amount mechanism is designed to bridge this brief confirmation window so that a user's order may be placed without waiting for on-chain finality and does not extend credit for an open-ended or extended period. In the rare event that an on-chain transaction fails to settle and results in a Deposit Shortfall, Klear's Procedures were designed to ensure that the resulting Deposit Shortfall is monitored, reported, and reconciled by Klear on a daily and monthly basis. Additionally, Klear retains sole and reasonable discretion to decline to advance a Pre-funded Amount for any Deposit Indication, including where Klear determines that doing so would create operational, legal, regulatory, or fraud risk, as further explained in the Procedures. These Procedures preserve the Klear's surveillance and control over the settlement process and does not permit unfunded or unsecured trading to affect the price discovery or settlement functions of the market.

Core Principle F. Core Principle F and the implementing regulations generally set forth requirements for the protection of clearing members' funds and assets. The additional method of advancing deposits of U.S. dollars is a means by which U.S. dollars can be deposited to Klear before on-chain confirmation of funds. The only form of acceptable collateral remains U.S. dollars, and the U.S dollars that Klear receives from the ISV are fully settled and final. Customers of an Eligible ISV will not have the ability to transfer crypto currencies or stablecoins to Klear via this Deposit Method.

Core Principle I. Core Principle I generally provides the rules for system safeguards, including, among other things, system and operational risk analysis and oversight and business continuity and disaster recovery. Klear's Procedures require ISVs to satisfy Klear's objective, generally applicable technical integration, risk, and compliance criteria and to have entered into an agreement governing such integration. Klear may establish additional objective eligibility or risk criteria for integrated ISVs from time to time.

Core Principle K. Core Principle K provides recordkeeping requirements. Klear will maintain records of each Deposit Indication, any corresponding Pre-funded Amount credited, the timing and outcome of on-chain confirmation, and any resulting Deposit Shortfall together with its monthly reconciliation and reimbursement by the applicable ISV, consistent with the Klear's existing recordkeeping policies, these Procedures, and Core Principle K.

Core Principle N. Core Principle N provides that unless necessary or appropriate to achieve the purposes of this chapter, a derivatives clearing organization shall not adopt any rule or take any action that results in any unreasonable restraint of trade, or impose any material anticompetitive burden. In accordance with the eligibility criteria set forth in these Procedures, any ISV that is able to integrate with Klear through the defined technical integration path and which satisfies Klear's technical integration, risk management, and compliance criteria is eligible to integrate. The additional method of advancing deposits does not impose any restraint of trade or anticompetitive burden.

Core Principle R. Core Principle R generally requires that a derivatives clearing organization operate pursuant to a well-founded, transparent, and enforceable legal framework that addresses each aspect of the activities of the derivatives clearing organization. The Deposit Method, as described in these Procedures, is a legal method of depositing U.S. dollars.

No opposing views to the contrary have been expressed.

Klear accordingly certifies that the additional method of advancing U.S. dollars before on-chain confirmation of funds 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 (except for the confidential appendix) was posted on the KalshiEx LLC ("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
Regulatory Counsel
Kalshi Klear LLC
rross@kalshi.com

Enclosures:
Confidential Appendix A
Request for confidential treatment