

September 18, 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 40.2(a) Notification Regarding the Initial Listing of the "Will the cumulative sum of Heating Degree Days (HDD) at Cincinnati/Northern Kentucky International Airport be <above/below/exactly/at least/between> <count> <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 the cumulative sum of Heating Degree Days (HDD) at Cincinnati/Northern Kentucky International Airport be <above/below/exactly/at least/between> <count> <time period>?" contract (Contract). The Contract will initially be listed after close-of-business on September 18, 2026; 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:

- <above/below/exactly/at least/between>
- <count>
- <time period>

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 cumulative sum of Heating Degree Days (HDD) at Cincinnati/Northern Kentucky International Airport be <above/below/exactly/at least/between> <count> <time period>?"

Rulebook: CVGHDD

Summary: Cincinnati airport cumulative HDD

Kalshi Contract Category: Weather/Climate

Kalshi Internal Category: Climate and Weather

September 18, 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

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 E), and the Commission's regulations thereunder.

I. Introduction

The "Will the cumulative sum of Heating Degree Days (HDD) at Cincinnati/Northern Kentucky International Airport be <above/below/exactly/at least/between> <count> <time period>?" Contract is a contract relating to Climate and Weather.

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 5.16 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 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: September 18, 2026

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 the cumulative sum of Heating Degree Days (HDD) at Cincinnati/Northern Kentucky International Airport be <above/below/exactly/at least/between> <count> <time period>?"

Rulebook: CVGHDD

CVGHDD

Scope: These rules shall apply to this contract.

Underlying: The Underlying for this Contract is the cumulative sum of Heating Degree Day (HDD) values at Cincinnati/Northern Kentucky International Airport (station identifier KCVG, WMO identifier 72421) <time period>. 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, and the National Weather Service.

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.

<above/below/exactly/at least/between>: <above/below/exactly/at least/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 ($=X$), measured to the precision specified elsewhere in the Contract. "At least X" means greater than or equal to X ($\geq X$). "Between X and Y" means greater than or equal to X and less than or equal to Y ($\geq X$ and $\leq Y$), 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/between>.

<count>: <count> refers to the cumulative sum of Heating Degree Day values specified by the Exchange. The Exchange may list iterations of the Contract with <count> levels that fall within an inclusive range beginning at zero (0) at increments of one one-hundredth (0.01). Due to the potential for variability in the Underlying, the Exchange may modify <count> 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, 2026, and December 31, 2026"), relative markers (e.g., "before July 1, 2027", where the other boundary reference date is understood to be Contract Issuance, unless otherwise explicitly specified), an event, or broader intervals (e.g., "Q1–Q2 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.

Payout Criterion: The Payout Criterion for the Contract encompasses the Expiration Values that the cumulative sum of Heating Degree Day values at Cincinnati/Northern Kentucky International Airport <time period> is <above/below/exactly/at least/between> <count>.

Additional Clarifications:

Definition and Calculation of Heating Degree Day values:

- A "Heating Degree Day" value, for any single local calendar day, is equal to sixty-five (65) degrees Fahrenheit minus the daily average temperature (in Fahrenheit) at Cincinnati/Northern Kentucky International Airport for that day, floored at zero and taken to two decimal places, unless otherwise specified. A day whose daily average temperature is equal to or greater than sixty-five (65) degrees Fahrenheit contributes zero (0) Heating Degree Days, rather than a negative value.
- The Heating Degree Day value for a local calendar day shall be determined according to the following hierarchy, unless otherwise specified by the Exchange for a particular Contract iteration:
 - (a) The Heating Degree Day value is the figure published in the "HDD (65)" Column of The Weather Company's "Domestic" table under the "Daily Climate" tab for that local calendar day.
 - (b) If The Weather Company does not publish an HDD (65) figure for a local calendar day, the Heating Degree Day value for that day shall instead be calculated using the formula in the first paragraph of this section, where the "daily average temperature" is the value published in the "Hourly Mean(F)" column of The Weather Company's "Domestic" table for that local calendar day, provided that such value carries a status designation of "Final" as of the time of calculation. No further averaging or arithmetic derivation of the daily average temperature is required under this subsection. If the "Hourly Mean(F)" value for a given local calendar day does not carry a status designation of "Final," that day is treated, for purposes of this provision, as a day for which no value is available from The Weather Company, subject to subsection (c) below and the Missing Observations provisions below.
 - (c) If, for a local calendar day, The Weather Company publishes neither an HDD (65) figure under subsection (a) nor a "Final"-status "Hourly Mean(F)" value under subsection (b), then the HDD (65) figure published by the National Weather Service for that local calendar day shall govern for that day, or, if the National Weather Service does not publish such a figure, the average temperature published by the National Weather Service for that day shall be used as the "daily average temperature" for calculation pursuant to the formula in the first paragraph, consistent with the hierarchical order of Source Agencies set forth above.

- Unless otherwise specified, the HDD (65) figure or the "Hourly Mean(F)" value described in subsections (a) and (b) above are found in The Weather Company's "Domestic" table under the "Daily Climate" tab. Except as provided in subsection (c) above, the "daily average temperature" for any single local calendar day, where not otherwise determined under subsection (b) above, is calculated as the arithmetic mean of the hourly average figures that comprise that single local calendar day, as determined by The Weather Company.
- A "local calendar day" is the twenty-four (24) hour period from midnight to midnight local time at Cincinnati/Northern Kentucky International Airport, as used by the National Weather Service in compiling the Daily Climate Report (CLI) for that station.
- The "cumulative sum of Heating Degree Days" is the arithmetic sum of the Heating Degree Day values for every local calendar day <time period> for which a value is available under these rules, inclusive of the first and last such days, with each such day included in the sum whether its Heating Degree Day value is zero or greater than zero. Any local calendar day for which no value is available pursuant to the Missing Observations provisions below is excluded from the cumulative sum.

Station and Instrumentation:

- The official station for the Contract is Cincinnati/Northern Kentucky International Airport, station identifier KCVG, WMO identifier 72421, as the National Weather Service primary climate station for the Cincinnati area, on which The Weather Company data relies.
- If the station is relocated, renamed, reidentified, or its instrumentation is replaced or recalibrated <time period>, but The Weather Company continues to report the HDD figure or daily average temperature for Cincinnati/Northern Kentucky International Airport under the same or a successor station or WMO identifier reflecting the continuation of the Cincinnati primary climate record, that continued record governs and the Contract remains open.
- If the station is decommissioned prior to the last day of <time period> and The Weather Company reports the daily average temperature for a successor primary climate station for the Cincinnati area, the successor station's record governs for local calendar days on and after the effective date of the designation of that successor station. If the station is decommissioned and The Weather Company does not report values for the station or for any successor primary climate station, and the data recorded up to that point definitively satisfies or defeats the Payout Criterion regardless of the unreported remainder of <time period>, the Contract resolves in accordance with that definitive outcome. If the outcome is not determinate on that basis, markets will resolve to the last fair price, as determined by the Exchange in its sole discretion.

Missing Observations:

- If the Heating Degree Day value for one or more local calendar days within <time period> cannot be determined under subsection (a) or (b) of the Definition and Calculation of Heating Degree Day values section above at the time of first publication — including because no HDD (65) figure has been published by The Weather Company and the "Hourly Mean(F)" value required under subsection (b) does not yet carry a status designation of "Final" — the Exchange will use the value for that day subsequently published by The Weather Company that satisfies subsection (a) or (b), including any value appearing in The Weather Company's observed historical or archival record for that station, provided that such value is published before Expiration.
- If, as of the Expiration Date, the Heating Degree Day value for a local calendar day still cannot be determined under subsection (a) or (b), the value published by the National Weather Service for that day under subsection (c) above shall govern, provided that such value is published before Expiration.
- If, after applying the preceding two paragraphs, no value is available for one or more local calendar days within <time period> as of the Expiration Date, then the Contract will resolve on the basis of the days for which data has been published.

Source and Corrections:

- 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 daily report shall be used for the purpose of resolution unless otherwise explicitly specified by the Exchange. For any local calendar day resolved pursuant to the Missing Observations provisions above, the first value subsequently reported or appearing in the historical or archival record for that day shall govern for purposes of resolution, and any later revision to that value shall not be accounted for in determining the Expiration Value. Corrections that the Exchange determines, in its sole discretion, do not remedy a material error shall not supersede earlier values. For the avoidance of doubt, the initial published daily value, unless determined to be materially erroneous by the Exchange in its sole discretion, will supersede any correction from any QC revisions that occur after the initial value's publication, except as provided below.
- For the avoidance of doubt, as relates to data sourced from The Weather Company, the publication of an "Hourly Mean(F)" or "HDD (65)" value with a status other than "Final," and its subsequent republication with a status of "Final," does not constitute a correction, retraction, or removal of a previously published value for purposes of this

section. The governing "Hourly Mean(F)" value for purposes of subsection (b) of the Definition and Calculation of Heating Degree Day values section above is the first value published with a status of "Final" for the relevant local calendar day, subject to the timing provisions of the Missing Observations section above.

- 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, all markets will resolve to the last fair price, as determined by the Exchange in its sole discretion.

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 final day of <time period>. The Last Trading Time will be one minute prior to the end of <time period>.

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>. 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:

- Officials, employees, and contractors of The Weather Company with access to material nonpublic information relating to the temperatures reported for Cincinnati/Northern Kentucky International Airport or to the Heating Degree Day values or cumulative sums derived from them
- Officials, employees, and contractors of The Weather Company responsible for ingesting, compiling, reviewing, quality-controlling, approving, or publishing the observed daily temperature record for Cincinnati/Northern Kentucky International Airport, and any person responsible for the operation or configuration of the systems through which that record is distributed
- Officials, employees, and contractors of the National Weather Service, the National Oceanic and Atmospheric Administration, and the United States Department of Commerce with access to material nonpublic information relating to the temperatures observed and transmitted for Cincinnati/Northern Kentucky International Airport on which The Weather Company data relies
- Officials, employees, and contractors of the Kenton County Airport Board, of Cincinnati/Northern Kentucky International Airport, and of any vendor responsible for the siting, installation, operation, maintenance, calibration, or servicing of the automated surface observing system or other meteorological instrumentation at Cincinnati/Northern Kentucky International Airport
- Employees of any Source Agency 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 daily average temperature, or the Heating Degree Day values reported for Cincinnati/Northern Kentucky International Airport for any local calendar day within <time period>, or the cumulative sum of Heating Degree Days at Cincinnati/Northern Kentucky International Airport during <time period>
- The immediate family members and members of the same household of any person described above

