

PREDICTION MARKETS AND EVENT CONTRACTS RISK DISCLOSURE STATEMENT

Version: June 2026

**THIS IS A MATERIAL RISK DISCLOSURE.
PLEASE READ THIS ENTIRE DOCUMENT CAREFULLY BEFORE
OPENING AN ACCOUNT OR PURCHASING ANY EVENT CONTRACT.
YOUR SIGNATURE OR ELECTRONIC ACCEPTANCE CONSTITUTES BINDING
ACKNOWLEDGMENT OF EACH REPRESENTATION SET FORTH HEREIN.**

I. INTRODUCTION AND PURPOSE

This Risk Disclosure Statement ("Disclosure") is provided by NinjaTrader Clearing, LLC ("NinjaTrader Clearing," "we," "us," or "our"), a futures commission merchant ("FCM") registered with the U.S. Commodity Futures Trading Commission ("CFTC"), a member of the National Futures Association ("NFA"), and a clearing member of KalshiEX LLC ("Kalshi"), a CFTC-registered designated contract market ("DCM"), and Kalshi Klear LLC ("Kalshi Klear"), a CFTC-registered derivatives clearing organization ("DCO").

NinjaTrader Clearing offers qualified account holders the opportunity to trade Event Contracts issued and listed by Kalshi. NinjaTrader Clearing only acts as an FCM intermediary — it does not itself issue, guarantee, or underwrite the Event Contracts. Event Contracts are created, listed, and settled exclusively by Kalshi and cleared through Kalshi Klear.

THIS DISCLOSURE IS NOT LEGAL ADVICE. The risk of loss in trading Event Contracts can be substantial. The legal and regulatory landscape governing Event Contracts is complex, unsettled, actively litigated, and rapidly evolving. You should, therefore, carefully consider whether such trading is suitable for you in light of your own circumstances and financial resources, and should seek **independent legal counsel** licensed in your state of residence and **independent tax advice** before opening an account or purchasing any Event Contract. You acknowledge, understand and agree that it is your responsibility to independently evaluate whether trading Event Contracts is lawful, suitable, and appropriate for you and that you are not relying upon any representations made by NinjaTrader Clearing, its affiliates, associated persons, agents, representatives, or employees.

II. RULES AND REGULATORY FRAMEWORK

Kalshi Rulebook, Kalshi Klear Rulebook, contract specifications, notices, and all regulatory filings are publicly available at the following official Kalshi regulatory portal:

- Kalshi Rulebook, Kalshi Klear Rulebook & Regulatory Documents: <https://kalshi.com/regulatory/rulebook>
- Kalshi Klear Rulebook (DCO Rules), including Chapter 12 (Default): ~~https://kalshi-public-docs.s3.amazonaws.com/regulatory/rulebook/Kalshi DCO Rulebook 1.4.pdf~~ <https://kalshi-public-docs.s3.amazonaws.com/regulatory/rulebook/Kalshi DCO Rulebook 1.4.pdf>
- All Regulatory Filings & Notices (kalshi.com/regulatory): <https://kalshi.com/regulatory>
- Regulatory Notices: <https://kalshi.com/regulatory/notices>
- Market Integrity: <https://kalshi.com/market-integrity>
- Product Certifications: <https://kalshi.com/regulatory/product-certifications>
- KalshiEX DCM Rulebook (current version, via regulatory portal): <https://kalshi.com/regulatory/rulebook>

NOTE: Rules and Rulebook versions are updated from time to time. You should always verify you are reviewing the most current version by checking <https://kalshi.com/regulatory/rulebook> prior to trading.

YOU ACKNOWLEDGE AND UNDERSTAND THAT YOU ARE REQUIRED TO READ, UNDERSTAND, AND COMPLY WITH BOTH THE KALSHI RULEBOOK AND KALSHI KLEAR RULEBOOK, AND ALL APPLICABLE RULES, AS A CONDITION OF TRADING EVENT CONTRACTS THROUGH NINJATRADER CLEARING. BOTH RULEBOOKS ARE INCORPORATED BY REFERENCE HEREIN AND ARE BINDING UPON YOU.

Regulatory Bodies: Event Contracts are subject to oversight by the following regulatory authorities:

- **CFTC:** An independent federal agency and regulator of Kalshi and Kalshi Klear, pursuant to the Commodity Exchange Act (“CEA”).
- **NFA:** A self-regulatory organization and NinjaTrader Clearing’s designated SRO.
- **Kalshi:** A DCM which maintains self-regulatory authority over trading practices, manipulation, market conduct, and member compliance pursuant to its Rulebook and the CEA.

III. NATURE OF EVENT CONTRACTS

Event Contracts are derivative financial instruments listed on Kalshi, a CFTC-regulated DCM. An Event Contract is a binary (yes/no) or scalar contract whose settlement value is determined by whether a specified real-world event happens within a specified period.

Each Event Contract has a defined Expiration Date and Expiration Value as set forth in the applicable Contract Specifications published by Kalshi. You acknowledge and agree that you must review the specific Contract Specifications for each Event Contract prior to trading. Contract Specifications are available at <https://kalshi.com/regulatory/rulebook>.

Prediction Market Certifications contain key terms and descriptions of settlements, definitions of “wins” and other key terms that may affect the outcome of trades. You acknowledge and agree that you will review the applicable Product Certifications for the selected event contract so that you understand its terms. As Product Certifications may change; you acknowledge that you will continue to review Product Certifications of any event contracts which you have selected while any position is open. Product Certifications are available at <https://kalshi.com/regulatory/product-certifications>.

Key Structural Features:

- Event Contracts settle in U.S. dollars and are fully collateralized. A customer’s Maximum Downside Exposure (“MDE”) is the maximum amount which can be lost on a position, which equals the cost of the contract. There is no margin borrowing.
- Contracts may expire as either YES (event occurred) or NO (event did not occur), with corresponding settlement payments.
- Kalshi may, at its sole discretion, initiate a Market Outcome Review Process and adjust settlement if the Expiration Value cannot be determined or if extraordinary circumstances arise, pursuant to Kalshi Rulebook Chapter 6.
- Kalshi and Kalshi Klear may place restrictions on individuals who may trade certain Event Contracts and may place geo-restrictions on Event Contracts at any time and at its own sole discretion.
- Not all event types are currently available for trading through NinjaTrader Clearing. You should review the current contract listing for available contracts.

IV. RISK OF LOSS AND SPECULATIVE NATURE

**THE RISK OF LOSS IN TRADING EVENT CONTRACTS CAN BE SUBSTANTIAL.
EVENT CONTRACT TRADING IS HIGHLY SPECULATIVE.
YOU MAY LOSE THE ENTIRE AMOUNT YOU INVEST IN ANY EVENT CONTRACT.**

The following risks are among the most significant risks associated with Event Contracts. This list is not exhaustive, and you should carefully consider all risks and seek independent legal counsel before trading.

A. Total Loss Risk

A customer who purchases an Event Contract may lose 100% of the purchase price if the Event Contract settles as NO or in a manner adverse to the customer's position. There is no guarantee of any return on any Event Contract. If anyone guarantees any return on any Event Contract, or that guarantees that you will not lose any funds on any Event Contract, immediately contact NinjaTrader Clearing at compliance@ninjatrader.com.

B. Speculative and Volatile Markets

Event Contract prices may fluctuate rapidly and significantly in response to news, data releases, political developments, or other market-moving information. Price discovery in prediction markets may be less efficient than in traditional commodity or securities markets. You should expect significant volatility and you should not invest any amount of funds which you cannot afford to lose in its entirety.

C. Liquidity Risk

There is no guarantee that a market will exist to purchase or sell an Event Contract at any given time or at a favorable price. Market liquidity for any particular Event Contract may be limited or may cease entirely. You may be unable to exit a position prior to expiration, and at expiration, the position will settle at its Expiration Value regardless of prevailing market conditions. Kalshi, in its discretion, may also suspend trading in any contract.

D. Settlement and Expiration Risk

Event Contracts expire on their designated Expiration Date pursuant to their Contract Specifications. You are responsible for monitoring your open positions and understanding the applicable expiration terms. You understand that an Event Contract will expire on its Expiration Date, even if the Kalshi trading system is inaccessible. You also may not be able to modify or close positions, if the system is unavailable. You should review all applicable Contract Specifications before trading and must be willing to accept and assume these risks, which may result in substantial losses.

E. Market Outcome Determination Risk

The settlement of each Event Contract depends upon Kalshi's determination of the Expiration Value based on a designated Source Agency or reference data source specified in the Contract Specifications. The Source Agency is selected by Kalshi in its discretion. Ambiguities, data errors, or unavailability of the Source Agency's data may result in a settlement determination that differs from your expectation. Kalshi retains authority to resolve disputes regarding Expiration Values pursuant to its Rulebook.

F. Contract Modification, Cancellation, or Suspension Risk

Kalshi, as a CFTC-regulated DCM, has the authority under its Rulebook and the CEA to modify, cancel, void, or suspend trading in any Event Contract under certain circumstances, including market disruption, force majeure, manipulation concerns, or regulatory requirements. You acknowledge and understand that NinjaTrader Clearing has no authority over Kalshi's decisions regarding contract modifications or cancellations, and you agree that NinjaTrader Clearing is not liable for any losses arising from such actions.

G. Concentration Risk

Customers who concentrate their trading in a limited number of Event Contracts, a single market category, or a single expiration date are subject to heightened risk of loss. Customers should consider diversification and should not allocate any amount of funds to Event Contracts that they cannot afford to lose in its entirety.

V. ELECTRONIC TRADING SYSTEM RISKS

Event Contracts are traded exclusively through electronic trading systems. Electronic trading involves numerous risks distinct from traditional floor-based markets, including the following:

- **System Failure Risk:** The Kalshi electronic trading platform (the “Kalshi System”) and NinjaTrader Clearing’s interface systems may experience outages, interruptions, latency, or failures due to hardware, software, network, power, or cybersecurity issues. During any such failure, you may be unable to enter, modify, or cancel orders.
- **Internet and Connectivity Risk:** The Kalshi System is accessible via the Internet or dedicated private circuits, each of which is subject to disruptions outside the control of NinjaTrader Clearing or Kalshi. Network congestion, infrastructure failures, or service provider outages may delay or prevent order execution.
- **Order Execution Risk:** Orders submitted to the Kalshi System are matched electronically pursuant to Kalshi’s order matching rules. There is no guarantee that an order will be executed at the intended price or at all. Market conditions may result in executions at prices different from those displayed at the time of order entry.
- **Catastrophic System Failure:** In the event of a catastrophic failure of the Kalshi System, there is a risk that orders and their priority in the order queue could be lost. Although Kalshi maintains redundant systems, no system is failsafe.
- **Cybersecurity Risk:** Electronic trading systems are subject to cybersecurity threats, including hacking, malware, and unauthorized access. While Kalshi and NinjaTrader Clearing maintain cybersecurity protections, no system provides absolute security. You are responsible for maintaining the security of your own account credentials and computing systems.
- **Account Security:** You are solely responsible for maintaining the confidentiality of your account usernames and passwords. NinjaTrader Clearing and Kalshi will rely upon instructions received using a customer’s authorized credentials without further inquiry.
- **Data Accuracy:** Market data, quotes, and other information provided through the Kalshi System are provided on an “as-is” basis and may not be accurate, complete, or current. You should not rely solely on information displayed on the trading platform when making trading decisions.

NINJATRADER CLEARING AND KALSHI SHALL NOT BE LIABLE FOR ANY LOSS OR DAMAGE RESULTING FROM SYSTEM FAILURES, INTERRUPTIONS, OR ELECTRONIC TRADING RISKS, EXCEPT AS MAY BE PROVIDED UNDER APPLICABLE LAW AND THE KALSHI RULEBOOK.

VI. LEGAL, REGULATORY, AND JURISDICTIONAL RISKS

The legal and regulatory environment governing Event Contracts is among the most significant risks associated with trading these instruments. You must carefully review the following disclosures and are strongly urged to seek independent legal counsel before trading.

A. Active Multi-Jurisdictional Litigation

As of the date of this Disclosure, Event Contracts — and in particular sports-related Event Contracts offered by Kalshi and other CFTC-regulated exchanges — are the subject of extensive ongoing litigation in multiple federal and state courts across the United States. The following is a summary of the current litigation landscape (which may have changed since this Disclosure was last updated):

- **Federal Preemption Litigation:** Kalshi and event contract market participants have filed lawsuits in federal courts in multiple states, including Nevada, Tennessee, Ohio, Connecticut, New Jersey, New York, and others, seeking declaratory and injunctive relief that the CEA and CFTC regulations preempt state gaming laws with respect to Event Contracts traded on a federally

regulated DCM. Federal courts have reached divergent results — some courts have granted preliminary injunctions protecting Kalshi's operations, while others have denied such relief or dissolved injunctions previously granted.

- **State Enforcement Actions:** Certain state gaming regulators, including those in Nevada, Maryland, Massachusetts, Tennessee, Ohio, Connecticut, New Jersey, and New York, have issued cease-and-desist letters or initiated enforcement proceedings against Kalshi and other event contract market participants, alleging that Event Contracts violate state gaming or sports wagering laws. If you reside in one of these states, you face heightened legal uncertainty.
- **Tribal Litigation:** Federally recognized Indian Tribes in California and Wisconsin have filed lawsuits in federal court alleging that Kalshi's sports Event Contracts violate the Indian Gaming Regulatory Act ("IGRA"), tribal-state gaming compacts, tribal sovereignty, and tribal self-governance rights. Courts have reached different results in these cases. Customers in states with significant tribal gaming operations face heightened legal uncertainty.
- **Consumer Class Action:** In November 2025, a putative nationwide class action was filed in federal court against Kalshi, alleging violations of state gaming laws and claims of consumer fraud and misrepresentation. This litigation is in its early stages.
- **Potential Criminal Exposure:** Some state authorities have asserted that offering or participating in unlicensed gaming constitutes a criminal offense under state law. While NinjaTrader Clearing is not aware of any criminal charges having been filed against individual retail customers of prediction market platforms to date, the legal landscape is evolving rapidly. Customers should seek independent legal advice regarding potential criminal exposure in their state.
- **Congressional Action:** As of early 2026, legislation has been introduced in the United States Senate (the "Prediction Markets Are Gambling Act") that would amend federal law to explicitly prohibit certain sports and casino-style Event Contracts from being offered on CFTC-regulated exchanges. If enacted, such legislation could materially impair, restrict, or eliminate a customer's ability to trade certain categories of Event Contracts.

IMPORTANT: The litigation described above is ongoing, the legal landscape is fragmented and unsettled, courts have reached conflicting conclusions on the same legal questions, and the ultimate resolution of the preemption question may require appellate or Supreme Court review. **YOU SHOULD NOT ASSUME THAT EVENT CONTRACTS ARE LEGAL IN THE STATE OF YOUR RESIDENCE AND YOU MUST INDEPENDENTLY VERIFY THE CURRENT LEGAL STATUS OF EVENT CONTRACTS THROUGH YOUR OWN INDEPENDENT LEGAL COUNSEL BEFORE TRADING.**

B. CFTC Jurisdiction

Kalshi is registered with the CFTC as a DCM. The CFTC has publicly asserted exclusive jurisdiction over Event Contracts traded on CFTC-regulated DCMs pursuant to the CEA, 7 U.S.C. § 1 et seq., and the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. The CFTC has taken the position that the CEA preempts conflicting state gaming laws with respect to contracts traded on regulated exchanges. The CFTC has filed an amicus brief in certain litigation in support of its exclusive jurisdiction over sports Event Contracts and has also initiated lawsuits against certain state gaming authorities.

HOWEVER, YOU ARE CAUTIONED THAT: (i) CFTC ASSERTIONS OF EXCLUSIVE JURISDICTION HAVE NOT BEEN UNIVERSALLY ACCEPTED BY FEDERAL OR STATE COURTS; (ii) COURTS IN NEVADA, MARYLAND, AND MASSACHUSETTS HAVE REJECTED OR QUALIFIED CFTC PREEMPTION ARGUMENTS IN CERTAIN RESPECTS; (iii) THE CFTC'S REGULATORY POSTURE ON EVENT CONTRACTS HAS CHANGED MULTIPLE TIMES AND MAY CHANGE AGAIN; AND (iv) REGULATORY AGENCY POSITIONS DO NOT CONSTITUTE A LEGAL DETERMINATION THAT IS BINDING ON STATE COURTS OR BINDING ON FEDERAL APPELLATE COURTS.

The regulatory framework applicable to Event Contracts is subject to material change. The CFTC's regulatory posture toward Event Contracts has changed significantly in recent years and may change again. Congress may enact legislation further restricting or prohibiting certain categories of Event Contracts. State legislatures may enact new laws targeting prediction markets. Any such regulatory change could materially restrict, impair, or eliminate trading opportunities, result in the suspension or termination of listed contracts, or subject customers to new legal obligations.

NINJATRADER CLEARING ASSUMES NO OBLIGATION TO NOTIFY CUSTOMERS OF REGULATORY CHANGES, ALTHOUGH IT WILL USE COMMERCIALY REASONABLE EFFORTS TO DO SO.

You should monitor developments affecting Event Contracts independently.

C. State Gaming and Wagering Law Risk

State gaming laws vary significantly across the United States. Multiple states have gaming laws that prohibit or regulate wagering on sports or other events. Whether Event Contracts constitute "gambling," "wagering," or "sporting event betting" under state law is a question that courts have not resolved uniformly. Customers residing in states that have asserted regulatory authority over Event Contracts face the following risks:

- Trades may be deemed unlawful under state law, notwithstanding federal regulation of the exchange.
- State regulators may initiate enforcement actions that impair or terminate trading access for residents of certain states.
- State courts may issue injunctions that limit or prohibit trading by residents of their state.
- Winnings from Event Contracts could potentially be classified as gaming income subject to state gaming taxes, regardless of how they are treated for federal tax purposes.

YOU MUST INDEPENDENTLY DETERMINE WHETHER PURCHASING OR TRADING EVENT CONTRACTS IS LAWFUL IN YOUR STATE OF RESIDENCE. NINJATRADER CLEARING MAKES NO REPRESENTATION THAT EVENT CONTRACTS ARE LEGAL IN ANY PARTICULAR JURISDICTION AND THIS DISCLOSURE DOES NOT CONSTITUTE LEGAL ADVICE.

D. Indian Gaming Regulatory Act and Tribal Gaming

The Indian Gaming Regulatory Act ("IGRA"), 25 U.S.C. § 2701 et seq., governs gaming on Indian lands and establishes a framework of tribal-state gaming compacts. Federally recognized Indian Tribes have asserted that CFTC-regulated Event Contracts violate IGRA, tribal-state gaming compacts, tribal sovereignty, tribal self-governance, and tribal gaming ordinances, particularly with respect to sports-related Event Contracts. You should be aware that the tribal-law dimensions of this regulatory dispute add an additional layer of legal complexity.

E. Unlawful Internet Gambling Enforcement Act (UIGEA)

The Unlawful Internet Gambling Enforcement Act of 2006 ("UIGEA"), 31 U.S.C. §§ 5361-5367, prohibits the acceptance of payments related to "unlawful Internet gambling." UIGEA expressly exempts transactions related to "lawful" gaming activities and CFTC-regulated contracts. While Event Contracts traded on a CFTC-regulated DCM are exempt from UIGEA, if a court were to determine that Event Contracts are unlawful gambling under applicable law, UIGEA could apply and subject you to heightened legal risk.

F. Lanham Act and Advertising Risk

Tribal governments and gaming interests have asserted false advertising claims under the Lanham Act, 15 U.S.C. § 1125, related to the marketing of Event Contracts by prediction market participants. Certain

courts have dismissed such claims, but the litigation remains pending in some jurisdictions. Customers should be aware that claims of false advertising related to Event Contracts are being litigated.

VII. MARKET INTEGRITY RISKS

You must be aware of and comply with all rules governing market integrity. Violations of market integrity rules are serious, may result in criminal prosecution, civil enforcement, or disciplinary action, and can harm all market participants.

A. Insider Trading and Material Non-Public Information

Trading Event Contracts based on material non-public information (“MNPI”) is strictly prohibited by the Kalshi Rulebook and by the CEA and CFTC regulations. As stated in the Kalshi Rulebook, trading while in possession of MNPI that relates to the underlying of an Event Contract — such as information about the outcome of a sports event, election, economic data release, or other covered event — is a serious violation that may result in civil and criminal liability under federal law.

The following persons are specifically prohibited from trading Event Contracts under the Kalshi Rulebook:

- Persons employed by or affiliated with the designated Source Agency for a contract who have access to material non-public information about the underlying;
- Persons who have a direct ability to influence the outcome of the underlying event (e.g., participants in a sporting event, public officials, data agency employees);
- Persons in possession of MNPI that would be reasonably likely to have a material effect on the price of the Event Contract;
- Any person who obtains MNPI through a breach of fiduciary duty, deception, or theft.

Kalshi maintains real-time market surveillance systems and prominently discloses Source Agency trading prohibitions on its platform. Customers who are aware of potential MNPI should not trade the affected Event Contract and should consult their own independent legal counsel.

B. Market Manipulation

Market manipulation, including the creation of artificial prices, wash trading, spoofing, layering, front-running, and other forms of deceptive trading, is strictly prohibited under Chapter 5 of the Kalshi Rulebook and under the CEA and CFTC regulations. Kalshi maintains an automated trade surveillance system capable of detecting and investigating potential market manipulation in real time. Customers who engage in manipulative trading practices may be subject to civil and criminal penalties under federal law.

C. Conflicts of Interest

You should be aware that the prices of Event Contracts may be influenced by persons who have superior information about the probability of a future event. Some market participants, including institutional traders, algorithmic traders, and market makers, may have informational or technical advantages over retail customers. Past price performance is not necessarily indicative of future results.

VIII. COLLATERAL, FEES, AND TAX CONSIDERATIONS

A. Full Collateralization

All Event Contracts traded through NinjaTrader Clearing are fully collateralized. Before an order is accepted, you need to have sufficient United States dollars on deposit to satisfy the MDE for the order, plus applicable fees. Funds reserved to collateralize an open order or position are not available for other purposes until the order is resolved through cancellation, expiration, rejection, or execution.

B. Fees and Charges

You are subject to fees charged by Kalshi, Kalshi Klear, and NinjaTrader Clearing in connection with the execution, clearing, and settlement of Event Contracts. Fee schedules are available at <https://kalshi.com/fee-schedule> and from NinjaTrader Clearing by contacting compliance@ninjatrade.com. Fee schedules are subject to change. You should review applicable fee schedules before trading and understand that fees will be deducted from your accounts.

C. Customer Segregated Funds

Pursuant to CFTC regulations and the Kalshi Klear Rules, all customer funds deposited with NinjaTrader Clearing in connection with Event Contract trading are held in appropriately labeled customer segregated funds accounts, separated from NinjaTrader Clearing's own funds, and treated as Cleared Swaps Customer Collateral in accordance with applicable CFTC regulations and Kalshi Klear Rules.

In compliance with CFTC Regulation 22.16, NinjaTrader Clearing further discloses that, in the unlikely event of NinjaTrader Clearing's insolvency, customer rights with respect to Cleared Swaps Customer Collateral would be determined pursuant to the commodity broker liquidation provisions of the U.S. Bankruptcy Code and Part 190 of the CFTC's regulations. Separately, in the event of a default by NinjaTrader Clearing relating to a Cleared Swaps Customer Account, the use, transfer (including any porting to another FCM Member), neutralization of risk, and liquidation of Cleared Swaps Customer Collateral and associated open Event Contract positions are governed by Chapter 12 (Default) of the Kalshi Klear Rulebook. Under those provisions, Kalshi Klear may seek to transfer non-defaulting customers' Cleared Swaps Customer Collateral and associated Event Contract positions to another FCM Member; if such a transfer cannot be effected, Kalshi Klear may close out and liquidate the affected positions and collateral in accordance with its Rulebook. NinjaTrader Clearing will notify affected customers of any material change to these governing provisions.

D. Tax Risk

The tax treatment of Event Contracts is uncertain and may vary depending on the type of contract, the customer's jurisdiction, the tax classification of the underlying event, and other factors. Gains and losses from Event Contract trading may be subject to federal and/or state income tax, and the applicable tax rates and reporting requirements may differ from those applicable to other financial instruments. **NINJATRADER CLEARING DOES NOT PROVIDE TAX ADVICE.** You should consult an independent, qualified tax advisor to determine the applicable tax treatment of Event Contract trading in their specific circumstances before trading.

IX. NO WARRANTY; LIMITATION OF LIABILITY

The Kalshi System and all related services are provided on an "as-is" and "as-available" basis, without warranty of any kind, express, implied, or statutory, including without limitation any implied warranty of merchantability, fitness for a particular purpose, title, or non-infringement. Neither Kalshi nor any of its affiliates shall be liable for any loss or damage sustained by a member or customer, including any consequential loss, loss of profit, or loss of trading opportunity, as a result of any actual or proposed transactions or as a direct or indirect result of any services provided by Kalshi and its affiliates, including any failure in the Kalshi System or inaccurate information provided by a Kalshi affiliate, unless determined by final ruling to have involved gross negligence, recklessness, or fraud.

X. CUSTOMER ELIGIBILITY REQUIREMENTS

Only customers who meet ALL of the following eligibility requirements may open an account for the purpose of trading Event Contracts:

1. **AGE:** The customer must be at least 18 years of age. In jurisdictions where the age of majority is higher than 18, the customer must have reached the age of majority in their jurisdiction of residence or domicile.
2. **LEGAL CAPACITY:** The customer must have the legal authority and capacity to enter into binding

contractual obligations and the customer must have independently determined that highly speculative event contract trading is consistent with their individual trading objectives, annual income, net worth, financial resources, investment experience, time horizon, marital status, dependent status, tax status and risk tolerance.

3. **GEOGRAPHIC ELIGIBILITY:** The customer must reside or be domiciled in a jurisdiction where trading Event Contracts is lawful. It is the customer's sole responsibility to independently verify, with the assistance of independent legal counsel, that trading Event Contracts is lawful in their jurisdiction of residence.
4. **KYC/AML COMPLIANCE:** The customer must successfully complete NinjaTrader Clearing's Know Your Customer ("KYC") and Anti-Money Laundering ("AML") requirements.

XI. CUSTOMER REPRESENTATIONS, ACKNOWLEDGMENTS, AND AGREEMENTS

BY TRADING EVENT CONTRACTS AFTER RECEIPT OF THIS DISCLOSURE, YOU REPRESENT, WARRANT, ACKNOWLEDGE, STIPULATE, AND AGREE TO EACH OF THE FOLLOWING:

A. READ AND UNDERSTOOD DISCLOSURE.

You confirm that you have read this entire Risk Disclosure Statement carefully and fully understand its contents, including all risks and legal uncertainties described herein.

B. INDEPENDENT LEGAL ADVICE.

You acknowledge that you have had the opportunity to seek independent legal advice from a licensed attorney in your state of residence and independent tax advice from a qualified tax adviser before opening an account or purchasing any Event Contract, and that you have had a full and fair opportunity to do so. Whether or not you have sought such advice, your decision to trade Event Contracts after receipt of this Disclosure is your own informed, voluntary decision. You acknowledge that this Disclosure does not constitute legal advice and that NinjaTrader Clearing is not your legal counsel.

C. AGE AND LEGAL ELIGIBILITY.

You represent and warrant that you are at least 18 years of age (or the applicable age of majority in your jurisdiction), have full legal capacity to enter into the customer account agreement with NinjaTrader Clearing and to trade Event Contracts, and meet all applicable eligibility requirements.

D. LAWFULNESS IN JURISDICTION OF RESIDENCE.

You represent, warrant, acknowledge, stipulate, and agree that you have independently verified, or have had the opportunity to verify, that the purchase and trading of Event Contracts is lawful in the state of your residence and domicile. You affirmatively acknowledge and agree that Event Contracts are permitted and not illegal in the jurisdiction in which you reside. You understand and acknowledge that this representation is a material inducement to NinjaTrader Clearing to open an account for you and to facilitate the trading of Event Contracts. If your legal status in any jurisdiction changes, you agree to immediately notify NinjaTrader Clearing and to cease trading.

E. EVENT CONTRACTS ARE NOT GAMBLING AND DO NOT VIOLATE GAMING LAWS.

You acknowledge, stipulate, and agree that, based on your own independent review, Event Contracts traded on a CFTC-regulated DCM do not, in your view, constitute gambling; do not violate any applicable state gaming laws, rules, or regulations in your jurisdiction of residence; do not violate the Indian Gaming Regulatory Act, any tribal-state gaming compact, tribal sovereignty, tribal self-governance, or any tribal gaming ordinance; do not constitute false advertising or a violation of the Lanham Act or the Unlawful Internet Gambling Enforcement Act of 2006, as the CFTC has publicly asserted exclusive jurisdiction over Event Contracts. **YOU UNDERSTAND THAT THIS IS A CONTESTED LEGAL QUESTION THAT HAS NOT BEEN DEFINITELY RESOLVED AND THAT COURTS AND REGULATORS HAVE REACHED DIFFERENT CONCLUSIONS. YOU ASSUME AND ARE CAPABLE OF ASSUMING ALL RISK ASSOCIATED WITH TRADING EVENT CONTRACTS.**

F. NO INSIDER TRADING.

You represent, warrant, and agree that: (i) you are not in possession of MNPI relating to the underlying of any Event Contract which you intend to trade; (ii) you are not employed by or affiliated with any Source Agency for any Event Contract in a capacity that would provide you with MNPI about the underlying; (iii) you do not have a direct ability to influence or determine the outcome of the underlying of any Event Contract which you intend to trade; (iv) you will not purchase, sell, or trade any Event Contract while in possession of MNPI; and (v) you understand that trading on the basis of MNPI is a serious violation of the Kalshi Rulebook, the CEA, and CFTC regulations, and may result in civil and criminal liability under federal law. You agree to immediately disclose to NinjaTrader Clearing any circumstance that may give rise to a concern about MNPI before trading.

G. NO MANIPULATION.

You represent, warrant, and agree that you will not engage in any activity that manipulates or attempts to manipulate any Event Contract, including without limitation wash trading, spoofing, layering, front-running, or the creation of artificial prices. You acknowledge that market manipulation is prohibited under Chapter 5 of the Kalshi Rulebook, under the CEA, and under CFTC regulations, and may result in civil and criminal liability.

H. ACKNOWLEDGMENT OF LITIGATION RISKS.

You acknowledge that Event Contracts are currently the subject of extensive litigation between Kalshi and state gaming regulators, tribal governments, and other parties in multiple jurisdictions. You understand that: (i) the legal status of Event Contracts is contested and uncertain in certain jurisdictions; (ii) judicial or legislative developments could restrict or eliminate your ability to trade certain Event Contracts; (iii) the CFTC's regulatory posture may change; and (iv) NinjaTrader Clearing does not guarantee that Event Contract trading will remain available or legally permissible in your jurisdiction.

I. ASSUMPTION OF RISK.

You acknowledge that Event Contract trading is highly speculative and involves a high degree of risk. You carefully read and understand all of the risks described in this Disclosure. You are financially capable of sustaining a total loss of all funds invested in Event Contracts. You are trading Event Contracts based on your own independent judgment and not in reliance upon any representations or advice of NinjaTrader Clearing beyond the information set forth in applicable account documents, contract specifications, and the Kalshi Rulebook.

J. RULEBOOKS REVIEW.

You acknowledge that you have been advised to review the KalshiEX Rulebook and Kalshi Klear Rulebook, both of which are available at <https://kalshi.com/regulatory/rulebook> and at <https://kalshi.com/regulatory>. You acknowledge, stipulate, and agree that you are bound by the Kalshi Rulebook, the Kalshi Klear Rulebook, all applicable Contract Specifications, and the terms of NinjaTrader Clearing's account documents, as each may be amended from time to time.

K. MONITORING RESPONSIBILITY.

You acknowledge that you are solely responsible for monitoring your own account and the status of all open orders and positions, and for confirming the correct execution of trades. Neither NinjaTrader Clearing nor Kalshi assumes any responsibility for monitoring your positions or for notifying you of changes in market conditions, contract terms, regulatory developments, or litigation outcomes that may affect the value or legality of your positions.

L. NO GUARANTEE OF AVAILABILITY. You understand and acknowledge that NinjaTrader Clearing and Kalshi do not guarantee the continued availability of Event Contract trading, and that trading may be suspended, restricted, or terminated at any time for regulatory, legal, technical, or business reasons without prior notice to you.

XII. CUSTOMER ACKNOWLEDGMENT

BY ELECTRONICALLY ACCEPTING THIS DISCLOSURE, YOU CONFIRM THAT:

- You have read this entire Risk Disclosure Statement;
- You understand the contents of this Disclosure and all risks and legal uncertainties described herein;
- You have had the opportunity to consult with independent legal counsel and an independent tax advisor;
- You make each of the representations, warranties, acknowledgments, stipulations, and agreements set forth in Section XI above;
- You are legally eligible to open an account and trade Event Contracts; and
- You accept and assume all risks associated with trading Event Contracts.

By: _____

Name: _____

Date: _____