

STATE OF MICHIGAN
CIRCUIT COURT FOR THE 30th JUDICIAL CIRCUIT
INGHAM COUNTY

DANA NESSEL, Attorney General
of the State of Michigan on behalf of
the People of the State of Michigan
and the Michigan Gaming Control Board,

Case No. 26-1087-CZ

HON. ROSEMARIE E. AQUILINA

Plaintiff,

v.

KALSHIEX LLC,
a Delaware corporation based in New York,

Defendant.

**ORDER GRANTING
PRELIMINARY INJUNCTION**

At a session of said Court held in Lansing, Michigan
on September 1 , 2026.

PRESENT: Honorable JUDGE ROSEMARIE E. AQUILINA
Circuit Court Judge

This matter came before the Court for hearing on the Plaintiff's request for a preliminary injunction pursuant to MCR 3.310(A)(1). A temporary restraining order was issued and extended pursuant to MCR 3.310(B)(1). At a subsequent hearing on August 17, 2026, both parties requested that the Court rule on the request for a preliminary injunction. Having heard the arguments of counsel, reviewed the filings, and being otherwise fully advised in the premises, the Court ruled on the record that

a preliminary injunction should issue and that Plaintiff has satisfied the elements necessary for the entry of a preliminary injunction under MCR 3.310(A)(1).

The Court now enters the following Order consistent with that ruling.

Michigan and its most vulnerable citizens are suffering and will continue to suffer immediate and irreparable harm absent relief from being exploited by Kalshi's sports betting operation masquerading as an investment opportunity. *First*, Michigan's legalized gaming industry requires those who wish to place wagers to be 21 years of age or older. Kalshi, however, allows people to place wagers beginning at age 18. If Kalshi is allowed to continue to offer sports wagers, the potential irreparable harm on Michigan's youth would be profound. *Second*, Kalshi takes advantage of serious mental health issues without providing the protections that Michigan's regulatory structure was designed to do. *Third*, Kalshi eludes the comprehensive patron protection mechanisms found in Michigan's regulatory framework. *Fourth*, Kalshi's failure to comply with Michigan gaming law gives it a massive and unfair advantage over the entities that comply with Michigan's regulatory structure, which greatly disrupts the industry. *Fifth*, Kalshi is undercutting Michigan's funding for schools, compulsive gambling prevention, economic development, and first responders. *Sixth*, the City of Detroit uses its gaming taxes to fund public needs, including law enforcement, public safety, economic development, youth programs, and infrastructure. *Further*, Kalshi's conduct negatively impacts Tribes by depriving them of the revenue they need to operate their governments and serve their citizens, while also ignoring their sovereignty.

IT IS ORDERED that Defendant KalshiEX, LLC (“Kalshi”), and its officers, agents, employees, attorneys, successor and assigns, and all other persons and entities who receive actual notice of the Preliminary Injunction, whether acting individually or in active concert or participation with Defendant, directly or indirectly, through any corporation, trust or other device (including, without limitation, through any entities affiliated with or created by an owner of the Defendant), are hereby enjoined from engaging in any activity in connection with sports wagering in the State of Michigan, including the following conduct:

1. Offering, listing, matching, executing, clearing, settling, or otherwise facilitating any contract, instrument, or product that constitutes internet sports betting as defined by MCL 432.403(s), to any person located in Michigan or through any platform or channel accessible in Michigan;
2. Accepting deposits, stakes, considerations, or fees in connection with any such internet sports betting contracts from any person located in Michigan;
3. Advertising, promoting, marketing, or soliciting participation in any internet sports betting contract to persons located in Michigan or using a Michigan address, including via websites, mobile apps, email, push notifications, social media, influencers, affiliates, or paid placements;
4. Permitting account creation, verification, funding, or maintenance by any person for the purpose of accessing, viewing, trading, or settling internet sports betting; and

5. Designing, launching, or operating products that are functionally similar to internet sports betting, including but not limited to single-game bets, teaser bets, parlays, over-under, moneyline, pools, exchange betting, in-game betting, proposition bets, and straight bets for any persons located in Michigan.

In order to comply with this order, Defendant shall utilize a third-party geolocation services provider licensed by the State of Michigan Gaming Control Board capable of ensuring compliance with the geofencing specifications of the Michigan Gaming Control Board Technical Bulletin No. 2024-03.

Given that Defendant's failure to adequately geolocate may limit Plaintiff's ability to identify ill-gotten gains for the purpose of disgorgement, Defendant shall pay a fine of \$500,000 per day for each day that the Court finds Kalshi did not comply with the geolocation requirements of this order.

IT IS FURTHER ORDERED that, within three (3) business days of this Order being entered by the Court, Kalshi will provide a copy of this Order to every Futures Commission Merchant ("FCM") that makes sports event contracts processed on Kalshi's exchange available to the FCM's customers. Kalshi shall further provide such FCMs with the contact information for counsel of record for the State of Michigan in this Action. Because Kalshi does not control which FCM customers an FCM chooses to make sports event contracts available to, nor the platforms on which those sports event contracts are offered, and because information about where FCM's customers are located is in the possession of each FCM, Kalshi will not be held liable

for any action taken or not taken by an FCM that has been provided notice under this provision.

This order shall remain in effect until a final order has been issued in this case.

Approved as to form by:

/s/ Jason A. Geissler

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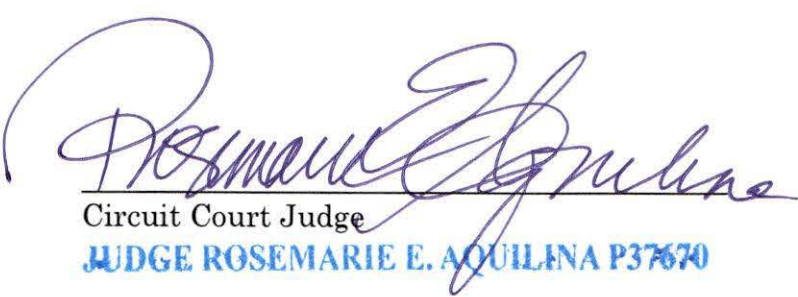
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01 Sept 20


Circuit Court Judge

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