



BAM Contract Terms and Conditions

Sample Question: Will [ballot measure] pass in [state] in [date]?

Product Code: BAM[state abbreviation]

Instructions: The official election results for [state] are published by the [state] election authority, after the state's certification process is complete. Each state has its own laws which dictate in what timeframe the official ballot measure results must be released. This contract is subject to early Resolution.

Underlying: The Ballot Measure Forecast Contract resolves based upon the outcome of a ballot measure in [state]. These official results will either list the outcome of the measure (Passed/Failed), or they will list the number of "Yes" and "No" votes, in which case the side with the greater number of votes is determined the winner. Resolution is based solely on the first official certification of results issued by the [state] election authority. If a recount is conducted prior to certification, the contract resolves according to the outcome of the final certified recount. If a measure is withdrawn before the vote or invalidated prior to certification, the contract resolves to "No". In the event of a tie, the contract resolves in accordance with state law, which in most jurisdictions results in the measure failing. Any subsequent litigation, legal challenges, or changes to the result after the first official certification will have no effect on the resolution of this contract. A list of each state's election authority and their websites can be found [here](#). Each state has different statutes and procedures that determine when and how official ballot measure results are released. Links are provided for informational purposes only and the source agency may decide to publish the data at a different location at any time.

Source Agency: The election authority of [state]

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

Listing Cycle: ForecastEx will list Contract expirations at its discretion.

Thresholds: For each Contract expiration, thresholds will be listed at ForecastEx's discretion.

Position Accountability: The position accountability level is 250,000 Contracts in any one Forecast Market.

Last Trading Time: Same as Resolution Time.

Payout Criteria: The Settlement Value of each Contract is \$1.00 or \$0.00 depending on the Outcome of the Contract. If the Outcome of the Contract is "Yes", then holders of the "Yes" Position will be entitled to receive the Settlement Value of \$1.00 per contract and holders of the "No" Position will receive \$0.00. If the Outcome of the Contract is "No", then holders of the "No" Position will be entitled to receive the Settlement Value of \$1.00 per contract and holders of the "Yes" Position will receive \$0.00.

Resolution Time: The time when the election authority of [state] releases their ballot measure election results.

Changes in Resolution Time: The Resolution Time of a Forecast Contract is dependent on the time that the Source Agency releases the Underlying data. There are circumstances in which ForecastEx will change the Resolution Time of a Contract as described below:

1. **Delay by Source Agency:** If the Source Agency delays the release of the underlying data required for Resolution, ForecastEx will delay the Resolution Time of the Contract until such data is released. In these circumstances, ForecastEx will release a public notice to its website informing Market Participants that the Resolution of the Contract has been delayed and release a second notice to its website informing Market Participants when the Contract is resolved.
2. **Change in Release Schedule:** ForecastEx sets the Resolution Time of each Contract based on either the published or anticipated release schedule of the Source Agency for the underlying data. If the Source Agency amends its release schedule or announces that it will publish the underlying data at a different time than anticipated, ForecastEx may, at its sole discretion, amend the Resolution Time of the Contract to match the updated release schedule when doing so is necessary to ensure the accurate and fair resolution of the contract. In these circumstances, ForecastEx will publish a public notice to its website informing Market Participants of the revised Resolution Time.
3. **Event Review Process:** In accordance with ForecastEx Rule 415, ForecastEx may, at its sole discretion, initiate the event review process prior to Settlement which may delay the Resolution of a Contract. In these cases, ForecastEx will publish a public notice to its website informing Market Participants that the Contract's Outcome is under review.
4. **Early Resolution:** If a Forecast Contract Resolves based on whether a specific event occurs before a defined point in time, it will be subject to early resolution. For these Contracts, if the Outcome of the contract becomes determinable prior to the scheduled Resolution Time – either because the event has occurred (resolving “Yes”) or because it can no longer occur (resolving “No”) – ForecastEx may, at its sole discretion, accelerate the Resolution Time of the Contract in accordance with ForecastEx Rule 413. Whether or not this Contract is subject to early resolution is specified in the Instructions section.

Expiration Time: Same as Resolution time.

Settlement Date: Unless the Outcome of the Contract is under review in accordance with ForecastEx Rule 415, Settlement of the Contract will occur no later than the day following Expiration Time.

Trading Restrictions: In Accordance with ForecastEx Rule 509(h), the following Persons are prohibited from entering Bids or executing Pairs in Ballot Measure Forecast Contracts:

- The sitting governor in [state], including a Governor not running for re-election.
- Any sitting statewide office holder in any state, including officeholders not running for re-election

- The existing US President, including a president not running for re-election, and paid White House Staff.
- Paid staff of a statewide officeholder in [state].
- Any elected state government official for [state] and any of their paid staff.
- Any election officials or poll workers in [state].
- Paid employees of national party organizations, including the Republican National Committee and Democratic Congressional Campaign Committee.
- Paid employees of Political Action Committees and “Super PACs”
- Paid employees of major polling organizations. This prohibition does not apply to all employees of an organization that contains a polling division.
- Immediate family members, parents, and other household members of any of the above.
- Any of the above listed institutions themselves.
- Any other person who is prohibited from trading Ballot Measure Forecast Contracts under ForecastEx Rule 509(h) even if they are not mentioned above.