

Contract Terms and Conditions

Event Question: Will the year-over-year change in the US Consumer Price Index exceed [#.#%] in [month][year]?

Product Code: CPIY

Instructions: The Monthly Consumer Price Index Report is published by the Bureau of Labor Statistics (“BLS”) every month for the prior calendar month. A schedule of release dates is available on the BLS website: [here](#), and the data is released at 07:30 AM CT.

Underlying: The Underlying is the Consumer Price Index for All Urban Consumers before seasonal adjustment. ForecastEx uses year-over-year percentage change in CPI-U before seasonal adjustment to resolve its Event Markets. The Underlying can be accessed: [here](#). Each month’s report is available at the following stable URL, which automatically displays the latest available report: [here](#). The Underlying is typically listed in the last sentence of the first paragraph of the monthly report under the heading “CONSUMER PRICE INDEX-[Month/Year]. ForecastEx only uses the initial release of CPI data to resolve its contracts. Any subsequent revisions to CPI data do not impact the Outcome of the Contracts. 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: BLS

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

Listing Cycle: ForecastEx will list eight expirations of CPI at any given time which will go out to a maximum of 24 months. ForecastEx will list the next three calendar month releases. After the third monthly contract, ForecastEx will list the three monthly releases corresponding to the end of each quarter (The March, June, September, and December CPI data releases). Finally, ForecastEx will list the two monthly contracts corresponding with the next June and December releases that follow the third quarterly release.

Thresholds: For each contract expiration, one threshold will initially be listed and additional thresholds will be listed at ForecastEx’s discretion.

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

Last Trading Time: 11:59:59 PM CT on the trading day preceding the Resolution Time.

Payout Criteria: The Settlement Value of each CPI Contract is \$1.00 or \$0 depending on the Outcome of the Event Question. If the Outcome of the Event Question 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 Event Question 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: 07:30 AM CT when BLS publishes the CPI.

Changes in Resolution Time: The Resolution Time of a Contract is dependent on the time that BLS releases CPI data. There are circumstances where ForecastEx may change the Resolution Time of a Contract.

1. **Delay by Source Agency:** In the event that the release of the CPI is delayed by BLS, for instance in a government shutdown, ForecastEx will delay the Resolution Time of the Contract until such time as the BLS releases the CPI data. In this case, ForecastEx would 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 ultimately resolves.
2. **Contracts with no currently scheduled release date:** The BLS generally publishes the release dates for CPI data up through the end of the current calendar year. ForecastEx will list multiple CPI contracts that have Resolution dates beyond the currently published schedule of releases. For these contracts, ForecastEx will approximate the Resolution Time based on the anticipated release schedule from BLS. Once BLS has published the release schedule, ForecastEx will update the Resolution Times of the contract if necessary and publish a public notice to its website informing Market Participants of the revised Resolution Time.

Expiration Time: Same as Resolution time.

Settlement Time: Settlement for Resolved CPI Contracts will occur after Resolution Time. Because Resolution Time is before 12:00 PM CT, Settlement for those CPI contracts will take place at 13:00 PM CT that same Business Day.