Daily Temperature Contract Terms and Conditions

Sample Question: Will the [highest/lowest/average] temperature in [region] [exceed/be below] [##] [C/F] on [date]?

Product Code: [“U” for Fahrenheit/“S” for Celsius][H/L/A][three letter region code]

Instructions: The climate observation data is updated on an ongoing basis by Weather Underground as new station observations are received and processed. This Contract resolves based solely on the final daily temperature values displayed in the Daily Observations data table described below for the applicable station and date, once the first temperature observation for any subsequent calendar day has been published, indicating that all observations for the date specified in the Contract have been completed and made available through Weather Underground’s historical data display. This Contract is not subject to early Resolution.

Underlying: The Daily Temperature Forecast Contract is resolved based upon the daily maximum, minimum, or average temperature, as specified in the Contract, reported in the Daily Observations table on Weather Underground for the specified station and city on the date listed in the Contract. The Underlying can be accessed here, where the climate observation data is available. To locate the resolution data, users may use the search bar to locate the relevant city and weather station. After selecting the relevant result, users are taken to the station or location page for the selected region. Users should select the History tab and then choose Daily, adjusting the date drop-down to ensure the data for the date listed in the Contract is shown in the table below. Browse the Daily Observations table to determine the highest or lowest recorded Temperature value. For Contracts resolving based on an average value, sum all temperature values throughout the day and divide by the number of observations.

Only the daily temperature values displayed in the Daily Observations table located within the History tab under the Daily view for the specified station and date shall be used to resolve the Contract. No other data, tables, graphs, or displays on Weather Underground’s website, or on any other weather service website or source, shall be used for Contract resolution. The current temperature reported on the Today tab of the Weather Underground’s website is not used for the Contract’s resolution. If individual intraday observations are missing or incomplete, the Contract will resolve based solely on the final daily temperature values published for the applicable station and date. Such values shall be deemed final once the first temperature observation for any subsequent calendar day has been published. If Weather Underground’s website is temporarily unavailable, Contract resolution will occur once access to the complete daily temperature data for the applicable station and date is restored. 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: Weather Underground

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: 11:59 PM local time on the date listed in the Contract.

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 at which the first temperature observation for any subsequent calendar day is published by Weather Underground for the applicable station.

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), persons are prohibited from participating in Daily Temperature Forecast Contracts if they: possess any material non-public information regarding the Contract, are employees of the Source agency, or are decisionmakers, who directly or indirectly have any influence on the Outcome of the Contract.