



FEDRO Contract Terms and Conditions

Sample Question: Will the [outcome] in the [date] election?

Product Code: FEDRO

Instructions: The Congressional Records are updated by Congress.gov at 9 AM CT following a House or Senate session. Electoral votes are counted on January 6th (unless it falls on a Sunday, in which case it will occur on the preceding Friday or following Monday). Congress.gov also updates the Members of Congress section each day at 7 AM CT and new members will be added January 4th following the election. This contract is subject to early resolution.

Underlying: The underlying is the outcome of the Senate, House, and Presidential elections, specifically denoting the political party that attains control of each respective branch. The list of Senators and Representatives at the convening of each Congress is published to Congress.gov the following business day and can be accessed [here](#). For the Senate and House of Representatives, the political party whose members control at least 51 seats and at least 218 seats respectively on January 3rd of the year following a Congressional election will hold a majority. Should the Senate be split, with 50 candidates representing each party, the party of the president-elect will be considered the majority as the Vice President holds the constitutional rule of President of the Senate and is authorized to cast a vote only to break a tie. For the Presidential election, the political party of the president-elect will be used to resolve this contract. This certification is published in the Congressional Record the following business day and can be accessed [here](#). Select the correct Congress from the top dropdown menu and then navigate to the Congressional Record release from the appropriate date. The “Declaration of the Election of President and Vice President” section will name the candidate with the most votes and therefore the new President. Party affiliation is not expressly written and will be obtained through public information. This contract will resolve prior to official certification if all of the following reputable news organizations, The Associated Press, The New York Times, and The Wall Street Journal, have each officially called the Presidential Race for the same candidate and unanimously declared outcomes for all House and Senate races, and there is no ongoing or formally announced recount, legal challenge, or other official proceeding that could reasonably affect the outcome. If these conditions are not met, the contract will remain open until they are satisfied or until official certification by the relevant authority. 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: United States Congress

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: 9:00 AM CT on January 7th of the year following the general election when the Congressional Record is published.

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 Federal Race Outcomes Forecast Contracts:

- Persons who are not either US Citizens or US Residents within the meaning of Internal Revenue Code (IRC) Section 7701(b)(1)(A).
- Candidates and paid staff on campaigns for US President or US Congress.
- Candidates for any other elected federal or statewide public office.
- The existing US President, including a president not running for re-election, and paid White House Staff.
- Existing Members of Congress and their paid staff.
- 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.
- Any of the above listed institutions themselves.
- Any other person with material non-public information about an election that is the subject of a FEDRO contract.
- Immediate family members, parents, and other household members of any of the above.