



GVR Contract Terms and Conditions

Sample Question: Will [candidate] ([party abbreviation]) be elected as the United States Governor for [state] in the [year] gubernatorial election?

Party abbreviation will be marked “D” for Democrat, “R” for Republican, and “I” for all independent or third-party candidates.

Product Code: GVR[two letter state abbreviation]

Instructions: The governor-elect is officially sworn in on Inauguration Day, which is typically early January, but the actual date can vary upon the state. The contract will settle for the specific state once the Governor is officially sworn into office. In addition, the publication time for election results varies by each state. This contract is subject to early Resolution.

Underlying: The underlying is the governor who is sworn into office at each state’s inauguration. The current governor of a state is published by that state’s government on their [state].gov website. 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 formally called the race for the same candidate, 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. In the event a candidate formally withdraws from the race, fails to file their candidacy by the applicable filing deadline, or is otherwise publicly confirmed as no longer seeking the office, the contract may be resolved to “No” at ForecastEx’s discretion. Early resolution under this provision may only occur if the withdrawal occurs at least 14 days prior to the election. If the candidate later re-enters or wins the election, the contract’s resolution will not change. The candidate determined to have won the election, regardless of whether they ultimately take office, shall be considered the winner for the purposes of this contract.

Source Agency: The State Government of the [state] in the Event Question

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 local time in the state capital of the state the day after the governor- elect is sworn in.

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, the following Persons are prohibited from entering Bids or executing Pairs in US Governor Race Contracts:

- Candidates for any elected federal or statewide public office.
- The existing U.S. President, including a president not running for re-election, and paid White House staff.
- Paid employees of national party organizations, including the Republican National Committee and Democratic Congressional Campaign Committee.
- Paid employees of Political Action Committees (PACs) 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).
- The existing Governor, including a Governor not running for re-election.
- Any state election officials.
- Paid staff of a statewide officeholder.
- Immediate family members, parents, and other household members of any of the above.
- Any of the above-listed institutions themselves.