HKCPI Contract Terms and Conditions

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

Product Code: HKCPI

Instructions: The Consumer Price Index ("CPI") is published by Hong Kong's Census and Statistics Department ("C&SD") data monthly between the 20th-23rd, for the previous month. A schedule of release dates is available on the website: here. The schedule can be filtered by month. The data is published 3:30 PM Hong Kong time which corresponds to 2:30 AM CT.

Underlying: The Underlying can be accessed: here. On the webpage, select the tab "Overview". Once the "Overview" tab is selected, the data can be found on the second line labeled "Composite Consumer Price Index (Year-on-year % change)". The current data will automatically be displayed directly to the right and expressed in percentage form. 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: Census and Statistics Department

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, five thresholds 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 day preceding 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: 2:30 AM CT when the C&SD publishes the CPI.

Changes in Resolution Time: The Resolution Time of a Contract is dependent on the time that the C&SD 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 the C&SD, ForecastEx will delay the Resolution Time of the Contract until such time as the C&SD 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 C&SD 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 the C&SD. Once the C&SD 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 Hong Kong CPI Contracts will occur after Resolution Time at 13:00 PM CT that same Business Day in accordance with ForecastEx Rule 603(b)(3).