



## METL Contract Terms and Conditions

**Sample Question:** Will the price of [metal] exceed \$[###.##] on [date]?

**Variables:** [metal]: The underlying precious metal referenced by the forecast contract. [###.##]: The numeric price threshold used to determine contract resolution. [date]: The resolution date on which the metal price is observed.

**Product Code:** METL[one character precious metal code]

**Instructions:** The CME Daily Settlement of the specified precious metal is published by the Chicago Mercantile Exchange, Inc. (“CME”)<sup>1</sup> and reflects settlement prices for CME-listed precious metals futures contracts. ForecastEx will reference the official daily settlement of the front month for each specified metal type. A schedule of futures settlement periods is available [here](#), and is uniform across metals referenced in this contract. The front month will roll over the last Thursday of every month. Settlement prices are determined by the Chicago Mercantile Exchange in accordance with its established daily settlement procedures for precious metal futures and are published for each trading day. The CME disseminates settlement data through its market data systems and authorized distribution channels. This Contract is not subject to early Resolution.

**Underlying:** The Precious Metal Forecast Contract is resolved based upon the official CME settlement price of the front-month futures contract for the specified metal, as determined at the close of trading on the resolution date, which reflects the final daily settlement value established by the exchange for the applicable precious metals futures contract on the relevant trading date, calculated pursuant to CME rules and methodologies governing daily settlements. The Underlying can be accessed [here](#). Select the relevant precious metal futures contract, access the “Settlements” section, select the applicable trading date, and identify the front month contract, with the settlement value listed under the “Settlement” column representing the Underlying. For Contract resolution purposes, only the settlement value of the front-month contract at the time of Contract expiration is considered, and no subsequent revisions or alternative contract months are used. Links are provided for informational purposes only, and the source agency may determine to publish the resolution data at a different location at any time.

**Source Agency:** Chicago Mercantile Exchange, Inc.

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

**Listing Cycle:** ForecastEx will list Contract expirations at its discretion.

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<sup>1</sup> Chicago Mercantile Exchange, and CME are registered marks of the Chicago Mercantile Exchange, Inc. ForecastEx is not affiliated with the Chicago Mercantile Exchange, Inc. and neither it, nor its affiliates, sponsor or endorse ForecastEx or its products in any way. In particular, Precious Metal Forecast Contracts are not sponsored, endorsed, sold, or promoted by the Chicago Mercantile Exchange.

**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:** 12:00 PM CT on the resolution date.

**Payout Criteria:** The Settlement Value of each Contract is \$1.00 or \$0.00 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.

**Incentive Coupon:** Forecast Contracts earn a monthly incentive coupon payment based upon the contract's daily settlement value. The minimum coupon rate earned on Forecast Contracts is described in Rule 612(c) of the ForecastEx Rulebook available [here](#). Some Members may pay their customers more than the minimum rate.

**Resolution Time:** 11:55 PM CT when the CME updates its settlements page.

**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 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 will

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 Time:** In accordance with ForecastEx Rule 603(b)(3), settlement will occur at 1:00 PM CT on the day of resolution if the Resolution Time is before 12:00 PM CT. If the Resolution Time is at or after 12:00 PM CT, settlement will occur at 1:00 PM CT the day following resolution.

**Trading Restrictions:** In accordance with ForecastEx Rule 509(h), persons are prohibited from participating in Precious Metal 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.