



MRT Contract Terms and Conditions

Sample Question: Will [month] [year] be the warmest [month] on record?

Product Code: MRT

Instructions: The Global Climate Report is published by the National Oceanic and Atmospheric Administration (“NOAA”) in the first half of the month at 10:00 am CT. Definitive release dates are determined no later than one week prior to a report's release and all public calendars will be updated accordingly. A schedule of releases are available: [here](#). This contract is not subject to early Resolution.

Underlying: NOAA publishes monthly rankings of temperature since 1850 (i.e. “Warmest December”). This contract resolves based on whether NOAA reports the reference month as the “1st Warmest,” month since 1850. The Underlying can be accessed: [here](#). Parameter should be set to “Average Temperature”, month and year should be set to the appropriate month and year, Region should be set to “Global,” and Surface set to “Land and Ocean.” After these settings are confirmed, select “Update”. The table below will show the temperature anomaly for the month as well as the rank of the month compared to previous months. From the top row of the table, labelled “1-month,” the underlying is shown in the “Rank” column as the “Warmest” ranking. If there are changes made to NOAA’s methodology that impact how the underlying is calculated, ForecastEx will use the data from the most recent up to date model to determine settlement. 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: NOAA

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: 10:00 am CT when NOAA publishes the Global Climate Report.

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.