Margin of Victory Contract Terms and Conditions

Sample Question: Will [candidate/party] win the [election] by more than [##] percentage points?

Variables: [candidate/party]: The specified candidate or political party whose margin of victory is being evaluated. [election]: The specified election in which the candidate or political party is participating. [##]: The percentage-point margin of victory threshold that the candidate or political party must exceed for the Contract to resolve to "Yes."

Product Code: [two letter candidate/party code][three letter election code]

Instructions: This Contract applies to US Senate, House, and Governor elections. Elections are conducted by the relevant election authorities and are generally held on dates established by law, with special, runoff, or other elections occurring as applicable. Official vote totals are reported and certified by the appropriate election authorities and made publicly available. The margin of victory for the specified candidate or political party is determined from the official certified election results published by the relevant election authority. This Contract is not subject to early Resolution.

Underlying: The Margin of Victory Forecast Contract is resolved based upon whether the candidate or political party wins the specified election by more than the applicable percentage-point margin, as reported by the relevant election authority. Resolution is determined from the official certified election results published by the relevant election authority or other publicly accessible government election reporting source.

The margin of victory is determined according to the applicable margin type. For percentage-point Contracts, the margin equals the official vote percentage received by the specified candidate or political party minus the official vote percentage received by the candidate, political party, or response option that finishes immediately behind it if it prevails under applicable election law, or the candidate or political party determined to prevail under applicable election law if it does not. For raw vote Contracts, the margin equals the official number of votes received by the specified candidate or political party minus the official number of votes received by the candidate, political party, or response option that finishes immediately behind it if it prevails under applicable election law, or the candidate or political party determined to prevail under applicable election law if it does not. For electoral vote Contracts, the margin equals the official electoral votes received by the specified candidate or political party minus the electoral votes received by the candidate, political party, or response option with the second-most electoral votes if it prevails under applicable election law, or the candidate, political party, or response option determined to prevail under applicable election law if it does not.

No rounding is applied when calculating the margin of victory. If the specified candidate or political party ties for first place, the margin of victory is zero. If the specified candidate or political party is the only candidate or response option in an uncontested election, the margin of victory equals 100 percentage points for percentage-point Contracts, the total number of votes cast for raw vote Contracts, or electoral Contracts. If the specified candidate or political party appears multiple times on the ballot under different party labels or

ballot lines, all votes attributable to that candidate or political party are aggregated before calculating the margin of victory. In jurisdictions that conduct nonpartisan primaries in which two or more candidates advance to a subsequent election, the margin of victory shall be determined solely from the results of the election identified in the Contract. A candidate or political party that advances but does not prevail under applicable election law shall have its margin calculated against the first-place finisher, rather than against the next-highest advancing candidate or any candidate that does not advance. If multiple government sources publish election results, the certified results published by the official election authority responsible for administering the election take precedence.

For Contracts referencing a political party, references to that party shall apply only in elections in which the applicable election law identifies a single candidate as representing that political party in the election identified in the Contract. If that party's nominee changes for any reason, including withdrawal, death, disqualification, or replacement under applicable election law, the Contract shall automatically apply to the replacement nominee officially recognized by the relevant election authority. ForecastEx will not list political party Contracts for elections in which the applicable election law permits multiple candidates affiliated with the same political party to compete in the election identified in the Contract, including nonpartisan top-two or similar election systems, unless the Contract expressly provides otherwise.

Unless the Contract specifically identifies a runoff, second-round, or special election, the Contract resolves solely based on the election identified in the Contract, regardless of whether a subsequent election is required to determine the ultimate officeholder. If the election is cancelled and no official successor election for the same office is held before Contract expiration, the Contract will resolve No. The Contract resolves based on the official certified results for the identified election, regardless of whether the specified candidate withdraws, suspends their campaign, or dies after ballots are finalized, provided the candidate remains included in the certified results. If the specified candidate or political party does not appear in the official certified results, the Contract shall resolve based on those official certified results, and the candidate or political party shall be deemed to have received zero votes, zero vote percentage, or zero electoral votes, as applicable.

Source Agency: The election authority of [state]. A list of State Election Authorities is provided at the end of this document.

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: 11:59 PM CT on the official canvassing deadline established by the relevant election authority.

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 Margin of Victory Forecast Contracts:

- Candidates for the covered office and any paid staff on those campaigns.
- The incumbent officeholder for the covered office, including incumbents not running for re-election, and any paid staff of that officeholder.

- Any election officials, poll workers, canvassing board members, or contractors directly involved in administering or certifying the race in the relevant jurisdiction.
- Paid employees of national party organizations, including the Republican National Committee and the Democratic National Committee, and their congressional and senatorial campaign committees.
- Paid employees of major polling organizations. This prohibition does not apply to all employees of firms that contain a polling division, only those who work in or support the polling division.
- Any person with material non-public information related to the conduct, tabulation, canvass, adjudication, or certification of the covered election.
- Immediate family members, parents, and other household members of any of the above.
- Any of the above listed institutions themselves.
- Any other person prohibited under ForecastEx Rule 509(h), even if not expressly listed here.

State Election Authorities: The list below identifies each state's official election authority that may be used for Contract Resolution.

- Alabama: Alabama Secretary of State Elections Division
- Alaska: Alaska Division of Elections
- Arizona: Arizona Secretary of State Elections Division
- Arkansas: Arkansas Secretary of State Elections Division
- California: California Secretary of State Elections Division
- Colorado: Colorado Secretary of State Elections Division
- Connecticut: Connecticut Secretary of the State Elections Division
- Delaware: Delaware Office of the State Election Commissioner
- Florida: Florida Secretary of State Elections Division
- Georgia: Georgia Secretary of State Elections Division
- Hawaii: Hawaii Office of Elections
- Idaho: Idaho Secretary of State Elections Division
- Illinois: Illinois State Board of Elections
- Indiana: Indiana Secretary of State Election Division
- Iowa: Iowa Secretary of State
- Kansas: Kansas Secretary of State Elections Division
- Kentucky: Kentucky Secretary of State
- Louisiana: Louisiana Secretary of State Elections Division
- Maine: Maine Secretary of State Elections Bureau
- Maryland: Maryland State Board of Elections
- Massachusetts: Massachusetts Secretary of the Commonwealth Elections Division
- Michigan: Michigan Secretary of State Elections Bureau
- Minnesota: Minnesota Secretary of State Elections Division
- Mississippi: Mississippi Secretary of State Elections Division
- Missouri: Missouri Secretary of State Elections
- Montana: Montana Secretary of State Elections
- Nebraska: Nebraska Secretary of State

- Nevada: Nevada Secretary of State Elections
- New Hampshire: New Hampshire Secretary of State
- New Jersey: New Jersey Secretary of State Division of Elections
- New Mexico: New Mexico Secretary of State
- New York: New York State Board of Elections
- North Carolina: North Carolina State Board of Elections
- North Dakota: North Dakota Secretary of State Elections
- Ohio: Ohio Secretary of State Elections Division
- Oklahoma: Oklahoma State Election Board
- Oregon: Oregon Secretary of State Elections Division
- Pennsylvania: Pennsylvania Department of State Elections
- Rhode Island: Rhode Island Secretary of State Elections Division
- South Carolina: South Carolina State Election Commission
- South Dakota: South Dakota Secretary of State Elections
- Tennessee: Tennessee Secretary of State Elections Division
- Texas: Texas Secretary of State Elections Division
- Utah: Utah Lieutenant Governor Elections Office
- Vermont: Vermont Secretary of State Elections
- Virginia: Virginia State Board of Elections
- Washington: Washington Secretary of State Elections Division
- West Virginia: West Virginia Secretary of State Elections
- Wisconsin: Wisconsin Elections Commission
- Wyoming: Wyoming Secretary of State Elections