



## **PRES Contract Terms and Conditions**

**Event Question:** Will [candidate] win the US Presidential Election in [year]?

**Product Code:** PRES[last name initial of candidate]

For example, a contract on whether Kamala Harris will win the Presidency would have the product code PRESKH

**Instructions:** The US President is chosen through a process that begins with a national election held every four years. Citizens vote in the general election, which determines the electors for the Electoral College, a group of representatives from each state. Each state's number of electors is equal to its total number of Senators and Representatives in Congress. The candidate who wins the majority of electoral votes—at least 270 out of 538—is elected President. The general election is held on the first Tuesday in November of the election year, unless the first Tuesday is November 1<sup>st</sup>, in which case the election is held on the second Tuesday. On January 6<sup>th</sup> of the year following the election, there is a joint session of the US Congress where the results of the election are certified. This certification is widely publicized and is published in the Congressional Record the following business day at 9:00AM CT. This contract is not subject to early Resolution.

**Underlying:** The underlying is the candidate who is certified the winner of the presidential election by the US Congress during the January 6<sup>th</sup> joint session. This certification is published in Congressional Record the following business day. The Congressional Record can be accessed [Here](#). Select the correct Congress from the top dropdown menu and then navigate to the Congressional Record release from the appropriate date. The Congressional Record is the official transcript of debates, speeches, and proceedings in the U.S. Congress. It provides a comprehensive and verbatim account of legislative activities. The above link is provided for informational purposes only, the US Government may determine to publish the Congressional Record in a different location at any time.

**Source Agency:** United States Congress

**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 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:** 9:00AM CT on January 7<sup>th</sup> of the year following the general election when the Congressional Record is published.

**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, the following Persons are prohibiting from

entering Bids or executing Pairs in US Presidential Election Contracts:

- Non-US Residents
- Candidates and paid staff on campaigns for US President.
- Candidates for any other elected federal or statewide public office.
- The existing US President, including a president not running for re-election, and paid White House Staff.
- Existing Members of Congress and their paid staff.
- Paid employees of national party organizations, including the Republican National Committee and Democratic Congressional Campaign Committee.
- Paid employees of Political Action Committees 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.
- Immediate family members, parents, and other household members of any of the above.
- Any of the above listed institutions themselves.