



Index Metrics Contract Terms and Conditions

Sample Question: Will [metric] of [index] exceed [###] on [date]?

Product Code: [four letter index code][one letter metric code]

Instructions: Annual Form 10-K and quarterly Form 10-Q reports are published by component index companies on an ad hoc basis and are filed with the U.S. Securities and Exchange Commission (“SEC”) through the EDGAR system. For settlement purposes, ForecastEx will use the most up-to-date eligible filing available for each constituent at the time of contract expiration. An eligible filing is any Form 10-K or Form 10-Q with a filing date on or before the date specified in the contract, and ForecastEx will wait until 5:00 PM CT on the second business day following the specified date to allow for publication on EDGAR.

Metric data will be evaluated at the quarterly level. If the most recent eligible filing is a Form 10-Q, the quarterly value will be taken directly from that report. If the most recent eligible filing is a Form 10-K, the applicable quarterly value will be calculated as the annual value reported in the 10-K minus the values reported in the previous three Forms 10-Q. This contract is not subject to early resolution.

Underlying: The underlying is the specified financial metric of the specified index as of the date listed in the Contract. ForecastEx resolves the Index Metrics Forecast Contracts using company disclosures in Forms 10-Q and 10-K filed with the SEC, combined with official exchange market data. Constituents are determined based on the membership of the specified index as of the close of trading on the date listed in the Contract. For purposes of this contract, sector classifications are determined in accordance with the Global Industry Classification Standard (“GICS”) as in effect on the date listed in the Contract.

For each contract date, constituents shall be determined based solely on the official membership of the specified index as of the close of trading on that date, and only such constituents shall be included in the index-level calculation. If a constituent is acquired by another constituent of the index, the acquired company’s most recent eligible Form 10-Q or Form 10-K filing metrics shall continue to be included in the index-level calculation and shall be attributed to the sector of the acquiring constituent from and after the effective date of the acquisition. This treatment shall apply only until the acquiring constituent files a subsequent eligible Form 10-Q or Form 10-K reflecting the consolidated financial results of the combined entity, after which only the acquiring constituent’s filing shall be used and the acquired company shall no longer be included separately. For example, if Company A (a constituent) is acquired by Company B (also a constituent), Company A’s most recent eligible filing metrics shall be temporarily attributed to Company B’s sector until Company B files its next consolidated Form 10-Q or Form 10-K.

If a constituent is acquired by a company that is not a member of the specified index but is a member of a different index, the acquired company shall be included in the calculation only through the last contract date on which it remains an official constituent of the specified index, and from and after its removal shall be excluded from this index and included in the calculation of the acquiring company’s index in accordance with the membership and calculation rules of that index.

If a constituent files for bankruptcy, is delisted, is privatized, completes a spin-off, or is otherwise removed from the index, it shall be included in the calculation only for contract dates on which it remains an official index constituent, and shall be excluded from all subsequent contract dates following its removal.

All share prices are taken from the official closing price on the primary exchange as of the close of trading on the date specified in the Contract.

If a constituent issuer has more than one publicly traded ticker representing the same underlying company and consolidated financial statements (e.g., GOOG and GOOGL), only one ticker shall be included in the applicable sector index for purposes of calculation. The designated ticker for inclusion shall be specified in the index components table, which will be updated as necessary.

The [metrics] that can be used in Index Metrics Forecast Contract are described below:

- **Revenue:** Sum of revenue reported across all constituents.
- **Earnings per Share (“EPS”):** Sum of diluted earnings per share across all constituents.
- **Earnings:** Sum of EPS multiplied by shares outstanding across all constituents.
- **Market Capitalization:** Sum of company’s common shares outstanding multiplied by closing share price across all constituents
- **P/E Ratio:** Sum of index market capitalization divided by the sum of index earnings.
- **Profit Margin:** Sum of index earnings divided by the sum of index revenue.

Source Agency: ForecastEx

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: 5:00 p.m. Central Time on the second business day following the date specified in the Contract.

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), persons are prohibited from participating in Index Metrics 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.