

Product Submission by ForecastEx LLC – Pursuant to 17 C.F.R. §§ 40.2

July 26, 2024
SUBMITTED VIA CFTC PORTAL
Secretary of the Commission
Office of the Secretariat
U.S. Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: ForecastEx LLC – CFTC Regulation 40.2(a) Notification Regarding the Initial Listing of “US Temperature Event Market”

Dear Mr. Kirkpatrick,

Pursuant to Section 5c(c) of the Commodity Exchange Act and Section 40.2(a) of the regulations of the Commodity Futures Trading Commission, ForecastEx LLC (“ForecastEx” or the “Exchange”) hereby notifies the Commission that it is self-certifying the US Temperature Event Market. ForecastEx will list an Event Market corresponding to each yearly release of the contiguous United States temperature report by the National Centers for Environmental Information (“NCEI”) within the National Oceanic and Atmospheric Administration (“NOAA”).

The submission includes:

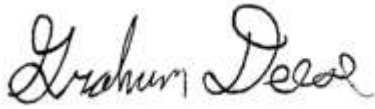
A concise explanation, analysis and background of the Contract;

- Certification;
- Appendix A with the Contract’s Terms and Conditions;
- Confidential Appendices with further information; and
- A request for FOIA confidential treatment.

The Exchange certifies that this submission (other than those appendices for which confidential treatment has been requested) has been concurrently posted on the Exchange’s website.

Any questions regarding this filing, as well as any notices pursuant to Commission Regulation 40.2, should be directed to the attention of the undersigned at gdeese@forecastex.com or 630-743-9013.

Respectfully submitted,

A handwritten signature in black ink that reads "Graham Deese". The signature is written in a cursive, flowing style.

Graham Deese
ForecastEx Chief Regulatory Officer

Encl. (Appendix A)

cc: David Downey, ForecastEx Chief Executive Officer
Andrew Naughton, ForecastEx Chief Financial Officer

Attachments:

Appendix A - Contract Terms and Conditions

Appendix B (Confidential) – Explanation and Analysis of the Product

Appendix C (Confidential) – Certification that Contracts are not Readily Susceptible to Manipulation

Appendix A – Contract Terms and Conditions

Event Question: Will the average US Temperature in [year] be greater than [Fahrenheit # F]([Celsius # C])?

Product Code: UST

Instructions: The US Average Annual Temperature is published by the National Oceanic and Atmospheric Administration (“NOAA”) in the second week of January 10AM CT. A schedule of release dates are available: [here](#). Definitive release dates are determined no later than one week prior to a report's release and all public calendars will be updated accordingly.

Underlying: The Underlying can be accessed: [here](#). The table under the heading “Contiguous U.S.” shows the annual average US temperature for previous years. ForecastEx’s Event Question lists the threshold in both Celsius and Fahrenheit for convenience only. Average US temperature is reported by NOAA in Fahrenheit. Only Fahrenheit is used to determine the contract’s resolution. 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 US Average Annual Temperature contracts for the current, and next two consecutive years. After the third annual contract, Forecast will list contracts for the next two years that end in a 5 or 0 (i.e. 2030 and 2035).

Thresholds: For each contract expiration, one threshold will initially be listed and additional thresholds will be listed at ForecastEx’s discretion.

Position Accountability: The position accountability level is 250,000 Event Positions in any one Event Market

Last Trading Time: 11:59:59 PM CT on the trading day preceding the Resolution Time.

Payout Criteria: The Settlement Value of each US Average Annual Temperature Contract is \$1.00 or \$0 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.

Resolution Time: 10:00 AM CT when NOAA publishes the annual US Average Annual Temperature data.

Changes in Resolution Time: The Resolution Time of a Contract is dependent on the time that NOAA releases US Average Annual Temperature data. There are circumstances where ForecastEx may change the Resolution Time of a Contract.

1. **Delay by Source Agency:** In the event that the release of the US Average Annual Temperature is delayed by NOAA, ForecastEx will delay the Resolution Time of the Contract until such time as the NOAA releases the US Average Annual Temperature data. Should this occur, ForecastEx would 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 ultimately resolves.
2. **Contracts with no currently scheduled release date:** The NOAA generally publishes the release dates for US Average Annual Temperature data up through the end of the current calendar year. ForecastEx will list multiple US Average Annual Temperature contracts that have Resolution dates beyond the currently published schedule of releases. For these contracts, ForecastEx will approximate the Resolution Time based on the anticipated release schedule from NOAA. Once NOAA has published the release schedule, ForecastEx will update the Resolution Times of the contract if necessary and publish a public notice to its website informing Market Participants of the revised Resolution Time.

Expiration Time: Same as Resolution time.

Settlement Time: Settlement for Resolved US Average Annual Temperature Contracts will occur after Resolution Time at 13:00 PM CT that same Business Day in accordance with ForecastEx Rule 603(b)(3)