

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

August 14, 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 Government Shutdown Forecast Contract”

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 Government Shutdown Forecast Contract”. ForecastEx will list a Forecast Contract corresponding to each expiration of Federal appropriations.

The submission includes:

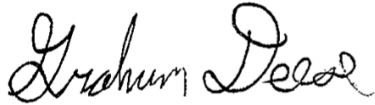
A concise explanation, analysis and background of the Contract;

- 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 US Government enter a partial or full shutdown on [date]?

Product Code: USGS

Instructions: A partial or full shutdown of the US Government occurs when Congress is unable to pass one or more appropriations bills before the date that the previous appropriations expire. When a shutdown occurs, many agency actions cease and all non-essential personnel of the Federal Government are furloughed.

Underlying: The Underlying is the operating status of the US Government, and can be accessed [here](#). In the event of a partial or full government shutdown, this status indicator will display, “Status: Due to a Lapse in Appropriations, Federal Government Operations Vary by Agency”. 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: US Office of Personnel Management (“OPM”).

Minimum Tick: The Minimum Tick size for the referred Contract shall be \$0.01

Listing Cycle: ForecastEx will list an expiration corresponding with the currently scheduled date for the expiration of Federal Appropriations.

Thresholds: For each contract expiration, one threshold will be listed.

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

Last Trading Time: 3:59:59 PM CT on the trading day of Resolution Time.

Payout Criteria: The Settlement Value of each US Government Shutdown 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.

Changes in Resolution Time: The Resolution Time may change due to an act of Congress averting a Government Shutdown. In the event that the United States Congress passes legislation which extends appropriations beyond the expiration date of the Forecast Contract, ForecastEx will resolve the contracts by accelerating the Resolution Time in accordance with Rule 413(b). In this case, ForecastEx would release a public notice to its website informing Market Participants that the Resolution of the Contract has been expedited.

Resolution Time: 11:01:00 PM CT on the day prior to the date indicated in the Event Question.

Settlement Time: Settlement for Resolved US Government Shutdown Contracts will occur after Resolution Time at 13:00 PM CT the following Business Day in accordance with ForecastEx Rule 603(b)(3).