

ERUPT

Scope: These rules shall apply to this contract.

Underlying: The Underlying for this Contract is eruption activity at <volcano> after Issuance and before <date>. Revisions to the Underlying made after Expiration will not be accounted for in determining the Expiration Value.

Source Agency: The Source Agencies are the volcano monitoring agency with primary responsibility for <volcano>, the Global Volcanism Program of the Smithsonian Institution, The New York Times, the Associated Press, Bloomberg News, Reuters, Axios, The Washington Post, The Wall Street Journal, ABC, CBS, CNN, Fox News, MSNBC, and NBC.

Type: The type of Contract is an Event Contract.

Issuance: After the initial Contract, Contract iterations will be listed on an as-needed basis at the discretion of the Exchange and corresponding to the risk management needs of Members.

<volcano>: <volcano> refers to a specific volcano as designated by the Exchange. The Exchange may list iterations of the Contract corresponding to different volcanoes globally.

<date>: <date> refers to a calendar date specified by the Exchange. The Exchange may list iterations of the Contract corresponding to variations of <date>.

Payout Criterion: The Payout Criterion for the Contract encompasses the Expiration Values that <volcano> has produced a new eruption after Issuance and before <date>.

For purposes of this Contract, a "new eruption" is defined as:

- The commencement of eruptive activity following a period of at least 30 days without any eruptive activity (including lava flows, explosive activity, or ash emissions exceeding 500 meters above the crater rim); OR
- A significant escalation in eruptive activity that is classified by the primary monitoring agency as a new eruptive phase or episode, distinct from ongoing background activity.

Continuous or intermittent activity that is part of an ongoing eruption that began before Issuance does not constitute a new eruption. Minor gas emissions, fumarolic activity, or volcanic tremor without surface eruption do not meet the Payout Criterion.

Examples that would resolve the market to Yes:

- Kilauea begins erupting after being quiet for 45 days
- Mt. Etna produces a new flank eruption from a previously inactive vent
- A volcano monitoring agency reports the start of a new eruptive phase

Examples that would NOT resolve the market to Yes:

- Ongoing lava lake activity at Kilauea that has been continuous since before Issuance
- Regular Strombolian activity at Mt. Etna's summit craters if such activity was occurring at Issuance
- Increased seismic activity or ground deformation without surface eruption
- Steam plumes or minor gas emissions
- Phreatic eruptions

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

Position Accountability Level: The Position Accountability Level for the Contract shall be \$25,000 per strike, per Member.

Last Trading Date: The Last Trading Date of the Contract will be the day prior to <date>. The Last Trading Time will be 11:59 PM ET.

Settlement Date: The Settlement Date of the Contract shall be no later than the day after the Expiration Date, unless the Market Outcome is under review pursuant to Rule 7.1.

Expiration Date: The latest Expiration Date of the Contract shall be one week after <date>. If an event described in the Payout Criterion occurs, expiration will be moved to an earlier date and time in accordance with Rule 7.2.