BITNOMIAL

May 29, 2026
BY ELECTRONIC FILING
Mr. Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: BTNL 2026-64 - Self-Certification Pursuant to CFTC Regulation 40.6 – Updates to Rules 101 and 502 to Eliminate Expiration on Perpetual Futures Contracts, Rule 509 Clarification, and Website Update

Dear Mr. Kirkpatrick:

Bitnomial Exchange, LLC and Bitnomial Clearinghouse, LLC (collectively, "Bitnomial") hereby submit for self-certification to the Commodity Futures Trading Commission (the "Commission" or "CFTC"), under Commission regulation 40.6(a), the following updates to the Bitnomial Rulebook. Bitnomial has determined to update rules *101 Definitions* and *502 Contracts Offered.* These changes apply to Bitnomial perpetual futures contracts. The underlying products are subject to deep, active, and continuous spot market trading with sufficient liquidity to prevent manipulation. Bitnomial also offers traditional futures based on the price of the underlying digital asset of each perpetual futures contract. Rule 509 is also updated to clarify the definition of the settlement period. Additionally, Bitnomial's Digital Asset Perpetual Pricing documentation has been updated on Bitnomial's website. These updates will become effective on June 12, 2026.

Exhibit 1: Redline changes to Bitnomial's Rulebook and website; and
Exhibit 2: List of Bitnomial Contracts Subject to Rule Changes.

Core Principle Compliance
Bitnomial will continue to comply with all designated contract market ("DCM") and derivatives clearing organization ("DCO") Core Principles. Bitnomial has reviewed the Core Principles as set forth under Section 5 of the Commodity Exchange Act, as amended (the "Act"), and determined that the Rulebook and procedure updates may have some bearing on the following DCM and DCO Core Principles:

Core Principle 3 - *Contracts Not Readily Subject to Manipulation*: These changes comply with Core Principle 3. The underlying products are subject to deep, active, and continuous spot market trading with sufficient liquidity to prevent manipulation.

Core Principle 4 - *Prevention of Market Disruption*: These changes comply with Core Principle 4 and CFTC Regulation 38.251, which expressly provide that a DCM must adopt and implement rules governing market participants subject to its jurisdiction to prevent, detect, and mitigate market disruptions or system anomalies associated with electronic trading.

Core Principle 5 – *Position Limitations or Accountability*: These changes comply with Core Principle 5 which requires limits or accountability levels, exemption standards, aggregation rules, and surveillance to prevent excessive speculation and manipulation.

Core Principal 7 - *Availability of General Information:* Notification of the rule updates has been posted to https://bitnomial.com/exchange/regulatory in compliance with this Core Principal.

Core Principal 12 - *Protection of Markets and Market Participants:* The rule updates will have no impact on Bitnomial's duties to protect its markets and market participants from abusive, disruptive, fraudulent, noncompetitive and unfair conduct and trade practices.

Core Principal 18 - *Recordkeeping:* Bitnomial is committed to its duties to maintain records pertaining to trading in a manner that satisfies the relevant criteria set forth in §1.31 of the Commission's Regulations.

Core Principal 20 - *System Safeguards:* All trading activity will be subject to Bitnomial system safeguards. All trading is subject to risk analysis and oversight to identify and minimize operational risk.

Core Principle 21 - *Financial Resources:* The rule updates will not impact the Bitnomial's ability to discharge its financial, operational, or managerial responsibilities as a DCM.

Core Principle B - *Financial Resources*: Bitnomial will continue to maintain adequate financial resources to discharge its responsibilities as a DCO.

Core Principle C – *Participant and Product Eligibility*: The amended rules continue to comply with DCO Core Principle C by maintaining comprehensive admission and continuing eligibility standards for all Clearing Members, including minimum financial standing, operational capability, and compliance with applicable CEA and CFTC requirements.

Core Principle D - *Risk Management*: The changes continue to ensure Bitnomial's ability to manage the risks associated with discharging the responsibilities of a DCO, including limiting exposure to potential losses from defaults, and maintaining margin requirements sufficient to cover potential exposures in normal market conditions.

Core Principle E - *Settlement Procedures*: Bitnomial will continue to complete money settlements on a timely basis to reduce risk exposure.

Core Principle F - *Treatment of Funds*: This core principle ensures DCOs properly manage and protect funds held on behalf of Clearing Members and their customers. Bitnomial's updates continue to require Bitnomial to manage and protect all margin payments.

Core Principle L - *Public Information*: Bitnomial is publicly posting this self-certification letter on its website to ensure that market participants receive advance notice of this update.

Certification

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), Bitnomial certifies that these changes comply with the Act and regulations thereunder. Bitnomial is not aware of any opposing views to these changes.

Bitnomial certifies that a copy of this submission has been concurrently posted on Bitnomial's website at https://bitnomial.com/exchange/regulatory.

If you have any questions or require further information, please contact the undersigned at james.walsh@bitnomial.com.

Sincerely, /s/

James A. Walsh
Chief Regulatory Officer
Bitnomial Exchange, LLC
Chief Compliance Officer
Bitnomial Clearinghouse, LLC

Exhibit 1

Bitnomial Exchange, LLC & Bitnomial Clearinghouse, LLC

Rulebook Changes

Rule 101: Definitions

- **Block Trade**: means a privately negotiated transaction in a Contract that meets certain quantity thresholds and that is permitted to occur away from the Exchange and reported in accordance with Rule 505.
- **Board**: means the Board of Directors of the Exchange and the Clearinghouse, which serves as a single governing body for both entities.
- **Board of Appeals**: means a panel comprised of a chair and two individuals appointed by the Board to consider appeals under Chapter 6.
- **Board of Trade**: means a board of trade as defined in CEA Section 1a(6) that has been approved by the Clearinghouse for the submission of Contracts for clearing, including the Exchange.
- **Business Day**: means any day on which the Exchange and Clearinghouse are open for trading and clearing.
- **CEA**: means the Commodity Exchange Act, as amended from time to time.
- **CFTC**: means the U.S. Commodity Futures Trading Commission or any successor agency.
- **CFTC Rules**: means the rules, regulations and orders of the CFTC, as amended from time to time.
- **Chair**: means the Chair of the Board.
- **Chief Executive Officer**: means the individual appointed by the Board to serve as the chief executive officer.
- **Chief Regulatory Officer**: means the individual appointed by the Board to serve as the chief regulatory officer.
- **Clearinghouse**: means Bitnomial Clearinghouse, LLC, a Delaware limited liability company registered by the CFTC as a derivatives clearing organization that is designated by the Exchange to provide clearing services with respect to any or all of the Contracts.
- **Clearinghouse Official**: means any Officer or Employee of the Clearinghouse and any member of the Board, a committee established by the Board, a Hearing Panel or Board of Appeals.
- **Clearing Member**: means an entity meeting the requirements of, and approved for, clearing membership at the Clearinghouse pursuant to Rule 803 that is authorized pursuant to the Rules to clear Contracts.
- **Clearing Member Agreement**: means an agreement between the Clearinghouse and a Clearing Member which must be signed in order for a Clearing Member to have access to the Clearinghouse for clearing services with respect to any or all of the Contracts.
- **Close-Out Value**: has the meaning set forth in Rule 818.
- **Collateral**: means such property as may be delivered by a Clearing Member to the Clearinghouse as collateral for the obligations of such Clearing Member to the Clearinghouse (including but not limited to Initial Margin and Variation Margin), and all proceeds of the foregoing and all proceeds of any of the foregoing, held in or for the accounts of a Clearing Member in connection with the financial obligations of such Clearing Member, however created, arising or evidenced, whether direct or indirect, absolute or contingent, existing, due or to become due. A list of Collateral accepted by the Clearinghouse is available on the Website.
- **Compliance Department**: has the meaning set forth in Rule 602.
- **Contract**: means any contract, agreement, or transaction approved for trading on the Exchange or for clearing by the Clearinghouse and pursuant to the Rules.
- **Contract Specifications**: means the descriptions of the contractual items for each Contract as set forth in the document available on the Website.

- **CPT**: means Central Prevailing Time.
- **Customer**: means any Person for whom a Participant carries an account (other than such Participant or any of its affiliates) or from whom a Participant solicits or accepts an order.
- **Customer Account**: means an account established by a Clearing Member with the Clearinghouse in which the Clearing Member maintains trades, positions and Margin solely for Customers of the Clearing Member.
- **Daily Settlement Price**: means the price for each Contract supplied by the Board of Trade to the Clearinghouse at the end of each trading day. For Exchange Contracts, has the meaning set forth in Rule 509.
- **Director**: means an individual serving on the Board.
- **Disciplinary Action**: has the meaning set forth in Rule 601.
- **Disciplinary Committee**: means a function of the Compliance Department to fulfill various adjudicative responsibilities and duties described in Rule 602.
- **Emergency**: means the occurrences or circumstances which, in the opinion of the Board, require immediate action to be taken in accordance with Rule 213.
- **Exchange**: means Bitnomial Exchange, LLC, a Delaware limited liability company designated by the CFTC as a designated contract market.
- **Exchange Official**: means any Officer or employee of the Exchange and any member of the Board, a committee established by the Board, a Hearing Panel or Board of Appeals.
- **Expiry**: means the Contract date of expiration.
- **FCM**: means a futures commission merchant as defined in the CEA and CFTC Rules and registered with the CFTC as such.
- **Fully Collateralized Swap**: means a swap contract cleared by the Clearinghouse that requires the Clearinghouse to hold, at all times, funds in the form of the required payment sufficient to cover the maximum possible loss that a party or counterparty could incur upon liquidation or expiration of the contract, as defined in 17 CFR § 39.2.
- **FDICIA**: has the meaning set forth in Rule 818.
- **Final Settlement Price**: means the price for each Contract supplied by the Board of Trade to the Clearinghouse as the Final Settlement Price for the Expiry. For Exchange Contracts, has the meaning set forth in Rule 509.
- **Governmental Authority**: means any domestic or foreign government (or political subdivision), governmental or regulatory authority, agency, court, commission or other governmental or regulatory entity (including any Self-Regulatory Organization).
- **Guaranty Fund**: means fund comprising the monies, securities and instruments capitalized by Clearinghouse, which fund shall be used as provided in Rule 815 to reimburse the Clearinghouse for losses sustained by the Clearinghouse as a result of the failure of any Clearing Member to discharge its financial obligations in accordance with the Rules.
- **House Account**: has the meaning set forth in CFTC Rule 39.2.
- **Initial Margin**: means the initial amount of Collateral that must be deposited with or paid to the Clearinghouse by Clearing Members in accordance with the Rules as a performance bond in respect of the Contracts held in any house account and customer accounts of such Clearing Members.
- **Investigation Team**: means a group within the Compliance Department, whose function is to fulfill the investigative and enforcement responsibilities described in Rule 602.
- **Last Trading Day**: means the last day a Contract may be traded as defined in Rule 502.

- **Liquidity Event**: has the meaning given to it in Rule 809.
- **LLC Agreement**: means the Limited Liability Company Agreement of the Exchange and Clearinghouse as amended or restated from time to time.
- **Margin**: means Initial Margin and Variation Margin or either of them.
- **NFA**: means the National Futures Association.
- **Official**: means an Exchange Official and a Clearinghouse Official.
- **Officer**: has the meaning given to it in Rule 203.
- **Order**: means any order to buy or sell a Contract on or subject to the Rules of the Exchange.
- **Participant**: means an entity that has signed the Participant Agreement for purposes of entering into Contracts for its own account or accesses the Exchange on behalf of a Customer. In addition, a Clearing Member who does not enter into Contracts for its own account shall be deemed to be a Participant hereunder solely for the purpose of accessing the Exchange in order to liquidate Contracts and any resulting positions previously submitted to the Clearinghouse for the account of such Clearing Member on behalf of a Participant that is in default for failure to perform its obligations to the Exchange or such Clearing Member (to the extent applicable).
- **Participant Agreement**: means an agreement between the Exchange and a Participant which must be signed in order for a Participant to have access to the Exchange for the execution of trades involving commodity derivative products and related financial instruments.
- **Perpetual Futures**: means a perpetual-term futures contract~~with a quarter-century expiration~~ that is perpetually priced, margined, and settled every eight (8) hours based on the ~~implied spot~~index price~~of the Settlement Price futures contract,~~ as specified in the product specifications.
- **Person**: means an individual, sole proprietorship, partnership, limited liability company, association, firm, trust, corporation or other entity, as the context may require.
- **Position Transfer**: means a transaction in a Contract(s) that is executed by the Exchange or the Clearinghouse personnel for administrative purposes outlined in Rule 507.
- **Price Bands**: mean a price range for aggressive orders based on the last top-of-book price as defined in Rule 504.3.1.
- **Price Limits**: mean a price range at which new Orders will be accepted as defined in Rule 504.3.2.
- **Public Director**: means a Director having the qualifications set out in Rule 202.
- **Regulatory Services Agreement**: means the agreement(s) between the Exchange or the Clearinghouse and the Regulatory Service Provider(s) whereby certain functions mandated under the CEA, such as market monitoring and trade practice surveillance, are delegated to the Regulatory Services Provider(s).
- **Regulatory Services Provider**: means NFA and such other organizations, if any, that provide regulatory services to the Exchange or the Clearinghouse, together with any such organization's employees and agents.
- **Requirements**: means the Rules; other requirements implemented by the Exchange or the Clearinghouse pursuant to the Rules; each term of a Contract; and the documentation and other contractual obligations between a Participant (including its Authorized Users) and the Exchange or a Clearing Member and the Clearinghouse.
- **Respondent**: means a Participant or Clearing Member under investigation for alleged Rule violation(s) or against which charges have been filed.
- **Rule**: means any rule, interpretation, stated policy, or instrument corresponding to any of the foregoing, including these Rules, in each case as adopted from time to time by the Exchange or the Clearinghouse.

- **Self-Regulatory Organization**: has the meaning given to such term in CFTC Rule 1.3(ee) and includes a derivatives clearing organization that is registered as such with the CFTC.
- **Settlement Bank**: means a bank that maintains an account either for the Clearinghouse or for any of its Clearing Members, which is used for the purpose of any settlement activity described in 17 CFR § 39.14.
- **Settlement Facility**: means a facility authorized by the Exchange for the delivery or transfer of underlying assets for physically settled Contracts. For delivery of Digital Asset futures, the Settlement Facility is Bitnomial Settlement, LLC, or any successor organization authorized by the Exchange. Bitnomial Settlement, LLC is authorized by the Exchange and not licensed, approved, or registered with the CFTC. For delivery of Digital Asset spot, the Settlement Facility is Bitnomial Clearinghouse, LLC.
- **Settlement Price**: means the price for each Contract supplied by the Board of Trade to the Clearinghouse at the end of each trading day (Daily Settlement Price) or at the end of the Final Settlement Period on the expiration day of the Contract (Final Settlement Price).
- **Surveillance Team**: means the group within the Compliance Department that is responsible for real-time and post-trade surveillance of the Exchange's trading systems, as described in Rule 602.
- **Trade Risk Limit**: has the meaning set forth in Rule 504.
- **Trading Account**: means a trading account to be separately tracked and margined by a Participant's Clearing Member.
- **Trading Account ID**: means an Exchange assigned ID that represents a Trading Account for use by the Clearinghouse and its Clearing Members.
- **Market Hours**: means, for any Business Day, the hours specified on the trading calendar on the Website and the hours specified in Rule 501.
- **Transaction**: means a Contract executed on a Board of Trade.
- **Variation Margin**: means on the Business Day a Contract has been accepted for clearing by the Clearinghouse, the difference between the price at which such Contract was bought or sold and the Settlement Price for such Contract; obligations to pay, as applicable, any settlement variation payment and other Contract-related payments due including options premiums and upfront fees; and thereafter, the difference, as applicable, between: the Settlement Price on a given Business Day and the preceding Settlement Price for such Contract, or the price at which such Contract was closed on the books of the Clearinghouse and the preceding Settlement Price for such Contract.
- **Website**: means bitnomial.com/exchange.

Rule 502: Contracts Offered

1. **Contracts/Expiries**. Contract Specifications are set forth on the Website. Contract Specifications are subject to revision or amendment from time to time. Revised Contract Specifications may be listed for trading by self-certification in accordance with CFTC Rule 40.2, sent electronically to the CFTC for receipt by the open of business on the business day preceding the Contract's listing, which shall include:
2. a description of the Contract and its rules related to its terms and conditions,
3. the intended listing date,
4. certification by the Exchange that the Contract to be listed complies with the CEA and the CFTC Rules thereunder,
5. a concise explanation and analysis of the product and its compliance with applicable provisions of the CEA, including core principles, and the CFTC Rules thereunder, including supporting documentation, and
6. certification that the Exchange posted a notice of pending product certification with the Commission on its Website with a copy of the submission, with confidential treatment requests as appropriate. The Exchange will permit trading only in Contracts that are not readily susceptible to manipulation.
7. **New Contracts**. To offer new products, the Exchange may request that the CFTC approve a new product prior to listing the product for trading. The submission to the CFTC shall be filed electronically in accordance with CFTC Rules 40.3 and include:
8. a description of the product with the rules that set forth the Contract's terms and conditions,
9. an explanation and analysis of the product and its compliance with applicable provisions of the CEA, including core principles, and the CFTC Rules thereunder, including documentation relied upon to establish the basis for compliance with the applicable law, or incorporate information contained in such documentation, with appropriate citations to data sources,
10. description of any agreements or Contracts entered into with other parties that enable the Exchange to carry out its responsibilities,
11. certification that the Exchange posted on its Website a notice of its request for CFTC approval of the new product with a copy of the submission,
12. a request for confidential treatment as permitted under CFTC Rule 40.8, if appropriate, and
13. the filing fee required in accordance with CFTC Rules. If requested by CFTC staff, the Exchange will provide evidence, information or data demonstrating that the Contract meets, initially or on a continuing basis, the requirements of the CEA, or other requirements for designation or registration under the CEA or the CFTC Rules thereunder. The Exchange shall submit the requested information by the open of business on the date that is two business days from the date of request by CFTC staff, or at the conclusion of such extended period agreed to by CFTC staff after timely receipt of a written request from the Exchange.
14. **Contract Listing**.
15. **Futures**. The Exchange may list up to twelve consecutive Contract expiries for all non-Perpetual Futures.
16. **Perpetual Futures**. The Exchange may list~~up to two quarter-century~~ Perpetual Futures ~~expiries per Contract, with the further dated Contract listed no sooner than one year prior to the next-to-expire Contract expiry.~~Contracts.
17. **Options**. The Exchange may list options with at least one strike at the underlying Contract's previous Settlement Price, rounded down to the nearest minimum strike interval. The Exchange may list additional strikes, at its discretion, on any trading day.

18. **Spot**. The Exchange may list spot Contracts that are offered subject to Rule 514.

19. **Swaps**. The Exchange may list Fully Collateralized Swaps that are accepted for clearing by the Clearinghouse.

20. **Contract Trading Termination**. Trading in a Contract shall terminate ("Trading Termination") on the Last Trading Day and time as follows or as otherwise specified in the Contract Specifications. If the Last Trading Day is not both a London and U.S. business day, trading terminates on the prior London or U.S. business day.

21. **Futures & Options**: 10:00 CPT on the trading day on the last Friday of the expiry month.

22. **Options Exercise**. Options expiry is European style unless otherwise specified in the Contract Specifications. Following Trading Termination, any options Contract that is in the money shall be automatically exercised by the Clearinghouse and any options Contract that is out of the money shall be abandoned by the Clearinghouse. For the avoidance of doubt, no such options Contract that expires in the money may be abandoned, and no such options Contract that expires out of the money may be exercised.

Rule 509: Settlement Prices

1. **Definitions**

- **Daily Settlement Period**: 14:55-15:00 CPT
- **Final Settlement Period**: Five minutes prior to Trading Termination
- **Settlement Period**: Daily or Final Settlement Period ~~- **Implied Spot Price**: The spot price implied by the futures curve.~~
- **Floating Market Price**: The first available of the following methods:
  1. The volume-weighted average price (VWAP) of all the trades during the Settlement Period.
  2. The time-weighted average price (TWAP) of the bid-ask spread midpoint during the Settlement Period.
  3. The price implied from the futures or options curve of which the Contract is a constituent:
  - **Futures**: Futures curve interpolation.
  - **Options**: Black-Scholes model based on the Settlement Price and 30-day volatility of the underlying Contract.
  4. The Contract's previous day's Settlement Price.
  5. Market data sources deemed acceptable by the Exchange.

2. **Daily Settlement**. The Exchange will provide the Clearinghouse with Settlement Prices at least once per day. The Daily Settlement price shall be determined at the end of the Daily Settlement Period.

3. **Final Settlement**. The Exchange will provide the Clearinghouse with the Final Settlement Prices at the end of the Final Settlement Period on the expiration day of the Contract.

4. **Sole Discretion**. The Exchange has sole discretion to determine an alternative Settlement Price if the stated Settlement procedure produces prices which are not representative of the fair value of the Contract. The Exchange reserves the right to adjust Daily and Final Settlement Prices as it deems necessary based on current market conditions or otherwise.

5. **Tick Alignment**. All Settlement Prices are rounded to the nearest tick.

6. **Futures & Swaps Settlement Prices**

7. **Physically (Delivery) Settled** - **Daily**: The Floating Market Price. - **Final**: The Floating Market Price.

8. **Financially (Cash) Settled** - **Daily**: The Floating Market Price. - **Final**: The underlying index price.

9. **Perpetually Settled**. - **Daily**: The median of (1) the ~~Implied Spot Price,~~underlying index price, (2) the Floating Market Price, and (3) the ~~Implied Spot Price~~underlying index price plus the simple moving average.~~- **Final**: The Implied Spot Price.~~

10. **Options Settlement Prices**

- **Daily**: The Floating Market Price.
- **Final**: The underlying Settlement Price.

Docs: Digital Asset Perpetual Pricing: Digital Asset Perpetual Pricing

Perpetual Futures Contracts are priced using a combination of the ~~[Implied Spot Price](/exchange/docs/market-operations~~ Price and the Funding Rate. The Funding Rate is calculated every eight (8) hours and is used to adjust the Perpetual Futures Contract Variation Margin. Perpetual Futures Contracts are perpetually settled to the ~~Implied Spot~~Index Price at the end of each funding interval and the adjustment is applied to the next Variation Margin. If the funding rate is positive, longs pay shorts; if negative, shorts pay longs.

The Index Price is the spot price [implied by the futures curve](/exchange/docs/market-operations/settlements/implied-sp or as otherwise specified in the product specifications.

Funding Rate Calculation

The Funding Rate is calculated every eight (8) hours. The Clearinghouse adjusts the Perpetual Futures Contract Variation Margin by the sum of the Funding Rates that occurred since the last Variation Margin cycle. When markets are closed, the Premium Index is carried forward from the last available period.

Funding Rate Intervals

- **Interval 1:** 7pm CT - 3am CT
- **Interval 2:** 3am CT - 11am CT
- **Interval 3:** 11am CT - 7pm CT

Funding Rate Formula

$$\mathbf{FR = avg(P) + clamp(IR - avg(P), -0.05\%, 0.05\%)}$$

Where: - **FR** = Funding Rate (applied to positions) - **IR** = Interest Rate = 0.01% (fixed rate) - **avg(P)** = Index Weighted Average Premium Index over the funding interval - **clamp(x, min, max)** = Constrains x to be between min and max values

Index Weighted Average Premium Index Calculation

$$\mathbf{avg(P) = (1/N) \times \Sigma^{n}_{i=1}\ i \times P_i}$$

Where: - **n** = 1920 (number of 15-second sample periods per 8-hour funding interval) - $\mathbf{P_i}$ = Premium Index at sample period i

Premium Index Formula

$$\mathbf{P = [max(0, CI_{bid} - S) - max(0, S - CI_{ask})] / S}$$

Where: - **S** = ~~Implied Spot~~Index Price~~of the Settlement Price Futures Contract~~ - $\mathbf{CI_{bid}}$ = Contract Impact Price for bid side - $\mathbf{CI_{ask}}$ = Contract Impact Price for ask side

Contract Impact Price Calculation

$$\mathbf{CI_{side} = [\Sigma^{b}_{i=1}\ (q_i \times p_i)] / [\Sigma^{b}_{i=1}\ q_i]}$$

Where: - **side** = either "bid" or "ask" - **b** = total book levels - $\mathbf{q_i}$ = Quantity at price level i - $\mathbf{p_i}$ = Price at level i

Settlement Price Calculation

$$\mathbf{SP = median(S, S + ma(S), ma(C))}$$

Where: - **SP** = Settlement Price - **S** = ~~Implied Spot~~Index Price~~of the Settlement Price Futures Contract~~ - **ma(S)** = ~~Implied Spot~~Index Price plus the 2.5-minute SMA - **ma(C)** = 2.5-minute VWAP or TWAP

Simple Moving Average (SMA)

$$\mathbf{ma(S) = (1/v) \times \Sigma^{v}_{i=1}\ [(p_{bid,i} + p_{ask,i}) / 2 - S_i]}$$

Where: - $\mathbf{v} = 10$ (Number of samples in the 2.5-minute window) - $\mathbf{p_{bid,i}}$ = Best bid price at sample i - $\mathbf{p_{ask,i}}$ = Best ask price at sample i - $\mathbf{S_i}$ = ~~Implied Spot~~Index Price at sample i

Exhibit 2

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List of Bitnomial Contracts Subject to Rule Changes

PSHBUNZ50 – Perpetual Shiba Inu US Dollar Myra Future
PBCHUSZ50 – Perpetual Bitcoin Cash US Dollar Standard Future
PXTZUKZ50 – Perpetual Tezos US Dollar Kilo Future
PDOTUHZ50 – Perpetual Polkadot US Dollar Hecto Future
PLTCUSZ50 – Perpetual Litecoin US Dollar Standard Future
PHBRUKZ50 – Perpetual Hedera US Dollar Kilo Future
PETHUIZ50 – Perpetual Ethereum US Dollar Deci Future
PSOLUSZ50 – Perpetual Solana US Dollar Standard Future
PXLMUKZ50 – Perpetual Stellar US Dollar Kilo Future
PADAUKZ50 – Perpetual Cardano US Dollar Kilo Future
PLNKUDZ50 – Perpetual Chainlink US Dollar Deca Future
PBTCUCZ50 – Perpetual Bitcoin US Dollar Centi Future
PDOGUKZ50 – Perpetual Dogecoin US Dollar Kilo Future
PAVXUDZ50 – Perpetual Avalanche US Dollar Deca Future
PAVEUSZ50 – Perpetual Aave US Dollar Standard Future
PXRPUHZ50 – Perpetual XRP US Dollar Hecto Future