

## FairX Equity Index Futures Settlement Methodology

### Daily Settlement

- Lead Month: primary contract for settlements with the expectation of having the most activity.
  - o EOD: 15:00 CT
    1. 1-min VWAP of futures contract rounded to the nearest tradable tick
    2. 1-min TWAP of futures contract midpoint of the Bid/Ask rounded to the nearest tradable tick
    3. Cash index value - (difference between previous day's cash index value and previous day's futures settlement)

Non- Lead Months: all other contracts not the lead month

- o EOD: 15:00 CT
  1. 1-min VWAP of futures contract rounded to the nearest tradable tick
  2. If the spread trades between 14:59:00-15:00:00 CT, then the spread VWAP is calculated, rounded to the spread's nearest tradable tick and then applied to the lead month settlement to derive the back month settlement.
  3. 1-min TWAP of futures contract midpoint of the Bid/Ask rounded to the nearest tradable tick
  4. Last spread trade price is applied to the lead month settlement to derive the settlement.
  5. Front month settlement value + (previous day's calendar spread).

**Note:** Relevant changes to settlement are highlighted.