Adjacent

Event Contract Benchmarking and Indexing

Adjacent Index Committee (AIC) Charter

2026-06

1. Purpose

This Charter sets forth the composition, responsibilities, and operating procedures of the Adjacent Index Committee (the "AIC") of Adjacent Markets, Inc. ("Adjacent"). The AIC is the primary governance body responsible for the design, administration, maintenance, and oversight of all prediction market indexes published or administered by Adjacent (each, an "Index" and collectively, the "Indexes").

2. Composition

2.1 Members

The AIC shall consist of no fewer than two (2) members. Members are appointed by the CEO and COO of Adjacent Markets, Inc. At least one member shall have substantive knowledge of event contracts, financial index construction, or quantitative methods.

2.2 Chair

The CEO and COO, or a member designated by the CEO and COO, shall serve as Chair of the AIC. The Chair is responsible for setting meeting agendas, presiding over meetings, and ensuring that decisions are properly documented.

2.3 Term

Members serve at the discretion of the CEO and COO and may be removed or replaced at any time. There is no fixed term length.

2.4 Conflicts of Interest

AIC members are required to disclose any actual or potential conflicts of interest in accordance with Adjacent's Conflicts of Interest Policy and Information Barrier Policy. A member with a material conflict with respect to a specific matter shall recuse themselves from any discussion or vote on that matter. Recusals are documented in meeting minutes.

2.5 Expansion

As Adjacent scales, the CEO and COO may expand AIC membership to include independent external members or advisors. Any such changes will be reflected in an updated version of this Charter.

3. Responsibilities

Index Design and Launch

- Approve the design and methodology of new Indexes prior to launch
- Ensure each new Index has a documented methodology that is rules-based, transparent, and consistent with Adjacent's design principles
- Approve the selection of data sources and calculation agents for new Indexes

Methodology Governance

- Review and approve all material methodology changes in accordance with the Adjacent Index Methodology Change Policy
- Approve or delegate approval of non-material methodology changes
- Conduct an annual review of all live Index methodologies
- Initiate stakeholder consultations on material changes where appropriate

Operational Oversight

- Approve rebalancing and reconstitution decisions for all live Indexes
- Oversee the quality and integrity of data inputs sourced from prediction market exchanges and other data providers
- Review and approve corrections and restatements in accordance with the Adjacent Index Corrections and Restatements Policy
- Make market classification decisions and resolve exceptions and edge cases not addressed by existing methodology documentation

Index Termination

- Review and approve Index termination proposals in accordance with the Adjacent Index Termination Policy

Governance and Compliance

- Oversee compliance with the Adjacent Index Governance Policy and all related policies
- Manage and record conflicts of interest disclosures
- Serve as the first-level review body for complaints escalated beyond standard resolution, in accordance with the Adjacent Complaints Handling Policy
- Maintain awareness of applicable regulatory requirements, including CFTC rules and guidance applicable to prediction market exchanges, and IOSCO Principles for Financial Benchmarks

4. Meetings

4.1 Regular Meetings

The AIC shall meet no less frequently than quarterly. Additional meetings may be called at any time by the Chair or any AIC member.

4.2 Quorum

A quorum consists of a majority of AIC members then serving. No formal AIC decision may be made without a quorum present.

4.3 Decision-Making

Decisions are made by majority vote of members present and constituting a quorum. The Chair has a casting vote in the event of a tie. In urgent circumstances, decisions may be made by written consent (including email) of a majority of AIC members, provided the decision and rationale are documented and ratified at the next regular meeting.

4.4 Format

Meetings may be held in person, by video conference, or by telephone.

5. Documentation and Recordkeeping

5.1 Minutes

The Chair (or a designated member) shall prepare written minutes of each AIC meeting. Minutes shall record: the date and attendees, matters considered, decisions made, the rationale for material decisions, and any recusals. Minutes shall be circulated to all AIC members for review and approval within ten (10) business days of the meeting.

5.2 Retention

Approved minutes and all supporting materials considered by the AIC are retained in accordance with Adjacent's record retention policies. Records are made available to the CEO and COO and, upon request, to stakeholders in accordance with the Adjacent Index Governance Policy.

6. Reporting and Escalation

The AIC reports to the CEO and COO of Adjacent Markets, Inc. The Chair shall promptly notify the CEO and COO of:

- Any material methodology change proposal
- Any Index termination proposal
- Any correction or restatement affecting a live Index
- Any actual or suspected breach of the Information Barrier Policy
- Any complaint that cannot be resolved through standard processes
- Any regulatory inquiry or external audit relating to an Index

7. Review and Amendment

This Charter is reviewed by the AIC and the CEO and COO at least annually. Amendments require approval by the CEO and COO. Material amendments are communicated to AIC members within ten (10) business days of adoption.

8. Contact

Questions or correspondence regarding this Charter may be directed to:

Adjacent Markets, Inc.

governance@adjacentresearch.xyz