

BetNet Market Rules and Statuses

Version: 2026-03-16

A) Date Definitions

- Close date: last date/time new bets are accepted.
- Event date: date/time the real-world event is expected to occur.
- Settlement date: date/time BetNet finalizes outcome and accounting.

B) Market Status Definitions

- DRAFT: proposed, not open.
- PREBET: commitments collected while launch criteria are pending.
- ACTIVE: open and live.
- LOCKED: betting closed before event date/time.
- IN_SETTLEMENT: event ended; outcome verification and adjudication are in progress.
- RESOLVED: outcome finalized and balances distributed.
- CANCELLED: market voided and refunded per policy.
- EXPIRED: pre-launch criteria not met before expiry.

Lifecycle note:

- Typical flow is PREBET -> ACTIVE -> LOCKED -> IN_SETTLEMENT -> RESOLVED.
- Class A markets may pass quickly through IN_SETTLEMENT.
- Class C markets may remain in IN_SETTLEMENT while arbitration is completed.

C) Market Class Definitions

- Class A: objective, highly verifiable outcomes with low interpretation risk.
- Class B: generally verifiable outcomes that may need interpretation.
- Class C: custom/subjective or higher-dispute-risk outcomes.

D) Creator Reward Rules

- Class A and Class B (no arbitrage): up to 1.0% of total stake.
- Class B (arbitrage) and Class C: 0.5% of total stake.
- Remaining allocated amount in arbitrated Class B and Class C markets is used to cover arbitration costs.

E) User-Created Markets

Users may create their own markets where allowed. Creator rewards are class-based and are subject to dispute handling outcomes.

F) Ambiguity and Cancellation

If source data is ambiguous, unavailable, compromised, or contradictory, BetNet may cancel any market in any status and refund all participants.

G) Legal Drafting Note

This policy draft should be reviewed by licensed counsel before production launch.