CF Digital Asset Index Family

Oversight Function Meeting Minutes (SUMMARY)

10 December 2025

Contents

1 Attendees & Quorum

Oversight Function: Lucia Pivetta

Administrator: Sui Chung

Administrator Compliance: Alise Kane

Conflicts of Interest: There being no new conflicts of interest the meeting began at 10:00 London Time.

2 Standing Items

Surveillance Alerts

The Administrator summarised the surveillance alerts that had been triggered and reviewed. The Administrator then went on to explain that some alerts were below materiality threshold and would not require further assessment. The Administrator noted a significant number of Surveillance Alerts occurring on October 10, 11, and 12, spanning across a wide range of asset pairs due to a significant market volatility.

The Administrator confirmed that not all surveillance alert write ups were populated at this time and will be shared in due course once fully investigated.

Assets Benchmarks

Assets Benchmarked (BMR definition) as of September 30th, 2025, remain below the €50bn threshold for "Significant Benchmarks".

Quarterly Metrics Reports

The Administrator provided an update on the Quarterly Metrics Reports and noted that some publication failures had been caused by the Potentially Erroneous Data (PED) parameter. The Administrator explained that this can occur where the mid-price of constituent exchange order books varies across exchanges, particularly for real-time indices where markets can become asynchronous. Because the Administrator consolidates order books across exchanges, data may be sampled at slightly different times, causing order book mid-prices and price discovery to become out of sync. The Administrator explained that, where markets are misaligned, the methodology does not allow the benchmark to be calculated reliably, and the PED parameter acts as a control by excluding affected input data.

The Oversight Function discussed the Administrator's tolerance for publication failures and the level of missing values shown in the metrics.

The Administrator explained that the key factor is understanding the root cause, including whether an issue is operational or driven by observed market input data. The Administrator noted that one individual exchange would not generally cause a publication failure; rather, such failures may occur where a group of exchanges exhibits price formation at variance with others. The Administrator stated that the number of missing values was considered small given that the benchmarks are calculated per second.

The Oversight Function also asked whether clients had been impacted or had contacted the Administrator to raise concerns, and whether a daily closing level would be available.

The Administrator explained that real-time indices do not have a daily closing price, while once-per-day benchmarks do. The Administrator also confirmed that, to date, it had not received any complaints in relation to observations made by the Oversight Fucntion.

CF Volatility Series

The Administrator confirmed CME experienced a data-centre outage that affected multiple markets, including cryptocurrency futures and options. CF Benchmarks team published 2 announcements on Statuspage, one about a potential delay in calculating Rolling CME Futures and CF Volatility Series Indices and a calculation failure of CF Bitcoin Volatility Index - Real Time.

CF Digital Asset Index Family - Multi Asset Series Ground Rules

The Administrator proposing to make an edit to the CF Digital Asset Index Family - Multi Asset Series Ground Rules Section 2 (The Investible Universe) to exclude privacy-focused digital asset from the investible universe.

The Oversight Function resolved on this change.

3 Annual Review of Constituent Staking Providers’ Conformance to the Constituent Staking Provider Criteria

The Administrator confirmed that it finalised the 2025 review of Constituent Staking Providers’ Conformance to the Constituent Staking Provider Criteria here. The Administrator determined all Constituent Staking Providers are in conformance with the published criteria.

The Administrator explained that staking reward rates are calculated using two approaches: one based on rewards observed across the relevant blockchain network, and another based on rewards generated by Constituent Staking Providers.

The Administrator explained that the use of two approaches supports replicability across different blockchain networks. On some blockchains, validators are broadly expected to achieve similar reward outcomes, while on others, including Ethereum, validator performance may vary depending on operational choices, skill and risk management. The Administrator noted that Ethereum may offer opportunities for higher rewards, including through MEV, but also carries risks such as slashing for errors. The Administrator therefore uses only a subset of staking providers, which are subject to this review process.

The Administrator also discussed the SwissBorg and Kiln incident and summarised the incident response steps taken by Kiln.

The Oversight Function scrutinised the Administrator’s analysis of Constituent Staking Providers and resolved that they continue to meet Criteria 2 through 4. The Administrator also recommended re-including Kiln as a Constituent Staking Provider for the CF ETH Staking Reward Rate. The Oversight Function resolved to approve the proposal.

4 Update on Administrators Constituent Exchange Review and Conformance to the Constituent Exchange Criteria

The Administrator introduced the item by reminding the Oversight Fucntion of the CF Constituent Exchanges Criteria and the manner in which the Administrator has verified and confirmed the conformance of Constituent Exchanges previously and the process it undertook for this annual review.

The Administrator explained that, as part of the review, the Compliance Officer engaged with all Constituent Exchanges and compared the findings against the prior year's review documents to identify any year-on-year changes. The Administrator noted that much of the information required for the review is publicly available, although exchanges' surveillance programmes require further engagement and review.

The Oversight Function asked whether the Administrator is required to ensure that input data is sourced from venues that meet AML and KYC expectations.

The Administrator explained that, while the FCA expects regulated firms to uphold AML and KYC requirements, and licensees commercially expect benchmarks to be based on venues with high standards, the Administrator considers that removal of AML and KYC criteria would not, in itself, result in non-compliance with the UK BMR.

The Oversight Function and the Administrator discussed the type of trading activity the Administrator monitors for and discussed how suspicious transactions are identified and monitored.

To conclude this Agenda item the Administrator noted that the CME CF Oversight Committee had already resolved that it had provided oversight of the Constituent Exchange Review and that all Constituent Exchanges remain in conformance with the criteria. The Oversight Function was therefore not asked to provide a separate resolution. The item was presented as confirmation that the annual 2025 Constituent Exchange Review had been completed.

5 Annual Review of CME as an Input Data Source

The Administrator introduced the next agenda item by explaining it currently administers three types of “regulated-data benchmarks”:

- CF Rolling CME Futures Indices
- CF Volatility Series
- CF Options Settlement Rate Series

The Administrator presented its findings and concluded:

- CME is confirmed to operate as a Designated Contract Market (DCM) and is classified as a Trading Venue under the Benchmarks Regulation (BMR) framework.
- CF Benchmarks does not independently monitor CME’s data for market abuse, as this is the responsibility of CME, which is already subject to oversight.
- HM Treasury and the FCA recognize CME as an equivalent venue, though it is not a “regulated market” under UK law.
- CME maps to UK BMR Article 3(1)(24)(ia)(aa) and meets the criteria for use of its data in regulated-data benchmarks.

The Oversight Function resolved that it has provided oversight of:
The CME review and that it is correctly identified as a Trading Venue as defined in Article 2(1)(16) of the Markets in Financial Instruments Regulation) in a third country. Input data sourced from the CME exchange meets the definition of ‘regulated-data”.

6 Launch of the Token Market Price Benchmarks Series and Documentation Review

The Administrator introduced the proposal to launch a new index family, the **Token Market Price Benchmarks Series (TMP)**, following demand from a licensee for benchmarks that use a broader range of input data sources than those currently utilised. The Administrator explained that the proposed family would differ from existing CF single asset benchmarks by allowing stablecoin-quoted markets, including USDT and USDC markets, to be eligible for inclusion alongside USD-quoted markets.

The Administrator explained that stablecoin-quoted markets are not equivalent to USD markets and that stablecoin input data would therefore be translated into USD using a real-time exchange rate derived from observed stablecoin-to-USD markets on contributed exchanges.

The Oversight Function asked whether this meant that the index formula would mix stablecoin and USD inputs.

The Administrator clarified that any stablecoin-denominated input data would first be converted into USD terms using a market-observed exchange rate, rather than assuming parity between the stablecoin and USD.

The Administrator also outlined proposed changes to the benchmark launch process for this new family. The observation period for new benchmarks would be reduced from 45 days to 7 days, which the Administrator considered sufficient given that the benchmarks are calculated once per second and would provide over 500,000 observations. The Administrator also noted that, in limited circumstances involving newly created tokens with no available historical data, a benchmark may be launched after it has been calculated successfully within the Administrator's systems for one hour.

The Administrator confirmed that the proposal would require new and amended documentation, including a methodology guide, contributed exchange criteria, benchmark statement, hard fork policy, Oversight Function Specifications and relevant policy updates.

The Oversight Function confirmed that they had reviewed the materials sent beforehand and had no further questions.

The Oversight Function is expected to resolve by email whether to approve:

1. The creation of the Token Market Price Benchmarks Series, together with its own methodology guide, contributed exchange criteria, hard fork policy and benchmark statement;
2. Amendments to the CF Oversight Function Specifications; and
3. The proposed changes to the Administrator's policies, processes and procedures.

The resolution to approve the above items was received after the meeting via an email.

7 Launch of SHIB USD Settlement Price for US Time Variant

The Administrator explained that it continues to receive interest from licensees that wish to see benchmarks that coincide with New York market close.

The Administrator and the Oversight Function analysed the suitability of SHIB USD for launching a US Settlement Price to the CF Digital Asset Index Family under the oversight of the CF Oversight Function and analysed the data sufficiency metrics. The Administrator the explained how the methodology works

The Administrator clarified that this index would measure the underlying economic reality of the exchange of U.S. Dollars for that token at 1600 New York Time, utilising input data from the existing CF Constituent Exchanges.

The Oversight Function resolved to provide oversight of the resultant US Settlement Price (SHIBUSD_NY) which Administrator shall seek to begin publishing shortly.

8 Administrator's Update on 2026 Audit

The Administrator updated the Oversight Function about its intentions to undertake an Independent Reasonable Assurance Audit in respect of the firm's control procedures that relate to compliance with the UK BMR.

9 A.O.B

It was confirmed Mr Ben Gregson will replace Ms Lucia Pivetta as the Oversight Function.

There being no further business the meeting was adjourned at 11:57 AM London Time.