



CF Digital Asset Index Family Oversight Function Meeting Minutes (SUMMARY)

February 6th 2024

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1 Attendees & Quorum

Oversight Function: Lana Sinelnikova

Administrator: Sui Chung

Administrator Compliance: Alise Kane

Conflicts of Interest: There being no conflicts of interest and no questions about the firm as well as its regulatory obligations the meeting began at 12:04 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 and the Oversight Function then discussed operational resilience, its impact on benchmarks and the application of Potentially Erroneous Data Parameter.

The Oversight Function had no further questions regarding these alerts.

Assets Benchmarked

The Administrator then confirmed that Assets Benchmarked as of December 29th, 2023, remain below the €50bn threshold and therefore CF Benchmarks indices will remain “Non-Significant”.

Quarterly Metrics Reports

The Administrator reminded the Oversight Function of the quarterly metrics reports that had been provided since the previous meeting and asked for questions and comments. The Administrator compliance stated the additional metrics were added to the report.

3 Annual Review of Constituent Exchanges Conformance to the Constituent Exchange Criteria

The Administrator introduced the item by reminding the Oversight Function of the CF Constituent Exchange 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 then went on to present its findings for each exchange individually. The Administrator summarised the information that was provided to the Oversight Function in the meeting agenda pack for each individual constituent exchange: Bitstamp, Coinbase, Gemini, Paxos itBit, Kraken and LMAX Digital. The Administrator also provided further details how certain Constituent Exchanges processes have evolved over time.

There were no questions on the contents for Bitstamp, Coinbase, Gemini, Paxos itBit, Kraken and LMAX Digital.

The Oversight Function resolved that it had provided oversight to the Administrator's review of the conformance of the Constituent Exchanges to the CF Constituent Exchange Criteria.

4 Two Index Incidents

The Administrator summarised the causes of two risk events which impacted CF Rolling CME Futures Indices and CF Staking Series. The Administrator also outlined a detailed remediation plan and how proposed measures would mitigate against the Administrator encountering such issues in the future.

The Administrator then confirmed that the impact was minimal and there was no direct client impact.

5 Launch of CF FTM-USD; IMX-USD; LDO-USD & SHIB-USD Settlement Prices & Spot Rates

The Administrator proposed for additional assets to be covered by the CF Digital Asset Index Family. The Administrator presented 4 Asset Pairs to the Oversight Function seeking to add both Settlement Prices and Spot Rates to the CF Digital Index Family.

The Oversight Function discussed transaction volumes published by Constituent Exchanges for 4 Asset Pairs and went on to analyse the data sufficiency metrics.

The Administrator and the Oversight Function concluded that proposed asset pairs should be monitored and the Oversight Function did not resolve to launch of Settlement Prices and Spot Rates for FTM-USD; IMX-USD; LDO-USD and SHIB-USD.

6 Review of proposed Changes to CF Digital Asset Index Family

The Administrator presented the Oversight Function with documents which are subject to an annual review by the committee, suggested changes were included as mark-up(s).

The Oversight Function discussed the changes to the documents, most of which were minor updates with no substantial changes in terms of their aims or approaches.

The Oversight Function resolved that it had reviewed the documentation and agreed to proposed changes for the following documents:

- CF Spot Rates – Methodology Guide
- CF Settlement Prices - Methodology Guide
- CF Digital Asset Index Family – Single Asset Series – Benchmarks Statement
- Oversight Function Specifications
- CF Staking Series - CF Staking Series Methodology
- CF Digital Asset Index Family Multi Asset Series - Ground Rules

7 Administrator's update on 2024 Audit

The Administrator updated the Committee 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.

8 A.O.B

The Administrator updated the Oversight Function about the progress it made since the last meeting in relation to potential candidates' search to join the Oversight Function.

There being no further business the meeting was adjourned at 13:24 London Time.