



CF Cryptocurrency Index Family

Oversight Function Meeting Minutes (SUMMARY)

November 21st 2023

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Attendees & Quorum

Oversight Function: Lana Sinelnikova

Administrator: Sui Chung

Administrator Compliance: Alise Kane

Conflicts of Interest

The Oversight Function confirmed that none of the agenda items presented a conflict and it was not subject to any conflicts of interest since Ms Sinelnikova was appointed as the Oversight Function to replace Mr Grant.

There being no conflicts of interest the meeting began at 1308 London Time.

1 Standing Items

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 then provided further details about its surveillance process and confirmed where necessary further details are requested from constituent exchanges and details are shared with the Oversight Function.

The Oversight Function had no further questions regarding these alerts.

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 Oversight Function and the Administrator then reviewed volume contributions and discussed low liquidity monitoring that was implemented by the Administrator.

The Administrator confirmed to the Oversight Function that it is due to issue RFP to potential auditors of the firm's compliance to UK BMR. Whilst the Administrator's policy was to conduct a BMR audit at no less than once every three years it is felt prudent to conduct its audit once every two years. The Administrator intention is to make the audit report available to the Oversight Function and to make it public as we have done previously.

The Administrator and the Oversight Function then discussed whether US Spot Bitcoin ETF's might get approve and how that will impact the Administrator's regulatory status and its obligations.

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

The Administrator informed the Oversight Function that it had begun the process for the annual review of Constituent Exchanges conformance to the Constituent Exchange criteria and would present its findings to the committee prior to the next meeting to consider.

The Administrator explained the review process and confirmed its process will be largely similar to previous years and explained that this year it added an additional question for exchanges review and provide responses to.

The Administrator and the Oversight Function also discussed the SEC complaints about Constituent Exchange making unregistered securities available to trade on their venues and the Administrator approach to such complaints going forward.

3 Launch of CF Staking Series Indices

The Administrator proposed for a new product series to be covered by the CF Digital Asset Index Family:

- CF ETH Staking Reward Rate Index
- CF ETH Staked Return Index
- CF Staked Return Index Blends

The Administrator confirmed that these benchmarks will be published once per day between 16:05 and 16:30 London time and provided further details about the products and its approach to monitoring attempts to manipulate these benchmarks. The Administrator then outlined conflicts of interest related to Staking Series Indices and explained how those conflicts will be managed.

The Oversight Function then reviewed the data sufficiency and resolved for a new product series to be added to the CF Digital Asset Index Family and for proposed products to be launched.

4 Low Liquidity Asset Assessment

The Administrator shared the results of the Low Liquidity Assessment with the Oversight Function and agreed on the approach going forward for asset which meet certain criterion.

The Oversight Function resolved on the low liquidity asset review process.

5 Annual Review of CF Cryptocurrency Index Family Documentation

The Administrator presented the Oversight Function with documents which are subject to an annual review by the Oversight Function, 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 Rolling CME Bitcoin Futures Index Methodology
- CF Rolling CME Ether Futures Index Methodology
- CF Rolling CME Bitcoin Ether Basket Futures Index Methodology
- CF Digital Asset Category Index Methodology
- CF Digital Asset Sector Composite Index Methodology
- CF Capitalization Series Methodology
- CF Settlement Price Methodology Guide
- CF Spot Rate Methodology Guide

6 Changes to CF Digital Asset Index Family Oversight Function composition

The Administrator and the Oversight Function discussed the Oversight Function composition.

The Oversight Functions resolved to expand the composition and membership of the Oversight Function.

7 A.O.B

There being no further business the meeting was adjourned at 14:46 London Time.