

Oversight Function Specifications

CF Cryptocurrency Index Family

Version:

7.6

Version Date:

17th January 2025

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1 Version History

Version	Date	Changes
1.0	14 th November 2018	N/A
2.0	7 th August 2019	Clarification
3.0	11 th September 2019	Update legal text with BMR registration
4.0	20 th May 2020	Update copyright
5.0	28 th July 2020	Additional responsibility of reporting misconduct to the relevant competent authority
6.0	13 th July 2022	Addition of definition of and responsibility for oversight of "Accepted Assets"
7.0	11 th September 2023	Update to Notice and Disclaimer Update to Contact Information Added clarification to Sections 2; 4; 5; 7 and 8 Update to the copyright date
7.1	13 th November 2023	Update to logo & format
7.2	20 th November 2023	Updated logo (AKC v2)
7.3	06 th February 2024	Updated Oversight Function tasks
7.4	10 th July 2024	Updated section 3 Constitution
7.5	02 nd September 2024	Updated section 7 Deliberation Frequency
7.6	17 th January 2025	Updated section 3 Constitution

2 Title

The name of the organ shall be the CF Cryptocurrency Index Family Oversight Function ("the Function" or "the Oversight Function"), as defined in Article 5 of the [EU Benchmark Regulation 2016/1011](#) (EU BMR) and the retained EU law in the UK ([The Benchmarks \(Amendment and Transitional Provision\) \(EU Exit\) Regulations 2019](#)) and Article 3 of the Level 2 Delegated Act 2018/1637 ([Commission Delegated Regulation \(EU\) 2018/1637](#)).

3 Constitution

The Oversight Function shall be undertaken on a permanent basis by an individual employed within the Payward Inc group of companies working within Legal/Compliance function that fulfils the below criteria:

- Not involved in the day-to-day provision of benchmarks
- Has the necessary experience of oversight roles to give independent and objective review and challenge to the management body of CF Benchmarks Ltd ("CF Benchmarks")
- Is subject to the *CF Benchmarks Conflict of Interest Policy*
- Currently the Oversight Function is comprised of one member

The Oversight Function meetings shall be attended by at least two members employed by CF Benchmarks:

- One that represents the Administrator
- One that represents the Administrator Compliance Function

4 Process for Removal, Replacement or Substitution

- The appointed individual shall only be removed, replaced or substituted by a resolution of the Board of Directors of CF Benchmarks
- Upon the removal of the individual undertaking the Oversight Function a successor shall be named immediately, where there is no appropriate individual that can immediately step in as a replacement then the Independent Non-Executive Director of the CF Benchmarks Board of Directors shall undertake the Function until a suitable permanent successor can be appointed¹

5 Scope

¹ The INED will relinquish board voting rights whilst fulfilling the Function

The Function shall provide oversight to all benchmarks that are members of the CF Digital Asset Index Family.

6 Purpose

To provide sufficient oversight and challenge ensuring that all benchmarks that are members of the CF Digital Asset Index Family are administrated through the codified policies of the Administrator that ensure benchmark integrity. This will be accomplished through regular deliberations of the Oversight Function.

7 Deliberation Frequency

The CF Cryptocurrency Index Family Oversight Function shall deliberate at least twice a year and additional ad-hoc meetings can be called, as required. The agenda of each deliberation shall be determined in advance so that appropriate analysis and data can be requested from the Administrator. For the purposes of a deliberation the Oversight Function may ask the Administrator to assign an individual with appropriate knowledge, skills and experience to provide additional input or context. Such individuals can be drawn from the Administrator in cases of understanding any of the mechanics in the benchmark administration process. Individuals may also be drawn from market participants where the Function is seeking further understanding of the underlying market.

Prior to the start of the meeting, meeting participants are reminded of the confidential nature of the meetings and required to disclose any conflicts of interest.

8 Tasks

The Oversight Function is tasked with carrying out oversight of the administration of the CF Cryptocurrency Index Family and includes the below:

Providing review and challenge to:

- Benchmark definitions for in scope benchmarks on no less than an annual frequency
- The **Methodology Assessment Analysis** for any additional benchmarks that the Administrator intends to launch as members of the family and for any in-scope benchmarks at no less than an annual frequency
- **Input Data Analysis** as provided by the Administrator for any additional benchmarks that the Administrator intends to launch as members of the family and for any in-scope benchmark at a minimum, on an annual basis for each in-scope benchmark
- The **CF Benchmarks Control Framework** at a frequency commensurate with the level of conflicts identified by the **CF Benchmarks Conflicts of Interest Policy** and recorded in the **CF Benchmarks Conflicts of Interest Register**

Providing oversight to:

- Any changes to the benchmark methodologies and ensure the Administrator conducts adequate consultation with stakeholders in instances of major methodology changes and benchmark cessation
- Any internally or externally conducted audits and monitoring the implementation of any remedial actions
- The Administrators use of any outsourced parties for the provision of the benchmarks
- Reviewing and approving the selection criteria applicable to Cryptocurrency exchanges and their admissible markets that contribute data relating to the CF Digital Asset Index Family (the “**Constituent Exchanges**” and “**Accepted Assets**”), approving the Constituent Exchanges, Accepted Assets and the process by which relevant submissions are made
- Reviewing *CF Settlement Prices Methodology Guide* and *CF Spot Rates Methodology Guide* on an annual basis or more frequently if necessary. Amongst other things, during such reviews the Oversight Function shall determine whether certain thresholds outlined within methodologies, such as but not limited to, Potentially Erroneous Data Parameter and Restatement & Republishing Threshold should require a substantial review and changes.
- The Administrators’ Restatement & Republishing Policy and determining its suitability to all benchmarks that are members of the CF Digital Asset Index Family
- The Administrators investigations of potential and actual benchmark manipulation

Reporting of any misconduct by the Administrator to the relevant competent authorities in accordance with Article 5 (3i) on the BMR.

9 Reporting

Summaries of agendas, deliberations and challenges addressed to the Administrator and resultant action points will be recorded and published.

10 Amendments & Review

This specification document may be amended from time to time with the approval of both the Oversight Function and the Board of Directors of CF Benchmarks.

Contact Information

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