CME CF Cryptocurrency Pricing Products

Hard Fork Policy

Version:

7.2

Version Date:

20th November 2023

Contents

1   Version History

Version	Date	Changes
1.0	December 2017	N/A
2.0	July 2019	Rebrand to CF Benchmarks
3.0	11th September 2019	Update legal text with BMR registration
4.0	20th May 2020	Make applicable to all indices in family, update copyright
5.0	31st July 2020	Updated definitions for: Original Token New Token
6.0	29th July 2022	Scope definition change to refer to CME CF Benchmark Statement
7.0	28th February 2023	Update to contact information and registered office address Update to the copyright date
7.1	13th November 2023	Update to logo & format
7.2	20th November 2023	Updated logo (AKC v2)

2   Scope

The CME CF Hard Fork Policy applies to all members of the CME CF Cryptocurrency Pricing Products.

3   Overview

Virtual currencies, such as Bitcoin, are built upon widely agreed "consensus rules", used to evaluate whether transactions on their respective blockchains are valid. Any change to these consensus rules must be implemented by all parties for the system to function, in particular by the entities validating transactions (miners).

When a group of entities make a change to the consensus rules, or resist making a change implemented by another group, a hard fork may occur, resulting in the creation of a new token.

The Administrator will evaluate any hard fork against a set of pre-defined criteria to determine whether it is significant.

4   Definition of a Hard Fork Event

A hard fork event has occurred if:

1. two or more diverging blockchains are in existence post-fork that share the same pre-fork blockchain,

2. the tokens on the post-fork chains are non-fungible across chains, and

3. the respective blockchains are actively mined such that transactions can be processed at reasonable speed.

5   Hard Fork Determination Criteria

For the purpose of index calculation and dissemination, a New Token will be deemed significant if it meets all the below criteria on at least 2 Days out of the first 7 Days following a hard fork.

1. The New Token Pair must be available to trade on at least 2 constituent exchanges.
2. There must be at least 100 trades in the New Token Pair across all constituent exchanges.
3. The New Token Pair trades at a price greater than or equal to 10% of the combined Price of both the Original Token Pair and the New Token Pair.

4. The Trading Volume of the New Token Pair must be greater than or equal to 10% of the combined Trading Volume of the Original Token Pair and the New Token Pair.

If a New Token is deemed significant, the Administrator will initiate the calculation and dissemination of an index on the New Token Pair. If a New Token is not deemed significant, such step is at the Administrator's discretion.

6   Definitions

Day: Any time period from 00:00 am to 23:59:59 pm London time.

New Index: A reference rate or real-time index representing the price of the New Token vs. the base currency of the Original Index.

New Token: The token that is recognised as the new token by the Constituent Exchanges through the markets operated for the trading of the asset, utilising a new trading symbol for the asset that was not in use before the hard fork event

New Token Pair: A trading pair representing the price of the New Token vs. the price of the base currency of the Original Index.

Original Index: A reference rate or real-time index representing the price of the Original Token vs. a specific base currency.

Original Token: The token that is recognised as the original token by the Constituent Exchanges through the markets operated for the trading of the asset, utilising the same trading symbol for the asset as before the hard fork event

Original Token Pair: A trading pair representing the price of the Original Token vs. the price of the base currency of the Original Index.

Price: The volume-weighted average price of a token across all constituent exchanges on a given Day.

Trading Volume: The total combined notional trading volume in the respective base currency of a token across all constituent exchanges on a given Day.

Contact Information

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