



CME CF Cryptocurrency Pricing Products Oversight Committee Meeting Minutes (SUMMARY)

February 08th 2024

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1 Attendees & Quorum

Chair: Payal Shah

MR: Maximilian Ruscher

MM: Michael Moro

TS: Timo Schlaefer

WK: William Knottenbelt

TU: Thomas Uhm

MB: Max Boonen

LS: Lana Sinelnikova

Administrator: Sui Chung (CEO)

Administrator Compliance: Alise Kane (Compliance Officer)

Conflicts of interest: There being no conflicts of interest the meeting begun at 14:34 after quorum was declared.

2 Standing Items

Chair introduced new appointed members of the Committee and each new Committee member described their knowledge, skills and experience.

The Administrator provided the committee with reports for Surveillance Alerts that triggered since the previous meeting to which there were 24.

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

The Committee then discussed approved Spot Bitcoin ETF’s and their impact on the Administrator. It was concluded that although AUR are growing, CF Benchmarks will not breach €50bn threshold in the near future given that those approved Spot Bitcoin ETF’s are only available in the US.

The Committee then reviewed metrics reports and the Administrator stated the additional metrics that were requested during the previous meeting 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 committee of the CME 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 committee 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 Committee resolved that it had provided oversight to the Administrator's review of the conformance of the Constituent Exchanges to the CME CF Constituent Exchange Criteria.

4 Review of Proposed Changes to CME CF Cryptocurrency Documentation

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

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

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

- CME CF Cryptocurrency Real Time Indices – Methodology Guide
- CME CF Cryptocurrency Reference Rates - Methodology Guide
- CME CF Cryptocurrency Reference Rates – Benchmarks Statement
- CME CF Oversight Committee Founding Charter

5 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.

6 A.O.B

The Administrator is looking to extend its current product offering and wishes to propose the launch of Multi Asset Indices under the CME CF Cryptocurrency Pricing Products family. The Committee was asked to consider the proposal and provide feedback.

The Administrator explained that constituents will be the exiting Reference Rates and Real Time Indices from the CME CF Cryptocurrency Pricing Products family, the Committee will be requested to consider and approve constituent weighting methodology.

The Committee asked further questions about the Administrator's approach to cryptocurrencies that might be treated by the SEC as securities and a Committee member raised a potential Conflict of Interest. The Committee members stated that he might not be able to discuss any proposals in relation to Multi Asset Indices, further details will be provided during the next meeting.

The Administrator stated that at the next meeting the Committee will be provided with foundational framework and draft methodologies.