



CMBI Statement of Index Principles

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Coin Metrics strives to set the standard for cryptoasset markets by providing the most comprehensive and informative suite of cryptoasset data products to enable informed investment decision making. The Coin Metrics Bletchley Indexes (“CMBI”) support this vision by serving as an independent, transparent, and comprehensive measure of cryptoasset market performance and network activity.

The CMBI Indexes are designed to provide a wide and diverse array of financial instruments to markets, including single asset, market capitalization-weighted, equal-weighted and network data-weighted indexes, to track the performance and network activity of the largest and most utilized global cryptoassets.

Through aligning the CMBI Index suite with the principles described below, Coin Metrics, as the administrator of CMBI Indexes, hopes to bring traditionally aligned standards and greater transparency to cryptoassets during the early stages of their lifecycle. This ensures that the indexes are designed to accurately represent cryptoassets and remain relevant in the presence of rapidly changing market conditions.

All the publicly available and published documentation listed below is designed to bring transparency and present a comprehensive representation of current cryptoasset markets:

- All CMBI Index Methodology documentation
- CMBI Free Float Adjustment Methodology
- CMBI Fork Legitimacy Policy
- CMBI Operational Policies

Unfortunately, in the rapidly evolving cryptoasset asset class, unforeseen and unpredicted circumstances may arise that could impact index construction, index calculation, or treatment of particular constituents within an index. The CMBI Index Principles described herein will act as a reference and the basis for the design of future CMBI Index products and the treatment of unforeseen market conditions or circumstances that may arise. Unforeseen conditions and circumstances that may potentially impact Indexes will fall into two primary categories:

1. One-off events that are exceptionally unlikely to reoccur - The treatment for these events will be classified as expert judgment made by the Coin Metrics Index Committee and not be formalized in future policy documentation.
2. Potentially recurring events - To the extent that such events may arise again, the treatment will be formalized in relevant methodology or policy documentation.

Decisions that are made retroactively to an event will be subject to the Expert Judgment Policy and subject to review by the Index Oversight Committee.

This Statement of Index Principles is reviewed annually by the Index Committee and presented to the Oversight Committee for official approval.

The following Index Principles apply to all CMBI Indexes.

Principle 1 - Investability

The CMBI Indexes have been constructed to accurately represent the underlying cryptoasset market as outlined in the methodology of each index. Every aspect of the CMBI Indexes, including input data selection, index composition determination, and information dissemination has been designed to overcome the real-world challenges that market participants face when investing in the cryptoasset market. Index design and compositions will be reviewed routinely as outlined in the methodology of each index to ensure the indexes continue to achieve their stated goals, remain investable, and minimize unnecessary changes and administration.

To further promote investability, cryptoasset corporate event treatment has been designed to reflect the expectations of investors, the actions of asset managers, and the experience of the cryptoasset community to best represent the reality of an investment portfolio.

Principle 2 - Transparency and Replicability

Coin Metrics strives to provide transparency into the design, calculation and dissemination of information across all of our indexes. All index methodologies are published publicly and include detailed descriptions of index constituent selection processes, calculations used to determine index values, data sources leveraged for index determination, index communication channels and calendar information for all index-related events (e.g. rebalances). Where possible, CMBI has selected index data sources that are publicly available. However, where there are data limitations within the market, Coin Metrics may elect to develop or use proprietary data to maintain the investability and reliability of indexes.

In doing so, all index users should have the required information to readily understand the index methodologies and be able to replicate all calculations for themselves.

Principle 3 - Independence

Coin Metrics is an independent data provider empowering our clients and the public to better understand, value, use, and ultimately steward public crypto networks. The CMBI Indexes are designed to provide independent and transparent index solutions to the cryptoasset investment community without considering the individual interests of any one party or interest group. All index methodologies, calculations and policies have been designed to be applied uniformly and consistently to incorporate the interests and views of all index users to the extent possible.

Contact Information

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