

Tassat Index Administration Oversight Committee Charter and Selection Criteria

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1. Introduction

Tassat acts as index administrator for the Tassat Fixing Price family of indices (XBTFixing and ETHFixing). As an index administrator, Tassat is fully compliant with all principles in the IOSCO Principles for Financial Benchmarks (July, 2013). A primary part of the governance framework for index administrators is an Oversight Committee that is largely independent. This document details the responsibilities of the Oversight Committee and the criteria by which members of the committee are selected.

2. Structure of the Committee

The Tassat Index Administration Oversight Committee is comprised of five members, three of which are not employees of Tassat or its affiliated companies. All members are voting members. The three non-Tassat members of the committee are appointed for three years terms with offset cycles such that one seat comes up for re-appointment each year (for the first cycle of appointments, one member will serve a one year term and one member will serve a two year term). This rotation ensures a degree of continuity to the committee.

Once each year just after the appointment of new members, the committee will select a member to serve as chairman for the following year by majority vote. The chairman will appoint a secretary who will be responsible for recording minutes of the meeting and any decisions made by the committee.

Appointments to the oversight committee may be terminated by either party with at least 30 days written notice.

The committee will meet as often as the chairman deems necessary, but not less than twice per year. These meetings may be held virtually if physical meeting is not convenient. The primary purpose of these semi-annual meetings will be to review any significant events or decisions made during the past half year and to re-affirm that the indices are representative of the underlying interests they seek to measure.

Minutes of each meeting will be retained for a minimum of seven years.

3. Responsibilities of the Oversight Committee

In addition to the regular semi-annual meetings, the committee's responsibilities will be:

- Responding promptly to any communications from the index administrator seeking guidance or notifying the committee of actions taken
- Evaluating and voting on the following matters:
 - Ratification of the index administrator's selection of replacement data sources when an existing data source has been removed for any reason. The index administrator will provide the rationale for both the removal of the existing data source and the choice of the replacement. During this process both the administrator and the oversight committee should hold to the core principles of data source selection detailed in the index methodology document.
 - Any material change to the methodology proposed by the index administrator. While discussing such a proposed change, the committee should bear in mind the IOSCO Principle for Financial Benchmarks (July, 2013) and ensure that the new methodology, if approved, will maintain a high level of compliance with the Principles.
 - Two-week advanced notice will be provided to stakeholders of the proposed change, and comments will be solicited from stakeholders.
 - After reviewing all comments received, the committee will vote on the proposed change.
 - The committee will respond to specific comments as it deems necessary.
 - Proposed cessation of any index.
- Responding promptly to any formal complaint which the index administrator has escalated to the committee.
- Regularly reviewing and evaluating conflict of interest disclosures (including their own) and the efficacy of the Conflict of Interest Policy in mitigating their potential for affecting index determination.

Records of all activities of the oversight committee shall be kept for a minimum of seven years.

4. Voting Policy

Any decisions by the committee will be made by majority vote. If the entire committee is not available, decisions may be made by a quorum of at least 3 members.

If there is an even number of committee members voting on proposal and the vote ends up tied, the committee will attempt two re-votes with appropriate debate prior to each. If at the end of two re-votes the vote is still tied, the chairman will cast the tie-breaking vote.

The chairman of the committee will notify the index administrator of any decisions made immediately upon conclusion of the meeting. If the chairman is not participating in the meeting, the members present will delegate a member to notify the index administrator.

5. Selection Criteria for the Oversight Committee

The committee will always be composed of one Tassat employee and four independent members.

Independent members of the committee will be nominated according to the following criteria and guidelines:

- When possible, the committee will have one member from academia focused in the fields of digital assets, economics, monetary theory, or financial index modelling.
- The remaining three members will have expertise in the fields of cryptocurrencies and / or financial index management.
- Conflicts of interest will be looked at during the selection process. To facilitate this, any individuals identified as potential members must disclose all conflicts of interest during the selection process if they wish to be considered.
- Existing conflicts of interest will not be a disqualifying factor for selection as long as it is felt that they can be managed.